#### 大成 DENTONS

# What impact will Brexit have on the food and drink sector?

The food and drink sector, like many others, has faced significant challenges in 2020. As the Brexit transition period draws to a close, the sector is still dealing with COVID-related pressures, including supply chain disruption, lockdowns, restaurant closures and the introduction of the nationwide tier system. Businesses now also need to take steps to ensure compliance with new food labelling requirements for British produce from 1 January 2021. These are summarised below.

Issue	Prior position	New requirements for products being sold in the UK	New requirements for products being sold in the EU
Food business operator address required on pre-packaged products	In order legally to sell pre-packaged products in the EU and the UK, the name and address of a "food business operator" must be placed on the label. This is the operator under whose name or business name the food is marketed or, if that operator is not established in the EU, the importer into the EU. Currently, therefore, this can be either a UK or EU address.	From 1 October 2022, all packaging for pre-packed food must contain a UK address (can be a manufacturer or importer).  Until that date, an EU, GB or NI address for the food business operator can be used.  For food sold in NI, an NI or EU address must be provided from 1 January 2021 (can be a manufacturer or importer).	From 1 January 2021, an EU or NI address must be given.  If the food products were already placed on the EU market prior to 1 January 2021, they can continue to be circulated without these labelling changes.

Issue	Prior position	New requirements for products being sold in the UK	New requirements for products being sold in the EU
Country of origin labels	In order to sell pre-packaged food in the EU, you must indicate the country of origin or place of provenance of the food on its label where failure to indicate this may mislead the consumer as to the true country of origin (for instance, if the primary ingredient differs) and for certain types of meat,	From 1 October 2022, packaging of food with origin labels in the UK must no longer contain "EU" based origin claims and must instead use "UK" or "non-UK" where the label does not list each country of origin.  Food from and sold in GB can be labelled as "origin EU" until	From 1 January 2021, you must not label food or ingredients produced in the UK as of "EU" origin. They should be marked as either "UK" or "non-EU", depending on the product.  Food from NI can continue to use "origin EU" after 1 January 2021.
	including beef.  Similar requirements also apply to poultry, fish, honey and olive oil.  The label must show either "non-EU", "EU" or "[EU member state]" depending on the product.	30 September 2022. Food from and sold in NI must be labelled as "UK(NI)" or "United Kingdom (Northern Ireland)" where EU law requires a member state from 1 January 2021.	You can continue to circulate food of animal origin placed on the EU market before 1 January 2021 without these labelling changes.  You can continue to circulate food of non-animal origin sold in either the UK or EU before 1 January 2021 without these labelling changes.
Products protected by geographical indications (GI)	A GI is a distinctive sign used on the label of a product whose quality, reputation or other such characteristics relate to its geographical origin.	It is mandatory to use a UK logo on products produced and for sale (and therefore registered as a GI product) in GB from 1 January 2021 onwards.	You must not use the EU GI logo on goods produced in GB from 1 January 2021 unless you have been authorised by the EU to do so.
	There are currently 86 UK GI (for example, Arbroath smokie, Scotch whisky and Stornoway black pudding).	This is optional for GI-protected wine or spirits.  For GI products registered before 1 January 2021, you will have until 1 January 2024 to update your packaging and marketing materials.  GI products protected in the EU (other than in the UK) can continue to use the EU logo in the UK.  Parliament laid new legislation on 22 October 2020 to introduce the new national logos. There are three new logos introduced under the regime, including: protected designation of origin (PDO); protected geographical indication (PGI); and traditional speciality guaranteed (TSG) (see images below).	From 1 January 2021, you will need to secure protection for UK GI products under the relevant UK logo scheme before applying to any EU GI schemes.  GI protection will continue after 1 January 2021 for GB products currently named in EU free trade agreements and some other EU third country agreements where the UK has signed a continuity agreement with such country.

Issue	Prior position	New requirements for products being sold in the UK	New requirements for products being sold in the EU
Packaging of meat, fish and dairy	All labels of products of animal origin must contain the UK/EC health and identification mark to be legally sold on the EU and UK market. The identification mark shows the product has been manufactured in an establishment approved by the UK/EU competent authority.  Meat  The labelling rules for meat and meat products (foods where meat is an ingredient, even if the other ingredient is 5% water) include the requirement to display the country of origin and minimum meat content.  The Poultrymeat Marketing Standards provide specific marketing terms with which you must comply to sell poultrymeat in the EU. You must obtain an EU optional indications certificate for any meat bearing one or more farming or chilling method marks (also known as optional indications).  Fish  To sell unprocessed and certain processed fishery and aquaculture products in the EU, labels must contain:  an agreed common name for the species of fish  production method (whether caught at sea, etc.)  catch area (either ocean area, or the country in which freshwater fish was caught or farmed)  fishing gear (i.e. hooks and lines)  whether or not the product has been defrosted  Pre-packed products of this kind must also contain the general food labelling contents including: list of ingredients; quantity of ingredients; net weight; food business operator details; country of origin etc.  Processed fish products are subject to slightly less stringent labelling requirements.  Dairy  To sell milk and milk products in the EU, you must again display certain information, such as the country of origin and allergen details.  Some dairy products may require more than one product of animal origin identification mark.	New health and identification marks apply from 1 January 2021 (see images below). From this date, you must stop applying the UK/EC identification mark to any new stock containing products of animal origin that you place on the GB market. You have until 30 September 2022 to implement the new identification mark. After this date, use of the UK/EC mark will be unlawful.  Products of animal origin you have already placed on the market in GB before 11pm on 31 December 2020 can reach their end-user on the GB market without the need for re-labelling.  Meat  For minced meat sold in GB, you can continue to refer to "EU" and "non-EU" until 30 September 2022.  From 1 January 2021, minced meat sold in NI must refer to "EU" and "non-EU" when the label does not list each country of origin. It will also be subject to EU import marketing standard requirements.  From 1 October 2022, you must use "non-UK" or "UK" when the label does not list each country of origin. From 1 January 2022, EU poultrymeat with optional indications will need third country listing or an EU competent authority certificate.  There will be no change to the requirements for importing poultrymeat from the EU to NI or mon-UK".  Dairy  From 1 October 2022, packaging of fish produce sold in the UK must no longer contain "EU" based origin claims and must instead use "UK" or "non-UK".  Dairy  From 1 October 2022, packaging on milk and milk products sold in the UK must no longer contain "EU" based origin claims and must instead use "UK" or "non-UK".	New health and identification marks apply from 1 January 2021. From this date, products of animal origin produced in GB and containing the UK/EC identification mark will not be permitted on the EU market. However, the UK/EC mark must be used for products of animal origin placed on the market up until 11pm on 31 December 2020.  Products of animal origin you have already placed on the market in the EU before this date can reach the end-user in the EU market without the need for re-labelling.  Meat  From 1 January 2021, for minced meat sold in the EU, you must use "UK" and/or "non-EU".  From 1 January 2021, if you export poultrymeat from GB to the EU, you must comply with the third country import requirements in the EU marketing standards regulations.  From 1 January 2021, poultrymeat bearing the optional indications mark must obtain an optional indications certificate from a GB competent authority instead of the EU authority.  Additionally, GB-based producers exporting any red or white meat into the EU will need to ensure their business is listed as an approved establishment with the EU.  Fish  From 1 January 2021, for fish products sold in the EU, you must use "UK" and/or "non-EU".  Additionally, GB-based producers exporting all fish products into the EU will need to ensure their business is listed as an approved establishment with the EU.  Dairy  From 1 January 2021, for the origin label of milk or milk products sold in the EU, you must use "UK" and/or "non-EU".

Issue	Prior position	New requirements for products being sold in the UK	New requirements for products being sold in the EU
Organic products	You must use the EU organic logo on pre-packaged organic food from the EU.  You can only label pre-packed foods "organic" if at least 95% of the ingredients are organic.  Your food label must include where any of the product's farmed ingredients were produced (e.g. "EU agriculture") and the control body's code number.  You can list ingredients in nonorganic food products as organic so long as they meet EU organic standards. For example, your label can say "organic sugar" on a food package that contains non-organic ingredients. You must also include the control body's code number on the label.	From 1 January 2021, there are new rules on organic food labelling in GB.  While you must still include details of your organic control body on the labels of GB-produced organic food, by 30 September 2022 you must also ensure the following statements are included:  "UK Agriculture", where 98% of ingredients are produced in the UK  "UK or non-UK Agriculture", where the product is produced with ingredients grown in and outside the UK  "Non-UK Agriculture", where 98% of the ingredients are produced outside the UK  Under the new trade agreement with the EU, GB recognises the EU, Norway, Iceland, Liechtenstein and Switzerland as equivalent for the purpose of trade in organics until 31 December 2023.  GB will also continue to accept food and feed certified as organic in the EU, Norway, Iceland, Liechtenstein and Switzerland as organic until 31 December 2023.  From 1 July 2021, organic products imported into GB from the EU, Norway, Iceland, Liechtenstein and Switzerland will require a certificate of inspection generated by the interim manual GB organic import system. Until then, a certificate of inspection will not be required.  This means that, in addition to the new GB requirements, you may continue to use the EU organic logo on GB organic food or feed until 31 December 2023, provided it meets EU organic labelling requirements.	Under the new trade agreement, the EU has recognised equivalence with the UK for exporting organic products to the EU until 31 December 2023. This means you may continue to use the EU organic logo on GB organic food or feed until 31 December 2023.  The EU will also continue to accept food and feed certified as organic in GB in the EU until 31 December 2023.  The EU organic logo is optional from 1 January 2021. If used, it must meet the EU organic labelling requirements and statement of agricultural origin.  Moreover, if using the EU logo, you will need to include both the GB statement of agriculture ("UK or non-UK Agriculture") and the EU statement of agriculture ("EU or non-EU Agriculture").  From 1 January 2021, under the Northern Ireland Protocol, EU Organic Regulations will continue to apply in NI. This means a valid certificate of inspection, using the EU's TRACES NT system, must accompany the movement of organic goods from GB to NI.



## New UK geographical indicator labels



Image source: Defra, Geographical indications (PDO, PGI, TSG), Brexit

## New health and identification marks

Marks you must use instead of the current UK/EC health and identification mark:

#### FSA approved businesses in Great Britain



#### Local authority approved businesses in Great Britain



Image source: Food standards agency. Examples of the health and identification marks that apply from 1 January 2021

## Plastic straws, cotton buds and drink stirrers ban

In addition to new labelling requirements on food and drink, the ban on the distribution and sale of plastic drinking straws, plastic-stemmed cotton buds and plastic drink stirrers came into force on 1 October 2020, marking another challenge for the food and drink industry. This targets single-use plastic waste. It applies to all businesses that supply these products, including manufacturers and retailers.

There is an exemption, confirmed by government guidance, which allows you to supply plastic straws on request for those who are disabled or with a medical condition.

The regime therefore prohibits the supply of cartons of drink with plastic straws. This is a transitional provision and will not come into effect until July 2021, but it is certainly something that producers may be considering now in order to trial new packaging in readiness for the change. Breach of this new legislation is punishable by fine at the discretion of your local authority.

### **Going forward**

If you have any issues relating to any of these measures, our team would be happy to help you develop a strategy to deal with them.

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CSBrand-46206-Food&Dring-Sector-flyer — 07/01/2021