

The impact of Brexit on UK trade options beyond 2019

House of Commons International Trade Committee

Which? is the largest consumer organisation in the UK with more than 1.5 million members and supporters. We operate as an independent, apolitical, social enterprise working for all consumers and funded solely by our commercial ventures. We receive no government money, public donations, or other fundraising income. Which?'s mission is to make individuals as powerful as the organisations they have to deal with in their daily lives, by empowering them to make informed decisions and by campaigning to make people's lives fairer, simpler and safer.

Summary

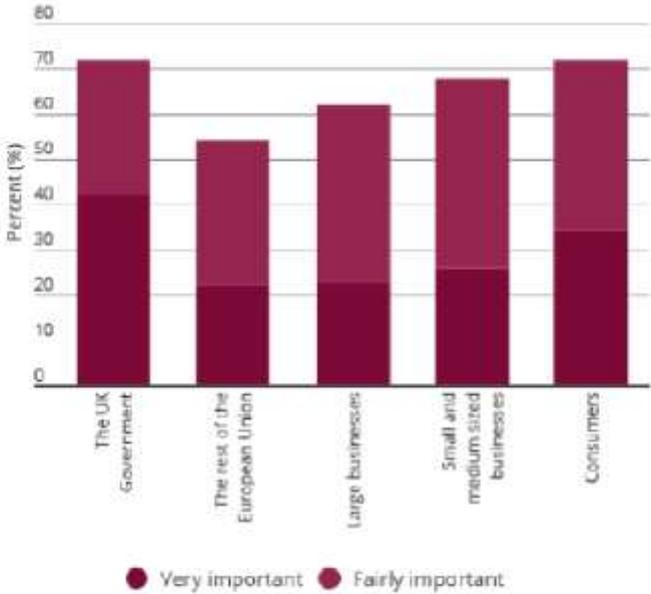
1. Which? welcomes the opportunity to submit evidence to the Committee. Our evidence focuses on consumer interests in relation to international trade. It is essential that consumer interests, rights and protections are prioritised in the negotiations for our future relationship with the European Union (EU) and wider world.
2. The Committee's inquiry is primarily focused on international trade. The importance of maintaining consumer confidence needs to be taken into account when assessing the impact on international trade. Consumers spend on average almost £100 billion each month¹ and consumer confidence is fundamental for economic growth.
3. Consumers should have access to the best goods and services for their needs, whether they are produced domestically or abroad. Having access to EU products and services is therefore important, and will also ensure that the UK's market and industries remain competitive.
4. Consumer interests have to be at the heart of the negotiations, as well as future trade relationships and agreements. This includes engaging consumers in determining the most appropriate way forward where there is potential for national flexibility and trade-offs to be made. For example, any impact on consumer rights and protections, such as quality and safety needs to be assessed, along with effects on prices and security and choice.

¹ Consumer Trends, Office for National Statistics. Average monthly consumer expenditure (Current Price Value) for Quarters 1 and 2 (January - June), 2016 was £99bn.



5. Our consumer tracker² found that 72% of people thought that the interests of consumers were either very or fairly important. This was the same proportion that thought the interests of the UK Government were important. Only 31% expected consumers' interests to be represented, compared to 71% who thought that business interests would be represented. This must not be the reality.

Percentage of people who rate key groups' interest in Brexit as very or fairly important



Source: Which? Consumer Insight Tracker, nationally representative Online Survey, approx 2,000 respondents per wave.

6. Whichever route is chosen, we believe that the UK Government must see this as a major opportunity to champion a consumer-focused trade policy. The UK Government must champion consumer focused policies, placing their needs firmly at the heart of its trade policy process. Secondly, it must protect the important benefits UK consumers currently derive from the UK's access to the Single Market.

Introduction

- 7. Our evidence focuses on the issues raised for consumers when looking at the UK's future trading relationships with the EU and the rest of the world.
- 8. There are five overarching principles that Which? consider need to be upheld across all areas of consideration, including the above, in order to protect consumer interests as part of the negotiations. These can be summarised as follows:

² Fieldwork was conducted 16-17 November 2016. The Which? Consumer Insight Tracker is a nationally representative online survey of around 2,000 UK households every other month.

- **The importance of monitoring and understanding the impact on the cost of living across different markets** - and managing this as effectively as possible so that consumers, or certain groups of consumers, are not unnecessarily 'squeezed.'
- **Ensuring essential consumer rights are maintained** – many of the rights that consumers have come to expect (and may not necessarily even be aware of until they need them), are currently shaped and determined at EU level. Consumers need to continue to have access to a range of competitive products and services, confident that there is no undermining of these rights - and where appropriate, opportunities to enhance these protections should be taken.
- **Safeguarding consumer protection and safety** - this includes a robust framework for product safety and standards - and ensuring that key principles established through EU law, such as the precautionary principle, are not undermined. This will be particularly important if negotiating trade agreements with countries that have lower standards of protection and less independent oversight.
- **A robust system of consumer enforcement** - underpinning many of these aspects is the need to make sure that there is effective enforcement where EU law currently specifies responsibilities. In globalised markets, co-operation across borders will continue to be essential.
- **Consumers must have a seat at the table** - consumer interests have to be understood and addressed from the outset of the negotiations. Consumers spend on average almost £100 billion each month³ and so consumer confidence is fundamental for successful economic growth.

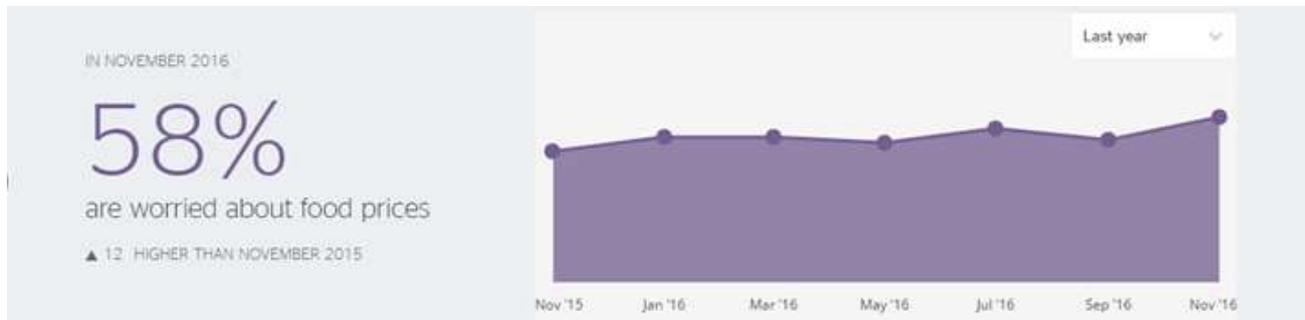
Below we set out examples of how these principles apply to the UK's trade options in relation to consumer interests.

9. It is also essential that account is taken of the long-term impact of negotiations for both consumers and businesses in terms of consumer confidence, rather than opting for "quick wins" that may be damaging in the longer-term.

Transition

10. As above, through all the phases of the UK's move to exit the EU, consideration needs to be made of the impact of any changes on consumers and markets. The principal point is that in any transitional or post-transitional model, care must be taken to maintain and retain essential consumer rights and protections and mitigate against price increases. In our most recent consumer tracker (November 2016) concerns about food prices are at 58%, which is a 12% increase on November 2015.

³ Consumer Trends, Office for National Statistics. Average monthly consumer expenditure (Current Price Value) for Quarters 1 and 2 (January - June), 2016 was £99bn.
http://ec.europa.eu/consumers/consumers_safety/safety_products/rapex/alerts/repository/content/pages/rapex/reports/docs/rapex_annual-report_2007.pdf p15-16



11. In 2015 UK consumers were found to have some of the highest trust levels in Europe regarding the safety of non-food products, with 83% thinking that most non-food products are safe⁴. When looking at any transitional trade agreements, standards and safety must be taken into account. The ability to maintain the protections consumers need may be more difficult if operating under WTO/ GATT and associated standards bodies. But consumers will expect important quality and safety standards to be maintained. Currently, the EU framework acts as a backstop to protect consumers and ensure problems are resolved in an appropriate manner. Whatever the UK's future relationship with the EU and other countries, it is critical that the same levels of consumer protection and access to redress are replicated. This may also be more challenging if we source products from a wider range of countries which have different standards and enforcement.
12. Consideration will also be needed with regard to the effective enforcement of consumer rights and protections. At present, many of these rights are supported by an EU framework – such as the agreement on official controls for food safety and standards enforcement or the Consumer Protection Cooperation Regulation and associated co-ordination mechanisms and rapid alert systems (RAPEX, RASFF). As part of any future relationship with the EU we would want to ensure that the enforcement framework remains as effective.
13. The potential lack of a framework raises challenges for checks on imports potentially coming from a wider range of countries and new trading partners, as well as coordination of product recalls where there are significant failures of third countries. One example of this is the “summer of recalls”, where imports from China came under the spotlight, notably for toy safety. There were a number of high-profile consumer product recalls in the summer of 2007 and overall the recalls for 2007 increased by 53% on 2006 figures⁵. The European Commission were able to deal with the crisis by setting up a review mechanism, but once the UK has exited the EU we would need to ensure that we have domestic capacity to identify and address a breach of the system to this degree.

⁴ European Commission, Consumer Conditions Scoreboard 2015 edition p25
http://ec.europa.eu/consumers/consumer_evidence/market_studies/obstacles_dsm/docs/ccs2015scoreboard_en.pdf

⁵ http://ec.europa.eu/consumers/consumers_safety/safety_products/rapex/alerts/repository/content/pages/rapex/reports/docs/rapex_annual-report_2007.pdf, p15-16.



14. Ensuring compliance with standards, as well as maintaining standards that are important for consumer protection, will also be essential. If the balance of imports shifts (i.e. if we import more from third countries as opposed to EU), the differing enforcement structures and checks on goods may lead to challenges related to safety and standards. The current national enforcement framework is not set up to address this. Ultimately, consumer certainty maintains their confidence in markets.

Parameters

15. Across all areas, there are many questions about the impact on trade if the UK stops being a member of the Single Market and/or has more limited access to it. This may create opportunities, but in some areas this may create risks for UK consumers in relation to understanding and benefitting from standards and regulations. It is essential that we maintain the benefits of the important protections that we currently have as part of the EU - from food safety to aviation - while ensuring that any opportunities gained from greater flexibility are used to the benefit of consumers. Diminishing consumer rights and safety must never be sought as a trade-off.
16. Which? supports the role of competition in driving markets to improve, as part of this we believe consumer choice is essential to having a thriving economy and driving standards. It is therefore important for UK consumers to have access to the best goods and services for their needs, whether they are produced domestically or abroad.
17. The operation of the EU Single Market and the place of the UK consumer within it, is largely invisible to the consumer on a day to day basis. The operation of that market and the interaction of its component parts create outcomes for consumers which are taken for granted. For example, if a European firm spots an opportunity to serve the UK market, it can simply enter the market. That entry 'localises' the firm and UK consumers then decide if the firm meets their needs.
18. The operation of many consumer-facing services, often bundled with product performance, is entrenched within the current rules around cross-border supply of services. Consumers do not currently need to fully understand the complex interplay of Single Market rules around competition policy, non-discrimination between nationals of the EU and rights of establishment and operation. For example, a consumer buying a product online does not need to know about the potentially complex, non-UK elements of the supply chain, so long as the product is delivered to their door and they can get the redress needed should a problem arise. The University of Sussex has illustrated just how intertwined we are⁶ and the potential impact of tariffs dependent on what is negotiated.

⁶ UK exports to the EU were 44% of total UK exports and 54% of total UK imports in 2015. All of this was carried out with zero tariffs and very low non-tariff barriers courtesy of the Single Market. If that trade were carried out on a Most Favoured Nation (MFN) basis, then the average MFN tariff levied by the EU is 5.3%. However, at a more detailed level around 16% of UK exports to the EU-27 would have faced tariffs of more than 7%; of that 16%, half was represented by motor cars which would face a tariff of 10%.

19. As Members of the Single Market, a significant outline of our consumer protection is directed by the EU. The EU's legal competence in consumer protection is set out in Article 169 of the Treaty on the Functioning of the European Union. Article 169 provides that: "In order to promote the interests of consumers and to ensure a high level of consumer protection, the Union shall contribute to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests".
20. In addition, Article 12 states that: "Consumer protection requirements shall be taken into account in defining and implementing other Union policies and activities". This Article must be considered where the EU adopts measures under Article 114, which provides for harmonisation measures in support of the Single Market. Such measures, when relating to proposals that involve consumer protection "will take as a base a high level of protection".
21. EU measures aimed at harmonising consumer protection include a wide range of rights that consumers can exercise within a Single Market. Examples include:
- **Fairer trading:** unfair commercial practices, including misleading and aggressive marketing, are banned⁷.
 - **Better information provision:** important information about products must be provided to consumers before buying a product⁸.
 - **Clearer labelling:** of ingredients of foods, medicines and cosmetics.
 - **Food safety and choices:** including hygiene standards, limits on contaminants and restrictions on use of certain substances, such as hormones in beef or antibiotic growth promoters.
 - **Holiday rights:** tour operators must provide comprehensive, accurate information about package holidays, and must accept responsibility where the services they provide go wrong⁹.
 - **Airline passenger rights:** passengers whose flights are cancelled, delayed, or who are denied boarding, have rights to compensation and assistance¹⁰.
 - **Cross-border enforcement:** consumer protection enforcement bodies co-operate, within a statutory framework, with their counterparts in other Member States to tackle rogue traders operating cross-border¹¹.
 - **Distance shopping:** consumers buying goods online have a 14 day cooling-off period to ensure they are happy with their purchase¹².
22. Harmonised rights such as those listed above can be divided into rights that are capable of direct enforcement in the UK alone, those able to be replicated to some degree at an international level, and those directly entwined with the operation of the Single Market. A number of EU-derived rights are enshrined within UK law already and

⁷ Unfair Commercial Practices Directive, 2005/29.

⁸ Consumer Rights Directive, 2011/83.

⁹ Package Travel Directive, 2015/2302.

¹⁰ Denied Boarding Regulation, 261/2004.

¹¹ Consumer Protection Co-operation Regulation, 2006/2004.

¹² Consumer Rights Directive, 2011/83.

so are likely to remain the same, with opportunities for the UK to make improvements for the benefit of consumers over time. An example is the prohibition against unfair contract terms and the associated “grey list” of terms that are likely to be considered unfair if used by a trader. However, those rights that are entwined with the operation of the Single Market are dependent upon the nature of the process to renegotiate the UK’s relationship with the EU. Airline passenger rights is one example of an area where unilateral enactment of legislation in the UK is unlikely to be sufficient to replicate the benefits of the existing European regime.

23. As members of the EU we have supported a harmonised and better-functioning single market for goods so as to allow improved access for consumers who wish to shop cross-border and encourage the growth of the EU’s digital economy. Consumers have been accustomed to shopping cross border and will likely still wish to do so following the UK’s exit from the EU regardless of whether the UK is a member of the Single Market or not. The negotiations should ensure that cross border trade is not hindered and is accompanied by suitable measures to deliver consistent enforcement, redress and safe products for UK consumers.
24. A key area of interest for consumers is what will happen to consumer and food product standards whether relating to safety, quality or consumer information. There can be divergent views internationally on what is an appropriate level of protection. EU legislation currently sets out a science-based framework of regulations (and in the case of certain consumer products, standards) which also recognises issues such as the importance of labelling so that consumers can make informed choices.
25. The standards in other countries or which are set by international bodies, may differ in approach. Controversies between the EU and its trading partners have for example arisen over the appropriateness of applying precaution (e.g. over beef hormones, use of antibiotics) in order to protect consumer health where there is scientific uncertainty such as introducing measures on a temporary basis until the risks are better understood. While this is recognised to a limited extent within WTO agreements (e.g. the sanitary and phytosanitary or SPS agreement), there may be greater constraints on the standards that can be applied - or they could be challenged. If we trade and/or seek trade agreements with a much wider range of countries, it is important that we also place consumer protections and rights at the heart of negotiations.

Models for UK-EU trading relations

26. Which? has not taken a stance on which trade model the UK should seek, instead (as outlined at the beginning of the paper) we are advising the Government on what key aspects should be upheld for consumers in whatever model we secure so as to retain consumer confidence and competition in the UK.
27. The role of international standards setting bodies is also going to be more significant for the UK if outside the single market. We will need to influence these standards as well as ensure that safety and quality standards are not open to challenge (and defend them where they are). There must not, therefore be any watering down of standards or important principles that may be at odds with the approach in other countries (the

precautionary principle being one example that helps safeguard consumer health and safety).

28. The annex provides some examples of the potential implications for consumer protection of differing models.
29. In setting out these scenarios, Which? recognises that the breadth of impacts on consumers' rights and protections are currently difficult to predict, particularly as hybrid models may be possible as part of the negotiations. Nevertheless the non-exhaustive table provided aims to set out the possible implications at a high level based on key aspects of existing consumer protection.
30. The Government must anticipate these issues and take steps to mitigate any risks that could undermine current consumer rights and protections – and, where appropriate, address any gaps that currently exist. This includes during the negotiations as well as when reviewing legislation as part of the Great Repeal Bill or other legislative changes.
31. The impact on prices if products become subject to tariffs - as well as any impact of reduced competition on goods and services - also needs to be carefully considered both in the short and longer-term.
32. It is therefore essential that these issues are at the forefront of policy making as we start to prepare for exiting the EU and that all possible options are considered through a consumer interest lens. This will require effective consumer engagement as part of the process.
33. For some issues, the risks or opportunities are likely to be reasonably clear; but for others, there may be complex trade-offs that will need to be made – between competing interests, and in some cases between competing consumer interests, for example expectations of price versus quality standards. With such a wide ranging task ahead, it is also important to ensure that the longer-term implications for consumers, as well as more immediate concerns are anticipated and addressed.
34. Some issues may require negotiations at the WTO with EU Member States and any country with a significant interest in the UK market. Relationships with the WTO and other international bodies may need to be rebalanced as a result. This may require the UK to invest more time and effort at the related institutions that help to set the rules that the WTO enforce.
35. This renewed emphasis on the WTO and its connected international bodies should also require an assessment of the means by which the consumer voice is heard. This will be particularly important given the fluid nature of the Brexit process and the need to assess proposals as they develop.
36. It is not necessarily the case that the interests of important industries seeking to gain access to the EU market will be symmetrical with EU industries seeking to gain access to the UK market. There are a whole range of rights that may fall into this spectrum – those which are directly implemented at a national level, those where the UK will need to negotiate regarding whether they apply to the UK and those rights which are

obtained via the consumer acquis on a single market basis. It is also not necessarily the case that the interests of UK industries will be symmetrical with the UK consumer. As UK and UK-operated businesses consider their own interests under the UK's new relationship with the European Union, the needs of UK consumers must also be heard. For example, UK financial services firms may seek to reverse some aspects of EU consumer protection rules applied in the UK, particularly if the sector fails to get full access to EU markets.

37. One vision presented of the post-Brexit world for the UK is based upon the presumption that the UK could use the opportunity of departing from the European Union to initiate, or move towards, a unilateral free trade model. Moving to a more open, less protectionist model could bring benefits to consumers and more freedom to the government. One example could be that an all-out free trade policy could well deliver benefits for consumers in terms of price levels on a large range of goods and indeed most of the positive models of post-Brexit growth rely on such an outcome.
38. There are, however, a number of potential risks that we must work to mitigate in any new relationship. Paramount among these is the need to understand any potential lowering of consumer protection, safety and choice that may come as a consequence - and understanding how consumers may assess any trade-offs that would need to be made. It is also essential that the UK ensures that it maintains sufficient bargaining power in any negotiations in order to secure a good outcome for consumers.

Conclusion

39. We welcome the Committee's review of the implications of Brexit on trade policy. It is clear that the process is complex and unclear regarding the UK's future relationship with the EU. Consumer interests must be at its heart and consumers must have a voice in the discussions. It is also essential that important consumer rights are safeguarded and that the Committee take this into consideration when making recommendations.

For more information,
Contact Simon Markall on 020 7770 7353 or simon.markall@which.co.uk
Which?, 2 Marylebone Road, London NW1 4DF



Annex 1

Issue	Current protections as part of the EU single market	EEA or EFTA (access to single market, but out of EU)	WTO (or bilateral trade agreement) i.e. outside single market
General consumer rights	<p>Core consumer protection rules currently set out a range of rights that apply when a consumer buys a product within the EU – from protections against unfair contract terms and unfair commercial practices to rules around the sale of goods and price indications.</p> <p>For example, the Consumer Rights Directive provides consumers with a 14 day cooling-off period to return unwanted online purchases. The Unfair Commercial Practices Directive bans harmful activities such as “bait and switch” advertising, falsely claiming that special offers are for a limited time only, or demanding payment for products the consumer didn’t ask for. The Unfair Contract Terms Directive introduces a presumption that certain types of terms are unfair and therefore void, such as terms that limit a trader’s obligation to comply with commitments made by the trader’s agent.</p>	<p>The UK would still be obliged to comply with core EU consumer protection laws, but may lose its bargaining power in the negotiation of those rights once it becomes a non-Member State. The UK would only be able to introduce new regulation to address national issues where this was permissible under EU law (e.g. because the EU framework was established by a minimum harmonisation Directive). It is also likely that the UK would be bound to follow the jurisprudence of the European courts in relation to consumer rights.</p> <p>The UK would need to revisit the extent and nature of its involvement in the CPC network. We would need to ensure that whatever arrangement was reached on cross-border enforcement, the mechanism for co-operation was efficient and effective.</p>	<p>The UK’s core consumer protections are currently aligned with EU rules or go beyond EU minimum standards. So, as a starting point, key features of the EU regime would likely be retained. As laws are reviewed over time, it will be imperative to ensure that key protections - such as the requirement on traders to provide consumers with the information needed to make informed decisions - are not lost.</p> <p>There would also be new opportunities to tackle domestic issues in a way that is currently prevented by maximum harmonisation EU rules. For example, our 2015 super-complaint on pricing in the groceries market identified misleading special offers being used by traders. The EU rules on this area are found in the Unfair Commercial Practices Directive, which is a maximum harmonisation instrument. If the UK moved outside the single market, it would no longer be restrained from tackling such issues head on.</p> <p>It is also possible that existing threats to</p>

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	<p>The Consumer Protection Co-operation (CPC) Regulation also establishes a system for cross-border co-operation in the enforcement of EU consumer rights.</p>		<p>important UK consumer protections would fall away. For example, as part of the EU's Digital Single Market Strategy, the Commission is seeking to implement new rules for the online sale of goods on a maximum harmonisation basis. As currently drafted, that proposal would mean that UK consumers lose long-standing national protections, such as the right to return a faulty good and get a full refund in the first thirty days. In response to a survey conducted on this issue in December 2015, an overwhelming majority of Which? members told us that if they bought a product online and subsequently discovered it to be faulty, they would expect to be able to both ask for a replacement or demand a full refund. Outside of the single market, the UK would be free to retain such protections. Enforcement of them may however be more challenging.</p> <p>The UK would need to consider afresh how cross-border enforcement and redress could be achieved in this environment, both via co-operation with Member States and wider trading partners.</p>
Telecoms	<p>The European institutions are currently working to reduce roaming charges for</p>	<p>In our understanding of the current terms of this deal the UK, under these arrangements,</p>	<p>As it stands, and from what the Commission has said previously, the EU's Roaming Regulation is an</p>

	<p>European consumers when they are in other member states. The details of this are currently being finalised but the aim is that by June 2017 there will be no limits in terms of timing or volume imposed on consumers when using mobile devices abroad in the EU. This looks to be accompanied by safeguards to prevent abuses based on residence and permanent links to an EU country, as well as in exceptional cases, in domestic markets.</p> <p>Since 30th April 2016 the maximum surcharge for roaming in the EU has been: up to €0.05 per minute for outgoing calls, up to €0.014 per minute for incoming calls, up to €0.02 per text message and up to €0.05 per megabyte for data.</p> <p>The EU estimate that efforts undertaken on roaming has reduced the cost of making calls, sending messages, and accessing data across EU borders. It estimates that costs of data roaming have reduced by 96% (since 2012), while cost of calls (since 2007) and SMS (since 2009) have fallen by 92%.</p>	<p>could still benefit from the abolition of roaming charges.</p>	<p>internal market instrument. There are potential constraints regarding the extension of such an EU regulation beyond the EU's jurisdiction as the EU is bound by obligations concerning non-discrimination under WTO rules — any favourable conditions or treatment given through a bilateral agreement with a third country may therefore also have to be extended to all other WTO Members, without obliging them to offer reciprocal conditions. The UK could potentially offer a reciprocal deal, however this may lead to questions regarding other WTO members.</p> <p>This does not however prevent EU and non-EU operators from freely negotiating tariffs for 'international roaming'. Roaming Regulation price caps could be used as a benchmark.</p>
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<p>Product safety</p>	<p>The General Product Safety Directive sets out overarching requirements that products placed on the market should be safe. This is supported by a range of more specific EU rules (e.g. for cars, toys, chemicals), as well as a system for setting product standards through the European Committee for Standardisation (CEN) and European Committee for Electrotechnical Standards (CENELEC). Market surveillance is also required by Member States and there is an EU rapid alert system (RAPEX).</p> <p>A key consideration is also how we will ensure (and it will be assured) that product standards are effectively implemented and enforced by EU and wider trading partners.</p>	<p>The UK would still be likely to be subject to the same product regulation in order to access the single market. Going forward, while the UK would no longer be deciding future EU regulations it would still be subject to them. Based on the Norway and Switzerland models, the BSI could still participate in EU standards setting through CEN and CENELEC.</p>	<p>The UK could set national requirements for product safety within a framework of WTO/GATT rules (although it is likely to be a requirement within any bilateral deal to meet the exact or equivalent standards - as a condition for trade with the single market).</p> <p>Ensuring that consumer interests are put first in any revision to regulations – and opportunities taken to enhance rather than weaken protections in light of recent safety concerns over white goods and cars - will be crucial. International standards bodies such as the ISO could become much more significant in this respect. The possibility of whether the BSI could remain a member of CEN and CENELEC is unclear. New approaches for co-operation on enforcement are likely to be necessary.</p> <p>While the UK may have flexibility to go beyond EU requirements on some issues - this would need to be defensible e.g. under TBT and SPS agreement rules.</p>
<p>Food safety, labelling and choice</p>	<p>A large body of EU legislation sets out requirements that determine the safety of food and what choices we can make. These rules apply to food traded within the EU as</p>	<p>The UK would be obliged to implement and comply with EU requirements in order to access the single market, but would not be part of the decision-making for the setting</p>	<p>The UK could set national requirements within a framework of WTO/GATT rules. It would be subject to EU standards or their equivalent as a condition for trade with the single market.</p>

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	<p>well as exports from third countries. The over-arching General Food Law Regulation, for example, requires a high level of human health protection and sets out a requirement for traceability of food ingredients. It also sets out how food risks should be assessed and managed, requiring an independent scientific assessment, while also recognising that other legitimate factors may also be relevant, such as ethical or welfare concerns for example (something very relevant to on-going discussions about how to control animal cloning for example). It also recognises the importance of the precautionary principle, when there is scientific uncertainty, but a risk to health. Beneath this sits more specific requirements, including rules on hygiene and meat controls, limits on contaminants in foods and requirements that certain foods (e.g. novel foods that haven't been on the market before, packaging materials, additives and GM foods) have to be independently assessed for safety based on data submitted by businesses and approved prior to marketing. Rules on health and nutrition</p>	<p>of future legislation. This could mean divergence on some issues (as just one example, some Member States have opposed the UK's traffic light nutrition labelling scheme).</p>	<p>Under the WTO's sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) agreements, standards developed by the UN's Codex Alimentarius Commission which sets international food standards would be the main reference for any dispute.</p> <p>A key question would likely be how the UK would stand up for consumer interests on issues where they are currently protected under EU rules, but where other countries or Codex provide a lower level of protection. This includes beef hormones, which the US challenged and Codex standards allow, but where the EU has negotiated maintaining a ban. Other issues which are examples of where countries such as the US or Brazil which may be seen as opportunities for greater trade have weaker protection include the assessment, approval and labelling of GM foods, the ban on antibiotics used as growth promoters, use of animal cloning in food production and the use of poultry carcass treatments at the end of chicken processing to clean up contamination (rather than the EU's 'farm to fork' approach).</p> <p>The issues of food labelling and safety rules as highlighted in the first column would need to be monitored closely, as well</p>
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	<p>claims have recently led to many misleading claims coming off the market and wider labelling rules cover the listing of ingredients (including production methods such as GM for example), origin of meat and allergens. They also define terms such as organic.</p> <p>The complexity and scale of food supply chains requires cross-border cooperation. EU rules to update requirements for official controls (which cover checks made in countries that export to the EU) are in the process of being updated. In the wake of the horsemeat scandal, the EU set up a mechanism ('Food Fraud Network') allowing for smoother information and intelligence sharing between EU governments, with a view to cracking down on food fraudsters operating across borders. This is in addition to the EU's rapid alert system for food and feed (RASFF).</p>		<p>as identifying how to ensure effective enforcement where we currently benefit from an EU system of co-operation (e.g. The RASFF and Food Fraud Network) as well as checks on facilities within and products from third countries.</p>
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