



2022/2188(INI)

29.6.2023

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Foreign Affairs and the Committee on International Trade

on the implementation report on the EU-UK Trade and Cooperation Agreement (2022/2188(INI))

Rapporteur for opinion (*): Martin Hlaváček

(*) Associated committee – Rule 57 of the Rules of Procedure

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SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible to incorporate the following suggestions into their motion for a resolution:

- A. whereas the UK's withdrawal from the EU (Brexit) has created non-tariff barriers that lead to delays and additional costs on both sides; whereas despite this, in the short term, EU-UK exports and imports have recovered to pre-pandemic levels; whereas the long-term outlook shows, however, that trade stagnated in the period 2016-2022; whereas this contrasts sharply with the situation between the EU and its other trading partners;
- B. whereas the UK Government's decision to pursue a hard Brexit upon its withdrawal from the EU has inevitably led to the disruptive disintegration of economic and trade ties and the divergence of regulatory regimes for farmers, agri-food producers, citizens and non-EU trading partners;
- C. whereas the EU's total trade with its international partners excluding the United Kingdom increased by 70 % when compared to the first three quarters of 2016, and almost 40 % when compared to the first three quarters of 2019; whereas the increase was significantly lower in the case of trade with the United Kingdom: only 10 % when compared to the first three quarters of 2016 and just 6 % when compared to the same period in 2019;
- D. whereas the full implementation of the provisions of the EU-UK Withdrawal Agreement, in particular the Protocol on Ireland and Northern Ireland and the new Windsor Framework, is a precondition for the UK's ability to benefit from the advantages of the EU-UK Trade and Cooperation Agreement;
- E. whereas it is necessary to preserve a level playing field and legal certainty for farmers, agri-food producers, workers and citizens;
 - 1. Points out that due to Brexit, trade routes to and from the UK have had to be changed significantly, with the EU-UK land routes, which were historically the most convenient and cost-effective trade route, now burdened by non-tariff barriers;
 - 2. Highlights that direct maritime transport routes between the EU and the UK have increased in frequency and demand as a result and that some suppliers rely on direct flight connections, avoiding the complexities of road travel; underlines that the administrative burden stemming from the land route connections has now turned these direct routes into the more convenient options; recognises the significant diversification of the agricultural trade from the UK to EU countries and the importance of ferry services in enabling that trade; calls for greater investment in these direct sea routes, which are critical for the agricultural sector;
 - 3. Stresses that the increase in paperwork and the associated administration costs alone have prevented some companies from continuing their EU-UK trade, while others have had to incur steep costs and adapt;

4. Notes with concern that the Trade and Cooperation Agreement has not sufficiently eased Brexit-related difficulties with to employing seasonal workers; stresses the significant negative impacts that this scarcity has on the agricultural sector, for example when harvesting crops;
5. Notes with concern that EU Member States are sometimes incoherent or inconsistent in their application of the rules regarding the movement of UK-produced ingredients that are required by EU manufacturers;
6. Welcomes the Windsor Framework agreement, especially its provisions on sanitary and phytosanitary measures, as it will facilitate the trade connection between the UK mainland and Northern Ireland and will help solve the issues with the Protocol on Ireland and Northern Ireland; recalls, however, that the Windsor Framework does not provide companies with any alternative options to the current EU-UK trading arrangements;
7. Stresses that UK requirements for unnecessary guarantees in relation to certain animal diseases are not in line with the standards of the World Organisation for Animal Health; regrets the fact that the UK is not respecting the obligation to align its certification requirements with international standards;
8. Notes that several provisions of the Trade and Cooperation Agreement, notably its provisions on sanitary and phytosanitary measures, have not yet been implemented; stresses the need to recognise that there will be further distortions to trade once these provisions are fully implemented;
9. Welcomes the fact that seed potatoes have been included in the Windsor Framework; points out, however, that no alternative solution has yet been provided for seed potatoes being imported from the UK to the EU, as well as for seed potatoes exported from the EU to the UK, and that the UK has questioned the EU on its import rules for non-EU countries, to which it is now subject; points out that the seed potatoes industry is tailored to specific agronomic conditions, and that pragmatic solutions are therefore needed to maintain the supply and trade of seed potatoes to both sides;
10. Highlights the need to recognise the unique status of products of mixed origin from Ireland and Northern Ireland in future trade agreements to which the EU or the UK are party;
11. Regrets the impact on EU-UK trade relations stemming from the fact that limited progress has been made in encouraging the UK to accept EU digital sanitary and phytosanitary certificates and that technical discussions on certificates have, to date, not produced viable results; notes with concern the financial and administrative burden imposed by the current manual system; urges the UK Government to expedite the transition to a digital system;
12. Highlights that the full implementation of border checks under the UK Border Target Operating Model will bring about additional costs and inflexibilities for EU exporters and will lead to further disruptions in the value chain, especially for perishable products, and that effective digital solutions are urgently needed; sees as a positive sign in this regard the fact that the UK is taking a similar approach to the EU on risk categories and

the use of data and digitalisation to streamline the process;

13. Underlines that, although interim arrangements offered by the EU allowed temporary improvements to the situation, structural solutions are needed for the UK to accept EU paperless certificates;
14. Concludes that overall, Brexit has had a negative impact on trade flows between the EU and the UK; emphasises that it is in the interest of both the UK and the EU to continue the process of alignment and work together on solutions for agri-food trade;
15. Recognises the need to continue the ongoing progress towards ensuring the availability of veterinary medicines in Northern Ireland in order to maintain animal welfare and food security;
16. Underlines that regulatory divergences will grow, either in the context of strengthening EU standards, changing UK rules, or the full withdrawal of all remaining EU rules in the UK; stresses that these divergences will pertain most importantly to new genomic techniques, novel foods, food safety, labelling and animal welfare; recognises that this misalignment may even force businesses to sell different products in the UK and the EU; highlights also that the UK being outside the EU Rapid Alert System for Food and Feed (RASFF) will potentially lead to longer response times to food safety incidents;
17. Acknowledges the UK's introduction of the Genetic Technology (Precision Breeding) Bill in May 2022, establishing new rules for the release and marketing of 'precision bred organisms' in England;
18. Calls for the EU to speed up the adoption of legislation on the use of new breeding techniques in order to ensure a level playing field for EU farmers, while sustainably increasing yields and making crops more resilient to climate change and new pathogens, particularly in view of harmful organisms, floods, droughts, water shortages and other extreme weather conditions that are afflicting an increasing number of Member States;
19. Points out that future changes to labelling regulations in the EU will be particularly challenging for companies using the same packaging in both the EU and UK markets;
20. Highlights further that increasing regulatory divergences may present a competitive threat to EU food exports to the UK, also in the light of future trade agreements concluded between the UK and other countries, which will increase the competitors' share of the UK market;
21. Highlights the need for greater monitoring of regulatory divergence in order to be aware of and help minimise the impact of this regulatory divergence on business and to provide certainty for long-term planning;
22. Stresses that in order for future EU-UK trade relations to flourish, a comprehensive framework must be established to allow for maximum alignment in the field of agri-food exports and imports; stresses, in this regard, the importance of the Trade Specialised Committees, where information and expertise can be pooled; stresses that information exchange and consultation between stakeholders, industry and government authorities can prevent last minute regulatory changes affecting border controls;

23. Stresses the need to develop and utilise a framework for regular engagement to ensure that both the EU and the UK are aware of upcoming legislative work programmes and any related potential future legislative divergence before their implementation; notes that the EU-UK Parliamentary Partnership Assembly could facilitate this;
24. Urges the EU-UK Trade Specialised Committee on Sanitary and Phytosanitary measures to continue its work swiftly to develop a digital certificate that provides a compatible and effective solution that respects high shared safety standards, especially in the light of the upcoming launch of the UK Border Target Operating Model;
25. Urges the EU-UK Trade Specialised Committee on Sanitary and Phytosanitary measures to bring the RASFF and the UK food safety alert system into a close working relationship with the aim of delivering comprehensive protection in the EU, the UK and beyond;
26. Calls on the Commission to ensure that rules on UK ingredients required by EU manufacturers are applied coherently across EU Member States;
27. Calls on the Commission to prepare a table comparing tariff rate quotas, customs duties and non-tariff barriers for different product categories for EU-UK trade and EU trade with other partners;
28. Calls on the Commission to assess the level of protection of EU geographical indications in the UK under the Withdrawal Agreement and to launch discussions with the UK on new provisions pertaining to the protection of EU geographical indications registered from January 2021;
29. Calls on the Commission to keep Parliament fully and promptly informed about all difficulties that may arise, in particular possible breaches of the agreements that might jeopardise the level playing field and fair competition for the EU's farmers, agri-food producers and workers;
30. Calls on the Commission to develop a strategy for the future of EU-UK agri-food trade, especially in view of upcoming free trade agreements that the UK plans to conclude with its other trading partners; invites the Commission to provide regular updates to the Committee on Agriculture and Rural Development about the current state of play of the EU-UK agri-food trade;
31. Underlines the long-term impacts of Brexit, which will continue to materialise for years to come; stresses the need to keep the EU's relationship with the UK as a high political priority now and in the medium-term future.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Rule 58 – Joint committee procedure Date announced in plenary	15.12.2022
Date adopted	28.6.2023
Result of final vote	+: 38 -: 6 0: 0
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Benoît Biteau, Daniel Buda, Isabel Carvalhais, Asger Christensen, Dacian Cioloş, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Paola Ghidoni, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Camilla Laureti, Gilles Lebreton, Norbert Lins, Elena Lizzi, Colm Markey, Marlene Mortler, Ulrike Müller, Maria Noichl, Eugenia Rodríguez Palop, Daniela Rondinelli, Bronis Ropė, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Veronika Vrecionová, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Asim Ademov, Rosanna Conte, Pär Holmgren, Jan Huitema, Tom Vandenkendelaere

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

38	+
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová
ID	Rosanna Conte, Paola Ghidoni, Gilles Lebreton, Elena Lizzi
PPE	Asim Ademov, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Marlene Mortler, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Tom Vandenkendelaere, Juan Ignacio Zoido Álvarez
Renew	Atidzhe Alieva-Veli, Asger Christensen, Dacian Cioloş, Jérémy Decerle, Martin Hlaváček, Jan Huitema, Ulrike Müller
S&D	Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Daniela Rondinelli
The Left	Luke Ming Flanagan, Eugenia Rodríguez Palop

6	-
ID	Ivan David
S&D	Maria Noichl
Verts/ALE	Benoît Biteau, Martin Häusling, Pär Holmgren, Bronis Ropë

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention