



SCOTTISH QUALITY CROPS

SUBMISSION

Review of the EU-UK Trade and Cooperation Agreement

SQC Briefing ahead of Evidence Session – 28 March 2024

Introduction

The SQC assurance scheme was founded in 1994 as Scottish Quality Cereals, to give cereal producers the opportunity to place Scotland's cereals at the premium end of the UK and European markets. Changing its name to Scottish Quality Crops in 2007 to encompass all combinable crops, in 2020, the company became a stakeholder co-operative to maximise sector expertise and collaboration opportunities across the sector – whilst still placing the farmer at the heart of the organisation.

SQC now assures c3200 growers across Scotland – which equates to over 90% of Scotland's combinable crops.

Our standards are formed by and for growers and grain buyers. Our crop quality and traceability scheme ensures safe and environmentally friendly production of arable crops in Scotland. Our aim is to make sure that the mechanics are in place to allow easy access to the widest available and most lucrative markets.

Theme 1 - How trade in goods and services between the EU and UK is currently working and if there are areas where it can be improved.

SQC response – Within food assurance and the agricultural sector, there are ongoing concerns around assurance standards applied to imported grain. A key area which could enhance improved relations and trade would be to provide greater transparency in all assurance schemes and a benchmarking of all schemes and standards – both within the UK and the EU. In addition, this transparency could allow for recognition of scheme equivalence for the SQC scheme in Europe with expanded markets and the simplification of paperwork through growers not having to conform to multiple Quality Assurance schemes.

Theme 2 - Where there are challenges and how these could be resolved

SQC response – In terms of SQC and challenges faced by our assured growers – since Brexit, SQC are concerned around future changes / development of EU policy and legislation and potential impact of this on UK policy and legislation. For example, the United Kingdom Accreditation Services (UKAS) is the National Accreditation Body (NAB) for the United Kingdom to which SQC and our Certification Body, Food Integrity Assurance (FIA Ltd) are accredited. UKAS are appointed by UK government, to assess and accredit organisations that provide services including certification, testing, inspection and calibration. However, UKAS is no longer recognised by the EU as a NAB. This has significantly impacted progress in our application to continue UK recognition to the EU Renewable Energy Directive (RED II). Without this recognition, SQC assured growers would lose the opportunity to access the European biofuels market, and further that this drop in market demand would decrease the local grain price.

With regards to sanitary and phytosanitary (SPS) measures, the SQC scheme ensures food safety and environmental protection – for example through the safe use of pesticides and safe storage to prevent mycotoxins. As such, we would be concerned about any drift from European technical standards and legislation that complicate the ability to trade, or to gain scheme equivalence and access to EU markets. We are not aware of any mechanism to track divergence, and this is a concern.

The high health status of Scottish crops, is an asset and allows for reduced reliance on pesticides. While we recognise that SPS measures are useful in protecting the health of Scottish crops against exotic incursions, there needs to be a balance with ease of trade, and so a single area that recognises equivalence in SPS standards across EU and GB borders would seem positive.

We are aware of issues with the timely transport of crop samples, for example, in terms of monitoring and surveillance of pests and diseases of concern to Scottish crops, there are great difficulties in getting samples through to European testing laboratories and so intelligence on things such as fungicide resistance in crop pathogens is much reduced. This would be another advantage to agreement on SPS measures between GB and the EU.

Theme 3 - Opportunities for further developing the UK-EU relationship

SQC response – SQC believes there should be opportunities for improved partnership working and collaboration between the EU and UK businesses. For example, through RED II, there is now a requirement for provision of data to a new EU UDB (database). However, as we were not asked to engage at the outset, SQC are struggling to work with the EU to provide the data required (without significant cost to SQC and its members). Had we been involved in project planning discussions at the outset, the system could have been developed to accept data in its current format (rather than having to look at costly and time consuming changes to our own systems in order to meet EU requirements). It would be beneficial to include all relevant stakeholders in project specification discussions prior to commencement. This could help to mitigate issues in delivery further down the process.

With regards to sanitary and phytosanitary (SPS) measures, there are many core agencies such as EPPO and EFSA which do useful work in aligning protocols and testing methods – for example in important areas such as seed health. Again, our worry about any divergence from EU technical standards is pertinent here and we would like UK agencies to develop and retain close working relationships with agencies such as these.