

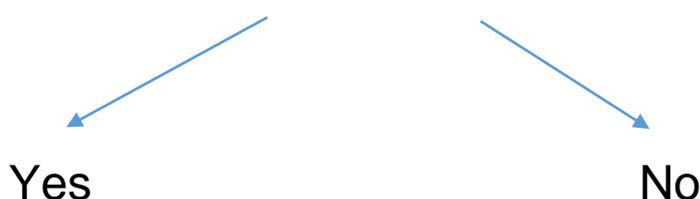
EU REFERENDUM

Food and Drink – Standards, regulation and safety

Much of the detailed legislation relating to food standards, labelling, safety and competition in the food and drink sector originates from the EU. Member countries of the EU have broadly harmonized food regulation which allows food and drink products to move freely within the EU.

Currently, the EU will legislate in these areas via Regulations (which are addressed to all member states and are applied in full) or Directives (where national authorities must draw up legislation in order to conform with the directive within a certain time frame).

Should the UK remain a member of the European Union?



Yes

No

The Prime Minister has renegotiated the UK's terms of membership. The following themes of the renegotiation will be of relevance to the food and drink sector if the UK remains in the EU:

Economic Competitiveness

The settlement commits to further reductions in red tape and bureaucracy in the EU. Further clarity is required about how these reforms will work in practice.

The EU has agreed to add provision for national parliaments to "red card" draft legislation from the EU if 55% of the national parliaments object to it.

Employment

The renegotiation agreed to member states being able to reject claims for social assistance from EU citizens. It is unclear whether this will apply to in-work benefits such as tax credits.

If the UK votes to leave the EU there will be a period of uncertainty whilst new conditions are negotiated. The following issues will need to be considered by the food and drink sector in the event of a Brexit:

Exports to the EU

Food and drink firms will have to continue to abide by the EU laws in relation to packaging and safety if they wish to sell their product in the European market.

Further clarity is required about the rules that would be put in place for exports; for example if export documentation would be required.

Employment

The food and drink sector has a high proportion of workers from other EU countries. More information is required about whether EU citizens would be allowed to work freely in the UK.

This is the first food and drink paper in a series of papers for the industry. Further papers on the Common Agriculture Policy and Fisheries can be accessed at <http://bit.ly/1pNRgy7>