



## What the food and drink industry needs to know about preparing for a no deal EU exit



March 2019

## What you need to know

If the UK leaves the EU without a deal on 29 March, there will be changes that affect your food and drink business.

## What will change?

- Exporting and importing process
- Food labelling rules and requirements
- Geographical indications recognition and labelling
- Organic recognition and labelling
- Seasonal and migrant labour rules

The food and drink industry - preparing for a no deal EU exit

# Where you can find more information

More information regarding details within this document can be found in the comprehensive EU exit information and guidance online:

Food and Drink Sector Guidance: Visit <u>www.gov.uk/defra/brexit-food-drink-sector</u>

#### HMRC Partnership Pack:

Changes at the UK border in a no deal scenario Search 'Partnership Pack' on <u>gov.uk</u>.

#### EU Citizens:

Settled Status Scheme Search 'Settled Status' on <u>gov.uk</u>.

#### Import and Export Guidance:

Search 'Animal import export' on gov.uk.

#### Contact us:

defra.helpline@defra.gsi.gov.uk

## Actions to take

#### **Exports**

- Read the export guidance on gov.uk.
- Register for an Economic Operator Registration and Identification (EORI) – without this you will not be able to trade with the EU.
- Familiarise yourself with the HMRC guidance on customs requirements for exporting to the EU.
- Contact your import agent/importer in the EU and ensure that for live animals and Products of Animal Origin (POAO), they have pre-notified your consignment on TRACES; and that they have completed all required customs procedures.
- Be aware of any import tariffs that may be applied by the EU.
- Exporters of live animals and POAO, including fish, shellfish, crustaceans and fish products, will need an Export Health Certificate (EHC) in advance, which must be signed off by an authorised signatory. These EHC forms are now available to download on gov.uk.
- ☐ If you export fish, shellfish, crustaceans or fish products from the UK to the EU, you will need a catch certificate to show your fish, shellfish, crustaceans or fishery products were caught legally.
- Exports of live animals and POAO, including fish, shellfish, crustaceans and fish products to the EU will need to be routed via an EU border inspection post (BIP) approved for the appropriate category. Make sure your EU-based import agent has notified the BIP that your consignment is arriving (at least 24 hours in advance for live animals). There is a list of BIPS on gov.uk. There is currently no BIP at Calais, although French authorities anticipate these to be operational by the end of March 2019.

## Imports

Read the import guidance on gov.uk.

Register for an Economic Operator Registration and Identification (EORI) – without this you will not be able to trade with the EU.

- Be aware that there may be import tariffs applied by the UK.
- Be aware that importers will no longer have access to the EU's import system TRACES (Trade Control and Expert System). There will be a new import notification system, the Import of Products, Animals, Food and Feed System (IPAFFS). Importers will need to pre-notify the import of live animals, products of animal origin, animal by-products, germplasm, fish, fishery products, shellfish, crustaceans or high risk food and feed not of animal origin from non EU third countries on this system. You will need to pre-register on IPAFFS before 29 March.
- Be aware that IPAFFS is being released in phases and will be available for non-EU imports in time for 29 March. For live animals, germinal products and animal products (that are not food) from the EU, there will be a manual process (not IPAFFS) in place until the end of the summer. Further information will be available shortly.
- If you import high risk food and feed from the EU, you will need to pre-notify the UK of any goods coming to the UK from summer 2019. This will be completed via a separate process and further information will be available in advance.
- You will need to import these products, via a UK border inspection post (BIP) approved for these products, giving them advance notice. This is as now, except for goods currently transiting the EU, which will need to be re-routed.

## Labelling

The EU emblem must not be used on goods produced in the UK unless a company has been authorised by the EU to do so.

#### If you are a domestic producer:

□ It will be inaccurate to label UK food as origin 'EU'. For the UK market additional information such as signage in shops and online information can help clarify to the consumer the origin of the food.

#### If you are exporting to the EU:

- You must include an EU address for the food business operator (FBO) or EU importer on pre-packed food.
- Health and ID mark prefixes used to label UK products of animal origin must carry either: the official two-digit ISO Code ('GB') or the full country name in capital letters ('UNITED KINGDOM').

It will be inaccurate to label UK food as origin 'EU'.

#### If you are importing from the EU:

❑ You must include a UK address for the food business operator (FBO) or UK importer on pre-packed food sold in the UK. The UK Government is aiming to give businesses until December 2020 to make this change.



## **Organics**

- □ If you grow, process or import organic food for trade within the UK, you will still need to be certified by an approved UK organic control body.
- □ If you are a UK organic producer, you will not be able to export UK organically certified products to the EU unless we achieve recognition from the EU.
- The UK is working with the European Commission to agree a reciprocal recognition arrangement which will benefit organic trade and traders. We will ask your organic control body to notify you if this is achieved.
- The UK will continue to recognise EU organics and has proposed that no additional checks are required for EU organic food and feed. Third country transit organics will have to enter via a BIP, under a procedure which may require re-routing.
- You must not use the EU organic logo on any UK organic food or feed, unless the UK and EU reach an equivalency arrangement before exit day.

## **Geographical indications**

- If you produce or market agri-food products with a Geographical Indication (GI) on your packaging, you should change this to reflect the new UK GI scheme. Holders of spirits drinks GIs are not required to adopt and display the new UK GI scheme logo.
- To minimise the impact on business, there will be a 3 year adoption period for the UK GI logos. From 29 March 2022, the UK logo must be displayed on the packaging of all GI agri-food products on sale in the UK.
- □ In the event that the EU takes steps to remove UK GIs from the EU registers, you may need to reapply to the European Commission to regain EU protection and the right to use the EU GI logo.

## **EU Workforce**

- Talk to your workforce about what they will need to do to continue working, living or studying in the UK after we leave the EU. You can use the EU Settlement Scheme employer toolkit to give further information to your employees.
- If you employ EU workers, inform them about the need to apply to the EU Settlement Scheme to get settled or pre-settled status – open to applications from 30 March 2019. Applicants need to be a UK resident by 29 March and will have until 31 December 2020 to apply.
- Be aware that EU citizens can continue to enter the UK and take up work in 2019 and 2020, including seasonal or temporary work.

