



Voluntary Report - Voluntary - Public Distribution

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# **Report Name:** Industry Concerns over Draft Regulations on UK-Wide Not for EU Labeling

Country: United Kingdom

Post: London

Report Category: Agricultural Situation, Trade Policy Monitoring

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### **Report Highlights:**

On January 31, the United Kingdom published draft regulations expanding the "not for EU" label beyond Northern Ireland (NI) to apply to Great Britain (GB) - England, Scotland and Wales. The draft regulations are undergoing a consultation process, which began on February 2, before a parliamentary vote. The consultation closes on March 15, 2024.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

### **Summary:**

On January 31, the United Kingdom (UK) published <u>draft regulations</u> expanding the "not for EU" label beyond Northern Ireland (NI) to apply also to the whole of Great Britain (GB) - England, Scotland and Wales. The draft regulations are undergoing a <u>consultation process</u>, which began on February 2, before a parliamentary vote. <u>The consultation closes on March 15, 2024.</u>

## **Background:**

The "not for EU" label is a consequence of the Windsor Framework to avoid the unregulated movement of goods from NI to the European Union (EU), principally the Republic of Ireland, and <u>negotiations</u> with NI's Democratic Unionist Party (DUP) to ensure there is no difference between the treatment of goods in GB and NI. The expansion to include UK-wide "not for EU" labeling was not strictly required by the Windsor Framework. Rather, it was part of a broader package of assurances for the DUP to return to government after two years without a fully functioning executive, following the collapse of powersharing in February 2022 over the DUP's objections to the Northern Ireland Protocol/Windsor Framework.

### Why it matters

Within the UK, there is strong opposition by retailers, producers, exporters, and industry groups to the expansion of "not for EU" labelling to all of GB. The labeling requirements will likely increase administrative costs to ensure compliance. U.S. trade associations and industry bodies are encouraged to examine these regulations for any impacts upon exports to the UK.

## What's Next:

The first phase of "not for EU" labeling went into effect in NI in October 2023, ensuring that GB exported meat and some dairy products could travel with fewer impediments between GB and NI through the <u>Northern Ireland Retail Movement Scheme</u>. This was intended to address EU concerns of UK products entering the EU market where there may be differences in regulations between the EU and the UK, particularly in sanitary and phytosanitary requirements for animal and related products. The second phase of the "not for EU" labeling will expand the labeling requirement to meat and dairy products to also the whole of GB, proposed to start in October 2024. The final phase of the scheme will expand the labeling requirement (in 2025) to products including meat, dairy, composite products, and a variety of other products (for the full list as well as exemptions, please see <u>Product Eligibility</u> and <u>Labelling Exemptions</u>).

The consultation process on the draft regulations expanding "not for EU" labeling is currently <u>accepting</u> <u>comments</u> (until March 15, 2024) from a broad range of relevant stakeholders including businesses, business representative organizations, local authorities, enforcement officers, trade bodies, non-governmental organizations, consultants, third sector organizations, and members of the public.

For any questions, please contact: <u>AgLondon@usda.gov</u>

## Attachments:

No Attachments.