

Food and Drink Industry Round Table on the Future UK-EU Relationship 23 April 2019

1. Update from DExEU and other departments

European Parliament elections will take place on 23 May. If the Withdrawal Agreement passes after the elections, the UK will leave the EU and withdraw MEPs on the first day of the following month. The UK's default position is that we will take part in these elections and will leave the EU on 31 October 2019.

During the elections, the EU will be restricted in what it can negotiate with the UK. It would be able to negotiate the future economic partnership. Discussion with the EU is dependent on progress in UK Parliament. The EC is approaching the end of its mandate and will shortly elect new Commissioners.

The European Parliament will be required to ratify the deal, and there will be a gap between the elections and when new MEPs take their seats during which the Parliament will be unable to ratify the deal.

The transition period will last until December 2020 unless the UK notifies the EU that it would like to extend for one or two years by 1 July 2020.

Government continues to plan for a no deal scenario, however no-deal is no longer their central planning assumption.

There are workstreams that can only be activated if the UK leaves on a specific date, for example the UK being added to the approved list of third:country exporters for animal products or the approval of new Border Inspection Posts only applied if the UK had left on 12 April.

If a deal is passed, Government would look to move to the second phase of negotiations immediately. Engagement with the food and drink sector would likely take place on a bilateral basis and would look very different to the first phase. The Roundtable will need to look at the questions Government will be asking and discuss how best to respond to ensure the whole sector is included.

2. No Deal Preparedness (Brexit Support Hub)

Following the Article 50 extension to 31 October 2019, it was noted that at this time of the year companies will be in peak production for the busy Christmas period and at the same time needing to reactivate contingency plans for a no deal EU Exit.

The <u>Brexit Support Hub sub-group</u> is currently considering whether to press ahead with the full launch of the website. In the event a deal is agreed, the website can instead be a Q&A for an orderly exit.

The group agreed to move to fortnightly conference calls while maintaining plans for monthly meetings.

3. Food and Drink Industry Manifesto

FDF has produced a first draft of the manifesto discussed on the previous teleconference call. This would be used ahead of the EU elections and in the event of a general election. Members proposed amendments to ensure the document is forward looking with a focus on the longer-term priorities of the food and drink sector. Members agreed we should invite retailers and farmers to co-sign.

It was agreed that the report would include sub-sector chapters where required to reflect more specific sectoral needs as seen in the CBI 'Smooth Operations' report.

Defra is currently drafting a new food strategy document and it was noted that this paper would be helpful in informing this current activity.

Actions

- 1. Members to contact Defra if industry faces any difficulty being heard in Brussels on ongoing issues.
- 2. FDF and Defra to discuss options to structure industry for discussions on trade-offs that may arise in future trade discussions with the EU.
- **3.** Brexit Support Hub sub-group to take a decision on whether to go live with the website at their next meeting.
- 4. FDF to circulate the draft manifesto to members and to Defra officials.
- **5.** Members to contact luke.hindlaugh@fdf.org.uk by Friday 3 May to indicate if they will cosign a joint manifesto.
- **6.** Members to contact dominic.goudie@fdf.org.uk to share input or discuss the inclusion of a sub-sector chapter to the manifesto.

Future meeting and conference call dates:

Date	Time	Location
Thurs 9 May	16:00-17:00	ত
Tues 29 May	TBC	TBC
Thurs 13 June	16:00-17:00	<u> </u>
Mon 24 June	14:00-16:00	FDF
Thurs 11 July	10:30-11:30	<u> </u>
Tues 23 July	14:00-16:00	FDF
Tues 27 August	14:00-16:00	FDF
Mon 7 October	14:00-16:00	FDF
Mon 28 October	14:00-16:00	FDF
Weds 20 November	14:00-16:00	FDF
Tues 17 December	14:00-16:00	FDF

Food and Drink Federation Page 2