



BREXIT HUB FREQUENTLY ASKED QUESTIONS

[Updated 21 December 2020]

INTRODUCTION

The transition period between the UK and the EU will end on 31 December 2020. This means that the UK will no longer be a member of the EU's Single Market nor the Common Customs Union. These changes will result in a series of significant, and depending on the timing, abrupt changes to how rural businesses operate. In order to assist members, the CLA Brexit Hub - <https://www.cla.org.uk/brexit> - has produced this briefing note on a number of Frequently Asked Questions (FAQs).

TRADE

1. What is the government's "border operating model"? How does it work?

It's the name for the set of rules and processes for importing goods into the UK.

Under the UK's Border Operating Model, the new import process will be introduced in three stages. These stages – 1 January, 1 April, and 1 July - will set out the process importers will need to understand and follow. For information on these stages go to sections 5.2.1 to 5.2.7 of the CLA Brexit guidance pack on the CLA Brexit Hub (<https://www.cla.org.uk/brexit>)

2. Will there still be free movement of goods and services between Northern Ireland and the rest of the UK?

If you trade or move goods from Great Britain (England, Scotland and Wales) to Northern Ireland, there will be changes to some processes.

From 1 January 2021, there will be no changes in how qualifying Northern Ireland goods move directly from Northern Ireland to Great Britain. Qualifying goods, such as food supplies, are deemed as essential and will benefit from unfettered access as well as the need for customs controls. There will be some changes for qualifying goods moved indirectly through Ireland.

For more information go to section 5.2.8 of the CLA Brexit guidance pack as well as: <https://www.gov.uk/guidance/trading-and-moving-goods-in-and-out-of-northern-ireland-from-1-january-2021>.

3. What is a tariff and what is the UK Global Tariff?

A tariff is simply a charge that is set on a good being imported by a country.

When the UK was a member of the European Union, no tariffs applied to goods moving from the UK to other EU countries and vice-versa. The EU Common Customs Tariff applied to imports from non-EU countries into the UK (unless the EU had a trade agreement with that country).

However, with the UK's exit from the EU and the end of the transition period on 31 December 2020, unless there is a trade agreement with the EU, UK exports will be subject to the EU's tariffs on imports, and EU exports to the UK will be subject to the UK Global Tariff in the case of certain agricultural products. The list of tariff products and rates can be found at <https://www.check-future-uk-trade-tariffs.service.gov.uk/tariff?q=&n=25&p=2>. For more information on the UK Global Tariff, go to section 5.4.4 of the CLA Brexit guidance pack.

4. What could be the impact of tariffs on the agrifood supply chain?

Exports

GB exports to the EU would be subject to tariffs under the EU's Common Customs Tariff. This would make UK products more expensive on the EU market. For exports to non-EU countries, tariffs would be set at Most Favoured Nation (MFN) rates unless GB had a trade agreement with a non-EU country that either lowered tariff rates or allowed for tariff free exports.

MFN tariffs vary according to the sector but for certain agricultural products they average between 40-50%, although in some cases much higher. This will make many agricultural exports uncompetitive in the destination market. This is particularly the case for sheepmeat where a high proportion of GB exports go to the EU. The likely result of this is an increase of sheepmeat, most notably lamb, on the domestic market which would result in consumer prices, and as such, producer prices falling.

The CLA has been lobbying the UK Government to provide financial support for producers in case such market disruptions happen.

Imports

Import Tariffs (set by the UK) can be used to protect sectors, such as agriculture, from cheap imports and agriculture has been identified as one of those sectors. The import tariff rates under the UK Global Tariff for agriculture products (they vary depending on the different parts of the animal or type) can be found at: <https://www.check-future-uk-trade-tariffs.service.gov.uk/tariff?q=&n=25&p=2>.

Trade in animals and animal products

5. How will animal and animal products exports be affected?

As with exports to the rest of the world, for those exporting animals and animal products to the EU, an Export Health Certificate (EHC) will now be needed, and their trade will need to pass through a Border Control Post (BCP). For those importing to the UK there will be a new administrative system to notify authorities.

To export animal products to the EU you will need to apply for an Economic Operator and Registration Identification (EORI) Number, using the form found online at <https://www.gov.uk/eori>.

For more information on the export process after transition, go to section 5.2.1 in the "Brexit: Getting Business Ready" guidance pack at: <https://www.cla.org.uk/brexit>

6. I don't export any live animals to the EU. Do I need to think about these changes?

Although you may not export live animals or animal products to the EU, the changes that are being made after the end of the transition period will affect those in the livestock sector, either directly or indirectly. The way the supply chain operates and the amount of documentation that will be required could lead to additional costs for producers. Also, the market price will be dictated by changes in the supply chain and this will affect the producer price.

7. How will animal and animal products imports be affected?

Importers of live animals, animal products and high-risk food and feed will need to register for the Government's "Import of animals, food and feed system", better known as IPAFFS, as soon as possible.

IPAFFS is the domestic system for the import of live animals, animal products and high-risk food and feed not of animal origin into Great Britain.

Importers will need to use IPAFFS to:

- Notify the Animal and Plant Health Agency (APHA) about imports of live animals and germinal products from the EU and EEA countries excluding Iceland to Great Britain (GB);
- Notify live animal border control posts (BCPs) about imports of live animals from non-EU countries including Iceland to GB **from 6am, 23 November 2020**; and,
- Use IPAFFS for high-risk animal products and products of animal origin **from 6am, 7 December 2020**.

For more information on imports of animals and animal products after transition, go to section 5.2.1 in the "Brexit: Getting Business Ready" guidance pack at: <https://www.cla.org.uk/brexit>

8. What do I need to know about health certificates for imports?

Requirements for health certificates for imports of animals and animal products into Great Britain will be introduced in 3 phases from January to July 2021 on 1 January; 1 April; and 1 July under the Border Operating Model.

Health certificates for imports to GB will be substantially the same as existing EU certificates for imports from the rest of the world. You should use existing EU certificates for guidance on what will be required.

If you import from a non-EU country, you will need to register and use the IPAFFS system (see Q7 above).

Imports of high-risk food or feed of non-animal origin into the UK must be through a border control post (BCP) or designated point of entry (DPE).

Imports of live animals, germplasm, products of animal origin (POAO) and animal by-products (ABP) that require veterinary checks into the UK must also go through a BCP. In addition, the importer must use IPAFFS to notify the relevant BCP at least one working day before your consignment is due to arrive.

For imports of certain products of animal origin and animal by-products that do not require veterinary checks at a BCP, there will be no requirement to pre-notify a port of the arrival of the consignment.

For more information on imports after transition, go to section 5.2.1 in the “Brexit: Getting Business Ready” guidance pack at: <https://www.cla.org.uk/brexit>

9. What will happen to rejected animals and animal products at the border?

From 1 January to 30 June 2021, consignments rejected at EU Border Control Posts (BCP) may, subject to a risk assessment, re-enter Great Britain (England, Scotland and Wales) through any point of entry.

GB importers must submit an import notification on the Import of Products, Animals, Food and Feed System (IPAFFS).

Rejected goods are consignments rejected by the competent authority in an EU country. Consignments rejected for commercial reasons cannot be returned as rejected goods.

From 1 July 2021, returned goods can only enter Great Britain at a designated BCP for checks on entry.

For more information on the rules for rejected products at EU Border Control Posts, go to section 5.2.1 in the “Brexit: Getting Business Ready” guidance pack at: <https://www.cla.org.uk/brexit>

Plant and Plant Products

10. How do I import plants and products from the EU after 31 December 2020?

There will be three stages for imports to Great Britain with new rules on 1 January, 1 April and 1 July. These include rules for importing high-priority plants and plant products and solid fuel wood. Phytosanitary Certificates will be required for all imports, pre-notification regarding the import consignment and a physical inspection.

Some plants are prohibited from entering the UK from third countries on plant health grounds. These prohibitions will not apply to plants and products imported from the EU. These are plants and plant products that due to pest risk level cannot be introduced to the UK from third countries unless they have a risk assessment.

For more information on the new import process, go to section 5.2.3 in the “Brexit: Getting Business Ready” guidance pack at: <https://www.cla.org.uk/brexit>

11. What are the rules if I export plant and plant products to the EU?

From 1 January 2021, the process for exporting regulated plants and plant products to the EU will be the same as the current process for sending them to countries outside of the EU. The exporter is required to:

- check whether a phytosanitary certificate is required by contacting the plant health authority of the destination country before exporting. The list of authorities can be found at: <https://www.ippc.int/en/countries/all/list-countries/>
- apply for a phytosanitary certificate from the relevant UK plant health authority before export;

- check if the plants require laboratory testing of samples to ensure they are free from pests and diseases or inspections during the growing season. Contact the local plant health inspector to find out if the plants need these tests before exporting

Growing season inspections which are required for a phytosanitary certificate will remain unchanged from 1 January 2021.

For more information on the new export process after transition, go to section 5.2.3 in the “Brexit: Getting Business Ready” guidance pack at: <https://www.cla.org.uk/brexit>

12. What will happen to plant passports?

From 1 January 2021, the content and format of plant passports will change to differentiate UK plant passports from EU plant passports. The EU plant passport will no longer be recognised as an official label in GB. In addition, importers will require a phytosanitary certificate. For more information go to section 5.2.3 of the CLA Brexit guidance pack.

13. What happens to plants I've exported to the EU but have been rejected?

Plants and plant product consignments rejected at EU Border Control Posts can re-enter GB through any point of entry from 1 January to 30 June 2021.

For rejected goods returning to England or Wales an import pre-notification using the relevant IT system must be submitted to notify the Animal and Plant Health Authority (APHA) which aims to publish details of these IT systems before 1 January 2021.

For more information on the new export process after transition, go to the section 5.2.3 in the CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

Horticulture

14. What happens if I import fruit and vegetables from the EU after 31 December 2020?

There will be a change in marketing standards for importing into GB.

You will need to register and use the Procedure for Electronic Application for Certificates (PEACH) as an importer. Imports will need an EU Certificate of Conformity issued by the exporting member state. In addition, a small sample of imports from the EU will be selected for checks to ensure they comply with GB marketing standards.

According to the UK Government, the process for EU Member States to request GB Approved Inspection Services (AIS) status will be published before 1 January 2021. We are still awaiting details.

For those importing fruit and vegetables from the EU to Northern Ireland there will be no change to the marketing standards requirements. This is also the case for moving fruit and vegetables to GB from Northern Ireland.

For more information about importing fruit and vegetables after transition, go to section 5.2.5 in the CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

15. What do I need to do to export fruit and vegetables to the EU?

As the UK is no longer a member of the EU, from 1 January 2021 it will be classed as a third country. The UK has now been granted third country status.

Exporters should therefore work on the assumption that they will be trading according to the third country import requirements in the EU marketing standards regulations. The UK has applied to the EU for Approved Inspection Service status.

You will need to apply for a GB-issued certificate of conformity to clear GB customs if you export fruit and vegetables subject to Specific Marketing Standards (SMS) from GB to the EU.

You will need to register and use the Procedure for Electronic Application for Certificates (PEACH) to apply for a GB-issued certificate of conformity. For more information, go to: <https://www.gov.uk/importing-plants-fresh-produce-using-peach-system>

You will not need a certificate of conformity for your produce to clear GB customs if you export fruit and vegetables subject to General Marketing Standards (GMS) to the EU.

Some EU countries may require a certificate of conformity for some produce subject to GMS. Contact the appropriate authority at the destination country to find out:

- whether your produce will require a certificate of conformity;
- how to get a certificate.

Fruit and vegetables moved from GB to Northern Ireland will need to enter through designated points of entry and meet EU import marketing standards requirements.

16. What happens if I am an Approved Trader?

Approved traders are those that have been identified as posing a lower risk and will receive fewer inspections. If you are part of the Approved Trader Scheme in GB, you must remove the EU emblem from your UK food labels and use the replacement GB label from 1 January 2021. You should only sell your existing stock with the EU emblem in GB, until it runs out.

The GB label must contain the following:

- 'Marketing standard for fresh fruit and vegetables';
- number of the approved trader;
- 'Great Britain' or 'GB'.

17. I've heard that the rules on organic produce are changing. What are the changes?

If you produce, process, label or trade in organic food and feed in Great Britain (England, Scotland and Wales), you'll have to follow GB rules from 1 January 2021.

Great Britain will recognise the EU as equivalent for the purpose of trade in organics until 31 December 2021. This means that food and feed certified as organic in the EU will continue to be accepted as organic in GB until 31 December 2021.

The EU has now recognised the UK control bodies for the purpose of exporting organic products to the EU until 31 December 2021 and food and feed certified as organic in GB will continue to be accepted as organic in the EU until 31 December 2021.

If you grow, process or import organic food for trade within the UK you will still need to be certified by an approved organic control body. Further details on approved control bodies can be found at: <https://www.gov.uk/government/publications/organic-certification-list-of-uk-approved-organic-control-bodies>

Any organic food you produce, sell or import must be labelled with details of the relevant organic control body and you need to meet the conditions set.

For more information, go to section 5.3.1 in the CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

Equine

18. How do I move horses and other equines from the UK to the EU after transition? Who do I contact?

The UK has to be listed as a third country by the EU before any horses or other equines can move from the UK to the EU at the end of the transition period. It is anticipated that the EU will grant the UK third country status so you will need to contact:

- An Official Veterinarian (OV) so that you can book an appointment for blood tests to be taken in time. This could take six weeks;
- An agent or transporter and tell them when you plan to travel. You will need to consider that you will need to travel through an EU Border Inspection Post and this is likely to take more time.

For information on exporting horses and other equines, go to section 5.2.4 in the CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

19. What process do I need to follow to export horses and other equines?

As with other animals and animal products, there is a set process which needs to be followed. Information on the process can be found at section 5.2.4 in CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

20. What do I do if I import horses and other equines into the UK?

From 1 January 2021, you will need to be aware of the following issues when importing from the EU:

- There will be no immediate change to the present entry paperwork needed for horses entering the UK from:
 - France when using a commercial document;
 - Ireland without any animal health documentation. This is part of the Tripartite Agreement between France, Ireland, and the UK;
- Registered horses travelling from the EU will also be able to continue using health attestations;
- Horses and other equines originating from the EU will not have to enter the UK through a BCP;
- EU owners returning horses to the EU can use a streamlined re-entry process for registered horses that have been in the UK for 30 days or less for racing or other competitions. Under EU regulations, these horses will need an animal health attestation from their own country showing that the horse left the EU.

These horses will still need an EHC and equine ID but will not need blood tests

21. What happens if my horse and/or other equine are rejected at an EU Border Control Post?

From 1 January to 30 June 2021, the Animal and Plant Health Agency (APHA) will carry out a risk assessment of horses and other equines rejected at an EU BCP and will decide which point of entry they may use to re-enter Great Britain.

You will need to apply to APHA Centre for International Trade (CIT) on the Import of Products, Animals, Food and Feed System (IPAFFS) to submit a notification to return horses or other equines.

The notification must be submitted one working day in advance or at least 4 hours before arrival if it is not possible to do so sooner. Further documentation, including the original export certificate and a statement from the EU BCP as to why the horses or other equines were refused entry, must be attached to the IPAFFS notification.

From 1 July 2021, returned horses and other equines must enter Great Britain at a designated BCP for checks on entry. More information can be found at: <https://www.gov.uk/government/publications/uk-border-control-posts-animal-and-animal-product-imports>

You will need notify the Import of Products, Animals, Food and Feed System (IPAFFS) and present the relevant documents to the BCP. For more information on IPAFFS go to: <https://www.gov.uk/guidance/import-of-products-animals-food-and-feed-system>

For further information on exporting horses and other equines, go to section 5.2.4 in the “Brexit: Getting Business Ready” guidance pack at: <https://www.cla.org.uk/brexit>

Timber and timber products

22. How do I import timber from the EU after 31 December 2020?

At the end of the transition period on 1 January 2021, the European Timber Regulation and Forest Law Enforcement Governance and Trade (FLEGT) will no longer apply in Great Britain and will be replaced by the UK Timber Regulation and UK FLEGT.

However, this will still mean that due diligence will need to be undertaken to confirm that timber is legally harvested if you are a:

- business importing from non-EU or EEA countries;
- GB producer placing timber on the GB market for the first time.

From 1 January 2021, a business will need to show imports from the EU and the European Economic Area (EEA) have been legally harvested.

23. Are there any changes to rules for exporting timber to the EU?

If you are exporting timber to the EU, it is very likely that you have to supply documentation about the source and legality of the timber in order to comply with EU due diligence rules.

Timber will be recognised as legally harvested if one of the following applies:

- it has a CITES import permit;
- it is accompanied by a valid FLEGT licence.

You will not need to carry out due diligence on this timber.

24. Will standards and enforcement change?

The Office for Product Safety and Standards' (OPSS) work will be unchanged and the Government is working to ensure that Forest Law Enforcement Governance and Trade (FLEGT) licences are still recognised.

The UK will still recognise monitoring organisations based in the UK, but will not automatically recognise those based in the EU. The EU will no longer recognise monitoring organisations based in the UK.

25. How will moving wood packaging change?

Wood packaging material (WPM) moving between the UK and the rest of the EU can currently move freely without checks or controls.

From 1 January 2021 all WPM moving between the UK and the EU must meet ISPM15 international standards by undergoing heat treatment and marking. All WPM may be subject to official checks either upon or after entry to the EU. More information can be found at: <https://www.ippc.int/en/publications/regulation-wood-packaging-material-international-trade-0/>

BUSINESS & CUSTOMS

Labour supply

26. What are the changes being made to the UK immigration system?

The Government is to introduce a points-based immigration system that will take effect from 1 January 2021. Migrant workers will only be permitted to work in the UK if they have been sponsored by a UK employer. They will also need to be skilled, meet a salary benchmark and be able to accrue sufficient points.

The points-based system will allow skilled workers who have a job offer from an approved employer sponsor to be able to live and work in the UK.

From January 2021, the job offered by an approved sponsor will need to be at a required skill level of **RQF3 or above** (equivalent to A level). The worker will also need to be able to speak English and be paid the relevant salary threshold by the sponsor. This will either be the general salary threshold of £25,600 or the going rate for your job, whichever is higher.

It may still be possible for a worker to earn less, but no less than £20,480, if they are able to "trade" points on specific characteristics against salary. For example, if the job offer is in a

shortage occupation or that person has a PhD relevant to the job. However, very few occupations on the shortage occupation list are relevant for rural economic sectors.

Employers who wish become a licensed sponsor will need to apply. For more information, go to: <https://www.gov.uk/uk-visa-sponsorship-employers>

For more information on the new immigration system, go to section 5.4.1 in the CLA Brexit guidance pack.

27. Will I still be able to source seasonal labour from the EU?

We now understand that the Government will make available 30,000 visas for seasonal workers for 2021 compared to the present 10,000 limit.

More details will be circulated when available.

28. Can my permanent employees, who are EU nationals, still work for me?

Yes. EU nationals currently residing in the UK can apply for Settled Status or Pre-Settled Status, which will allow them to live and work in the UK as they do currently. If they fail to apply for Settled or Pre-Settled Status, their right to remain will be questioned by the UK's immigration authorities.

Please note there is exceptions for Irish citizens are entitled to remain and work in the UK without needing to apply for Settled or Pre-Settled Status.

29. What can I do to limit the impact of a changing immigration policy?

The Government has, in the past, encouraged employers to meet the labour supply gap by hiring veterans and/or ex-prisoners in their business. For the former, The Ministry of Defence's Career Transition Partnership (CTP) can provide a free recruitment service for UK employers. For details, go to: <https://www.ctp.org.uk/>

If a business is struggling to find people with adequate skills, they can consider running an apprenticeship scheme. The Government can provide aid in hiring an apprentice. If a business does not pay the apprenticeship levy (only applicable for businesses with an annual wage bill of over £3 million), then the Government will fund 95% of the costs of the apprenticeship. If a business does pay the levy, then the Government will also provide funding, but this will be calculated differently, depending on each individual business.

Alternatively, you could look into ways to make your business more efficient and resilient. Further guidance on how to prepare for after transition can be found in sections 2 to 4 of the CLA Brexit guidance pack at: <https://www.cla.org.uk/brexit>

Customs Declarations

30. What imported goods will require a customs declaration?

A business will need to follow the normal rules for making an import declaration if either:

- The goods are controlled (the full list of controlled goods can be found at <https://www.gov.uk/guidance/list-of-goods-imported-into-great-britain-from-the-eu-that-are-controlled>).
- HMRC has told you to because you have a poor compliance record.

If goods that are imported are in EU free circulation (see question ?? below) into Great Britain (England, Scotland and Wales) between 1 January and 30 June 2021 and the goods are not controlled, the importer can:

- declare these goods by entering them in their own records without needing authorisation in advance;
- delay sending HMRC the full information about your goods by up to 6 months on a supplementary declaration.

The business must also:

- account for the import VAT on the business VAT return (if the business is not VAT registered it must pay at the time of the supplementary declaration);
- have authorisation to use simplified declarations before it can make a supplementary declaration (or use someone dealing with customs for the business who has an authorisation);
- submit monthly intrastat supplementary declarations for arrivals from the EU as required.

Given the complexities of the customs system and the likelihood that these will increase, businesses are strongly advised to hire an independent customs agent who will deal with and make the necessary declarations on the business' behalf. This needs to include entering the goods in the business' records and making the supplementary declaration.

If the business or customs agent are already authorised to use simplified declarations at the time the entry was made in the records the submission of the supplementary declaration to HMRC can still be delayed.

31. What is "free circulation"?

Free circulation is where goods from the EU are not subject to other import regulations and where the goods have been declared and the customs duties paid. This can be one of the following:

- directly from import;
- from a custom's special procedure (for example customs warehousing);
- from a temporary storage facility;
- using transit if the movement of the goods started in the EU.

The transitional simplified procedures will be withdrawn on 1 January 2021.

From 1 January 2021 to 30 June 2021 a business can import controlled and non-controlled goods from the EU without making a safety and security declaration. However, it is important that all customs procedures set out by HMRC are followed correctly.

32. How does my business make a customs declaration?

After transition, businesses will need to make a customs declaration when importing goods from the EU. To do so there are steps that must be followed.

Step 1: Set up your business to make a customs declaration

The business importing the goods and any transporter or customs agent acting on their behalf will both need an EORI number. You can apply at: <https://www.gov.uk/eori?step-by-step-nav=8a543f4b-afb7-4591-bbfc-2eec52ab96c2>

You will need to register for the Customs Handling of Import and Export Freight (CHIEF) system to make a declaration which you can do at: <https://www.gov.uk/government/publications/import-and-export-request-for-chief-access-c1800?step-by-step-nav=8a543f4b-afb7-4591-bbfc-2eec52ab96c2> You will also need to buy commercial software that can submit declarations through CHIEF.

You can apply for simplified declaration procedures and for Authorised Economic Operator status. These are most suitable for businesses that import goods regularly. Details on simplified declaration procedures can be found at: <https://www.gov.uk/guidance/using-simplified-declarations-for-imports?step-by-step-nav=8a543f4b-afb7-4591-bbfc-2eec52ab96c2>

If you import products such as plants and plant products or animal products, you will need to register with different government agencies. These can be found in section 5.5 in the Brexit: Getting Business Ready guidance pack at: <https://www.cla.org.uk/brexit>

Step 2: Set up a duty deferment account if you import regularly

You will be able to set up a duty deferment account if you want to be able to make one payment of customs duties a month instead of paying for individual shipments. You will need to set one up if you use simplified procedures. More details can be found at: <https://www.gov.uk/guidance/check-which-type-of-account-to-apply-for-to-defer-duty-payments-when-you-import-goods>

Step 3: Arrange for the goods to be inspected

You need to choose a place where the goods can be inspected if you import goods such as plant or animal products and this needs to happen before they are allowed through the UK border. Information on inspection points for different products can be found in the Brexit: Getting Business Ready guidance pack at: <https://www.cla.org.uk/brexit>

You need to let the inspection point know when the goods are arriving and an inspection fee may be required. The rules on inspections can be found at: <https://www.gov.uk/starting-to-import/import-licences-and-certificates?step-by-step-nav=8a543f4b-afb7-4591-bbfc-2eec52ab96c2>

Step 4: Submit the import declaration

If you import goods from non-EU countries, you will need to submit an import declaration. More details can be found at: <https://www.gov.uk/guidance/customs-declarations-for-goods-brought-into-the-eu#content>

Step 5: Pay VAT and duty

HMRC will tell you how much to pay after you submit the declaration. Further details can be found at: <https://www.gov.uk/guidance/paying-vat-and-duties-on-imports?step-by-step-nav=8a543f4b-afb7-4591-bbfc-2eec52ab96c2>

Step 6: Get the goods released if they are held up at the border

The goods will be held at the border, for example if:

- you have not paid the right amount of duty or VAT;
- you do not have the right import licences for the goods or business;
- they did not pass inspection;
- they have been combined with a shipment that has been held up

You will be informed why goods may have been held up so that the process will be smoother next time.

Inputs and Suppliers

33. Are your key inputs going to be affected after the end of transition? Do you import any of your inputs directly from an EU-based business?

IF YES...

- Check their level of readiness. Ask them what they have done to prepare for customs checks etc. If they are not ready, you might want to look for an alternative supplier who is.
- You may want to consider building stocks of inputs and consumables that may be delayed temporarily at ports in the weeks after transition, finding UK sources, or a mixture of both.
- This may also help manage exchange rate fluctuations. Sterling has weakened since the referendum and may continue to do so if we leave the EU without a deal, making imported goods more expensive.

IF NO...

- Check with your suppliers where the products they sell come from. Are they ready for Brexit? If not, you might want to consider an alternative supplier who is.

Ask them whether there will be any increases in the cost of inputs and other materials. You may want to consider building stocks of inputs and consumables that may be delayed temporarily at ports in the weeks after a No Deal Brexit, finding UK sources, or a mixture of both. This may help manage exchange rate fluctuations. Sterling has weakened since the referendum and may continue to do so if there is no deal after transition, making imported goods more expensive. Buying forward (e.g. imported animal feed) may also help mitigate any further fall in the value of sterling

34. What does Brexit mean for my contracts with suppliers if there are extra costs?

It is very unlikely that suppliers will absorb any extra costs and these are likely to be passed onto producers. Therefore, producers will need to be vigilant regarding their future contracts with suppliers. In the event of contractual terms being disadvantageous following transition, producers should contact their suppliers to see if the terms of contracts can be changed.

It is also important that producers monitor the prices they receive. It is very possible that retailers and processors could seek to renegotiate contracts in order to reduce the negative impact of potential price rises. It is advisable that producers discuss with their buyers how prices are likely to be affected in the coming months in order to mitigate the potential for price reductions in producer/buyer contracts.

GENERAL

35. Where can I find out more on the Government's plans?

More guidance on what happens after transition can be found at:
<https://www.gov.uk/transition>.

36. I know there are changes in export rules, but what about the rest of what I have to comply with as a farmer?

Through the provisions of The European Union (Withdrawal) Act 2018, all European rules have been embedded into the domestic law of England and Wales. As such, there will be no regulatory changes immediately after the transition period.

However, the UK Government has indicated that it would wish to diverge from the EU regulatory framework over time.

37. Why are trade agreements important?

Trade is not just about tariffs and trade agreements are not simply about easier market access. They include the removal of non-tariff barriers and the introduction of a simpler, more efficient supply chain with less bureaucracy.

Securing trade agreements, particularly with the continuity agreements the UK has reached with countries that already have trade pacts with the EU, will build the foundations the UK's agrifood sector will need in order to benefit from the opportunities afforded by new markets. It is very possible that British producers would retain an advantage in promoting the qualities of high animal welfare and environmental standards that will add value to products. This would mean that British traders will have a greater chance to build market share and deliver high quality British produce on a global scale.

But it is important to stress that trade deals are not achieved overnight. For example, the EU's trade deal with Canada known as CETA, took over seven years to negotiate. And even after the negotiations are over, UK traders still have to access these new markets and gain a foothold which will take time.

38. Are trade agreements good for all parties?

It is inevitable that there will be winners and losers – that is the nature of trade negotiations. What is crucial, however, in the diplomatic games that will invariably play out, agriculture is not sacrificed for gains in other areas. The negotiations with the US administration show the tensions that arise and UK trade policy needs to be mindful of the political dangers that may arise through a perceived failure to maintain food and welfare standards.