

A Shoppers Brexit

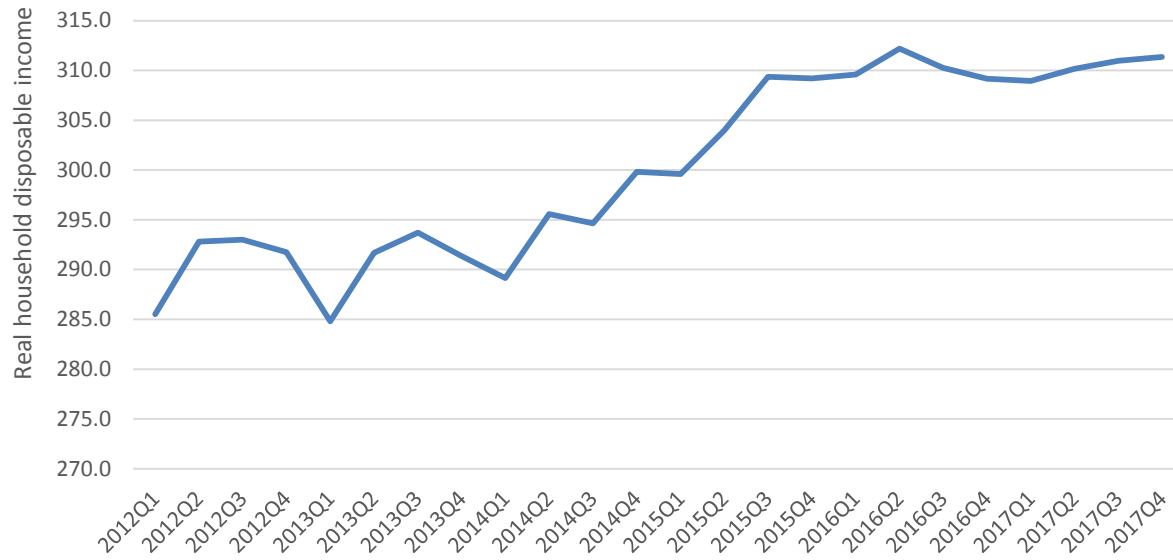
Speech to FSS Conference: 28th March 2018

Ewan MacDonald-Russell – SRC Head of Policy & External Affairs

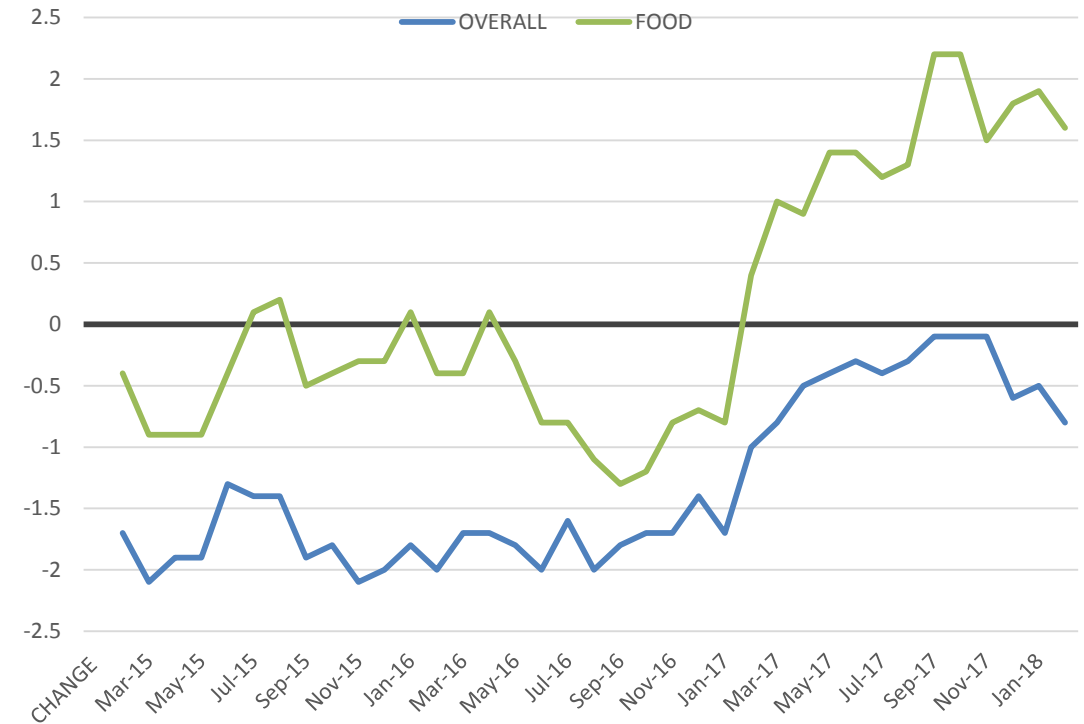
Food Inflation and Consumers



**Household disposable income
(£ billion current prices, seasonally adjusted)**



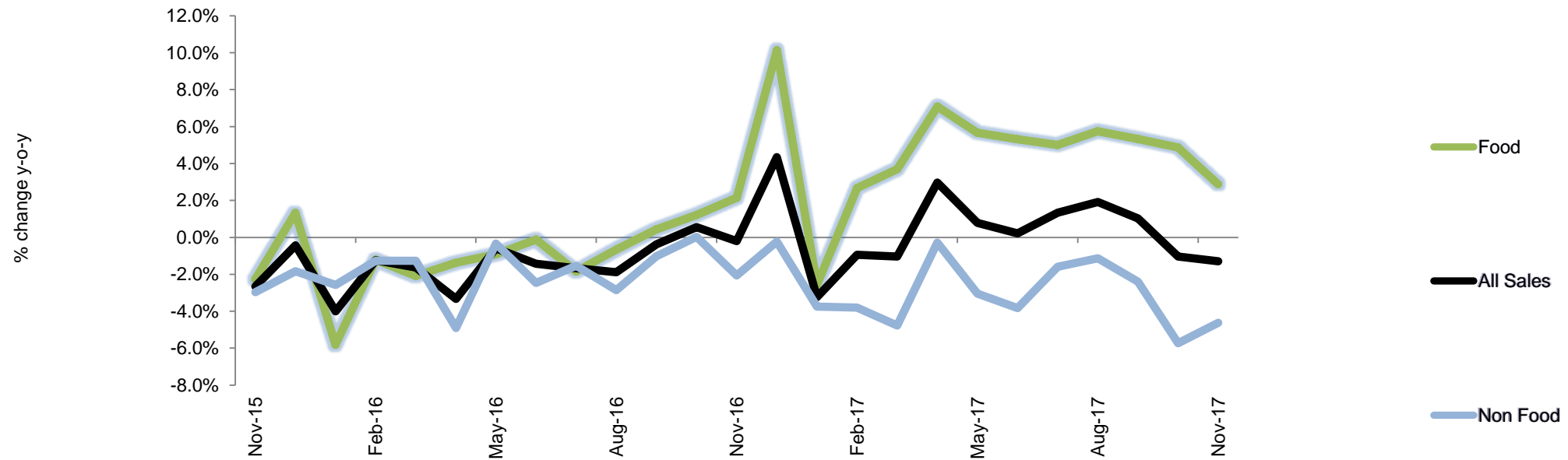
BRC-Nielsen Shop Price Index 2015-2018



Food Inflation and Consumers

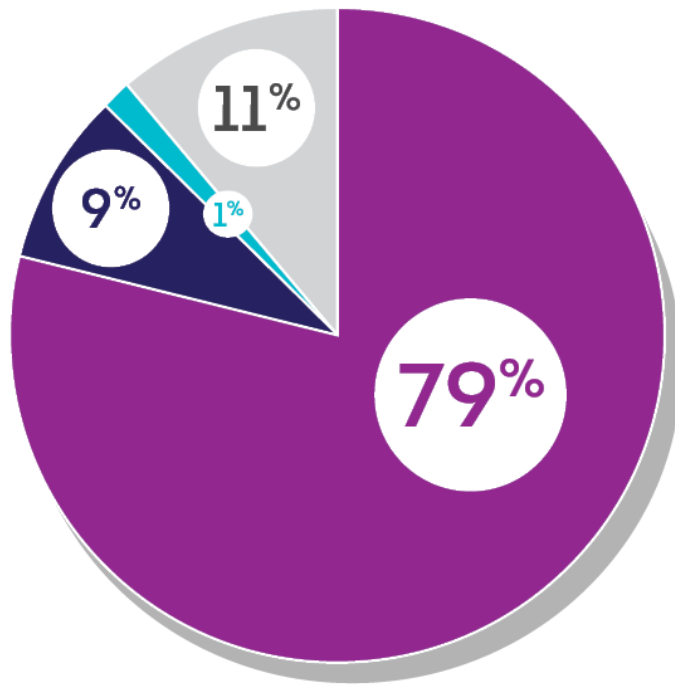


LIKE-FOR-LIKE SALES: % CHANGE YEAR-ON-YEAR



Source: SRC-KPMG RSM (not online-adjusted)

A FAIR BREXIT FOR CONSUMERS



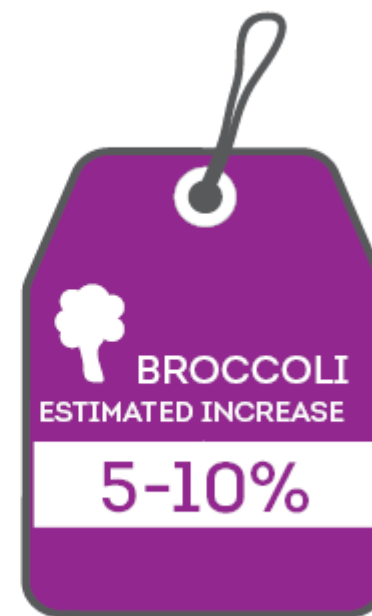
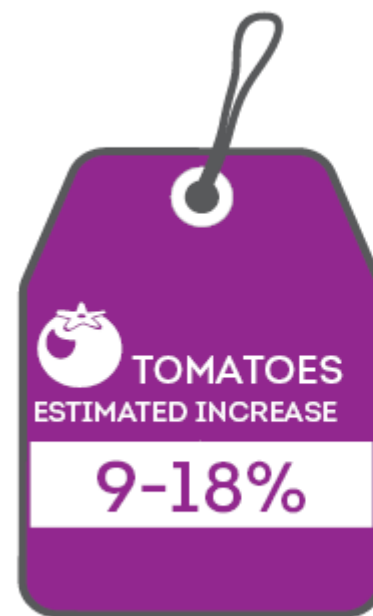
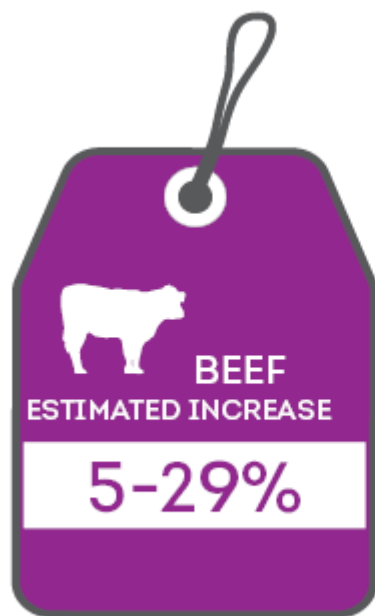
| BREAKDOWN OF FOOD IMPORTS BY RETAILERS | |
|--|---------------------|
| EU | 79% |
| BEVERAGES | 43% |
| FRUIT & VEGETABLES | 21% |
| MEAT & FISH | 14% |
| CEREAL PRODUCTS | 7% |
| OTHER | 16% |
| BILATERAL AGREEMENTS | 9% |
| FRUIT & VEGETABLES | 60% |
| BEVERAGES | 38% |
| OTHER | 2% |
| GSP | 1% |
| FRUIT & VEGETABLES | 42% |
| FATS & OILS | 35% |
| OTHER | 23% |
| OTHER (MFN) | 11% |
| MEAT & FISH | 30% |
| FRUIT & VEGETABLES | 14% |
| OTHER | 19% |
| KEY | |
| EU | BILATERAL AGREEMENT |
| GSP | MFN AGREEMENT |

Across the board tariff-free trade with the EU should be the top priority of negotiation for the Government

A UK Generalised Scheme of Preferences should be introduced that is at least as generous as that currently offered by the EU

Existing benefits of EU preferential trade agreements should be secured before pursuing new trade deals

NEW TARIFFS MEAN HIGHER PRICES

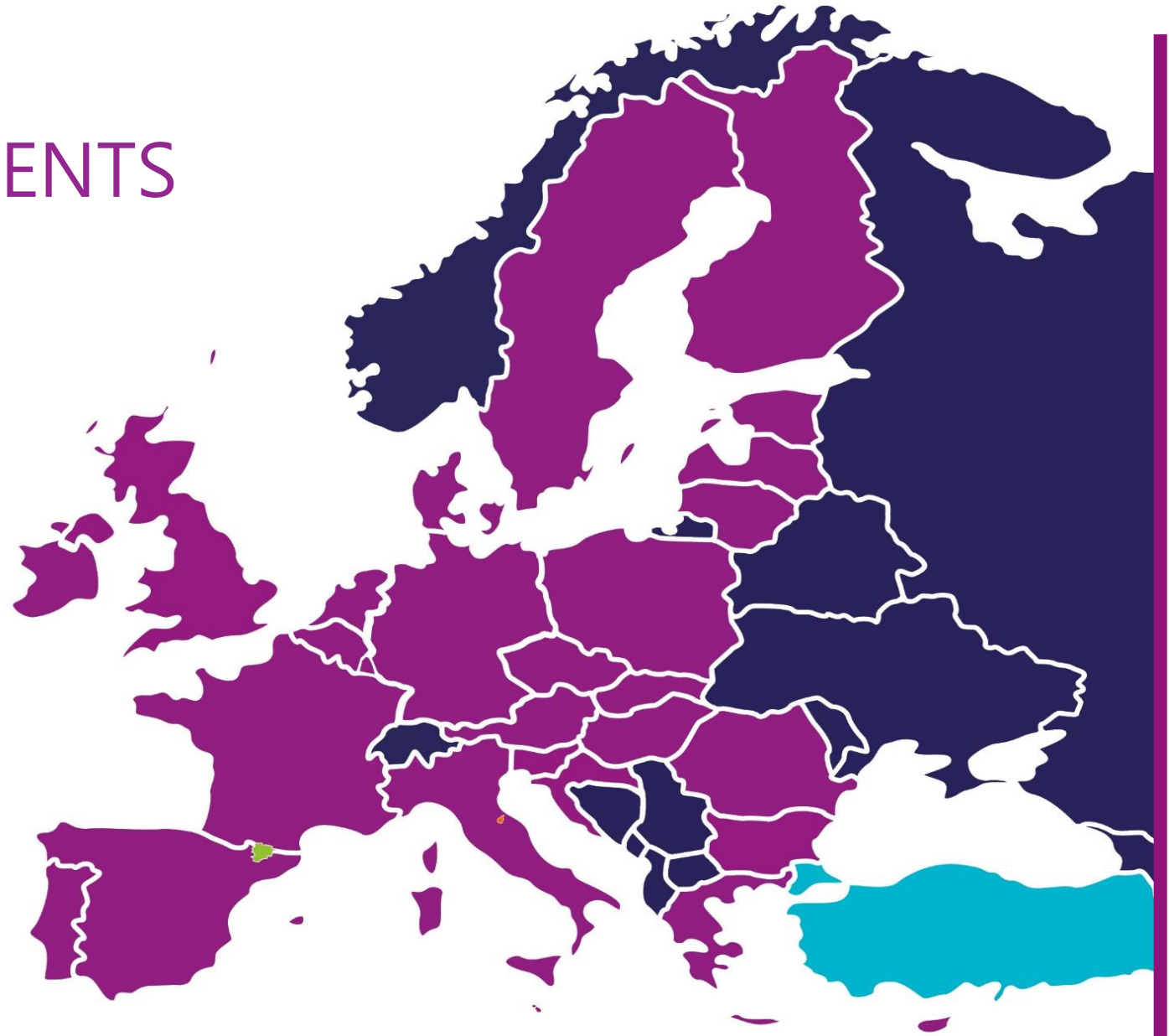




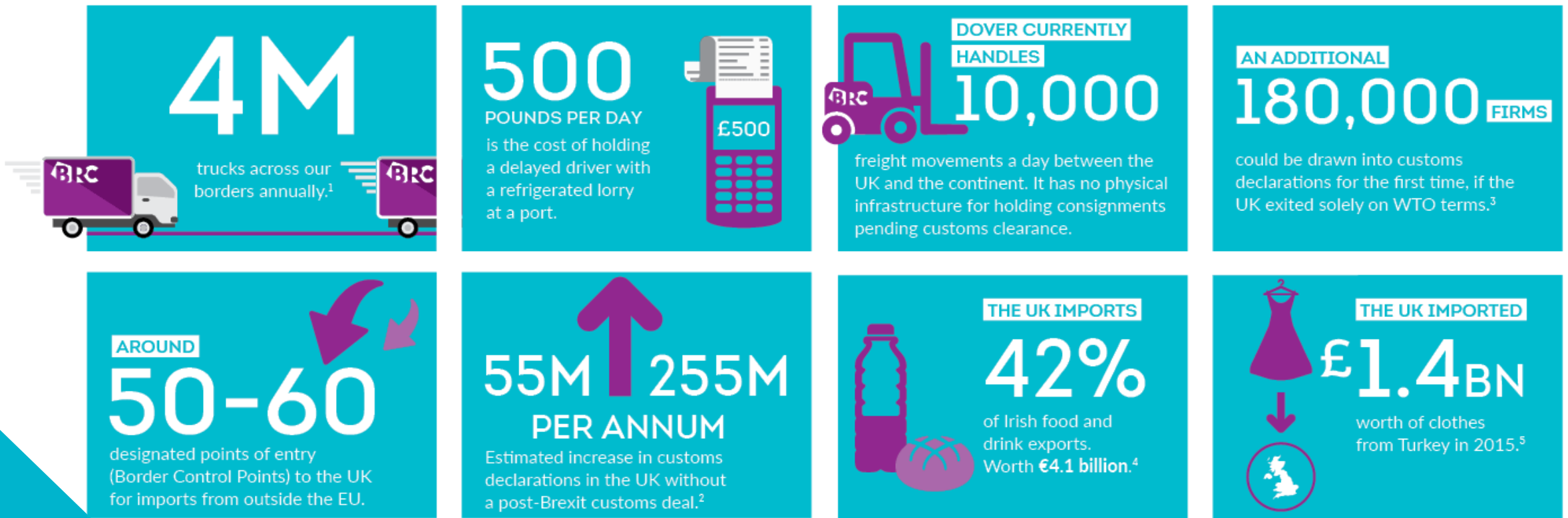
CURRENT CUSTOMS & TARIFFS ARRANGEMENTS

KEY

- EU Customs Union
- EU-Turkey Customs Union
- EU-Andorra Customs Union
- EU- SanMarino Customs Union
- Outside Customs EU Union



The customs challenge



Source: 1. Source from the Freight Transport Association. 2. Source from HMRC. 3. Source from HMRC. 4. Ireland's Department of Foreign Affairs and Trade. 5. Turkey's Ministry of Economy. Converted using an exchange rate of 1.528504.



CURRENT ROAD

As a member of the EU, the UK uses the Single Administrative Document (SAD) as the customs declaration for all products. It is the key tool for customs clearance purposes.



WITHOUT A STRONG CUSTOMS DEAL

In order to complete an SAD correctly if we exit the customs union, a range of new supporting documents will be required.



1

CERTIFICATE OF ORIGIN

Necessary to ensure right duties paid and satisfy EU Rules of Origin.

2

SECURITY CERTIFICATES (UNLESS AN AEO)

Required to prove safety of goods being imported across customs frontier.

4

COMMERCIAL INVOICE

Required for customs declaration and calculation of tariffs.

5

FREIGHT DOCUMENTATION

If no third country agreement with EU will need haulage or shipping permits.

6

VAT CERTIFICATION

Without co-operation with EU on VAT, additional forms will be required.

7

CUSTOMS VALUATION DOCUMENTATION

Required for calculation of customs duties payable at border control.

8

HEALTH AND VETERINARY CHECKS

Additional documentation is required for food covering health and veterinary checks.

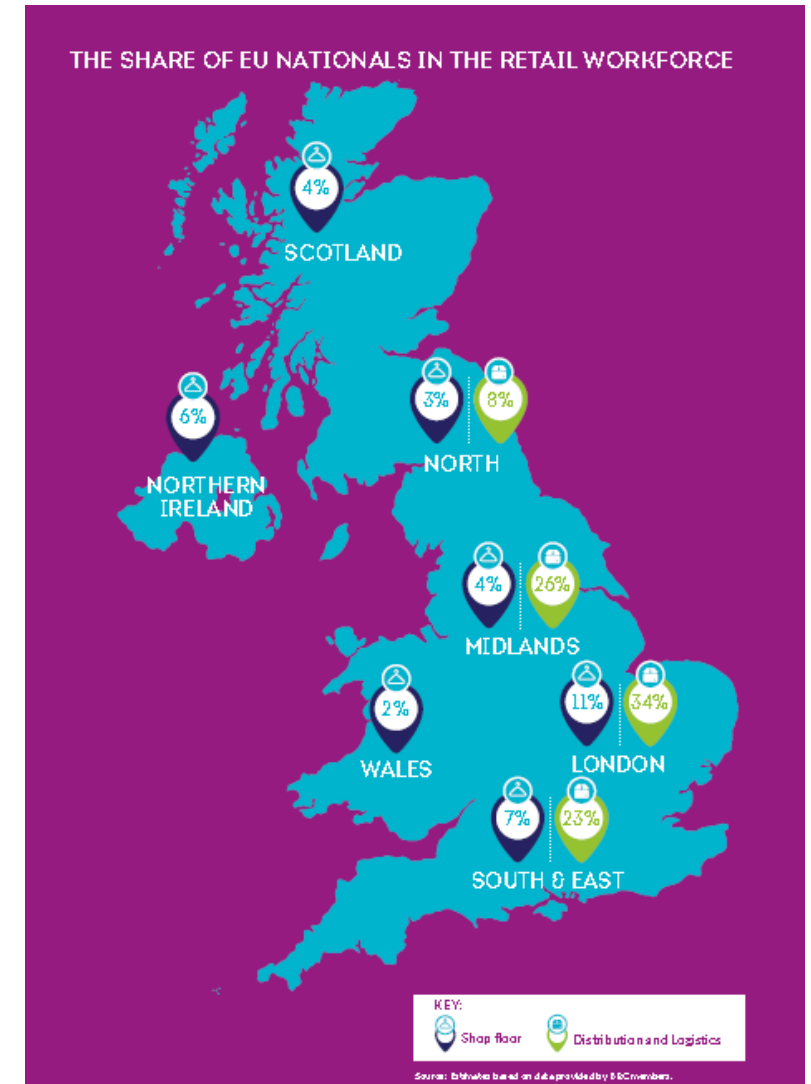
3

TRANSIT PERMIT (UNLESS AN AEO)

All third country operators without agreement on transit with EU will require documentation.

The People Roadmap

A Fair Brexit for consumers





Final Thoughts

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<https://brc.org.uk/making-a-difference/priorities/brexit>