

**EDA**

**Friday 4 October 2019**

**Civil Dialogue Group on milk, Brussels (Belgium)**



connect to the world of dairy

## BREXIT



*"I have something like a Brexit fatigue... This is a disaster."*

**Jean-Claude Juncker, EU Commission President**



*"Despite the madness of Brexit, I still believe that common sense will prevail".*

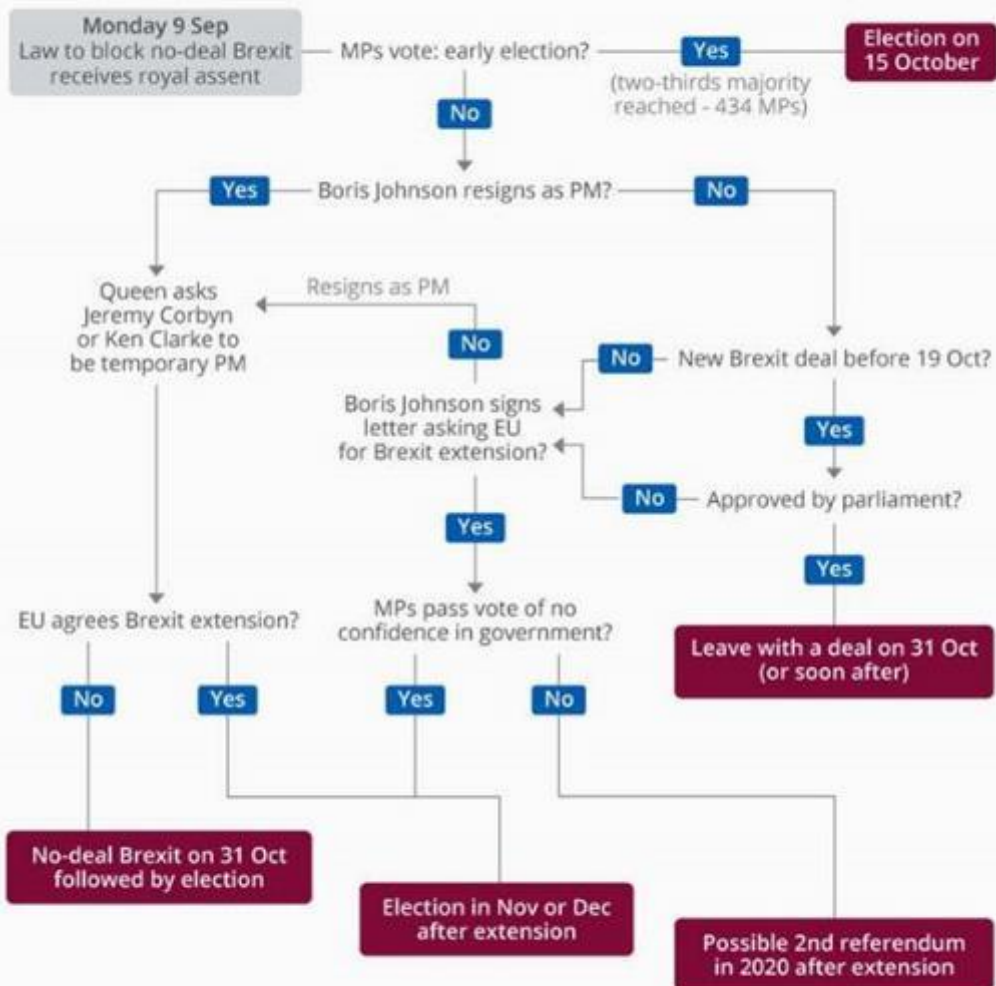
*"No deal makes no sense, it's simply crazy".*

**Phil Hogan, European Commissioner for Agriculture and Rural Development**



## Brexit: what now?

Potential Brexit scenarios and likely outcomes



## UK Dairy imports & exports 2018

UK DAIRY IMPORTS				
Country	Imports (value €)	%	Volume (tonnes)	%
<b>EU</b>	<b>€ 3,064,077,976</b>	<b>99.45%</b>	<b>1,371,231</b>	<b>99.77%</b>
Asia and Oceania	€ 2,649,948	0.09%	745	0.05%
Eastern Europe	€ 33,575	0.00%	9	0.00%
Latin America and Caribbean	€ 46,660	0.00%	25	0.00%
Middle East and North Africa	€ 57,378	0.00%	19	0.00%
North America	€ 1,200,317	0.04%	134	0.01%
Non-EC European Nations	€ 13,051,404	0.42%	2,218	0.16%
<b>TOTAL:</b>	<b>€ 3,081,117,260</b>	<b>100.00%</b>	<b>1,374,381</b>	<b>100.00%</b>

UK DAIRY EXPORTS				
Country	Exports (value €)	%	Volume (tonnes)	%
<b>EU</b>	<b>€ 1,419,747,231</b>	<b>78.09%</b>	<b>1,248,902</b>	<b>92.09%</b>
Asia and Oceania	€ 170,454,693	9.38%	49,017	3.61%
Eastern Europe	€ 451,088	0.02%	136	0.01%
Latin America	€ 20,380,724	1.12%	5,697	0.42%
Middle East and North Africa	€ 81,970,078	4.51%	26,815	1.98%
North America	€ 74,818,093	4.12%	10,616	0.78%
Sub-Saharan Africa	€ 41,393,652	2.28%	13,053	0.96%
Non EC European Nations	€ 8,870,369	0.49%	1,945	0.14%
<b>TOTAL:</b>	<b>€ 1,818,085,930</b>	<b>100.00%</b>	<b>1,356,181</b>	<b>100.00%</b>

## Brexit - temporary tariffs if the UK leaves the EU with no deal?

### March version still relevant?

Code	Product	<u>EU tariff rate</u>	EU effective ad valorem rate (2016-18 average prices)	<u>UK tariff rate</u>	UK effective ad valorem rate (2016-18 average prices)
0405	<b>Butter, fats/oils and dairy spreads</b>				
04051011	Natural butter, fat content <=85%, in immediate packings of <=1kg	€189.6/100kg	38%	€60.5/100kg	12%
04051019	Natural butter, fat content <=85%, in immediate packings >1kg	€189.6/100kg	46%	€60.5/100kg	15%
04051030	Recombined Butter Of A Fat Content, By Weight, Of >= 80% But <= 85% (Excl. Dehydrated Butter And Ghee)	€189.6/100kg	42%	€60.5/100kg	13%
04051050	Whey Butter Of A Fat Content, By Weight, Of >= 80% But <= 85% (Excl. Dehydrated Butter And Ghee)	€189.6/100kg	54%	€60.5/100kg	17%
04051090	Butter Of A Fat Content, By Weight, Of > 85% But <= 95% (Excl. Dehydrated Butter And Ghee)	€231.3/100kg	55%	€73.8/100kg	18%
0406	<b>Cheese and curd</b>				
04062000	Grated or powdered cheese	€188.2/100kg	36%	€24.9/100kg	5%
04063010	Processed Emmental, Gruyere and Appenzell cheese	€144.9/100kg	36%	€19.1/100kg	5%
04063031	Other processed cheese, fat content <=48%	€139.1/100kg	28%	€18.4/100kg	4%
04063039	Other processed cheese, fat content >48%	€144.9/100kg	35%	€19.1/100kg	5%
04064090	Blue-veined cheese other than Roquefort, Gorgonzola	€140.9/100kg	21%	€18.6/100kg	3%
04069021	Cheddar	€167.1/100kg	57%	€22.1/100kg	7%

## Nigeria

➔ Issue: Restriction on the importation of milk and other dairy products



## Indonesia

- ➔ Issue: The Minister announced that if the EU will go ahead with the planned countervailing duties on biodiesel, Indonesia will announce an increase for the duties on dairy up to 25% (currently is 5%).
- ➔ Status: Mixed messages - Permanent threat



## USA

- ➔ Issue(s): EU-US WTO Civil Aircraft Disputes & butter exports.
- ➔ Status: Level of possible countermeasures (WTO report).  
Butter exports to the US can become subject to additional duties if trigger levels for safeguard measures are reached





## Tunisia

- ➡ Issue: Import restrictive measures taken by Tunisia on 28 November 2018
- ➡ Status: Resolved



## FTAs negotiations and implementation

Australia



New Zealand



Canada



Mercosur



Dark green: full members.  
Red: suspended members.  
Blue: candidate members.

Thank you for your attention