

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Second Delegated Legislation Committee

DRAFT WINE (AMENDMENT) REGULATIONS 2021

*Monday 13 December 2021*

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**Friday 17 December 2021**

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**The Committee consisted of the following Members:**

*Chair:* CAROLINE NOKES

Abbott, Ms Diane (*Hackney North and Stoke Newington*) (Lab)

Betts, Mr Clive (*Sheffield South East*) (Lab)

† Bottomley, Sir Peter (*Worthing West*) (Con)

† Bridgen, Andrew (*North West Leicestershire*) (Con)

Cherry, Joanna (*Edinburgh South West*) (SNP)

† Glendon, Mary (*North Tyneside*) (Lab)

† Hoare, Simon (*North Dorset*) (Con)

† Jones, Ruth (*Newport West*) (Lab)

† Knight, Sir Greg (*East Yorkshire*) (Con)

† Kruger, Danny (*Devizes*) (Con)

† Prentis, Victoria (*Minister for Farming, Fisheries and Food*)

† Skidmore, Chris (*Kingswood*) (Con)

Spellar, John (*Warley*) (Lab)

Stevenson, Jane (*Wolverhampton North East*) (Con)

Stringer, Graham (*Blackley and Broughton*) (Lab)

† Swayne, Sir Desmond (*New Forest West*) (Con)

† Wheeler, Mrs Heather (*South Derbyshire*) (Con)

Seb Newman, *Committee Clerk*

† **attended the Committee**

## Second Delegated Legislation Committee

Monday 13 December 2021

[CAROLINE NOKES *in the Chair*]

### Draft Wine (Amendment) Regulations 2021

4.30 pm

**The Chair:** Before we begin, I remind Members that, in line with guidance from the Government and the House of Commons Commission, they are expected to wear face coverings and to maintain distancing, so far as is possible, which I see you are all doing beautifully. I remind Members that they are asked by the House to have a covid lateral flow test twice a week if they are coming on to the estate. That can be done in the testing centre in the House, or at home. Please could Members email their speaking notes to [Hansardnotes@parliament.uk](mailto:Hansardnotes@parliament.uk)?

4.31 pm

**The Minister for Farming, Fisheries and Food (Victoria Prentis):** I beg to move,

That the Committee has considered the draft Wine (Amendment) Regulations 2021.

The regulations, which were laid before the House on 23 November, remove the requirement for wine imported to Great Britain to be accompanied by a VI-1 certificate. This statutory instrument is very good news; Members who arrived at the Committee early have heard that I am inordinately excited about it. It is part of the bonfire of Brexit red tape. It will help support an industry worth over £1 billion a year, and will help the UK to remain a global hub for the wine trade. If we agree to the SI, it is not only EU wine that will be allowed into the country without a VI-1 certificate; so will wine from the rest of world, including wine from Australia, Chile, New Zealand and the USA. These wines represent about half the wines on our shelves. This is a really positive step forward, and I thank the wine trade and Members of this House for working with us on this.

**Sir Greg Knight** (East Yorkshire) (Con): The Minister is, in effect, proposing to reduce red tape. Should that not lower the price of wine?

**Victoria Prentis:** I was anticipating that question. That is probably something for the wine trade to think about internally. Although the wine trade will find the change beneficial, I suspect that the price of a bottle of wine will not change all that much—but we live in hope.

The SI will make changes to retained EU law to ensure that wines produced in GB are subject to appropriate supervision, inspection and authentication checks. It also introduces provisions to ensure that the lot code arrangements between GB and the EU for wines continue to operate. Lot codes are an important tool for tracing wine products prepared or packaged under the same conditions.

Finally, the regulations will implement article 5 of annex 15 to the trade and co-operation agreement, concerning transitional arrangements. There will be

a two-year grace period from 1 May to allow wine stocks to be run down at producer and wholesale level; stores have until stock runs out to comply.

We have a flourishing wine and viticulture sector in this country. Through this instrument, the Government are making regulatory changes that support wine importers, bottling plants, and exporters across the country, from Accolade Wines in Avonmouth and Kingsland Drinks in Manchester to Greencroft Bottling in County Durham. We are removing a burdensome technical barrier to trade. The Department will continue to work with the industry and across Government to make sure that we have the best possible regulatory regime for wine.

4.33 pm

**Ruth Jones** (Newport West) (Lab): It is a pleasure to serve under your chairmanship, Ms Nokes. I am delighted to speak from the Front Bench as the shadow Minister for Agri-innovation and Climate Adaptation. *[Interruption.]* Yes. Following the recent reshuffle of Labour's Front Benchers, I have a slightly different brief, but I remain focused on holding the Government to account for protecting our environment and our planet. I bring the apologies of my hon. Friend the Member for Cambridge (Daniel Zeichner), the shadow Food, Farming, Fisheries and Rural Affairs Minister, who is in Westminster Hall this evening, and so could not lead for the Opposition on the regulations. I declare an interest: I have been known to have the odd glass of wine after a long day in this House, so I speak with some authority on the subject.

I am grateful to the Minister for taking the time to explain the purpose of the statutory instrument. The regulations will ensure that the United Kingdom meets its legal obligations to implement the provisions in annex 15 to the trade and co-operation agreement, which deals with the trade in wine. The regulations will amend rules concerning lot marking and the import and export certification arrangements for wine products, as well as putting in place transitional marketing arrangements. These changes are very welcome but long overdue. Labour Members will not oppose them, not least because many of us, including my tenacious hon. Friend the Member for Cambridge, spent much of the early part of this year arguing that the Government should show some leadership and get rid of that much-hated VI-1 form.

It may be that celebrations are in order, and that we can pop the cork on the bottle of progress and common sense, but before we get carried away, remember that there is so much more to do. I gently remind the House of the factors in and concerns associated with the debate and the issues covered by the SI. The Government initially chose to roll over EU rules and regulations on wine imports. Those rules required detailed import certification—the VI-1 form, which we have heard about—in addition to standard customs paperwork for all wine imports from third countries. The form includes details such as how strong a wine is, what grape it is, and how many containers are being sent. For each type of wine in a consignment, all those details must be listed, and the form requires a stamp from customs officials. That presents a significant logistical challenge and cost burden for wine importers.

I accept that a slightly simpler version of the VI-1 form was negotiated in the UK-EU trade and co-operation agreement for wine imports from the EU, but that form

still required a customs stamp, and that has delayed transit through ports and placed a significant burden on our importers. The British wine industry was at a loss to understand why Ministers took that path. I acknowledge the work of the Wine and Spirit Trade Association, which represents more than 300 companies that produce, import, export, transport and sell wine and spirits in the UK. WSTA members include the major retailers on our high streets, brand owners, wholesalers, fine wine and spirit specialists, and logistics and bottling companies. The association mounted a strong campaign that has drawn attention to the problems faced by so many in the sector, and I thank it for its work.

Leaving the EU made a significant difference, because in reality, the EU's import document is a technical barrier that protects its wine industry. Whatever our views on our departure from the EU, it made very little sense for the United Kingdom—a net importer of wine—to maintain rules designed to disadvantage our imports. We import over 99% of the wine that we consume, and around half of those imports are from the EU.

I would like to take a moment to acknowledge the British wine industry and will focus on the Welsh wine sector; as I am the Member for Newport West, I trust that will come as no surprise. I draw colleagues' attention to an October 2021 article in *WalesOnline* by Portia Jones, "11 beautiful Welsh vineyards that offer so much more than just fine wine". The wines mentioned have won plaudits all around the world. I will move on swiftly, because I can see that the Chair is beginning to get a bit anxious.

**Simon Hoare** (North Dorset) (Con): Name them!

**Ruth Jones:** I will name them if the Chair—

**The Chair:** I am not sure that that would be in order.

**Ruth Jones:** I would love to name them, but sadly I am not permitted to, after the Chair's wise words. We know about these destinations in Wales, but of course we all want the wine industry to flourish and grow for the sake of all the great English and Welsh wines. However, we are a significant importer of wines, sparkling and non-sparkling. The Minister will know that we also have a vibrant export industry, which is important, as are the regulations.

The Wine and Spirit Trade Association has been clear: as far as it can tell, the additional bureaucracy was entirely unnecessary. There was no customs requirement for it, and there were no safety issues involved. Importing 25,000 litres of South African Chardonnay, Australian Shiraz or Kiwi Sauvignon Blanc in a flexitank with one VI-1 form is much less burdensome and significantly cheaper than importing 20 wines in bottles from the EU, which requires 20 additional pieces of documentation.

We welcome the clarification provided on the position of wine produced before the agreement was put in place. On the legal marketing of these products, we note that wine is an unusual product, in that it has a long shelf life, and its value can increase over time. What happens with the two-year transition period that the Minister mentioned? Will she explain what happens after that? Given the long shelf life of the wine in our

cellars, fridges, shops and kitchens, is that period long enough? What are the reasons for not having a longer, more sustainable period?

We also have questions relating to the impact on Northern Ireland, which is referred to in paragraph 7.8 of the explanatory memorandum. All too often, Northern Ireland is an afterthought for the Government, but not for us on the Opposition Benches. Will the Minister confirm that the VI-1 form—and all the problems that it brings, which I outlined—will continue to apply in Northern Ireland? We are not quite sure what is happening in Northern Ireland, so I would be grateful if the Minister could address that in detail. If that is not possible, perhaps she could guarantee to do so in writing.

I would like to acknowledge wine producers from across the United Kingdom; they, like all of us, have had a tough two years. Our economy is fuelled by business women and men who go above and beyond and show the best of British. I ask the Minister to join me in wishing all British wine producers a happy and safe Christmas, and I thank them for all they do. We do not oppose these changes, but Labour Members will continue to be vigilant. We will toast the wine sector, and we will always stand up for wine producers and consumers in all parts of our United Kingdom.

4.40 pm

**Sir Peter Bottomley** (Worthing West) (Con): It is a delight to follow the hon. Lady, who I think is the only one here who has been elected twice in the last two years. For those who want to follow the Welsh vineyards trail, the history of at least 10 of the 11 Welsh vineyards goes back 150 years. I pay tribute to Welsh whisky, which I have enjoyed.

I thank the Minister and her colleagues for responding to the point, made by Members from across this House, that the VI-1 form is not necessary. I pay tribute to the Wine and Spirits Trade Association, which briefed a number of us, and had one or two gatherings in the days when a gathering could or could not be a party; to the English wine producers; and to the Welsh and the Scottish—or I would, if any Scottish Members were here—for their contribution to encouraging Government to find a way forward that is sensible, and in which there are no losers and many winners.

Will the Minister say—it would be a kindness if she could write afterwards, if she does not know the answer now—when it will be possible to sell fizzy wine or champagne in a pint bottle, which was illegal during our membership of the EU? Many argue that sharing a pint with a friend or a spouse is better than sharing a half-bottle, which is not enough, or a full bottle, which is often a bit too much.

4.42 pm

**Victoria Prentis:** It is a great pleasure to respond to the hon. Member for Newport West, and to my hon. Friend the Member for Worthing West, who is co-chair of the all-party parliamentary group on wine and spirits, which has been extremely helpful to us in formulating this policy. I share his liking for Welsh whisky; there is also Isle of Man whisky, which is really delicious. I have heard before the point that he raises about fizzy wine. I am not sure that that is entirely in scope of the regulations, and I will, if I may, write to him about that, because there are other Departments involved in that conversation.

[Victoria Prentis]

The hon. Member for Newport West raised various issues, including the transitional period, which I dealt with earlier. The transitional period will apply until the bottle is sold or drunk, so there is no end to that period in terms of retail sales. The SI does not apply in Northern Ireland and will not result in any changes to certification of GB-produced wine sent to Northern Ireland. Northern Ireland will obviously continue to follow the rules for VI-1 certification set out in the protocol. Most movements of GB wine to NI have fallen within the scheme for temporary agri-food movements to Northern Ireland. Movements of GB wine to NI are very small; they may often fall below the 100 litre de minimis requirements for a VI-1 certificate set out in EU law.

I remind Members of the positive changes in the instrument. The regulatory changes that we are introducing enable us to meet our international obligations and implement annex 15 of the TCA. We have listened to the wine trade and Members of this House and removed

the requirement for VI-1s for imports from not only the EU, but other nations from across the world that produce excellent wine.

**Sir Peter Bottomley:** A number of people may not know what the VI-1 form is. If they put “VI-1 form” into a search engine, fortunately the first result that comes up is the Government site, which is up to date; but the third result, using the search engine that I use, is the Food Standards Agency, which might be encouraged to update its information, because it is a year old and does not take account of these welcome changes.

**Victoria Prentis:** When we have made these changes—we are possibly jumping the gun a little bit—I am sure that we can pass that on. I ask hon. Members to support the SI, and I hope that the wine trade will continue to flow well this Christmas.

*Question put and agreed to.*

6.45 pm

*Committee rose.*