

# Trading Food and drink with the EU.

Tips for success

### About me (from our website)

Keri is dedicated to ensuring our customers' experience, service and communications with WTA remain market leading, and through innovation continues to set the benchmark for customer service and product innovation in logistics.

### My 3 passions in life:

My children

Manchester United

Helping food and drink brands negotiate the complexities of Brexit.



**Keri Barton,**  
**Sales & Marketing**  
**Director, WTA**



At WTA, we have over **100 years in the freight industry.**  
Founded in **1913** by Ernest Sommer, our business is built on a foundation of passion and professionalism, so that we can give you the best service possible.

Due to our independent nature, we are able to give you a level of flexibility which large corporations simply cannot.



# Why are we here?



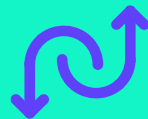
To avoid **supply chain shocks**



To improve **understanding**



To grow **export portfolios**



To **unscramble** latest legislation

- 05** Brexit history
- 07** Upcoming deadlines
- 03** How Brexit impacted trade
- 04** Windsor Framework latest
- 05** Threats to UK/EU trade
- 06** Red Sea Crisis
- 07** EU Market Opportunities

# A brief history... of delays



**Until 31<sup>st</sup> January 2020.**  
The UK traded freely with  
the EU.

**Until December 31<sup>st</sup> 2020.**  
The UK had officially left the EU,  
but trade continued freely as  
part of a transition period.

**January 1<sup>st</sup> 2021.**  
New health certification requirements  
for goods exported from the UK to the  
EU.

Checks on goods imported into the UK  
from the EU to be phased in.

**March 2021.**  
Implementation of border  
checks on imports to the UK  
delayed.

**September 2021.**  
Implementation of border  
checks delayed again.

# More deadlines...



**December 2021.**

Implementation of border checks delayed again.

**August 2023.**

You guessed it...

**April 2022.**

Implementation of border checks delayed again.

**31<sup>st</sup> January 2024.**

The introduction of health certification on imports of medium risk animal products, plants, plant products and high-risk food and feed of non-animal origin from the EU.

# Upcoming deadlines

**30 April 2024.** The introduction of documentary and risk-based identity and physical checks on medium risk animal products, plants, plant products and high-risk food and feed of non-animal origin from the EU.

## WTA Tip

Group products of the same risk category together for UK/EU movements.

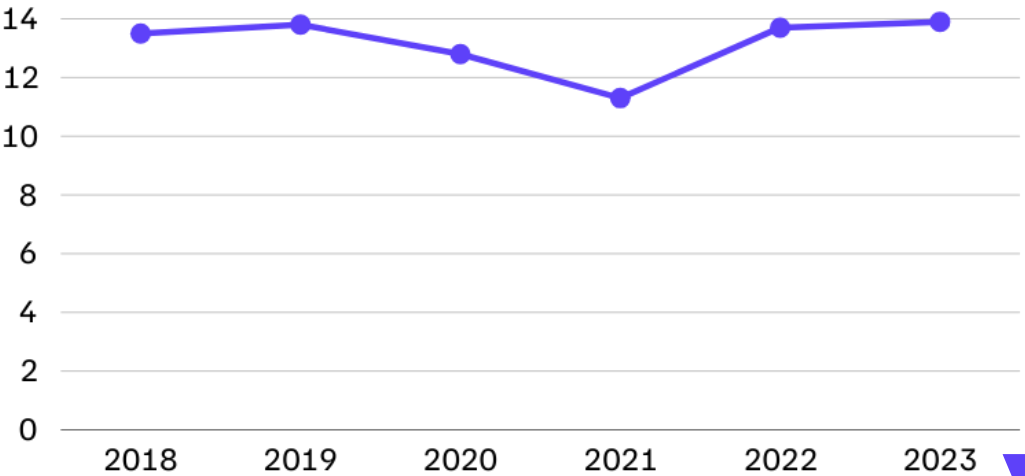
**31 October 2024.** The requirement for Safety and Security declarations for imports into Great Britain from the EU or from other territories where the waiver applies will come into force from 31 October 2024.





# Brexit impact on food and drink

UK Food and Drink Exports to EU (£bn)

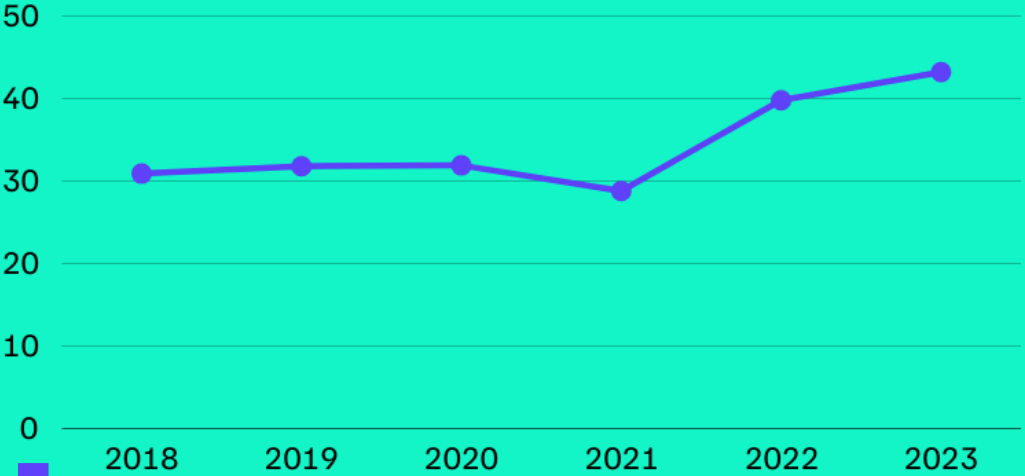


Source: FDF



UK food and drink trade with the EU now exceeds pre-Brexit levels.

UK Food and Drink Imports from EU (£bn)



Source: FDF



# Windsor Framework



Entered into force 1<sup>st</sup> October 2023.

Replaced the Northern Ireland Protocol.

Introduction of a “green lane” between GB and NI, so formalities and checks were minimised.



# Safeguarding The Union

Agreed in January 2024.

Guaranteed unfettered access to the UK's internal market from Northern Ireland.

Replacing the green lane with the UK internal market system.

Establishment of Intertrade UK.

"Not for EU" labelling rolled out across the UK. Timeline:

<b>October 2023.</b> Meat and fresh dairy products	<b>October 2024.</b> All other dairy products.	<b>July 2025.</b> Composite products, fruit, vegetables, and fish.
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## WTA Tip

Prepare well in advance of upcoming deadlines. Fully understand your upcoming requirements.

# Upcoming threats to UK/EU trade

## WTA Tip

Stay agile, closely monitor developments, adapt compliance strategies promptly.

## Further regulatory divergence

### Complexity

Businesses must navigate dual regulatory environments.

### Additional Costs

Further investment in compliance mechanisms required.

### Environmental

Divergence on environmental legislation part of this.

## Examples

### Titanium dioxide (E171)

Used in bakery products, soups, broths, sauces, salads and more. Banned in EU since August 2022, permitted in UK.

### EU ETS

EU's Emission Trading System widened to maritime transport. No such system for the UK.

### EU PPWR

EU packaging regulation enforces recyclability of packaging on EU market by 2030. Not the case for the UK.

# Labour shortages

## Immigration

UK stance on immigration is getting tougher.

## Birth rate

UK's aging population and low birth rate a concern for finding staff.

## UK Skilled Worker Visa

Minimum salary rising from £26,200 to £38,700 on 4<sup>th</sup> April 2024.



# Data sharing

## Rapid Alert System for Food and Feed (RASFF)

Incidence reporting has been restricted for the UK since 2021. Threatens food safety, scientific collaboration, and food fraud detection.

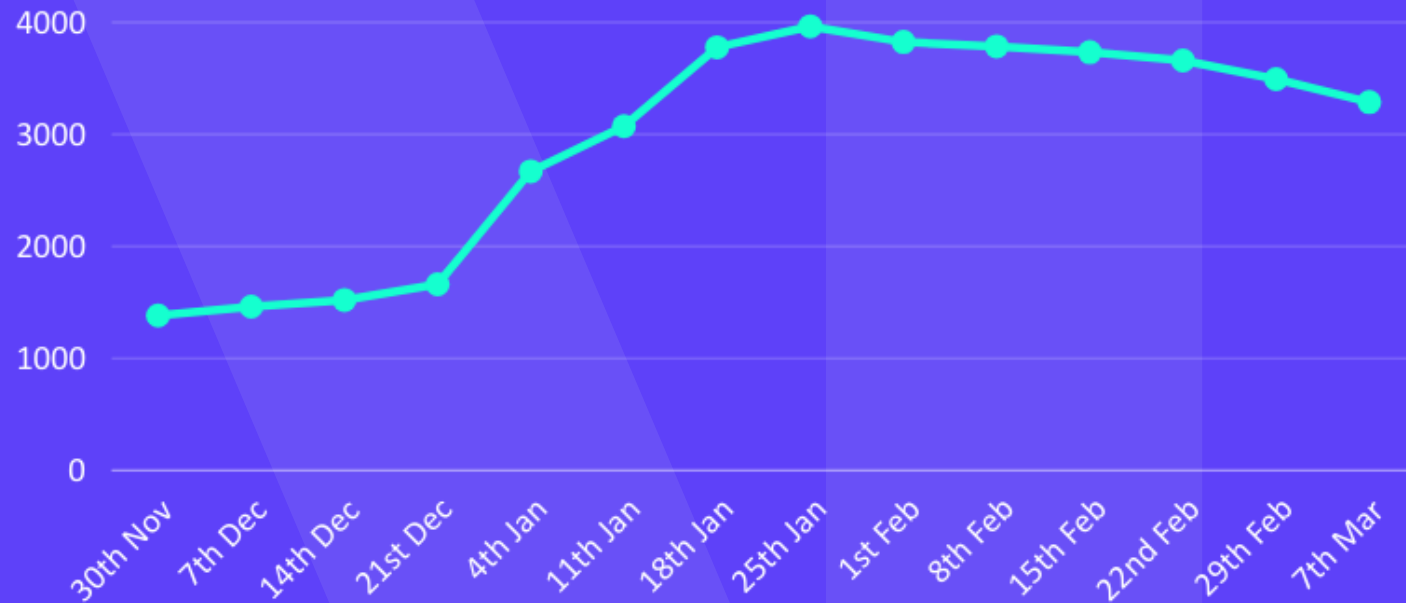
*“Increasing information sharing among supply chain members leads to improvement in performance, reductions in inventory levels and cost savings.”*

**Anthony Bour, IT Director, WTA Group**



# Red Sea Crisis.

## Drewry Container Index for East-West Trade Routes



World Container Index assessed by Drewry averages actual spot container freight rates for 8 major east-west trade routes. All are reported in USD per 40ft Container.

- **Diversion widely anticipated to be in place for the long term.**
- **Higher and unpredictable freight costs to be expected for at least H1 2024.** Although looks like the peak has passed.
- **Knock-on effects for other trade lanes.** Transatlantic/Mediterranean/Transpacific rates expected to peak in March/April.
- **EU road freight vulnerable to fuel price surcharges.**

### WTA Tip

Stay informed on world affairs, even if not on a trade lane you are directly involved with.

# Market Opportunities

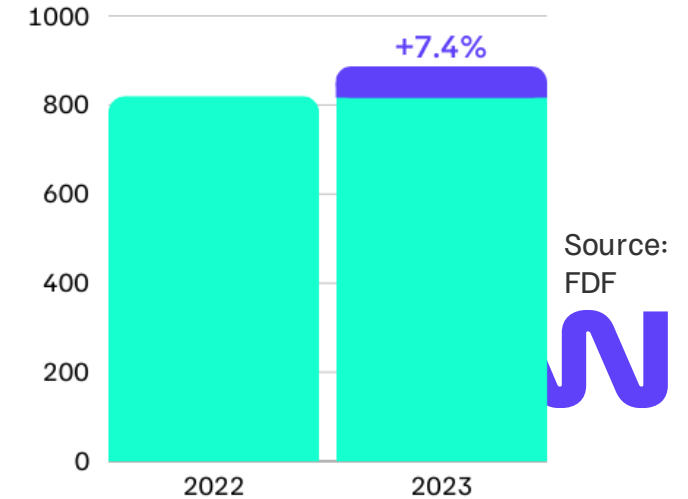
## Germany

- German consumer increasingly open minded.
- Low and non-alcoholic spirits, confectionery, sweet and savoury snacks, vegan, organic, free from ranges all growing.
- Sustainability important in products.
- Plenty of similarities with UK market.

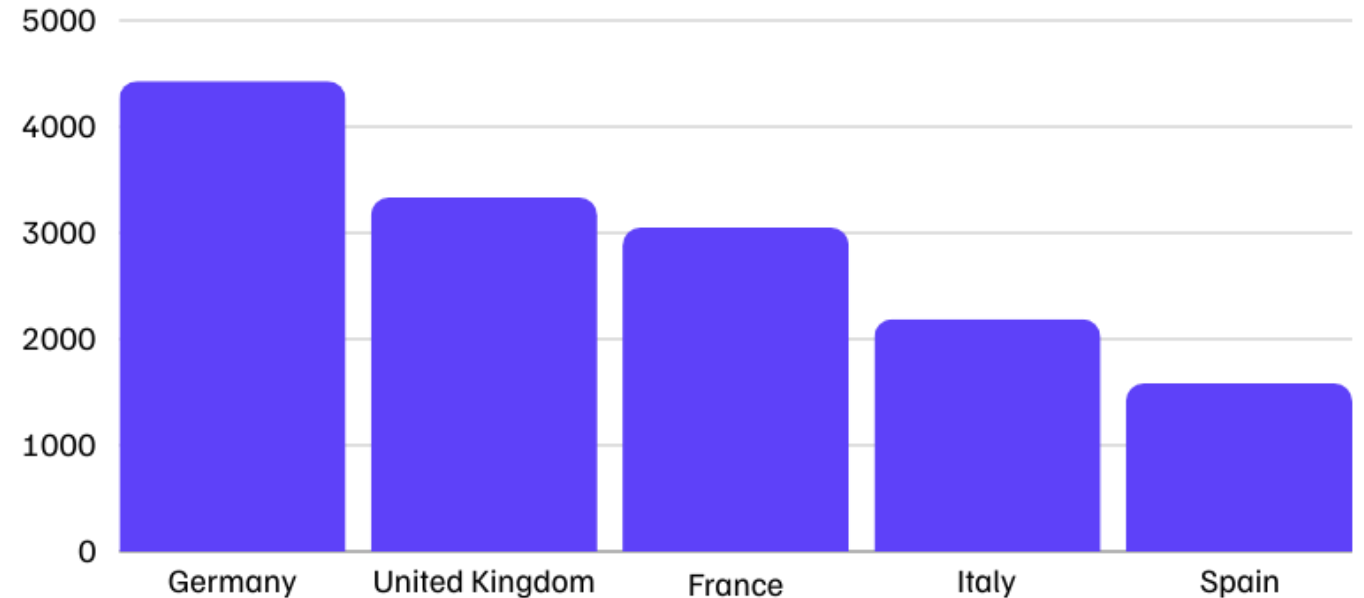
## Spain

- Over 16 million UK tourists per year. Mostly to coastal areas.
- Familiarity and openness to British products.
- 1 million expats who are prime customers for British goods.
- Strong demand for premium and gourmet products.

## UK food and drink exports to Spain



## European countries by GDP, 2023

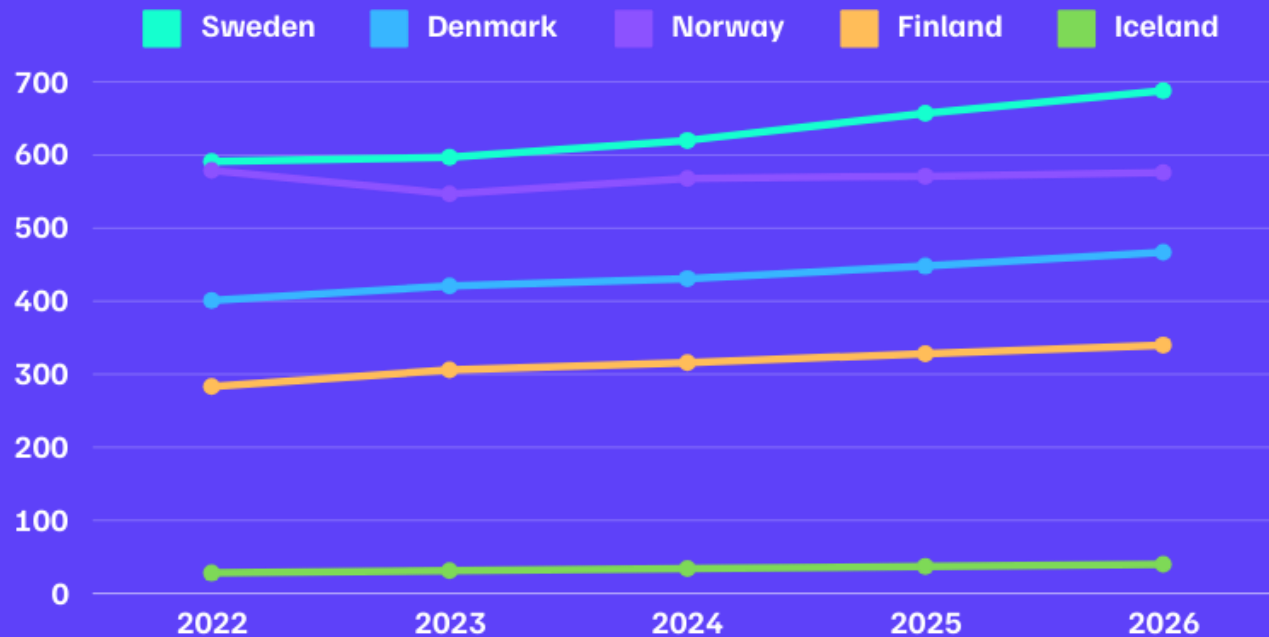


Source: Statistics Times

# Sweden

- Health, organic, natural, vegetarian and plant-based food and craft alcoholic drinks in growing demand.
- Route to market here is typically through a distributor.
- Unique selling point, sophisticated packaging and a clear marketing strategy is likely to find success.

## Scandinavian country GDP growth forecast (\$bn)

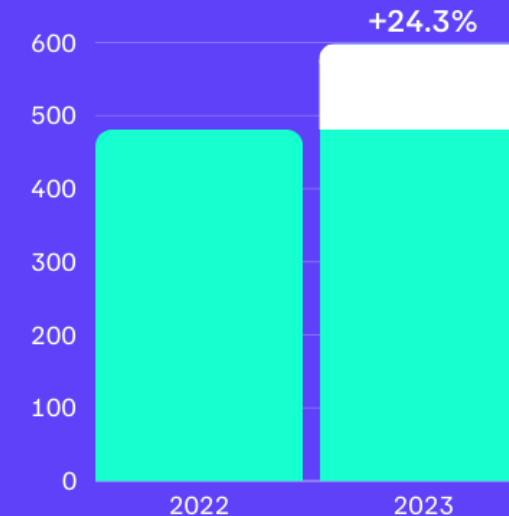


Source: Statista

# The CPTPP

- A free trading bloc of 11 countries that represents 13.4% of global GDP.
- Ratification of UK joining expected in late 2024.
- Removes all tariffs on 99% of goods.
- Emblematic British goods, whisky, chocolate, cheese and dairy predicted to perform well.

## UK food and drink exports to Singapore





# Q&A



# Contact us

**Phone number**

+44 (0)800 016 3933

**Email address**

hello@wtagroup.com

**Website**

www.wtagroup.com

**wta**