

# Brexit Flash

January 2019

## Czech Brexit law will help British nationals legalise their stay in the Czech Republic and access Czech labour market while further effects of Brexit remain unclear

London has drawn public attention in the recent months more than ever as 29 March 2019 is unstopably approaching while all the consequences of Brexit are still not clear. In case one of the most influential current EU members leaves the EU without an agreement, the Czech government adopted a draft of a Brexit law<sup>1</sup> (“Czech Brexit Law”) in its session on 7 January 2019; the law should temporarily mitigate the potential impact of the UK’s exit.

It is assumed that the draft of the Czech Brexit law will be adopted without any longer legislative delays. The Czech Republic expects that in exchange the UK will take a similarly mindful approach to Czech citizens who live in the country.<sup>2,3</sup>

The advantages laid down by the Czech Brexit Law will cease after 31 December 2020 at the latest, if at any time before this date the agreement on the conditions of the UK’s withdrawal from the EU under Article 50(2) of the Treaty does not enter into effect.<sup>4</sup>

### Immigration law issues

The adoption of the Czech Brexit Law is undoubtedly a positive message primarily to UK citizens who live in the Czech Republic as it treats their immigration status in a mindful manner. In line with the previous recommendation of the Czech Ministry of Interior<sup>5</sup> it expressly lays down that UK nationals to whom a certificate of temporary stay is granted at any point before the effective date of the Czech Brexit Law or who apply for such a certificate during the same period will be authorised to temporarily stay in the Czech Republic (under conditions set out further in the law). In other words, they will

face no changes (although temporarily only). The Czech Brexit Law is similarly friendly to family members of UK nationals.

**Despite the aforementioned, it can only be recommended to UK nationals to review their current stay in the Czech Republic and/or to timely apply for a permanent residence permit or even Czech citizenship.**

On the labour market, workers in a basic employment relationship (i.e. those working under employment contracts or one of the agreements on work performed outside employment) under the Labour Code who started to work before the effective date of the Czech Brexit Law will be released from the duty to obtain one of the relevant “work permits”.<sup>6</sup>

The above does **not apply** to UK citizens who are **spouses/partners of Czech** citizens. They will continue enjoying a more advantageous position similarly as spouses/partners of people from third countries currently do.<sup>7</sup> However, they should also consider **applying for a permanent residence permit** and/or Czech citizenship.

### Further consequences of Brexit

Brexit and consequently the Czech Brexit Law may have much wider consequences than just legalisation of stay and access to the labour market. It also affects building society savings accounts or supplementary pension insurance, taxes, gambling, financial services, education, use of pharmaceuticals, etc. Should you be interested, our specialised teams will be delighted to provide you with more detailed information.

<sup>1</sup> A draft of the government bill on regulation of certain relationships in connection with exit of the United Kingdom of Great Britain and Northern Ireland from the European Union adopted by government resolution no. 3/19 of 7 January 2019.

<sup>2</sup> See <https://www.mvcr.cz/clanek/ministerstvo-vnitra-pripravilo-brexitovy-zakon-pro-pripad-tvrdeho-brexitu.aspx?q=cHJuPTE%3d>.

<sup>3</sup> For the purposes of this article we assume that the Czech Brexit Law will be adopted by 29 March 2019 at the latest.

<sup>4</sup> See Section 30(2) of the draft of the Czech Brexit Law. However, provisions of Section 4(6), Section 9, Section 12(2), Sections 18 to 21 and Section 23(3) will continue in force even after this date.

<sup>5</sup> See the First and Second Recommendation of the Czech Ministry of Interior available (on 9 January 2019) at: <https://www.mvcr.cz/clanek/sluzby-pro-verejnost-informace-pro-cizince-informace-pro-cizince.aspx>.

<sup>6</sup> I.e. a work permit, an employee card, an intra-company employee transfer card or a blue card (as applicable).

<sup>7</sup> Nationals of non-EU and non-EEA countries.

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