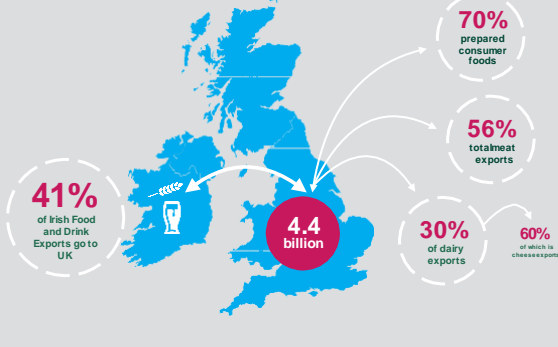


IRISH FOOD EXPORTS TO UK



WHAT FORM OF BREXIT?

Article 50 must be triggered - likely to be Spring 2017

Brexit may allow the UK to negotiate its own trade deals with non-EU countries. But as a stand alone negotiator, the UK will have less bargaining power than the EU.

SWITZERLAND

'Doing a Switzerland' & negotiating bilateral deals with the EU:

Switzerland still faces regulation without representation and pays about 40% as much as the UK to be part of the single market in goods. But the Swiss have no agreement with the EU on free trade in services, an area where the UK is a major exporter.

NORWAY

'Doing a Norway' & joining the European Economic Area:

This would minimise the trade costs of Brexit, but it would mean paying about 83% as much into the EU budget as the UK currently does. It would also require keeping current EU regulations (without having a seat at the table when the rules are decided). This option would mean the least disruption to trade.

WTO

A further option is going it alone as a member of the World Trade Organisation. This would give the UK more sovereignty at the price of less trade and a bigger fall in income, even if the UK were to abolish tariffs completely.

BREXIT RISKS & OPPORTUNITIES

The withdrawal of the UK from the EU will inevitably pose risks for food businesses. Until more is known about what form Brexit will take, it is difficult to quantify the actual impact on FBOs, however, where there is risk, there are also opportunities. Some of the potential risks and opportunities are highlighted below

CURRENCY FLUCTUATIONS

- HIGHER COST OF IRISH EXPORTS TO UK
- COMPETITIVENESS OF IRISH EXPORTS
- NORTH SOUTH TRADE IMPLICATIONS
- RAW MATERIAL COSTS
- CONSUMER CONFIDENCE
- TRADE DISTORTION

RISK OF REGULATORY DIVERGENCE

- HIGHER COSTS OF COMPLIANCE
- OFFICIAL CONTROLS
- LESS CONSUMER CHOICE
- GREATER RISK TO FOOD SAFETY
- POTENTIAL FOOD FRAUD
- SUPPLY CHAIN PROBLEMS
- IMPACT ON RAPID ALERT SYSTEM
- GENERAL FOOD LAW APPLICABILITY
- IMPACT ON FUTURE FOOD LAWS

FOOD SERVICE SECTOR

- HIGHER COST OF EATING OUT IN IRELAND FOR UK VISITORS
- TRACEABILITY & SUPPLY CHAIN
- FOOD INFORMATION TO CONSUMERS
- CALORIES ON MENUS

LABELLING & PACKAGING

- RISK OF UK ONLY RULES
- HIGHER COST OF LABELLING & PACKAGING
- HEALTH & NUTRITION CLAIMS
- ALLERGEN LABELLING
- TRAFFIC LIGHTS
- NON-EU STANDARD PACKAGING
- INGREDIENT AUTHORISATION
- GMOS

CROSS BORDER TRADE

- HIGHER COST OF FOOD IN ROI
- POTENTIAL BORDER INSPECTION POINTS
- AFFECT ON RETAILERS
- RISK OF SMUGGLING
- TRACEABILITY & DUE DILIGENCE CHALLENGES
- SUPPLY CHAIN ISSUES

OPPORTUNITIES FOR FOOD BUSINESSES

OPPORTUNITIES FOR FBOs

- BUY UK BUSINESSES
- SET UP UK SUBSIDIARIES
- BUY PLANT & MACHINERY FROM UK
- CHEAPER UK GOODS & RAW MATERIALS

- UK/US FBOs - SET UP IN IRELAND:
- GUARANTEED EU MARKET ACCESS
- SKILLED WORKFORCE
- R&D EXPERTISE
- QUALITY RAW MATERIALS
- ORIGIN GREEN

REGULATORY DIVERGENCE OPPORTUNITIES

If UK relaxes rules on Health and Nutrition Claims there may be opportunities to market products in UK carrying claims which are not permitted in EU so for example it may be possible to use the term PROBIOTIC in UK.

BEAUCHAMPS TASKFORCE

BEAUCHAMPS BREXIT FOODWATCH TEAM IS HERE TO HELP

Subscribe to our BREXIT foodwatch to keep informed of developments as they happen

Our Agrifood team has strong links in IRELAND, UK, NI and BRUSSELS and we will be keeping a watching brief on all developments which may impact on FBOs

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