

#### Correct as of 3 October 2019

#### Citizens' Rights: When will the government enshrine in law its commitment that the 1) rights of existing EU citizens living and working in the UK will be upheld and protected?

The EU Settlement Scheme provides an immigration status in UK law, set out in the Immigration Rules. By being granted status through the EU Settlement Scheme, EU citizens and their families will have the immigration status they need to stay in the UK.

More information on the scheme: https://www.gov.uk/settled-status-eu-citizens-families Employer toolkit: https://www.gov.uk/government/publications/eu-settlement-schemeemployer-toolkit

#### Seasonal Workers: Will the Government increase the number of permits available 2) under the pilot seasonal agricultural workers scheme to guarantee that industry will have access to the right number of workers it will need in 2020 and to enable proper testing of the scheme ahead of full conversion in 2021?

EU citizens can still come to the UK to do seasonal work on farms and in food businesses after the UK leaves the EU. They will be able to work in the UK as they do now until 31 December 2020 as an EU, EEA or Swiss Citizen. If the UK leaves the EU without a deal, EU Citizens will need to apply for European temporary leave to remain (Euro TLR) if they want to stay in the UK after 31 December 2020. They will be able to apply for Euro TLR when the scheme opens after the UK leaves the EU without a deal.

For more information: https://www.gov.uk/guidance/european-temporary-leave-to-remain-inthe-uk

#### 3) Trade / Standards: What steps are the Government taking to establish a Trade and Standards Commission as pledged by former Defra Secretary of State Michael Gove at NFU conference 2019 to ensure UK farmers are not undercut by product entering the UK market that do not meet UK food safety, animal welfare and environmental production standards?

UK food enjoys a reputation for quality which has been built on high animal welfare standards, strong environmental protections and the dedication of farmers and growers to meeting consumer expectations. We are committed to making sure that any future trade agreements work for consumers, farmers and businesses across the UK. Defra received the NFU's letter to the Secretary of State of 30 August on the issue of a Trade and Standards Commission. An initial response to this has been sent and a further letter setting out the Government's approach will be sent in due course.

#### 4) Review emergency tariff policy: Will the Government commit to swift remedial action to prevent a flood of imports entering the UK market as a result of the UK's import tariffs being set at zero or too low?

In creating the temporary tariff regime, the Government has endeavoured to balance the interests of consumers and producers, aiming for an approach that is broadly neutral in its impact on production and consumption patterns as far as possible, accepting that there are significant uncertainties.





Defra is working closely with colleagues across the Devolved Administrations to understand the potential impacts of a no deal exit on all agricultural sectors.

As any responsible government would, we are preparing for the possibility of no deal, which is why we have contingency plans in place to minimise disruption for the food and farming sector as much as possible. We are continuing to refine these contingency plans. We will be monitoring the markets closely to identify early signs of market disturbance allowing us to react swiftly.

During the 12 month period that a temporary tariff regime would be in place, the Government would remain responsive to the needs of UK businesses and consumers. We would provide a mechanism to hear business and consumer feedback and would consider exceptional changes where clear evidence is provided by stakeholders against the criteria set out in the Taxation (Cross-border Trade) Act. We will provide further details on this mechanism in due course.

Please see: https://www.gov.uk/guidance/check-temporary-rates-of-customs-duty-on-importsafter-eu-exit

#### Management of TRQ volumes: How will volumes of imports be managed under the 5) TRQ system where these exist and what protection will be in place to ensure quantitative limits are not breached?

The administration of our current TRQ obligations will not change, for example, those that are currently subject to a licence system would continue to be managed in that way. The new TRQs as outlined in the recent tariff announcement will be managed on a first come first served basis. Further guidance on first-come-first-served quotas will be published by HMRC in advance of exit.

#### Irish border / backdoor imports: How will Government guarantee that the tax relief 6) in place over the Irish border will not work solely for the benefit of EU and ROI exporters and to the detriment of UK farmers and leading to a backdoor way for imports to enter the UK?

In a no deal scenario, the UK Government remains committed to entering into discussions urgently with the European Commission and the Irish Government to jointly agree long-term measures to avoid a hard border.

We are clear that any unilateral approach to avoid a hard border in the event we leave without a deal could only be temporary.

Because these are unilateral measures they do not set out the position in respect of tariffs or process to be applied to goods moving from Northern Ireland to Ireland, which would be subject to the EU's Common External Tariff and Single Market rules.

Northern Ireland's businesses and farmers will have concerns about the impact that this approach would have on their competitiveness, particularly compared to businesses from Ireland. This is the only way that we can avoid a hard border in the event of no deal.

This regime is temporary as we recognise that there are challenges associated with this approach, including the unmonitored flow of goods into the UK and the potential for the exploitation of any new system.

Please see: https://www.gov.uk/guidance/trading-and-moving-from-northern-ireland-toireland-in-a-no-deal-brexit







https://www.gov.uk/guidance/eu-exit-avoiding-a-hard-border-in-northern-ireland-in-a-no-dealscenario

#### 7) Monitoring the market: What is the Government doing to implement an effective and dynamic means of monitoring the UK agri-food market, ensuring comprehensive coverage and timely expert analysis of market movements?

Defra is establishing the UK Agricultural Market Monitoring Group (UKAMMG) with devolved colleagues. Its aim is to monitor UK agricultural markets and provide forewarning of any atypical market movements. The group will comprise representatives of the four UK agriculture departments supported by sector and analytical experts. Reports for each of the main agricultural sectors will be compiled using government and industry data collected via established statistical routes and supplemented by information provided by stakeholders.

The reports will focus on prices, production, utilisation and trade. Defra is working with NFU to explore how NFU industry representatives might feed in their intelligence.

#### Longer term UK tariff policy: Will the Government reinstate the former tariff 8) protections in place prior to a no-deal once a free and frictionless trade deal with the EU is secured? How does it propose to consult the industry and will there be greater transparency and oversight for NFU?

Our future tariff policy will be influenced by the Future Economic Partnership agreement that is reached with the EU and plans for our tariff schedule following EU exit have not been finalised yet. It would therefore be inappropriate to give a definitive answer on the specifics on our future tariff policy at this stage.

If the UK leaves the EU without a deal, a temporary tariff regime would apply for up to 12 months. The Government has committed to conducting a public consultation to inform our permanent tariff policy, which will take effect after this temporary period. This will enable the views of a wide range of businesses to be heard. Details of the public consultation will be provided in due course.

Please see: https://www.gov.uk/guidance/check-temporary-rates-of-customs-duty-on-importsafter-eu-exit

9) Trade continuity: What is Government doing to secure the outstanding Trade Agreements that are in jeopardy of being lost? Those not signed currently equate to £1.9bn worth of exports with over 2/3rds of the value of our exports under these agreements not secured. The Government is making good progress in preparations for the UK's independent trade policy. We are considering all possible options to maintain continuity for our current trade agreements as we leave the EU, including bringing some agreements into effect on a provisional basis.

However, there is still more work to do. And that is why we continue to work intensively on remaining agreements to minimise disruption as far as possible. The Government is doing as much as it can to have bilateral agreements ready in place for when we need them, whether that is after an Implementation Period or for a no deal. Discussions with trading partners who have yet to sign agreements are at an advanced stage. However, we cannot give firm guarantees about their outcome before they have concluded. Some agreements have just one issue left and could be



signed very soon if the flexibility is there on all sides. Others where there are many issues left to resolve may come together very quickly.

The Government has published online guidance for stakeholders that sets out the status of existing EU trade agreements if the UK leaves the EU with no deal. The guidance also details agreements which may or will not be transitioned in time for exit day. Where agreements are not in place by the time of our EU exit, trade will then take place on WTO terms.

Please see: https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-nodeal-brexit

https://www.gov.uk/guidance/trading-under-wto-rules

#### Day 1 readiness key export markets: What is the Government doing to ensure that 10) on day 1 of a no deal exit there is no disruption to our terms of trade with key export markets such as China as a result of the change in the UK's trading status outside of the EU?

The UK is ready to continue trading on day 1 of Brexit and will show it can globally trade its way to prosperity, stability and security.

The Government is continuing to work with countries to transition the existing EU trade agreements which the UK participates in as a member of the EU to avoid disruption for businesses in the event of a no deal. A regularly updated list of all signed agreements is available on GOV.UK. To date, the UK has signed or agreed in principle agreements with countries that account for 64% of trade. This has increased from 28% since March.

After Brexit, the Government will seek to sign free trade agreements, with countries such as the United States, Australia and New Zealand, which will open new markets for UK businesses.

For businesses, reducing tariffs means cheaper imports and lower costs. It also means what they sell abroad will be cheaper in those markets, and more attractive to buyers. All of this makes UK businesses more competitive at home and abroad.

Meanwhile, the Government is also building stronger relationships with large strategically important economies, such as China, using other instruments, such as Joint Trade Reviews (JTRs). JTRs are analytical exercises to explore all options for future trading relationship between the UK and a partner country without prejudging their outcomes. The UK-China JTR is a forward-looking exercise to jointly explore the opportunities to strengthen bilateral trade and investment relationship. This will provide the analytical groundwork to develop the future relationship by identifying common priorities and areas of divergence.

Please see: https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-nodeal-brexit

#### Goods on market: What is the status of goods that were produced under UK/EU rules 11) that is already placed on the market and will be sold after the 31st October? How will Government ensure that these goods are not rejected at their destination? Will a grace period be negotiated with the EU?

The EU has issued guidance on labelling changes required after exit day including a definition of goods on the market. Check with your EU importer how the EU's new labelling requirements affect your products.





The UK has no control over enforcement outside the UK. The EU and other non-EU countries may require wholly accurate labelling for access to their markets. In these instances, the UK can only recommend that labels are replaced or over-stickered as required to ensure they are fully accurate. This would include ensuring country of origin labelling, health marks and responsible business addresses were correct.

Please see: https://ec.europa.eu/info/sites/info/files/eu food law en.pdf

POAO certification: In a no deal scenario, there would effectively be a trade embargo 12) on the export of UK animals and animal-based products (meat, eggs, dairy, etc.) to the EU. This is because the EU requires third countries (which the UK would be in the case of nodeal) to be listed as an approved country for export. What action is Government taking to secure the approval of the UK as a country listed for the export of animals and products of animal origin to the EU?

In order for exports of animals and animal products to continue if the UK leaves the EU without a deal, the European Commission will need to vote whether to list the UK as a 'third country'. This will allow exports of animals and animal products to continue from the UK. The EU previously voted to list the UK as a listed third country ahead of a potential no-deal on 12 April. If a vote is passed by the EU, the UK will then be listed as a 'third country' (non- EU country) to export to the EU, in a no-deal Brexit. The UK has provided the necessary assurances requested by the European Commission and continue to undertake constructive engagement with the Commission.

Please see: https://www.gov.uk/guidance/exporting-animals-animal-products-fish-and-fisheryproducts-if-the-uk-leaves-the-eu-with-no-deal

#### 13) Phytosanitary certificates: Does the Government guarantee that the resources will be in place to ensure that the relevant plant health authorities will be able to issue in a timely and efficient manner the necessary Phytosanitary Certificates for exports of controlled plant goods from the UK, including exports to the EU?

In a no deal scenario, the EU has stated its intention to apply third country controls on imports from the UK. This means there would be increased requirements on plant health inspectors to issue phytosanitary certificates for exports of regulated commodities to the EU.

We must make sure that our biosecurity is protected and trade is enabled in all scenarios, and we have undertaken significant recruitment to increase the number of plant health inspectors in order to support this. Recruitment is ongoing. We are confident that we have sufficient resources to meet demand on day1 and ensure minimal disruption to trade.

Full guidance is at: <u>https://www.gov.uk/guidance/importing-and-exporting-plants-and-plant-</u> products-if-theres-no-withdrawal-deal

#### 14) Availability of vets: Will there be sufficient vets trained and available to perform all the required government Official Veterinary functions?

In GB, Official Veterinarians (OVs) operate in the private sector however we take taken a number of steps to support the market in meeting likely demand by:





Increasing the number of trained OVs by providing free certification training. The number of OVs trained to sign EHCs for POAO has increased from c.600 in February 2019 to over 1000 currently and there are c.250 who have registered but not yet completed this training

Creating the role of Certified Support Officers and subsidising their training

Supporting LAs to increase their certification capacity

Introducing a more risk proportionate approach to certifying fish EHCs. This will enable local government Certifying Officers to use existing evidence of compliance to minimise inspections of low risk premises which are already subject to regular inspections for food hygiene and guidance to LAs and EHOs has been issued.

Encouraging businesses to consolidate consignments eg the proposed use of Larkhall logistics hub to certify farmed salmon exports to the EU

15) Export Health Certificates: Even if third country approval was given every export of UK animals or animal products to the EU would be subject to complex SPS (sanitary checks) that will create delays at the border. The EU rules require that an export health certificate which must be signed by a vet and the product must move through a Border Inspection Post (BIP). What assurances can you give that all the necessary guidance and protocols will be available in time and that no delays at ports will be created as a consequence?

Please see: https://www.gov.uk/government/collections/flowcharts-for-import-and-exportprocesses-after-brexit

#### Veterinary medicines: We import more than 90% of veterinary medicines and 16) pharmaceutical products. Is the Government confident that the UK farmed livestock sector will be able to access vital medicines in the short and medium term so that animal health and welfare is not compromised?

The Veterinary Medicines Directorate is working with animal health companies who have been carrying out extensive Brexit contingency planning for all EU Exit scenarios, including no deal, covering all aspects of their supply chains, from regulatory compliance and stocking levels to logistics and customs. Supply is expected to cope with a normalised ordering pattern. With this planning in place, we are confident that we have made every effort to ensure continuity of supply of veterinary medicines in the UK.

Please see: https://www.noah.co.uk/wp-content/uploads/2019/07/Joint-NOAH-VMD-Brexitstatement.pdf

https://www.gov.uk/guidance/vmd-eu-exit-information-hub

#### bTB tuberculin test supplies: What steps are the Government taking to guarantee an 17) adequate supply of tuberculin to maintain the UK's robust testing regime?

All veterinary medicines are categorised as Category 1 goods and recognised as being critical to the preservation of human or animal welfare and/or national security for the United Kingdom.

The Animal and Plant Health Agency currently holds stocks of tuberculin that is equivalent to 6 months' supply based on current use. A further supply of tuberculin, equivalent to an additional 3 months' supply has been purchased for delivery in mid-October 2019. This will bring the UK



contingency stocks to 9 months' supply. The ability to stockpile the reagent for 9 months is due to the long shelf life of tuberculin.

Please see: https://www.noah.co.uk/wp-content/uploads/2019/07/Joint-NOAH-VMD-Brexitstatement.pdf

#### https://www.gov.uk/guidance/vmd-eu-exit-information-hub

Animal Disease surveillance: We know that the UK will no longer be able to access 18) the EU's Animal Disease Notification System (ADNS) after we leave the EU. Is the Government confident in its ability to maintain its disease surveillance capability, including access to world class science and research currently accessed through international veterinary laboratory networks?

The UK will continue to have access to the OIE (World Organisation for Animal Health) WAHIS (World Animal Health Information System) disease reporting system as well as networks of expertise at EFSA (European Food Safety Authority) and through informal connections with the international veterinary associations. UK laboratories will continue to maintain and develop links with others centres of science and research internationally, including through their status as, OIE and FAO (Food and Agriculture Organisation of the United Nations) collaborating centres.

#### Delays at Border: What is Government doing to minimise the amount of time 19) hauliers are delayed at the border? What is the anticipated time it will take for hauliers to pass through key ports such as Dover?

The Government is working to enable cross-border traffic and goods to continue to move as freely as possible. Government departments have designed customs and control arrangements at the UK border in a way which ensures goods will be able to flow into and out of the country and won't be delayed by additional controls and checks on the UK side. However, the Government does not have control over the checks which EU Member States impose at the EU border. The European Commission has made it clear that, in the event of a no deal scenario, it will impose full third country controls on people and goods entering the EU from the UK; and this could create disruption in both directions. The Government is implementing a range of mitigations to ensure any consequent disruption is minimised. This includes:

Work to ensure traders and hauliers in the UK and the EU are prepared for changes to exporting and importing requirements, including the 'Get Ready for Brexit' information campaign, providing hauliers with a handbook and a pocket guide to clearly set out how they can prepare themselves, their vehicles and their goods, establishing a network of pop up sites across Britain  $(\sim 100)$  and the EU  $(\sim 50)$ , so hauliers can get information, and setting up a dedicated telephone helpline service for traders and hauliers trading goods with the EU after 31 October 2019.

- ensuring our approach to imports achieves a smooth flow of goods at UK ports;
- working with local resilience forums, major ports and airports to ensure that they are making their own preparations for leaving the EU;
- and developing traffic management plans to manage any potential delays at the ports, for example the implementation of border readiness checks both at some pop up sites, and as part of



Operation Brock in Kent, along with increased resources to ensure drivers comply with Operation Brock to reduce the number of unready hauliers reaching the ports.

If all HGVs and the goods they are carrying have the correct documentation to enter the EU, there should be minimal disruption to HGV journeys. In a scenario where significant numbers of HGVs try to cross into the EU via the channel/short straits without the correct documentation, the government's reasonable worst case planning assumption is that HGVs could face maximum delays of 1.5 to 2.5 days.

#### 20) Animal Welfare disposal arrangements: What steps are the Government taking to ensure that farmers are not made to pay for and arrange for the disposal of unmarketable livestock, particularly in the intensive pig and poultry sectors?

The government understands that the short term impacts of no-deal are likely to be serious for some farming sectors. As a responsible government we have been working to minimise any disruption to our food and farming industry in the event of a no-deal. A widespread cull of livestock is absolutely not something that the Government anticipates or is planning.

Instead we are working with the sectors to understand what support measures are most suitable, should they be required.

#### **Organics: What is Government doing to ensure that UK organic certification bodies** 21) will be authorised to export high quality organic products to the EU?

The Government has been clear that we would prefer to leave the EU with a deal, but if this is not possible, we want to ensure that all necessary preparations are made. As we get closer to 31 October and the UK's departure from the EU, organic businesses need to be aware of what is changing and how you may need to adapt to change this autumn.

From 31 October, UK organic control bodies will need to be recognised by the EU in order for organic food and feed to be exported to EU countries. Without this recognition, the UK cannot export organic goods to the EU. We recognise that Brexit will have a negative impact on some organic businesses in the UK and we will continue to work with the Control Bodies to secure recognition from the EU as soon as possible.

Please see: https://www.gov.uk/guidance/trading-and-labelling-organic-food-if-theres-no-brexitdeal#exporting-organic-food-to-the-eu

We are pushing for a fast-tracked process so that farmers and exporters can continue to access the EU market, and are also continuing efforts to open up global markets for exporters. The EU currently has equivalency arrangements with a number of non-EU counties, including Australia, Canada, Israel, New Zealand and the USA. We have negotiated and secured agreements with these countries so that UK exporters can continue to trade with markets outside of the EU, whether we leave the EU with a deal or without.

Visit our guidance for more information: https://www.gov.uk/government/publications/international-agreements-if-the-uk-leaves-theeu-without-a-deal/organic-equivalence





### 22) Hops: What is Government doing to ensure that there will be no trade embargo in the sale of certified UK hops to the EU?

We are aware of the concerns of the hops sector on the ability to export hops to the EU on Day 1 in the event of a no deal.

There may be a period during which the UK cannot export hops to the EU if there's a no-deal Brexit. This is because the EU only accepts imports of hops accompanied by an EU Attestation of Equivalence, issued by an authorised agency in the exporting third country.

This agency must be listed in Annex I of EC Regulation 1295/2008 in order to issue recognised Attestations of Equivalence.

The UK government intends to apply to register the Rural Payments Agency (RPA) as the agency authorised to issue Attestations of Equivalence for hops and hops products produced in the UK, however the registration process cannot begin until exit day. The RPA will not be able to issue Attestations of Equivalence until the registration is complete.

The UK government is working to minimise delays and disruptions to UK hops exports, and will continue to work with the sector to identify key concerns and provide updates.

Please find more information at: <u>https://www.gov.uk/guidance/hops-and-hops-products-marketing-standards-if-the-uk-leaves-the-eu-without-a-deal</u>

### 23) EU Marketing Standards: What steps is the UK Government taking to minimise delays at the border as a result of EU marketing rules applying to UK exports?

In the event of a no-deal Exit, exports from the UK of wine, hops, fruit and vegetables, beef and veal, poultry, eggs, hatching eggs and chicks may be subject to increased checks, further certification requirements, and border controls. For some of these commodities, EU marketing standards regulations mean that exporters will need to provide particular documentation in a no-deal scenario (such as a certificate of conformity or attestation of equivalence) in line with EU regulations for third countries.

The UK government is working to minimise delays and disruptions to UK exports of these products, and will keep businesses updated on this process.

Please see the following for more information:

- Wine <u>https://www.gov.uk/guidance/importing-and-exporting-wine-if-theres-a-no-deal-brexit</u>
- Hops <u>https://www.gov.uk/guidance/hops-and-hops-products-marketing-standards-if-the-uk-leaves-the-eu-without-a-deal</u>
- Fruit and Veg <u>https://www.gov.uk/guidance/fresh-fruit-and-vegetable-marketing-standards-if-the-uk-leaves-the-eu-without-a-deal</u>
- Poultry meat <u>https://www.gov.uk/guidance/poultry-meat-marketing-standards-when-the-uk-leaves-the-eu</u>
- Eggs <u>https://www.gov.uk/guidance/egg-marketing-standards-if-theres-a-no-deal-brexit</u>





• Hatching eggs and chicks <u>https://www.gov.uk/guidance/hatching-eggs-and-chicks-marketing-standards-when-the-uk-leaves-the-eu</u>

### 24) IPAFFS: When will the Import Product, Animal, Feed and Food System be available for the pre-notification of animals entering the UK from 3rd countries after 31st October?

IPAFFS will be released in phases, and businesses importing goods from outside the EU will be able to use it from day 1.

Initially those importing from the EU will follow a separate process to notify of their import to the UK, which will involve the submission of an IV66 form to notify of imports arriving to the UK.

IPAFFS is now open for registration, individuals and organisations that have already registered should log in to their accounts now.

Please see: https://www.gov.uk/guidance/import-of-products-animals-food-and-feed-system

https://www.gov.uk/guidance/import-of-products-animals-food-and-feed-system-ipaffs-guidance

## 25) Sugar Beet Seed imports: What steps will Government take to guarantee that farmers will be able to source sugar beet seed supplies, 100% of which is imported from the EU?

The majority of plants and plant products imported from the EU will continue to enter the UK freely, as currently. Any goods currently managed under the EU plant passport regime will need to enter the UK with a phytosanitary certificate and be pre-notified. They will be subject to a remote documentary and identity check after the border.

The list of goods requiring a plant passport can be found on gov.uk: <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/780112/plant-passports-plant-products.pdf</u>

There may be additional requirements for movements of specified plants into and within protected zones. These may apply to sugar beet in Northern Ireland.

Please see:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_ data/file/822183/plant-passports-protected-zones.pdf

Detailed guidance on importing and exporting if there's a no deal Brexit can be found on gov.uk: <u>https://www.gov.uk/guidance/importing-and-exporting-plants-and-plant-products-if-theres-no-withdrawal-deal</u>

## 26) Seed/Ware potatoes: When will the UK be authorised to export seed and ware potatoes to the EU?

Defra understands the position that businesses who export seed and other propagating material to the EU are in. The UK has requested that the EU Commission expedites the approvals process. However, it can take 1-2 years for equivalence to be granted. This will leave a gap where businesses will be unable to export seed and propagating material to the EU.





#### 27) Seeds/propagating material: What steps is the UK Government taking to guarantee that UK exports of seed and other propagating material will be accepted by the EU?

To continue marketing plant reproductive material in the EU after Brexit the UK needs to gain third country equivalence with the EU. Earlier this year, the European Commission informed the UK Government that they would not consider our third country equivalence application for certification of seed and other propagating material before the ongoing withdrawal negotiations had been completed.

However, as we are keen to reach an agreement with the EU on this issue as soon as possible to give our businesses certainty, we resubmitted our third country equivalence application on 6 September. On 16 September the EU formally rejected the UK's equivalence application. The EU re-confirmed that they will determine its position on seed equivalence, and all other sectors, following the negotiations to agree the withdrawal of the UK from the EU.

The UK Government is ready to resubmit the application and open technical discussions as soon as the UK leaves the EU. We know from other third country applications that this approval process could take up to 2 years and while we hope as an ex-Member State the EU will be able to approve the UK more quickly, you should plan on the basis that you will not be able to export most types of seed and propagating material to EU countries. We are acutely aware of the issues this will cause the industry, so we have asked the EU to expedite the process however, it is their decision to take.

Preparations are ongoing to ensure UK Government and the industry are ready for exporting agricultural seed under OECD certification, with an accompanied ISTA certificate, so that the UK has capability to export to the EU once our application is approved.

We will continue to keep you updated of any progress on our listing.

#### Hauliers: What guarantees will be available for our hauliers that they will be able to 28) secure the required number of ECMT permits that are limited by the EU?

If there is a deal then nothing changes and operators carry on as usual for the transition period.

You can complete most international journeys until 31 December 2019 without extra

permits. This includes if there's a no-deal Brexit.

Journeys until 31 December 2019 if there's a no-deal Brexit:

You can still use your existing EU Community Licence until 31 December 2019 if the journey is entirely within the EU or EEA.

You will need European Conference of Ministers of Transport (ECMT) permits for journeys through EU and EEA countries to ECMT countries not in the EU or EEA. These countries are: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Macedonia, Moldova, Montenegro, Russia, Serbia, Switzerland, Turkey, and Ukraine.

Please see: https://www.gov.uk/guidance/ecmt-international-road-haulage-permits

Journeys from 1 January 2020 if there's a no-deal Brexit:

Check back for updates about how international road haulage permits will work from January 2020.





Please see: https://www.gov.uk/guidance/carry-out-international-road-haulage-after-brexit

29) Tariff Barriers: The EU is the UK's main trading partner. In 2017 Defra stats show that 60% of UK food, feed and drink (FFD) exports were to countries within the EU. In a no deal scenario, exports to the EU from the UK would face the same tariffs as goods entering the EU from third countries without a preferential trade agreement, the Common Customs Tariff (CCT). These are particularly high in relation to many agricultural products. This would be a dramatic change from the current situation where UK goods are traded within the EU tariff free. What is the UK doing to address this with the EU and secure a zero for zero tariff agreement?

The best way to avoid barriers to trade is by securing a deal with the EU, and we are working in an energetic and determined way to achieve this. Intensive negotiations continue to progress with the EU so that we can agree an ambitious agreement in all areas, including agricultural products. Such a deal is in the best interests of the EU as well as the UK and will safeguard the interests of our respective industries.

### **30)** Tariff costs: What financial support will be available to UK farmers to offset the cost of additional new tariffs on exports to the EU?

The government understands that the short term impacts of no-deal are likely to be serious for some farming sectors. As any responsible government would, we are preparing for the possibility of 'no deal', which is why we have contingency plans in place to minimise disruption for farmers as much as possible. We are continuing to refine these contingency plans.

The Treasury has made available £6.3 billion to prepare for Brexit, including £4.2 billion funding this financial year alone.

The government is not planning to provide export refunds as these are incompatible with WTO rules.

We will continue to closely monitor all farming markets to assess whether there is a need for further Government support. If it is deemed necessary we will provide further detail at the time.

# 31) Priority at border: Will the government guarantee that live animals and perishable fresh produce will have priority for swift passage at the borders? What actions are the Government taking to ensure that delays at ports don't create animal welfare concerns beyond the control of the haulier / animal owner?

We are committed to protecting animal welfare and supporting industry to continue to trade when the UK leaves the EU. This includes working with industries that export perishable products to understand how they can be supported.

Transporters of live animals have a duty to consider the welfare of the animals they are transporting and should consider their own contingency plans, if there is a risk of a longer journey.

We will be issuing advice to transporters in advance of leaving the EU on planning journeys, the potential risk of long delays on certain routes, and the need to carry additional water, feed and bedding material in case of delays. The Animal and Plant Health Agency (APHA) is also reviewing its own contingency plans should transporters need additional support.





## 32) Non-tariff barriers: What support will Government provide to cover Export facilitation costs, for example funding the process of signing EHC, BIP inspection and haulage / increased ferry charges?

HMRC has made a further £16 million available to help intermediaries.

Please see: <u>https://www.gov.uk/guidance/grants-for-businesses-that-complete-customs-declarations</u>

## 33) Lamb exports: We export >30% of total UK lamb production to the EU, the equivalent of approximately 4.5million sheep each year. What action is the Government taking to address the catastrophic disruption in the lamb sector facing EU tariffs of 46%?

The UK government fully understands the concerns felt by our sheep sector with the prospect of a no-deal exit, as the equivalent to over 30% of UK production is exported, 95% to the EU.

As any responsible government would, we are preparing for the possibility of 'no deal', which is why we have contingency plans in place to minimise disruption for the food and farming sector as much as possible. We are continuing to refine these contingency plans. The UK Government cannot control what tariffs the EU chooses to charge, and under WTO rules they must apply MFN tariffs on countries with which they do not have a deal. In our Temporary Tariff Schedule, the UK is matching these MFN tariffs for countries that import lamb into the UK – providing the highest protection we can under WTO rules.

Significant work is underway to ensure that UK exporters can maintain access to EU markets. This includes our application for third country listing - we are confident that we will achieve this prior to our departure, as we did prior to the April exit date. This will allow the UK to continue to export to the EU.

We will closely monitor UK lamb markets to assess the impact of a no deal exit on the sector. We are in close contact with the farming unions and other farmer representatives across the UK to assess the situation as we near 31 October.

The government will always back UK farmers and make sure Brexit works for them. The Farm Minister made this clear at the Sheepmeat debate in Parliament on 3 September.

# 34) Carcase balance: The UK exports more than £1.2bn worth of beef, pork, lamb and poultry to the EU. In the event that the EU applies its full external tariff on UK exports, this would equate to £647m new taxes on our products. What compensation will be made available to UK livestock farmers?

The government understands that the short term impacts of no-deal are likely to be serious for some farming sectors. We remain focused on ensuring our smooth and orderly withdrawal from the EU with a deal as soon as possible, however, as a responsible government we have been working to minimise any disruption to our food and farming industry in the event of a no-deal.

We have analysed the impact of 'no deal' on all farming sectors and have contingency plans

in place to minimise any disruption to farmers should they be necessary.

We will be monitoring the market situation closely across all sectors in the period prior and immediately after 31 October allowing us to react swiftly in the event of severe market disruption.



The Treasury has now made available £6.3 billion to prepare for Brexit, including £4.2 billion funding this financial year alone.

We are in close contact with the farming unions and other farmer representatives across the UK to assess the situation as we near 31 October. The government will always back UK farmers and make sure Brexit works for them.

#### 35) Grain and flour exports: UK annual exports of grain, flour and malt have averaged £413m over the period 2014-2017, the UK is set to have a large exportable surplus this vear. The additional tariff that would be due would be up to £226m and further losses would be expected given imbalance on the domestic market. What compensation will be provided to UK arable farmers?

We would prefer to leave the EU with an agreement and we are working hard to secure that agreement. But it is the duty of a responsible Government to prepare for all eventualities, including that of leaving the EU on 31 October without a deal.

We remain in close contact with a range of industry representatives, including those from the arable sector, and we are aware of the challenges that cereals traders may face in exporting wheat and barley if we leave the EU without an agreement.

We are setting up the UK Agricultural Marketing Monitoring Group with the devolved administrations to monitor developments in the market across our agriculture sectors. This group will provide forewarning of any atypical market movements and will help us to ensure that we are aware of the implications for UK stakeholders.

We continue to consider options for easing the flow of trade in cereals in the event of no deal and will provide the relevant support where necessary.

#### E10: What steps will the Government take to create the right conditions for a 36) thriving biofuel industry in the UK, specifically to introduce a requirement for a 10% mix in ethanol (known as E10)?

We are committed to supporting the biofuels sector under the Renewable Transport Fuel Obligation (RTFO). In 2017/18 1,624 million litres of sustainable renewable fuel were supplied in the UK. Biofuels supported under the RTFO saved 2.7 million tonnes of CO2 emissions in 2017/2018, or the equivalent of taking around 1.3 million vehicles off the road. Building on this success, last year we increased the targets for the supply of biofuels under the RTFO out to 2032, with levels of supply expected to nearly double between 2018 and 2020.

The Government has made clear that moving to E10 fuel (petrol containing up to ten per cent bioethanol) could support significant carbon savings and is an option to help us meet our net zero ambition. In addition moving to E10 fuel could provide an economic boost to domestic producers of bioethanol and UK farmers in the supply chain. These wider benefits include offering access to various markets for British farmers - be this through the production of wheat for bioethanol, or through the use of bioethanol co-products. Indeed increased bioethanol production from UK wheat can reduce the need for imports of animal protein, given high value animal protein is a coproduct.



It is also the case that switching to E10 would be a major change to the UK fuel market for suppliers and consumers. It is therefore essential that care is taken on any next step.

Further to last year's call for evidence the Government will set out its position on whether and how best to introduce E10 as soon as possible.

Please see: <u>https://www.gov.uk/government/consultations/e10-petrol-consumer-protection-</u> and-fuel-pump-labelling

#### Enhance export opportunities: How does the government propose to expedite the 37) growth of UK exports to countries beyond the EU? What resources will be made available to enhance the Great British campaign?

We wish to continue the success of export growth in countries outside the EU, which accounted for just under £8.7bn in food and drink exports from the UK in 2018. Markets such as China have seen significant growth in UK food and drink exports over recent years, which have grown to be the UK's second largest export market outside the EU, worth approximately £808.5m in 2018. We continue to work with industry to build on the opportunities in such markets, including negotiating market access. For example, the lifting of the 20 year-old ban on British beef exports to China last year payed the way for our negotiations to unlock a market which industry estimate to be worth approximately £230m over the first five years of trade.

As well as opening new markets, DEFRA and DIT work closely together to reduce barriers to trade and support exporters across a wide range of activities. These include the promotion of UK food and drink overseas such as financial support to exhibit at a number of major overseas trade shows. We collaborate closely with key stakeholders including the Agriculture and Horticulture Development Board (AHDB), not just on export promotion activity, but in developing its strategy for the sector.

The Government's priorities for exports to countries beyond the EU are set out within the 2016-2020 International Action Plan for Food and Drink (IAP), a joint industry and Government plan for food and drink exports. As the current plan comes to an end next year, we will consider how we approach our future priorities for food and drink exports. This will include our post EU Exit strategic approach to Food and Drink exports, including priority markets and sub-sectors. Any future plan will work closely with industry, and recognise the strengths of the UK food and drink sector – including our world renowned reputation for quality, safety, traceability and heritage. It would also aim to look at opportunities to boost ambition within the sector, particularly amongst the small and medium businesses which currently underperform other UK manufacturing sectors in relation to the proportion of the sector which currently exports. Any such future planning, will be underpinned by an evidence based review of country and sector opportunities across the breadth of food and drink commodities.

The Food is GREAT campaign, part of the wider GREAT Britain campaign, is a joint DEFRA-DIT initiative, to showcase our world-class food and drink to a global audience and help more companies export. We will continue to focus our efforts in target markets such as China, the United States and Japan. When evaluating available resources that may be deployed to enhance the Food is GREAT campaign activity in target markets, the Government adopts a consistent approach. This takes into account market conditions, consumer behaviour, supply and demand, market access, and the expertise of our own locally based staff.





38) Enhance fiscal environment: To ensure UK farmers can remain resilient in the face of severe economic disruption and continue to provide a significant proportion of our domestic food requirements, what steps will government take to adjust the capital allowance regime, allow tax deductions to incentivise investment in structures, plant and machinery, and deliver high quality broadband and mobile connectivity to 100% of rural areas?

We want farmers to be resilient and competitive when we leave the EU.

The issues of capital allowance and tax are for Treasury but we work closely with colleagues in the Treasury on a range of financial issues.

We want to support farmers on a number of fronts. In mid-September, we announced that we are investing  $\pounds 1m$  for industry proposals which can provide targeted support and advice to farmers to help them improve the resilience of their businesses. If these initiatives demonstrate a strong return on investment, Defra will consider scaling up resilience initiatives during the early years of the Agricultural Transition period. We will also ensure that there is a pipeline of funding for innovation and R&D and we will support farmers to invest in their businesses to enhance their productivity, resilience and competitiveness.

#### 39) Common rule book: Is the Government committed to maintaining a common rule book with the EU for agri-food, in order to minimise friction at the border?

In terms of the future UK-EU relationship, the end destination is an agreement centred on a best in class Free Trade Agreement (FTA), as sovereign equals, without vast alignment or harmonisation commitments. It will be a relationship based on international law, not EU law. This involves having full regulatory control, and will allow us to take advantage of the opportunities available outside the EU.

#### Delay non-urgent government initiatives: Will the government commit to pause all 40) non-urgent government initiatives, including consultations and calls for evidence on matters not relating to immediate pressing Brexit priorities?

Preparing for Brexit is the central priority for all government departments, and we are committed to working with industry, including the farming sector, to support them in their preparations.

The government recognises the value of full and proper consultation with industry partners and sees this input as a crucial and key part of the policy making process. However, we also recognise the burden EU Exit places on businesses and their representative organisations, and realise that this will mean pausing or prioritising work where necessary.

We are currently monitoring upcoming consultations and are taking into consideration the timing of announcements.

#### Pause BPS phase out: Will the Government commit to address the uncertainty 41) arising as a result of leaving the CAP? Defra's timetable for commencement of the phase out of BPS in 2021 should be paused by at least a year and longer if the UK's future relationship with the EU is not resolved with adequate time for the industry to prepare.

The Government remains committed to helping the industry adapt for the future and the current plans for the agricultural transition are designed to give sufficient time for farmers to adjust.



We plan to begin the agricultural transition in 2021 as announced last year, with the last Direct Payments being made for the 2027 scheme year.

We believe that seven years will provide farmers with sufficient time to adapt to the new system of public money for public goods.

By beginning to reduce farmers' Direct Payments in 2021, we will free up money so we can continue offering an improved Countryside Stewardship scheme, introduce pilots of our Environmental Land Management scheme, help farmers improve their productivity and undertake research and development into the challenges the sector faces. In 2021 we will also continue to improve the performance of our schemes and implement further simplifications – ensuring that we are stripping out the bureaucracy and barriers that inhibit the CAP.

## 42) Confirm operating rules for BPS 2020: Will the Government urgently confirm the rules relating to the operation of BPS 2020 as soon as possible, in particular the greening requirements and basis of payments?

We plan to allocate the money paid in Direct Payments for 2020 in much the same way that we do now. This should help farmers plan for the year ahead.

We will, however, look to make simplifications to make it easier to apply for and administer Direct Payments to increase value for money. We will do this as soon as we can, and in line with the terms of any Withdrawal Agreement. We will confirm any simplifications as soon as we can.

#### 43) Forthcoming scheme year operation: Will the Government confirm the rollout of Countryside Stewardship application process for agreements starting on 1 January 2021 as well as clarify the position for rolling over existing HLS agreements that were either rolled forward for 2019 or coming to an end in 2019?

We intend to offer a further round of Countryside Stewardship applications for agreements starting on 1 January 2021. We are looking to see where we can further streamline the application process and have been working closely with stakeholders (including the NFU) to work up plans.

We are extending certain HLS agreements that were either rolled forward for 2019 or coming to an end in 2020, along a similar basis as we did in 2019. Agreement holders will either have been or will be contacted by either Natural England or RPA to discuss their agreement over the next 2 months.

## 44) Operational programmes for Pos: Does the Government commit to guaranteeing funding for producer organisation programmes up to and beyond 2020?

The EU legislation underpinning the Aid Scheme is being rolled over as part of the EU Withdrawal Bill and the Government has confirmed that funding for POs is guaranteed for the lifetime of this Parliament, as part of the Government's Manifesto Commitment.

The Agriculture Bill provides the power for the Secretary of State to make Regulations to allow the Aid Scheme to be switched off in England and for financial assistance to be provided to anyone who is starting, or improving the productivity of, a horticultural activity. We are in the process of gathering evidence and considering options for any future horticulture scheme.



We will be putting an ask to industry to assist us in this evidence gathering to identify value for money and productivity gains which can be directly attributed to the EU Fruit and Vegetable Aid Scheme.

#### 45) Shared prosperity fund: Does Government agree that Local Enterprise Partnerships (LEPs) should introduce a specific rural support programme for their respective rural areas once the current measures under the EU RDPE end December 2020 as an integral part of the Shared Prosperity Fund objectives? The details for this must be developed expediently to avoid any hiatus in funding support for rural areas.

The Government will bring forward plans on the UK Shared Prosperity Fund and remains committed to consulting on the fund. The fund will tackle inequalities between communities by raising productivity, following our departure from the European Union and will cover rural and urban areas. We recognise the importance of providing certainty and clarity on the fund. There are many detailed design questions to come. It is only right that we take final decisions about the design of the UK Shared Prosperity Fund after a cross-government Spending Review.

#### 46) Drive low carbon solutions: Will the Government commit to maintain funding for catchment sensitive farming partnerships and increased funding for Countryside **Stewardship and ELMS trials?**

We are planning to continue tests and trials throughout the National Pilot to help us test and refine the design of the new Environmental Land Management (ELM) scheme(s).

To ensure that we have a consistent, transparent and value-for-money approach to support all tests and trials, we have developed a robust Standard Reimbursement Policy. We have successfully worked with stakeholders to apply this policy to the first phase of tests and trials, many of which are about to get underway.

We are also working with stakeholders to develop a further 22 proposals for tests and trials in phase 2 that meet identified gaps. Once these proposals are up and running we will review the priorities for future tests and trials to ensure that that these are targeted effectively to support policy development.

The outcome of future Spending Reviews will determine the exact level of funding for catchment sensitive farming, countryside stewardship and ELM tests and trials.

#### 47) Waste: What steps will the Government take to minimise issues arising from the disposal of waste, particularly relating to product affected by delays at the ports?

The Government recognises that a no-deal scenario may cause disruption at ports and this could have impacts on the export of waste and the waste management industry.

Government departments have been working to reduce the risk of delays to exports.

If disruption at ports does occur, waste exporters are advised not to send waste to ports, and instead temporarily store waste on site until export capacity, or other waste management options, become available.

The storage and transport of waste must be carried out in accordance with waste legislation and those who send goods by road to ports should check the conditions of carriage and the contingency arrangements their hauliers have in place.





Please see: https://www.gov.uk/guidance/importing-and-exporting-waste-if-theres-no-brexitdeal

#### Labelling: Can Government guarantee that information has been provided to food **48)** processors on how product labelling will change and how will government guarantee that consumers are not misled or confused unnecessarily?

Defra is working closely with industry groups and stakeholder networks to reach out to as many business as possible. This includes engaging with networks and supply chains a beyond Defra core constituency but who nevertheless have good reach into affected businesses.

Defra has looked for a balance between reasonable and pragmatic requirements for businesses and managing risks to consumer interests and risks to overall consumer confidence in the food industry in approach to goods on the UK market.

#### Public procurement: What steps are Government taking to ensure that food 49) purchased for public procurement meets UK standards and what is being done to mandate the use the Government Buying Standards and Balanced score card within all government procured contracts?

The procurement of food for the public sector remains the responsibility of lead departments for that sector (DfE – schools, DHSC – hospitals and care homes, MoJ – prisons, MoD – armed forces).

Defra is working closely with lead departments to support them in the development of EU Exit contingency arrangements. Defra has asked lead departments to speak with major suppliers to review their public procurement contracts and ensure they can continue the fulfilment of their services, as stated in their contracts and including food standards they are expected to uphold.

Regarding the Government Buying Standards for Food and Catering (GBSF) and the Balanced Scorecard, the Government already requires Central Government and executive agencies to follow the standards and methodology outlined when buying food and services and making catering decisions. These standards outline where there are expectations to meet UK minimum standards.

Where the Government does not procure the food contracts, the GBSF is also embedded in other standards for example in the Hospital Food Standards and School Food Standards.

Defra will continue to review the opportunities available to mandate the use of both guidance documents in public food procurement.

#### 50) Domestic Marketing funding: Will government commit funds to develop a strategic domestic marketing campaign to support British standards and produce, to ensure customers are aware of the high-quality products British farmers produce?

The Government supports promotion of high quality British food and drink to the domestic market, as this can support local economies and provides employment and growth, particularly in rural areas.

Activity targeting UK consumers to 'buy British' is currently guided by EU State Aid rules, which sets fair competition rules across Europe. Under EU law, Member States' governments are prohibited from providing financial aid in any way which distorts

competition. Community rules prevent any advertising which encourages consumers to buy national products solely because of their national origin.







In terms of EU Exit, in a Deal Scenario, we expect State Aid rules to continue to apply during any transition period. The Government remains committed to agreeing a Deal.

Under a No Deal scenario, there may be fewer constraints on domestic promotion activity. However, the rationale for any Government intervention would need to be clear, including how it would deliver benefits over and above promotional work carried out by retailers, levy boards, assurance schemes, trade bodies, and regional and local food groups, among others.



