

BREXIT: EU SPIRITS PRODUCERS CALL ON EU & UK NEGOTIATORS TO MAKE SWIFT PROGRESS ON GEOGRAPHICAL INDICATIONS (GIS)

Brussels, 27 June 2018 – Ahead of tomorrow's June European Council Summit, European spirits producers urge EU & UK negotiators to make effective progress on key separation issues, notably on the continued protection of Geographical Indications (GIs) in the Withdrawal Agreement which is fundamental for the sector's continued success as a European export champion. spiritsEUROPE calls for an urgent finalization and swift transferral of the Withdrawal Agreement to the European Parliament so that the framework of the EU-UK future relationship can be prepared and provide much-needed certainty to producers before March 2019.

Continued protection of GIs is essential to the spirits sector

Ulrich Adam, Director-General of spiritsEUROPE underlines that "GIs are a key pillar, asset and facilitator of trade in high-value spirits. An agreement on the mutual protection of EU and UK GIs in the Withdrawal Agreement in June is critical to allow the success story of European spirits' production to continue and to ensure high-quality products can be delivered to consumers. This is particularly true for the three much-cherished All-Ireland GIs: Irish Whiskey, Irish Cream Liqueur and Irish Poitin."

As proposed in February 2018, the European Commission's draft language in the Withdrawal Agreement on GIs would require the UK to provide at least the same level of protection for EU GIs as they hold today. We therefore call on the UK and EU to agree to this language which would entitle GI holders to an equivalent right under UK law without the need for re-examination. Looking further ahead, spirits producers also urge the EU and the UK to provide a commitment on GI protection in the political agreement on the framework of the future relationship.

Uncertainties over the application of EU FTAs & the Irish border need to be addressed

In the wider context of the Brexit negotiations, the spirits sector would also like to underline the importance of securing continuity in the application of the benefits of the EU's FTAs to the UK during the transition period. The European spirits sector contributes over €9 billion to Europe's overall trade balance, and the UK's spirits sector is very much part of that. Ensuring that trade flows with Europe's existing trade partners and the UK continue during transition is key for producers to operate.

Given that spirits are among Ireland's fastest-growing export sectors and operate on an integrated All-island basis with seamless cross-border supply chains, avoiding a hard border in Ireland is essential. The spirits sector wants to seek the maximum possible alignment between the UK (particularly Northern Ireland) and the EU with a view to avoiding any disruption to our cross-border supply chains. If a better solution cannot be found through negotiations, a 'backstop' position should be agreed by both parties as soon as possible to help the industry prepare.

ENDS



Note to editors

- **spiritsEUROPE** is the representative body for the spirits industry at European level comprising 31 associations and 8 multinationals: www.spirits.eu.
- spiritsEUROPE's position paper on Brexit.
- spiritsEUROPE's position paper on Brexit & Transition.