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Andrew Jones MP
European Statutory Instruments Committee
House of Commons
London
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21 December 2020

Dear Andrew,

The Food and Drink (Amendment) (EU Exit) Regulations 2020

Thank you for your letter of 8 December in which you provide the Committee's assessment of the Food and Drink (Amendment) (EU Exit) Regulations 2020, agreeing that it should progress using the negative resolution procedure.

You asked for further information in relation the import certification arrangements for wine and the statement at 12.3 of the Explanatory Memorandum. Section 12.3 indicates that an Impact Assessment has not been prepared for this instrument because "its purpose is to maintain existing regulatory standards and so there is expected to be minimal impact on business".

The provisions set out in this Regulation relate to exemptions to the wine import certification (VI1) process for small shipments between individuals. Such shipments will continue to benefit from being able to be traded without need for a VI1. The many other shipments that meet exemption rules such as those of less than 100ltrs, or wine destined for trade fairs etc, will also benefit from this Regulation. However, as you also correctly point out, these exemptions are being granted from a policy that is introducing a new VI1 requirement for EU wine imports, under retained EU laws.

We have not conducted an impact analysis of the potential cost of the measures on the EU. In view that VI1 provisions already exist for wine imports from other origins such as Australia, USA, Chile etc, and these wines remain extremely competitive on our and the EU's marketplace, we believe the new requirement to be appropriate and affordable. In addition, not applying equal provisions to wine from the EU our policies would risk contravening WTO most favoured nation obligations.

Nevertheless, we do recognise that the rules underpinning detailed V11 requirements are in legislation that is to be made late in the transition period and that does not provide time for EU industry to adjust. We will therefore be issuing an easement until 1 July 2021 that will allow scope for EU wine to continue to be imported to GB using commercial documentation, as it does now. This concession has been welcomed by the Wine and Spirits Trade Association and we think gives the EU the time it needs to make the necessary adjustments.

Please do not hesitate to get in touch if you need further information.

Yours sincerely,



VICTORIA PRENTIS MP