



House of Commons

Environment, Food and Rural
Affairs Committee

**Seafood and meat
exports to the EU:
Government Response
to the Committee's
Eighth Report of
Session 2019–21**

**Fourth Special Report of Session
2021–22**

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The Environment, Food and Rural Affairs Committee

The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Environment, Food and Rural Affairs and associated public bodies.

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Fourth Special Report

The Environment, Food and Rural Affairs Committee published its Eighth Report of Session 2019–21, [Seafood and meat exports to the EU](#) (HC 1189), on 29 April 2021. The Government response was received on 29 June 2021 and is appended to this report.

Appendix: Government Response

The Committee’s original recommendations are in bold.

The Government thanks the Committee for its report on “Seafood and Meat Exports to the EU”, which was published on 29 April 2021. This document provides the Government’s response to that report.

The Government is fully committed to supporting meat and seafood exports, and we thank the Environment Food and Rural Affairs Committee for their inquiry into the challenges faced by those sectors at the start of the year, as the country transitioned towards a new trading relationship with the EU.

1. We welcome the successful negotiation of the Trade and Co-operation Agreement (TCA) with the EU, and its preservation of tariff and quota free trade for seafood and meat. However, the Agreement introduces substantial non-tariff barriers for such exports, in particular the requirement for an Export Health Certificate (EHC). Although there have undoubtedly been “teething issues”, there has also been a structural change in how British businesses export produce to the EU since 1 January. The substantial new paperwork, and checks at the EU border, have added costs, delays, and uncertainty to the export process for highly time-sensitive seafood and meat exports. We believe that insufficient priority was given by the Government to reaching a deal on minimising or removing the need for SPS checks in the TCA. (Paragraph 26)

The Trade and Cooperation Agreement (TCA) represents a major achievement in facilitating trade between the UK and the EU, delivering a deal for the UK in record time, and under extremely challenging conditions. We have secured an unprecedented Free Trade Agreement (FTA) with no tariffs or quotas on goods traded. This is first time the EU has ever agreed complete tariff-free quota-free access in an FTA.

New SPS requirements for agri-food trade with the EU, such as health certification and border checks, are part of the UK’s transition away from being part of the EU Single Market to a relationship centred on free trade. These requirements apply to all the EU’s other trading partners who do not align with their rules. What we have done in the TCA’s SPS chapter is put in place a framework that allows the UK and the EU to take informed decisions to reduce their respective SPS controls, with a commitment to avoid unnecessary barriers. It is in both Parties’ interests to pursue this through the Specialised Committee set up under the SPS chapter which will, among other responsibilities, review the Parties’ SPS measures, including certification requirements and border clearance processes, and their application, in order to facilitate trade between the Parties. The TCA’s SPS Annex sets out principles to be used when setting the level of SPS border checks.

Despite some compromises to reach an agreement, the UK has secured its top priorities on SPS, which are autonomy for our domestic regime and protection of our biosecurity.

Equivalence is a cornerstone of the WTO SPS Agreement to which both the UK and EU are party and has been agreed by the EU in their previous FTAs. So, it was a sensible starting point for our trading relationship, and we proposed a Canada-style FTA, which would have provided a basis for reducing the level of non-tariff trade barriers within an equivalence framework. The EU's refusal to include equivalence was a surprise to us but we have agreed to cooperate with them on reviewing our respective SPS measures, with a view to avoiding unjustified SPS barriers in a relationship centred on free trade. Frictionless trade would require regulatory alignment with the EU, which would not only undermine our regulatory autonomy but also our sovereignty as an independent trading nation.

We are continuing to work closely with traders and are implementing processes to ensure that exporters understand the requirements they need to meet to continue trading with the EU following the end of the Transition Period.

2. We commend seafood and meat exporters on their efforts to prepare for the new trading environment with the EU amidst the covid-19 pandemic and acknowledge the considerable uncertainty of what they were preparing for. In as much as this uncertainty similarly hampered the Government in what support and guidance it could provide before 1 January, we believe that seafood and meat exporters have not received the standard of support they should have done to allow them to prepare. Guidance was not sufficiently timely, targeted or joined-up. This has especially impacted smaller businesses, many of whom are handling export red tape for the first time. As the case of live bivalve molluscs (LBM) highlighted, Defra should have engaged with exporters more closely, in this case by sharing information it had received from the European Commission, allowing the industry to point out that it did not provide the clarity Defra officials thought it did. This resulted in the Government making a mistake in how the Commission would apply the relevant regulations, leading to the industry being compromised when it became clear that exports of LBM from aquaculture in Class B and C water that had not been deputed would be blocked. We believe that the European Commission could and should have taken a more pragmatic approach to the interpretation of these rules. *If the Government believes the EU to be legally incorrect, the Government should urgently challenge the European Commission's stance.* (Paragraph 27)

Defra acted in a reasonable and timely manner when engaging with industry and the Commission on the issue of Live Bivalve Molluscs (LBMs).

Prior to EU exit, Defra officials examined the Export Health Certificates (EHCs) needed for trade with the EU. Their work concluded that the export of molluscs was legal and that there were certificates in place. It was less clear, however, which certificate should be used. Officials therefore asked for the EU Commission's opinion and the Commission replied in September 2019. The reply was very plain, agreeing that the appropriate certificate was the one Defra had suggested (Part A of Annex IV to Commission Regulation (EC) No 1251/2008). The exchange therefore confirmed that the trade could continue following the end of the transition period.

The Commission's corroboration was relayed to industry the following month. The correspondence between the CVO and her EU counterparts was not itself made public. It

was a delicate time generally for EU/UK relations, and it is not normal practice to publish such documents. However, we have since published all relevant correspondence in the House of Commons Library.

The EU Commission has subsequently amended its legislation effectively to prohibit the import from GB of LBMs from class B waters for the purposes of purification.¹ The correctness or otherwise of the Commission's interpretation of EU legislation as it stood before the Commission amended it is therefore academic; but the amendment is an implicit acknowledgement that, before its amendment, the legislation either did not have the effect for which the Commission now (contrary to its earlier assurances) contends, or at the very least did not achieve that effect in any clear way. We continue to consider our options for challenging the European Union, but any such challenge would of course need to relate to the legislation as amended, not to the Commission's interpretation of the EU legislation as it stood before the amendment. Now that the EU has ratified the TCA, these discussions will continue in the Specialised Committees.

3. The Government should also have worked more closely with the EU and Members States to test systems in advance of 1 January, pre-empting some of the teething problems exporters faced in January. *The UK Government should learn from this, and in advance of the imposition of full import checks over the next year it should work with EU Governments and UK importers to properly test the UK's arrangements.* (Paragraph 28)

Since August 2020, Defra has reached over 14,000 EU stakeholders through a programme of events organised by the Border and Protocol Delivery Groups (BPDGs). The approach to engagement was to reach as many businesses in the EU as possible and this was successful. We also held technical discussions with France, ahead of 1 January 2021, to pre-empt issues at the short straits and where possible resolve them before the end of the transition period. Defra also worked closely with British Embassies in EU Member States to deliver key messaging. Since 1 January Defra has had regular dialogue with British Embassies in EU Member States and Member States Embassies in London to discuss ongoing issues; and new issues as they were reported.

In advance of the end of the transition period, Defra engaged the EU Commission to test the connection of UK and EU systems, in particular the TRACES (the EU certification system)—ALVS (Defra's automatic licence verification system) link to match the new TRACES profiles for Great Britain to Northern Ireland trade.

We have taken the lessons learned from the January 2021 changes to the export regime and incorporated them into our import readiness planning. Testing activities have been put in place that have validated all processes and we are modelling those processes against available data on volumes and flow through Border Control Posts (BCPs) with the Port Health Authorities (PHAs). Feasibility sessions with all stakeholders on system usage in June and July will increase stakeholder understanding and confidence with impending changes before comprehensive end to end practical testing in August. Other Government Departments, EU member states, certifiers and exporters, and GB importers are included in the testing development.

1 Commission Implementing Regulation 2021/617

Since 2020, Defra has been working closely with delivery partners and industry to understand user readiness around systems. We have awareness campaigns running in GB and the EU in June and July designed to increase understanding and confidence for businesses, which will provide us sufficient metrics to gauge trader readiness, with detailed readiness campaigns running in August and September, designed to ensure user familiarity with system requirements for 1 October. Going forward Defra will use additional video and communications material to help deliver these key messages; and work closely with key groups such as the EU trade associations to amplify messaging through their channels.

4. Since the Transition Period ended, Defra has worked with stakeholders to resolve these teething problems and we commend its efforts. However, the new non-tariff barriers for exporters to the EU will impose substantive and enduring costs. As a result, larger businesses may move the processing of seafood and meat to the EU, while smaller businesses may find that exporting food to the EU is unviable. We make several recommendations in the rest of the report for how these barriers can be minimised. (Paragraph 29)

Defra welcomes the Committee's recognition of its efforts to resolve the issues faced by exporters at the start of the year, as the country transitioned towards a new trading relationship with the EU. The Committee's specific recommendations have been addressed elsewhere in this document, but the Government remains committed to supporting businesses exporting to the EU.

We recognise that for some of our sectors the changes have been challenging and we continue to support trader readiness through providing tailored guidance and working with member states to address lack of clarity and inconsistency on application of import processes, which we recognise is a problem many exporting businesses are facing. We have made extensive guidance available and held webinars and meetings with exporters and trade associations to help businesses understand the new rules.

We have developed a programme of webinars in conjunction with our stakeholders and supported by DIT's Export Specialists across a range of sectors. These webinars set out import requirements and the steps businesses need to take to comply with them. These are available online. We continue to strengthen our support for exporters and look to make information on EU import controls simpler and more accessible.

SMEs make up 97% of food and drink businesses and we recognise that they need tailored support. We are delivering this through an SME forum that meets regularly. This enables us to reach around 40,000+ SMEs through direct and intermediary distribution networks to aid understanding of export issues and help address them, as well as share best practice and facilitate peer to peer support.

Defra continues to work closely with OGDs, in particular with DIT, to ensure that the UK has a comprehensive overview of current and emerging trade barriers and is working systematically to address them. We also work closely with UKMis, AHDB, NFU Europe and others based in market to help smooth export barriers, as well as identify demand trends and opportunities for UK exporters.

DIT's 'Open Doors' campaign and its export academy encourages farmers and producers to explore new markets and provides tools to build understanding of export opportunities

and capability to deliver on it. This will drive businesses to the support available from DIT to sell in new markets or export for the first time. Through the “Open Doors” and related initiatives we are demonstrating our commitment to delivering the plan for growth and Building Back Better. This will support job creation, local economic vitality and the levelling up agenda.

We continue to engage with the European Commission and the EU Member States, at both a national and Border Control Post level, to ensure that we share a common understanding of the EU’s export rules and how they should apply and to resolve any issues that UK exporters may be experiencing. Engagement also continues through the Withdrawal Agreement Joint Committee and the TCA Partnership Council (PC), with the PC meeting for the first time on 9 June 2021.

5. The Government took early steps to secure a significant increase in capacity to deal with the substantial increase in demand for certification officers, and there does not appear to have been significant shortages. However, we note that increased demands for Official Veterinarians (OVs) to certify EHCs have reduced the number available to undertake vital meat certification work in slaughterhouses. We also note that some businesses are experiencing difficulties securing the certification of EHCs. We are further concerned that the introduction of new EU EHCs and a recovery in export volumes may create challenges in the short-term. *Given the important role certifying officers play in ensuring the export of seafood and meat to the EU, Defra should closely monitor the availability of certifying officers to ensure businesses can readily access them when they need them and at appropriate rates. Should Defra make a request to the Royal College of Veterinary Surgeons (RCVS) to allow the temporary registration of OVs certifying EHCs, it should inform this Committee immediately.* (Paragraph 35)

Defra welcomes the Committee’s recognition of the work taken to increase certifier capacity before 01 January 2021. Between January 2021 and April 2021, Defra, APHA and FSA made a group of Official Veterinarians available to certification providers and local authorities across Great Britain in case significant certifier shortages emerged. There was limited take up of this offer, with just nine requests for support in total. Whilst we continue to monitor certifier availability and acknowledge that some individual businesses may struggle to identify a certifier in their local area, particularly at short notice, we are not aware of any significant certifier capacity shortfalls.

The increase in demand for veterinary services has not had a direct impact on the delivery of veterinary services in abattoirs (in England and Wales) to date. The FSA has deployed effective contingency measures to continue to deliver 100 per cent of OV-led official controls in abattoirs in England and Wales.

Temporary Registration of suitably qualified veterinarians was introduced on 1 June 2021 following RCVS approval. This currently applies to OVs that deliver these official controls, verify the delivery of food safety and animal health, and welfare standards in abattoirs, while the changes in demand for veterinary skills begins to level out.

Official Veterinarians temporarily registered for this purpose with the RCVS will be fully trained and qualified vets. They will have European Association of Establishments for Veterinary Education (EAEVE) accredited veterinary degrees and will have successfully undertaken the relevant OV training.

We currently have no plans to formally request the Royal College of Veterinary Surgeons (RCVS) to admit vets to the temporary register for export health certification roles. We will continue to monitor the situation and initiate discussions on this topic with RCVS, if needed. If a formal request is submitted to the RCVS on this, we shall inform the Committee.

6. There is merit in exploring the creation of a public sector service of full-time certifying officers, especially given the Government’s desire to increase food and drink exports. This could increase confidence that EHCs would be promptly certified and provide a standardised pricing structure. Defra should examine the experience of other countries which provide a public sector certification service and publish a report on its findings within the next twelve months. (Paragraph 36)

Official Veterinarians in Great Britain operate in the commercial Official Veterinarian (OV) market and we have no plans to change that. However, we always look to learn from how other countries provide official certification services whilst being mindful of the UK’s business environment. Rather than publishing a comparative report, the Government is taking part in ongoing and iterative engagement with countries whose certification models and services it deems to offer the most significant opportunities for learning.

We are aware that as Official Veterinarians in Great Britain operate in the private market, they can set their own prices for certification. Local Authorities, whose Food Competent Certification Officers can certify fishery products and some other exports, are able to charge cost recovery for their services. As such there is variation across Great Britain in terms of the cost of certification, as well as between commodities.

We are continuing to monitor certifier capacity, including via regular reviews of the numbers of qualified Official Veterinarians and Food Competent Certifying Officer numbers and are not aware of any significant issues.

7. Digital certification of EHCs is a vital step to reducing trade friction with the EU. We acknowledge that the Government cannot require the European Union to accept electronic certification for GB seafood and meat exports. Nevertheless, the Government should make agreement on the digital certification of EHCs a priority in its discussions with the EU, while also ensuring that the necessary technical challenges are overcome to enable certifying officers to easily certify EHCs online. Reaching such an agreement may become easier once EU imports to the UK are faced with the same paperwork. (Paragraph 38)

Technical work is underway on the production of electronic EHCs and ePhytos (the plant equivalent of an electronic EHC). This work is being conducted in parallel with technical and policy discussions with the EU Commission to ensure the delivery is technically acceptable to the EU and doesn’t necessitate further dialogue.

This work has been accelerated as part of the GB-NI Digital Assistance Scheme (DAS) but will be equally of benefit to GB-EU exporters certifying via EHC Online or Plant Health Export System (PHES).

8. While the Seafood Disruption Support Scheme helped to compensate some SME seafood businesses for the teething problems they faced in January, it did not offer compensation to businesses who had incurred costs preparing for the new trading

environment with the EU. The arbitrary £100,000 cap on claims also meant that some larger businesses are still faced with losses. We welcome the Seafood Response Fund as a better way of supporting seafood exporters with the initial costs incurred from adjusting to the new trading regime. Both schemes demonstrate Defra’s commendable engagement with the seafood sector. *The Government should take a flexible stance on the size of the £23 million funding envelope, and the cap on individual payments, once it has analysed the applications received in order to ensure that seafood exporters receive the necessary support to overcome the teething issues from the new trading arrangements with the EU. Defra should create similar schemes to support meat exporters during the initial period of the new trading arrangements with the EU.* (Paragraph 41)

We are pleased that the committee recognises the steps taken by the Government to engage with and support the fishing sector. We have now delivered millions of pounds to support thousands of seafood businesses across the UK, reflecting the Government’s willingness to engage with the sector, work at pace, and the extensive promotion of support by Defra and the Marine Management Organisation (MMO).

The SDSS was the first scheme to open to applications across the UK as a result of EU exit disruption, this scheme was launched in early February and was aimed at supporting businesses who had suffered a verifiable loss during the movement of goods to the single market. The scheme was designed in close consultation with several stakeholders. Support was targeted at SMEs, who are typically less financially resilient and so less able overcome export issues compared to larger organisations. The scheme also utilised a payment cap of £100,000. No business that received support under the scheme was close to breaching the £100,000 cap so it does not appear that this acted as a barrier to support.

The SDSS targeted payments at actual losses but did not directly fund businesses to prepare for the new trading environment with the EU. This is because the scheme was designed to help businesses overcome the unexpected disruptions associated with COVID-19 and export challenges and sought not to put firms that had incurred preparation costs to avoid losses at a disadvantage. These requirements were put in place to ensure that the fund was able to support all qualifying businesses and represented value for money for the taxpayer. Longer-term schemes such as the Fisheries and Seafood Scheme in England can offer support for business planning and diversification

The scheme received relatively low uptake with only 30 applications being successful across the UK. Following further engagement at a pre-planned review point in mid-February, we understood that the reason for this low uptake was that a large majority of businesses had suspended exporting activities to avoid disruption and therefore could not demonstrate a verifiable loss as required by the scheme. Recognising that many businesses had decided to suspend export activities during this period we acted quickly, and promptly launched the Seafood Response Fund (SRF). This ensured that catching and aquaculture businesses who were also reporting disruption, due to hospitality closures and reduced volume of exports, could continue to operate.

Defra has been constantly monitoring the impact of COVID-19 and exporting difficulties on the sector. The level of funding committed, which was set at £23 million, was determined through thorough analysis of the support needed by the sector and has proven sufficient to deliver both schemes.

We continue to be flexible in designing schemes to support the seafood sector in the long term. At the Spending Review we committed £32.7 million to enable each nation of the UK to deliver its own funding scheme to support the seafood sector, as well as funding data collection and control and enforcement activities. The scheme for England—the Fisheries and Seafood Scheme—opened for applications on 6 April. This scheme will support long-term sustainable growth, help seafood businesses recover from the impacts of COVID-19, and take advantage of new trading conditions and flourish outside the EU.

With respect to the Committee’s suggestion that Defra could consider creating similar schemes for meat exporters, we appreciate that the meat sector has been affected by a combination of regulatory complexity, loss of markets, and COVID-19 outbreaks. Defra has continued to engage with the meat processing industry through regular and established working relationships. Through these channels we have provided opportunity for the meat processing industry to flag problems as they have arisen in the early months of 2021. Defra officials have made themselves readily available throughout, in order to work with UK traders, EU port officials, and colleagues in Other Government Departments to rapidly unblock issues, ensure that there is feedback from Member States, and keep trade flowing.

Defra and the Devolved Administrations have also established the UK Agriculture Market Monitoring Group (UKAMMG). Through this, we monitor all key agricultural commodities, including the impact of measures introduced for the import and export of commodities. The UKAMMG analyses and reviews market data and identifies when Ministers should be informed of developments. Defra and the Devolved Administrations have been closely monitoring the livestock sectors through this group and will continue to do so as further milestones are reached for import checks and easements come to an end. On the basis of current market conditions, we do not consider support schemes for meat exporters are needed but this will be kept under regular review.

9. Certification of Export Health Certificates have created additional costs to businesses, which fall disproportionately on SMEs. Defra should explore a version of the Movement Assistance Scheme that supports businesses with the cost of exporting seafood and meat and other food. Such a scheme could apply to the EU and other third countries, helping exporters to explore new markets and support Global Britain especially as the economy recovers from the covid-19 pandemic. The design of such a scheme should be time-limited and focused on SMEs. (Paragraph 43)

Northern Ireland is an integral part of the United Kingdom. To ensure successful delivery of the Northern Ireland Protocol, and recognising that the unique requirements for moving goods within the UK’s own customs territory could result in some businesses facing a difficult period of adjustment, the Movement Assistance Scheme (MAS) provides support to businesses serving Northern Ireland.

Sitting within a wider package of readiness measures, MAS supports traders moving agri-food commodities and live animals into NI on terms compliant with the NI Protocol by:

- Providing advice and guidance to inform traders of what the new requirements are and what they need to do to satisfy them;
- Providing a charging remuneration scheme that waives and/or covers the direct certification costs traders will incur as a result of the new requirements.

We have no plans to extend the MAS scheme for exports to the EU or non-EU countries and the scheme is predicated on the fact it should only support GB-NI trade.

Nonetheless, the Government is committed to supporting the UK food and drink sector to export. There is extensive advice available to support businesses as they adjust to the new requirements including online guidance, videos, and sector specific webinars that businesses can easily access for information. The gov.uk website also provides a list of contacts covering Defra sectors, accessible to businesses seeking practical support.

We continue to work closely with traders through the SME forum and the Food and Drink Sector Council Export Working Group (the EWG). The EWG ensures a coordinated and effective approach to exporter support across the UK.

Defra's ongoing work to support the commercial development of the consolidation and certification hubs aims to benefit all exporters, but particularly SMEs. The new hub guidance enables the consolidation and certification of small loads in new product areas, for example plants and plant products. We are also working to increase exporter access to hubs, by helping the logistics industry establish hubs in new regions of GB. The publication of guidance for pallet level seals for moving groupage loads to Northern Ireland provides further support to SMEs where there is a need to move smaller loads. We intend to extend this to the EU shortly. The additional work to digitise export certification aims to streamline the export certification process, by providing electronic certification and better integration with TRACES NT, the EU's import and notification system.

Taken as a whole, these actions aim to help all exporters, and certifiers, by reducing the time taken to complete, and cost of obtaining, the required export documentation, as well as improving access to the hub facilities for moving smaller loads into NI and the EU.

We also continue to engage with the European Commission and the EU Member States, to ensure there is a common understanding of the EU's export rules and how they should apply and to resolve any issues that UK exporters may be experiencing.

The Government is considering other ways it can support exporters and information on this will be published in due course. However, it is worth noting that the requirements for export health certification for exports of animals and products of animal origin is not new. Exporters of such commodities have successfully traded to countries outside the EU under such requirements for many years.

10. As the problems that faced exporters in January highlighted, groupage is an important part of the export process especially for smaller businesses. With the new requirements for Export Health Certificates and other red tape when exporting seafood and meat to the EU, it is vital that groupage can be conducted efficiently, ideally without additional handling. Distribution hubs, where consignments are collated for groupage and can also be certified for EHC purposes, are an opportunity to help smaller businesses. We welcome Defra's positive approach to hubs to date. *Given the particular importance of groupage for SMEs exporting seafood and meat to the EU, Defra should continue to act as facilitator and proactively encourage collaboration between stakeholders. It should establish a ring-fenced fund that is used to help establish hubs in circumstances where the private sector will not otherwise provide. Defra should also explore with stakeholders the scope for non-hub models of groupage.* (Paragraph 47)

Defra welcomes a recommendation to facilitate further collaboration between stakeholders to support the establishment of additional hubs for meat, fish and plant exports, and to investigate additional groupage models.

Work is already underway, with stakeholders, to identify strategic locations for the establishment of new hubs, with operational trials that began on 17 May with an existing fish exporter in the southwest of England to consolidate export consignments under a reduced number of EHCs. We have recently supported the successful trial of an approach to groupage based on pallet level sealing of consignments into the Republic of Ireland. We intend to publish further guidance on this for exports to the EU shortly. This builds on existing published guidance for groupage movements to Northern Ireland.

We are exploring additional ways to support the development of logistics hubs for fish and fishery products, which includes funding. For example, on the 21 May we published high level guidance that sets out the potential benefits of hubs and the considerations to be made when thinking about establishing a hub. We are open to exploring the scope for additional, non-hub solutions for groupage, with stakeholders.

11. Many production grounds for LBM in England and Wales are predominantly Class B under the current arrangements, and therefore produce from them is ineligible for export to the EU unless purified first. We welcome the Food Standards Agency’s (FSA) April 2021 seasonal classification of LBM production grounds in England which has upgraded eleven areas to Class A water status for several months of the year, so allowing export to the EU of LBM from aquaculture without purification. Defra and the FSA should ensure that the classification of bivalve mollusc production grounds in England and Wales is in step with Scotland and EU Member States to ensure that Class A status is fairly granted wherever possible including on a seasonal basis. This work should be undertaken with the utmost urgency given the issues facing LBM fishers since 1 January. (Paragraph 48)

Prior to EU exit, the Shellfish Stakeholder Working Group, chaired by the Shellfish Association of Great Britain (SAGB), commissioned a study from Seafish into official controls on shellfish to inform discussion about differences in the way the classification process is implemented in other countries and potential changes in England. This work has been expedited in the light of EU Exit impacts. The FSA has looked at the classification system to determine what improvements can be made to procedures within the existing legal framework, while ensuring that the current high level of public health protection is maintained. This work has been informed by the Seafish report on official controls on shellfish and SAGB’s recommendations.

The FSA have concluded that there is potential scope for change to ensure classifications are awarded in ways that are proportionate and pragmatic, while ensuring that the shellfish classification process in England and Wales provides appropriate levels of public health protection. The FSA and Defra are working together to engage with SAGB and other stakeholders on this process to inform priorities. This process has identified changes that are workable within the existing legal framework, namely reviewing sampling protocols and adapting sampling plans to harvesting periods; and approaches for investigating anomalous results.

As a first step, the protocols that provide the framework for delivery of shellfish controls will be updated to include two additional criteria for consideration of anomalous results from Class A harvesting areas. These changes will be implemented with effect from this year's annual review of classifications, applicable from September 2021 in England and Wales and in Northern Ireland from January 2022. This timing will allow the additional criteria to be applied to historical anomalous results in the 3-year dataset. Further details are set out in the Annex to the report to the FSA Board.²

Classification of shellfish production areas is a fundamental aspect of ensuring public health protection. However, a critical requirement for improvements in the classification status of harvesting areas is improvements in water quality. Changes in protocols are not expected to lead to major changes in classifications awarded for shellfish harvesting areas in England and Wales until water quality improves.

As part of the river basin planning process, the Environment Agency develops Shellfish Water Action Plans for every designated shellfish water in England (areas designated by Defra, where it is necessary or desirable in order to protect or develop economically significant shellfish production). The plans summarise the Environment Agency's knowledge of a shellfish water and the actions needed by each responsible sector (mainly the water industry and agriculture) to maintain or improve its microbial water quality. The EA assesses each shellfish water to identify those at risk of deterioration, or which do not consistently comply with the shellfish microbial (E.coli) standard, and the reason for deterioration or not achieving the microbial standard. The EA then develops a programme of measures and investigations to improve microbial water quality, which are taken forward by working with water companies and the agricultural sector in the relevant catchment.

The environmental shellfish standards are different to the food hygiene standards, which place controls on marketing of shellfish according to the typical quality of shellfish grown in production areas (Class A, B, C), but they are all measures of the microbial contamination of shellfish flesh, as shown by the amount of the faecal indicator organism, E.coli, present. As such, actions to improve compliance with environmental shellfish water quality standards, will also affect food hygiene classification.

12. Great Britain should have introduced SPS checks on all EU imports from 1 January 2021 to match the position taken by the EU. The continued absence of SPS checks and controls on EU imports undermines the competitiveness of British seafood and meat businesses in their home market, creates incentives to relocate factories and jobs to the EU, and increases risks around food safety and biosecurity. It also reduces the incentive for the European Commission to negotiate on SPS checks and controls while EU businesses mostly face no such checks when exporting to Great Britain. *It is crucial that the Government's latest timetable for the introduction of SPS checks for EU imports is adhered to. The Government should ensure that a digitised process for certifying EHCs for EU imports is ready no later than 1 January 2022, so that reciprocity can be offered to the European Commission to speed up movements in both directions. The Government should inform the Committee every month of progress towards introducing the SPS import checks and controls.* (Paragraph 56)

2 <https://www.food.gov.uk/sites/default/files/media/document/fsa-21-06-13-ce-report-annex.pdf>

At the end of the transition period, when the EU introduced full third country controls on both imports and exports, the Government adopted a pragmatic and flexible approach and recognising the impact which the first COVID-19 lockdown had had on businesses, decided to introduce controls in stages.

From October 2021, pre-notification requirements will be required for products of animal origin (POAO), certain animal by-products (ABP), and high risk food not of animal origin (HRFNAO). Health certificate requirements for POAO and certain ABP will also come into effect.

From January 2022, physical checks of POAO, certain ABP, germinal products, and HRFNAO will be introduced at designated Border Control Posts (BCPs) and checks of high priority plants and plant products will move from places of destination to designated BCPs. The requirement for pre-notification and phytosanitary certificates will also be extended to all regulated plants and plant products.

From March 2022, checks on live animal and low risk plants and plant products will occur at designated BCPs.

This phased implementation reduces delivery risk and provides Port Health Authorities, importers, hauliers, exporters and their agents, sufficient time to prepare and familiarise themselves with these new requirements. The temporary, practical arrangements recognise the need to ensure biosecurity, food safety, and animal welfare standards across the UK whilst balancing the need to remove barriers to trade.

Throughout the process the Government has worked to support implementation. It has liaised with traders, hauliers, the border industry, and business representative organisations on the introduction of full import controls. In December 2021 it awarded £200m to ports to support their delivery of Border Control Posts. Its Border and Protocol Delivery Group (BPDG) continues to carefully review progress towards completing all infrastructure necessary for the implementation of the new controls.

Defra will continue to report to the Committee on progress towards introducing the SPS import controls and checks.

In relation to digitising import processes, Defra is developing the functionality to clone certificates from our trade partners' national systems into import notifications within Import of Products, Animals, Food and Feed System (IPAFFS), making importers' lives easier and moving towards removing the necessity for physical paperwork to accompany a consignment. This will initially be tested with specific third countries through a private beta, however the intention is to widen this to facilitate cloning of export certificates from the EU's TRACES system.

Additionally, we are developing the functionality to accept e-certificates, however, ultimately the development required to produce an e-certificate is the responsibility of the exporting country. In the same way as GB is developing and implementing systems for the digitisation of certification for GB exports travelling to NI and the EU, the development of a digital certification system for EU goods travelling to GB, would be a matter for the EU and/or their member states' technical teams.

13. As this Report highlights, the TCA has introduced considerable trade friction for seafood and meat exporters. We welcome the Government's willingness to engage with the EU to seek an equivalence mechanism on agri-foods. *The Government should engage with the EU and adopt a pragmatic stance in the pursuit of a veterinary partnership agreement that reduces the non-tariff measures adversely affecting British seafood and meat exporters. In the meantime, the Government should take steps to ensure that the UK-EU SPS Specialised Committee can begin meeting as a matter of priority to help resolve the issues currently facing seafood and meat exporters. If ratification of the TCA is further delayed, the Government should urgently explore options to set it up prior to ratification.* (Paragraph 61)

The TCA, which has now been ratified by the EU, allows the UK and the EU to cooperate on avoiding unnecessary SPS barriers to trade in agri-food goods. Over time, this cooperation will help to reduce the burden on businesses from border controls and certification requirements. Taken alongside other elements of the FTA such as zero tariff, zero quota, this represents a good outcome for the UK's agri-food industry and does not constrain our ability to legislate in these areas.

The SPS chapter of the TCA includes a mechanism that allows the UK and the EU to take informed decisions to reduce their respective SPS controls, with a commitment to avoid unnecessary trade barriers. It is in both Parties' interests to use this framework to reduce the rate of SPS checks required.

The UK proposed a mechanism to agree equivalence in the TCA negotiations, the EU made clear that they would not countenance this offer. We are open to discussions with the EU on additional steps we can take to further reduce trade friction, but these cannot be on the basis of future alignment with EU rules as this would compromise UK sovereignty over our own laws.