

### The EU-UK Trade and Cooperation Agreement Agricultural issues

#### Stock taking of Civil Dialogue Groups-Brexit

07/01/2021

### Agenda

- 1. Opening
- 2. EU-UK Trade and Cooperation Agreement Part 1
- 3. WTO TRQ apportionment negotiations
- 4. EU-UK Trade and Cooperation Agreement Part 2
- 5. Implementation of the Withdrawal Agreement
- 6. Market situation
- 7. AO





#### 2. Trade and Cooperation Agreement – Part 1

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### Annex TBT 4 – Organic products

- EU-UK equivalence recognition
- Legal basis:
  - Based on Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91
  - In view of entering into force on 1<sup>st</sup> January 2022 of Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007:
    - Recognition of equivalence to be reassessed by each Party by 31 December 2023 with the possibility to suspend the recognition if equivalence is not confirmed by a Party.



### EU-UK Equivalence Recognition on Organics

- Scope:
  - Unprocessed plant products produced in the Union and UK respectively
  - Live animals or unprocessed animal products (including honey) produced in the Union and UK respectively
  - Aquaculture products and seaweeds produced in the Union and UK respectively
  - Processed agricultural products for use as food, processed in the Union and UK respectively with ingredients that have been grown in the Union and UK respectively, or that have been imported into the Union and UK respectively in accordance with the Union and UK laws and regulations respectively
  - Processed agricultural products for use as feed processed in the Union and UK respectively with ingredients that have been grown in the Union and UK respectively, or that have been imported into the Union and UK respectively in accordance with the Union and UK laws and regulations respectively



• Seeds and propagating material produced in the Union and UK respectively

### **EU-UK Equivalence Recognition on Organics**

#### • Import and placing on the market

- Each Party accepts the import into its territory of the products covered, and the placing of those products on the market as organic products, provided that those products comply with the laws and regulations of the other party and are accompanied by a certificate of inspection issued by a control body recognised by the other party
  - No obligation for EU organic products imported into UK before 1<sup>st</sup> July 2021 to be accompanied by a certificate of inspection
- Each Party recognises the control authorities or control bodies indicated by the other Party as responsible for performing the relevant controls as regards organic products covered by the recognition of and for issuing the certificate of inspection with a view to their import into and placing on the market in the territory of the other Party.



### **EU-UK Equivalence Recognition on Organics**

#### • Labelling:

- Products imported into the territory of a Party in accordance with this Annex shall meet the requirements for labelling set out in the laws and regulations of the importing Party.
- The products may bear the Union's organic logo, any United Kingdom organic logo or both logos, as set out in the relevant laws and regulations, provided that those products comply with the labelling requirements for the respective logo or both logos



### Annex TBT 5 – Trade in wine

- Scope: wine falling under heading 22.04 of HS
- Objective: facilitate trade in wine between the parties
- Mutual authorisation of importation and sale for consumption of wine produced according to:
  - each other's definitions
  - > oenological practices in line with OIV
  - Additional OP not in line with OIV are also listed



### Trade in wine - certification

- Simplified certification for wine produced in the territories of the Parties
  - Self-certification by operators on conformity and quality of wine (no need for analysis report by a recognised laboratory)
  - Possibility of electronic certification
  - Template (appendix C) published in Commission website <u>https://ec.europa.eu/info/sites/info/files/food-farming-</u> <u>fisheries/key\_policies/documents/template-eu-uk-certificate.pdf</u>



### Trade in wine - labelling

- Importing Party rules apply
- No Party shall require date of packaging, bottling, production, expiration, minimum durability, sell-by-date
- Lot codes to be clearly visible, legible and indelible
- Possibility of displaying mandatory information by stickers
- No allergen labelling for allergens used in production but not present in the wine



#### Trade in wine - other issues

- Transitional measures: wine produced and labelled on 1 Jan 2021 in accordance to EU rules can continue to be placed on the market
  - By wholesalers/producers for two years
  - > By retailers until stock exhaustion
- Exchange of information and cooperation on wine matters
- Review to consider possible steps to facilitate trade



### **Geographical indications**

- Art. 54(2) WA:
  - ➢ protection in the UK of the stock of EU GIs, TT and TSGs registered by 31 Dec 2020
  - ≻ Level of protection: at least as EU law
  - > No re-examination, no fees
  - > "Unless and until" it is superseded by a new agreement
- TCA: No provisions on protection of future GIs but possible revision in future (Article IP.57)





#### 3. WTO TRQ apportionment negotiations

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# TRQ apportionment: principles and Regulation

- Fair, coherent, objective and transparent
  - Maintain current levels of access for others to EU27+UK market
  - Apportionment of all WTO TRQs and of full TRQ size, common methodology
  - based on robust data over a representative period
- Commission Implementing Regulation (EU) 2019/386 of 11 March 2019 laying down rules with regard to the apportionment of tariff rate quotas [as amended by COM IMPL Reg (EU) 2020/2099]...
  - <u>https://eur-lex.europa.eu/legal-</u> content/EN/TXT/?uri=uriserv:OJ.L\_.2019.070.01.0004.01.ENG
- Commission Implementing Regulations (EU) 2020/761 and (EU)
  Commissio
  2020/1988

### TRQ apportionment: 'straddling' quotas

- Commission Implementing Regulation (EU) 2020/2099 of 15 December 2020 amending Implementing Regulation (EU) 2019/386 as regards the specific rules for the apportionment of tariff rate quotas in respect of which the quota period is ongoing (...)
  - <u>https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32020R2099</u>
  - Within **two working days** (...), the Commission shall **publish**, by means of an appropriate web publication, the quantities available for each tariff rate quota (...).
- <u>https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/market-measures/trqs\_en</u>



			EU 27 - TRQ - Av	vailable quant	tities for allo	cation on 1 J	anuary 2021		
Situation date: 31-12-2020			Quantity = KG				* as from Regulation 2019/386	** these figures may change due to carry over of non allocated or unused quantities	
Until 31/12/2020							As from 1/01/2021		
TRQ n*	Description	EU 28 TRQ full quantity	Sub-periods	EU 28 TRQ quantity already allocated	UK TRQ quantity already allocated	EU 27 TRQ quantity already allocated	EU 27 apportionment % *	Sub-periods	EU 27 TRQ quantity to be allocated for the remaining quota period **
09. <mark>4</mark> 451	High Quality beef from	7.150.000	July 2020 - December 2020	920.322	207.106	713.216	34,699301%	Jan - June 2021	1.767.784
09.4450 - subquota 1 09.4450 - subquota 2	High Quality beef from Argentina	29,500.000	July 2020 - December 2020	8.847.488	154.476	8.693.012	99,623729%		
	High Quality beef from		July 2020 - December 2020	6.463.176	112.846	6.350.330	100,000000%	Jan - June 2021 Jan - June 2021	8.199.512 5.989.824
09. <mark>4</mark> 452	High Ouality beef from	6.376.000	July 2020 - December 2020	3.435.208	293.860	3.141.348	87,923463%	Jan - June 2021	2.464.652



### TRQ apportionment

 Article GOODS.18 (Trade and Cooperation Agreement between EU and UK) Use of existing WTO tariff rate quotas

1. Products originating in one Party shall not be eligible to be imported into the other Party under existing WTO Tariff Rate Quotas ('TRQs') (...)

- Soon, amendments to
  - Commission Implementing Regulation (EU) 2020/761
  - Commission Implementing Regulation (EU) 2020/1988
  - Commission Regulations (EC) No 218/2007 and (EC) No 1518/2007





#### 4. Trade and Cooperation Agreement – Part 2

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### **EU-UK Trade & Cooperation Agreement**

#### Chapter on Sanitary and Phytosanitary measures

AGRI Civil Dialogue – 7 January 2021

### **Principles**

- Reaffirm and where appropriate go beyond WTO SPS Agreement (SPS + elements) to ensure SPS requirements do not entail disproportionate obstacles to trade;
- Ensure transparency on SPS requirements;
- Establish cooperation in areas of common interest;
- Establish a mechanism to review SPS measures, discuss concerns and implement aspects of the Chapter;
- Possibility to adopt emergency and provisional measures.
- → Parties establish unilaterally their import requirements and procedures

European Commission

### Main trade related elements

- EU-single entity:
  - Same certificates for all EU Member States;
  - Authorisation procedures (in case required for in the future for further products):
    - Possibility for EU-wide authorisation;
    - Expedited procedure for a Member State if another Member State already authorised.
- Regionalisation: Measures in place at the end of transition period continue to be recognised unless significant change in situation. Expedited process for recognition of new regionalisation measures;
- Listing of establishments: Pre-listing by the competent authority of the exporting party;
- No pre-clearance inspections of consignments by the importing Party in the territory of the exporting Party.



### **Cooperation areas**

- Multilateral international fora
- Animal Welfare
- Antimicrobial resistance
- Sustainable food systems



### Trade Specialised Committee on SPS

- To supervise the implementation of the Chapter, including:
  - Review Parties' SPS measures and make recommendations to facilitate trade, including on border checks and certification requirements. Decision for appropriate action decided independently by each Party.
  - Deal with issues regarding regionalisation, definitions, exceptions to the EU-wide certificates, foreseen in the Chapter
  - Discuss concerns raised by a Party regarding SPS requirements
  - Exchange views and information in cooperation areas defined in the chapter





#### 5. Implementation of Withdrawal Agreement

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#### Brexit Preparedness to SPS measures



#### Sanitary and Phytosanitary (SPS) rules Border controls

Official controls at EU borders: import and external transit from the UK(GB)





#### Sanitary and Phytosanitary (SPS) rules Border controls

Official controls at EU borders: internal transit through the UK(GB)





#### Sanitary and Phytosanitary (SPS) rules Border controls

Official controls at UK(GB) borders: export and transit to the UK(GB)





#### Sanitary and Phytosanitary (SPS) rules Applications of BCP



#### 1st issue Prohibited meat

Deliveries from GB platforms to NI supermarkets of:

- minced meat of poultry, of ratites and of wild game-birds, frozen or chilled
- chilled minced meat from animals other than poultry
- chilled meat preparations
- any unprocessed meat produced from meat initially imported in Great Britain from the EU's SPS area (triangular trade)



#### 2nd issue Certification

Deliveries from GB platforms to NI supermarkets of:

- products of animal origin (except the meat mentioned earlier), composite products, food and feed of non-animal origin and plant and plant products
- for which official certification is required
- transported in the same truck



#### 1st measure Prohibited meat

- From 1 January to 1 July 2021 = 6 months, non-renewable
- Individual certificate based on similar models for fresh meat
- Packed for end consumers with a label reading "*may not be sold outside Northern Ireland*"
- Official controls at the BCP in Northern Ireland
- Channelling procedure from the BCP to the supermarkets
- Sold exclusively to end consumers in supermarkets



#### 2nd measure Certification

- From 1 January to 1 April 2021 = 3 months, non-renewable
- Limited to a restricted number of supermarket chains
- Simplified, collective certificate globally stating that the goods meet all the EU import requirements
- Packed for end consumers with a label reading "*may not be sold outside Northern Ireland*"
- Official controls at the BCP in Northern Ireland
- Channelling procedure from the BCP to the supermarkets
- Sold exclusively to end consumers in supermarkets





#### 6. Market situation

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### **The Border Operating Model**

#### https://www.gov.uk/government/publications/the-border-operating-model

(Last update: 6 January 2021)



- Importing Plants from the Netherlands
- Exporting Plants to the Netherlands
- Importing Jenever (Gin) from Belgium
- Exporting Scotch Whisky to Belgium



### **The Border Operating Model**

• Fully in force since 1 January, with phasing in...

#### 1 January 2021

Declaration and control for excise and controlled goods (full declaration or CFSP)

- For standard generative pring records (EIDR or CFSP) - with a 6 month postponement on the full declaration, based on a self assessment
- · 6 month deferred payment
- · No safety and security declaration
- Physical check at destination for high risk veterinary and phytosanitary goods

#### 1 April 2021

- Pre-registration for all:
- · Products of animal origin (POAO)
- · High risk food not of animal origin
- Regulated plants and plant products

#### 1 July 2021

- · Safety and security declarations
- Full customs declarations, or use of simplified procedures if authorised to do so and the payment of relevant tariffs at import
- Control of veterinary and sanitary and phytosanitary (SPS) goods at GB Border Control Posts (BCPs)

CFSP: Customs Freight Simplified Procedures EIDR: Entry in Declarants Records



#### The Border Operating Model (SPS requirements / certification)

- 1 January:
  - High-risk Animal By-Products (ABP)
  - RoW High-Risk Food and Feed Not of Animal Origin via EU (transit)
  - Live Animals (inc. equines) and Germinal Products
  - High-priority plants and plant products
- 1 April:
  - Products of Animal Origin (POAO) except POAO under safeguard measures
  - EU High-Risk Food and Feed Not of Animal Origin
  - All regulated plants and plant products
- 1 July:
  - Low-risk ABP



### **The Border Operating Model**

• EU business: exporting to the UK

https://www.gov.uk/guidance/eu-business-exporting-to-the-uk

Webinars for EU-based organisations that trade with the UK

https://www.gov.uk/guidance/webinars-for-eu-based-organisations-thattrade-with-the-uk







#### 7. AOB - closing

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## Thank you



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