

Press Release

connect to the world of dairy



EU-UK future relationship: put pragmatism on top of the agenda

The upcoming negotiation rounds on the EU-UK future relationship will determine the future of the European and UK dairy sectors. Any shock to this sector will affect the industrial and societal backbone of rural Europe. EDA therefore, and considering the announced negotiating rounds in August and September, calls for an unprecedented level of pragmatism to the EU-UK negotiations. A delicate balance must be found to the benefit of citizens and business of both sides of the Channel. This means that the EU internal market is preserved and protected, a level playing field is assured, while both parties acknowledge that the UK needs its room to manoeuvre. Neither can be sacrificed.

EU dairy exports amount to around 99% (by volume) of the UK dairy imports while around 92% (by volume) of the UK exports are destined for the EU, these amounts have a high value for both parties. The UK has decided to leave the EU and the internal market and this will of course also have its economic impact, but let us not ask the consumers and business to throw out billions of euros and pounds a year out of the window due to unnecessary trade barriers.

“Let’s make sure that consumers on both sides can still enjoy a great variety of dairy products of high standards at reasonable prices; ideally by securing close cooperation with zero tariffs on dairy trade and as little border administration/costs as possible.”



Failure to reach an agreement runs the risk of significantly disrupting dairy trade flows in both directions. More than 1.2 million tonnes of EU dairy products might have to find new markets, or UK consumers will have to absorb the increased tariff cost. The in 2019 to the UK exported volumes of EU cheese would under the new proposed UK Global Tariff suffer an additional cost of over €800 million.

The export of UK dairy products to the EU would also become commercially difficult, given the EU's WTO MFN tariff schedule.

We stand ready to discuss this pragmatism in order to secure a deal, as it is clear that the current impasse will be extremely damaging for consumers, farmers and companies in the EU and UK.

It speaks for itself that the level playing field provisions signed up to by the UK in the Withdrawal agreement as well as the Protocol on Ireland and Northern Ireland included in the Withdrawal Agreement are honoured in negotiations.

Rest assured the dairy industry is not resting on their laurels – our industries on both sides continues to prepare for the scenario of a hard Brexit and the economic and administrative consequences it will inevitably lead to during these times of COVID-19 and economic instability. However we, at the same time, strongly encourage policy makers to find a manageable solution for consumers and industry – as we do from the very beginning of this process, for instance by elaborating [our joint EDA-DairyUK 'Future UK-EU Dairy Framework' paper](#).

ABOUT THE EUROPEAN DAIRY ASSOCIATION

The European Dairy Association is the voice of dairy processors in the European Union. The membership of EDA consists of the associations of dairy processors in EU Member States.

FOR MORE INFORMATION

Alexander ANTON

Secretary General
+32 2 549 50 43
+32 475 59 04 22
aanton@euromilk.org

Léa VITALI

Communication Officer
+32 2 549 50 47
lvitali@euromilk.org

