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Joint Press Release

EU-28 agri-food chain makes joint proposals to Michel Barnier in preparation for a Brexit no-deal scenario

Copa and Cogeca, CELCAA and FoodDrinkEurope, on behalf of the entire EU agri-food chain, acknowledge the significant efforts of the EU and UK negotiation teams in securing the Withdrawal Agreement and finalising the Political Declaration. However, EU farmers and food and drink companies are still faced with a lack of certainty over the Brexit process and, this week, EU agri-food chain stakeholders repeated their concerns regarding the possibility of a no-deal Brexit. To this end, at a meeting with Michel Barnier, EU Chief Negotiator on Brexit, and in a follow-up joint letter signed by the three organisations, EU agri-food chain representatives stressed that an orderly Brexit, including a transition period, remains the only way to prevent the UK's exit from having a huge impact on the agrifood chain.

Nevertheless, the EU should get ready for a no-deal scenario. Companies, farmers and agri-cooperatives from both sides are engaging in contingency and preparedness measures. According to the joint letter, *"these measures will not prevent significant disruption of supply chains in case of a no-deal. It is also proving difficult for smaller operators to suitably prepare as they will be facing export procedures for the first time and they lack the required resources"*.

Copa and Cogeca, CELCAA and FoodDrinkEurope therefore call on the EU Institutions to consider unilateral contingency measures specific to the agri-food sector. The impact of a no-deal will be immediate and harsh. In their joint letter, the agri-food chain representatives list a concrete set of effective measures related to customs, labelling, food safety and transport that could soften the impact of a no-deal Brexit on businesses on day one. The joint letter also calls on the EU Institutions to carefully consider making adjustments to agricultural markets as well as preparing support policies and emergency Brexit funds to deal quickly with any unforeseen events.

In addition, the agri-food sector "urges the Commission to secure EU-wide solutions by encouraging Member States to coordinate and support each other (...) in order to avoid trade flow distortions. In particular, in case of non-compliance at borders, the Commission should ensure a level playing field for operators in dealing with customs officials."

There is no doubt that the agri-food sector could be one of the sectors most impacted by the UK's exit from the EU due to its highly integrated supply chains use and manufacturing of perishable products. In 2017, EU-27 agri-food exports to the UK amounted to €41 billion euros, while the UK's exports to the EU reached €17 billion euros. What's more, this trade, and the businesses behind it, employ some 44 million people across the EU-28.

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