

# Trade in food with the EU after Brexit

*This article, a personal opinion by CIB chairman Edward Spalton, was written for the agricultural press.*

It has been suggested that independence campaigners like me should keep quiet about the possible problems of Brexit so as not to be accused of “Project Fear”. But a realistic appreciation of the known consequences of leaving the EU under present government policy is essential for businesses.

The more prudent amongst them are already taking precautions against the possibility of things going wrong. That is surely to the nation’s good. So far the government has neglected its duty of keeping businesses informed. So here is the fruit of some light research and of experience in the animal feed industry.

At present the considerable volume of British food exports to the EU is not subject to inspection at the border because the UK authorities which enforce food standards are monitored by the EU.

Once we become a “third country” outside the EU and EEA, that will no longer apply and food exports to the internal market will be subject to the same controls at the border as non EU goods, presently arriving in this country – which are described in this HM Revenue & Customs guidance notice. There are presently no adequate facilities or preparations like staff training to deal with the work load on either side of the Channel.

The volume of EU food exports to the UK is considerably larger. In event of a no deal Brexit, it is very likely that

HMRC would simply have to let everything through without controls or face the certainty of empty shelves in the supermarkets. That would open the possibility of considerable public health risks as unscrupulous traders would take the opportunity to offload sub standard goods. If continued as more than a short temporary expedient, it would also be in breach of the UK's obligations under WTO rules.

When we become a third country, independent from the EU and outside the European Economic area, firms which were previously able to deliver trailer loads of perishable food products in both directions across the channel without inspections and controls will be subject to the regulations listed here and the delays which they will impose – unless that, as yet undisclosed “deep and special” partnership, advocated by Mrs May emerges from the realm of her secret imagination to the reality of common day in a workable form.

## **THE STRANGE ACQUIESCENCE OF TRADE ASSOCIATIONS**

At some point reality will surely come crashing in from concerned businesses, which must eventually have some effect on the parliamentary and public discourse. But it has been an awfully long time coming. The way in which trade associations work may have something to do with it.

Soon after Mrs May's Lancaster House speech (Jan 2017) I started to approach various business groups to point out the likely effects of Third Country status and to see if we could create some publicity to alert people – principally business and government – to the foreseeable consequences. The business areas I picked were food and animal feed products, aviation and pharmaceuticals. I did not get very far – even with my old trade association ( grain, seed, feed, food, etc). They did not want to put their heads over the parapet and become “political”. I had forgotten how the staff of such associations actually work. They have an interest and locus

standi of their own which is not generally recognised. They do work hard to represent their members to government but that is only half of it. They need to be able to demonstrate their good connections with government to convince the members of their usefulness.

To do that they have to stay well-in with government, so not cause any political problems. Their usefulness to government is as a channel of communication to their members. In this, they are almost part of the para-state.

During all the food health scares – salmonella, listeria, BSE etc, my trade association became an advocate (almost an unofficial enforcer) of new regulations which were very onerous for smaller firms but welcomed by larger ones as raising the barriers to competition.

So whilst our then Director General (a former senior civil servant but a decent enough bloke) listened to me, I could get no change of policy. The standing of our trade association with government depended on helpful, demonstrable cooperation with government policy and that was more important than the smaller member firms.

I was not involved with poultry food but heard this after the event from people who were (circa 1988 onwards). With the salmonella scare, so ably stoked up by Edwina Currie, the government introduced regulatory proposals which would have made egg production extremely difficult and expensive (without being able to impose similar conditions on eggs imported from the EU). The National Farmers' Union was so keen on cooperating with the government that it was prepared to accept the lot. So the egg producers had to get together their own representative group and were able to bring sufficient scientific and technical evidence to bear to get the worst aspects of the proposals amended. As a consultant they had a public health expert whose PhD was in the epidemiology of salmonella – a certain Dr Richard North.

The interesting thing to me was that the apparatchiks of the NFU were quite prepared to sacrifice the interests of their egg producing members to stay well-in with officialdom.

A similar mindset, I think, probably prevailed with my old trade association in early 2017 – plus inertia. They would doubtless have had assurances from their highly placed contacts in DEFRA that everything was under control, “

nothing was settled until everything is settled” etc and that “everything will be all right on the night”. A degree of secrecy was needed on the government’s negotiating position “so as not to tie our hands” etc etc. In any event, the whole thing was then two years away and there were more pressing matters to deal with... Now that great day is only ten months away and coming rapidly closer... Mrs May can put it off for a while with an “implementation period” but, as Rabbin Burns put it, *“It’s coming yet for a’that”*.