



Export Market Guide

United Kingdom

August 2019



Content

| United Kingdom overview | 3 |
|-------------------------|----|
| Demographics | 4 |
| Economics | 4 |
| Regulatory Environment | 5 |
| Duties and Taxes | 6 |
| Cider Standards | 9 |
| Labelling | 14 |
| Importing | 25 |
| Import Certificates | 25 |
| Import Procedures | 25 |
| Contacts | 28 |

Updates

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United Kingdom overview

The United Kingdom is a multi-national state composed of four parts; England, Scotland, Wales and Northern Ireland. With a population of 64 million, the UK has the third largest population in the EU. The total land area of the UK is 241,590 km², equating to around 250 people per km². Around 11 per cent of the UK's population lives in and around London. The UK is the eighth largest economy in the world and the third largest economy in Europe, after Germany and France.

Situated off the northwest coast of mainland Europe, the UK has a temperate climate and can be highly variable. There is frequent cloud and rain and often more than one-half of the days are overcast.

The UK became a member of the European Union on 1 January 1973 at the same time as Denmark and the Republic of Ireland. The UK's accession to the EU was vetoed on two occasions by France in 1963 and 1967. On 23 June 2016, a referendum was held in the UK on the country's membership of the EU. The result was 51.9% in support of an exit and 48.1% to remain.

On 29 March 2017, the UK formally triggered its exit process from the EU. It is still attempting to negotiate and conclude an agreement with the EU on the arrangements for its withdrawal. In the meantime, all trading arrangements between the UK, the EU and third countries are unchanged.

Australia and the UK have signalled interest in negotiating an Australia-UK FTA as soon as the UK is in a position to do so following completion of its exit negotiations with the EU.

Demographics

(2018 est.)

| Population | 65,105,246 (July 2018 est.) |
|------------------------|---|
| Capital city | London (England); Edinburgh (Scotland); Cardiff (Wales); Belfast (N. Ireland). |
| Language | English. The following are recognised regional languages: Scots (about 30% of the population of Scotland), Scottish Gaelic (about 60,000 in Scotland), Welsh (about 20% of the population of Wales), Irish (about 10% of the population of Northern Ireland), Cornish (some 2,000 to 3,000 in Cornwall) (2012 est.) |
| Population growth rate | 0.51% |
| Ethnic Groups | White 87.2%, African/Caribbean British 3%, Asian/Asian British: Indian 2.3%, Pakistani 1.9%, mixed 2%, other 3.7% (2011 est.) |
| Religions | Christian (incl. Anglican, Roman Catholic, Presbyterian, Methodist) 59.5%, Muslim 4.4%, Hindu 1.3%, other 2%, none 25.7%, unspecified 7.2% (2011 est.) |
| Major cities | London, Manchester, Birmingham, West Yorkshire, Glasgow, Southampton/ Portsmouth |

Source: CIA World Factbook

Economics

| Currency | British pound (GBP) £ |
|----------------------|---|
| Exchange rates | (August 2019 AUD \$1 = 0.549 GBP) <u>www.xe.com</u> |
| GDP per capita (PPP) | USD \$44,300 (#39 in world comparison) |
| Inflation | 2.7% |
| Unemployment rate | 4.4% |
| Government type | Constitutional Monarchy |
| Ports and harbours | Dover, Felixstowe, Immingham, Liverpool, London, Southampton, Teesport (England); Forth Ports (Scotland); Milford Haven (Wales) |

Source: CIA World Factbook

Regulatory Environment

The United Kingdom, as a Member State of the European Union, has implemented EU regulations for imported food. However, there is no common EU legislation covering cider. Where common rules have not yet been established, description and presentation is controlled by member states' national laws. The UK regulates cider and perry through the Cider and Perry Regulations 1989. HM Revenue and Customs (HMRC) is responsible for enforcing all fiscal legislation. The Food Standards Agency has responsibility in relation to food safety and consumer protection while Environmental Health Departments (Defra) are responsible for the enforcement at retail level of certain aspects of national law, particularly those dealing with food composition and food safety.

The regulatory framework is established under the following principal regulations:

- EC Reg 1169/2011 on the provision of food information to consumers and nutrition and health claims
- EC Reg 1308/2013 establishing a common market organisation in agricultural products
- EC Reg 110/2008 definition, description, presentation, labelling and the protection of geographical indications of spirit drinks
- EC Reg 1169/2011 on food information to consumers
- EC Reg 889/2008 on rules for organic products
- Customs and Excise Management Act 1979 (UK)
- Alcoholic Liquor Duties Act 1979 (UK)
- Weights and Measures Act 1985 (UK)
- The Cider and Perry Regulations 1989 (UK)
- The Food Information Regulations 2014 (SI 2014 No 1855) (UK)

The UK is in the process of exiting the European Union. UK and EU leaders have agreed to an extension for the UK's withdrawal from the European Union until <u>31 October 2019</u>. Much doubt remains over the conditions under which this withdrawal will occur and the length of any transition period towards a new trading relationship between the UK and the EU.

What is expected to change for Australian cider?

The most likely scenario facing Australian cider exports after this date is that not much will change in practice. The UK is expected to apply the same tariff to imported Australian cider as it did while a member of the EU, and the labelling and cidermaking rules will remain unchanged.

Duties and Taxes

The United Kingdom imposes the following duties and taxes on imported cider:

- Customs Duty
- Excise Duty
- Value-Added Tax

Customs Duty

The UK is part of the harmonised trade system of the European Union and gives preference to associate members of the Union, developing countries and European Free Trade Association (EFTA) members. Most duties are ad valorem (%), based on the GATT Valuation Code (approximately CIF value (Incoterms 2000)). Common External Tariff (CET) is applicable to third countries, including Australia.

Customs duty must be paid on most products before they can access the EU's internal markets. The duty rates given below are stated in Euros per hectolitre (1 hectolitre = 100 L).

| Tariff Heading | Description | Customs Duty EUR/hI |
|----------------|--|------------------------|
| 22.06 | Other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included: | |
| 2206.00.31 | Sparkling cider and perry | 19.20 EUR/hl |
| 2206.00.39 | Other – Sparkling | 19.20 EUR/hl |
| | Still, in containers holding 2 litres or less: | |
| 2206.00.51 | Cider and perry | 7.70 EUR/hl |
| 2206.00.59 | Other | 7.70 EUR/hl |
| | More than 2 litres: | |
| 2206.00.81 | Cider and perry | 5.76 EUR/hl |
| 2206.00.89 | Other | 5.76 EUR/hl |

Source: European Commission TARIC database

- fermented beverages in bottles with 'mushroom' stoppers held in place by ties or fastenings;
- fermented beverages otherwise put up, with an excess pressure of 3 bar or more, measured at a temperature of 20°C.

Before shipping any goods to the UK (or Europe), Austrade advises that exporters obtain a written customs duty ruling from the customs service in the destination country. These rulings are called Binding Tariff Information (BTI). Getting a BTI is free and will prevent any conflict over customs or excise duty. A BTI can be obtained from the following contacts:

HM Customs & Excise (VAT)

Alexander House, 21 Victoria Avenue Southend-on-Sea SS99 1AA T: +44 0 1702 366 077

^{*} For the purposes of subheadings 2206 00 31 and 2206 00 39, the following are regarded as 'sparkling':

HM Customs & Excise (International Development)

7th Floor, New King's Beam House 22 Upper Ground London, SE1 9PJ

T: +44 020 7620 1313 W: www.hmrc.gov.uk

Excise Duty

Excise Duty is chargeable, in addition to any Customs Duty which may be due, on excisable goods (including cider). These goods may be either of UK origin, received following an intra-EU movement or imported from outside the EU. The duty falls due at the time when the goods leave any duty suspension arrangements, that is when:

- they are released for consumption or otherwise made available for consumption (generally via the warehouse system) registered trader (REDS) or occasional importer receives them in the UK;
- a vendor makes a delivery under distance selling arrangements;
- missing consignments and other dutiable shortages are discovered;
- goods imported for personal use are then sold or put to commercial use.

Excise rates are generally increased in March each year.

| Drink Category | Unit of Measure | 01/02/2019 rate (per hL) |
|---|-----------------|-----------------------------|
| Still cider and perry: Exceeding 1.2% to less than 6.9% abv | per hL | £40.38 |
| Still cider and perry: At least 6.9% to not exceeding 7.5% abv | per hL | £50.71 |
| Still cider and perry: Exceeding 7.5% to less than 8.5% abv | per hL | £61.04 |
| Sparkling cider and perry: Exceeding 1.2% to not exceeding 5.5% abv | per hL | £40.38 |
| Sparkling cider and perry: Exceeding 5.5% to less than 8.5% abv | per hL | £288.10 |
| Still 'made-wine'*: Exceeding 5.5% to not exceeding 15% abv | per hL | £297.57 |
| Sparkling 'made-wine'*: 8.5% and above to not exceeding 15% abv | per hL | £381.15 |

Source: HM Revenue & Customs

For further details, visit the HMRC website.

^{*} Made-wine is any other drink that has alcohol made by fermentation that is not cider, perry beer, spirits or wine. Cider may be classed as made-wine if it has an ABV greater than 8.5%.

VAT

Value-Added Tax (VAT) in the UK is 20%. VAT is charged on the total value of the goods plus all duties payable, including:

- the price paid for the goods
- postage, packaging and insurance
- excise duty plus customs duty owed

To work out a price including the standard rate of VAT (20%), multiply the price excluding VAT by 1.2.

Cider Standards

This is a list of cidermaking practices and processes authorised under European Commission Regulations 1332/2008 Food Enzymes; 1333/2008 Food Additives; 1334/2008 Flavourings and the National Association of Cider Makers (NACM) Code of Practice: 'Restoration Aromas - Conditions for Use'. If your cider or perry contains other ingredients, it's classed as 'made-wine' and it will attract the 'made-wine' excise duty rates.

'Quantum satis' means that no maximum level is specified. However, materials must be used according to good manufacturing practice (GMP) at a level not higher than is necessary to achieve the intended purpose and provided that they do not mislead the customer.

| Cidermaking ingredient Maximum Concentration or Limit | | |
|---|------------|---|
| | Function | Application Scope |
| Apple aromas (natural only) | Ingredient | No limit but must meet rules on aromas |
| Apple juice (fresh or concentrate) | Ingredient | Limited to 25% if used in the making of perry |
| Apple wine | Ingredient | No limit but must only contain ingredients permitted in the making of cider and perry |
| Cider - out of condition | Ingredient | No limit |
| Cider vinegar | Ingredient | Limited to the quantity necessary to adjust acidity |
| De-alcoholised concentrated cider (Cidrasse) | Ingredient | No limit but must only be produced from ingredients permitted in the making of cider |
| Neo-hesperidine | Ingredient | No limit |
| Nitrogen | Ingredient | No limit |
| Pear aromas (natural only) | Ingredient | No limit but must meet the <u>rules on</u> <u>aromas</u> |
| Pear juice (fresh or concentrate) | Ingredient | Limited to 25% if used in the making of cider |
| Pear wine | Ingredient | No limit but must only contain ingredients permitted in the making of cider and perry |
| Perry – out of condition | Ingredient | No limit |
| Perry vinegar | Ingredient | Limited to the quantity necessary to adjust acidity |
| Sugars and sugar syrups | Ingredient | No limit |
| Water | Ingredient | No limit |

Sugars and sugar syrups

Sugars and sugar syrups include:

· high fructose corn syrup or high fructose syrup

- fructose Hydrolysed starch or hydrolysed starch syrup
- glucose
- liquid sugars
- sucrose
- sugar

Apple and pear aromas

You can only use natural pear and apple aromas to produce cider or perry. This means that you can only derive aromas from pears and must keep the typical characteristics of pears.

Pear and apple aromas and how you use them must conform to the <u>National Association of Cider Makers</u> (NACM) Code of Practice: 'Restoration Aromas - Conditions for Use'. You can only use pear and apple aromas to restore flavour.

Additives

The following additives are allowed but are limited by the current food legislation limits.

| Cidermaking additive | Maximum Concentration or Limit | |
|-------------------------------------|--------------------------------|--|
| | E Number | Application Scope |
| Acesulfame-K | E950 | 350 mg/l |
| Acetic acid | N/A | quantum satis |
| Ascorbic acid and its salts | E300 - E302 | quantum satis |
| Aspartame | E951 | 600 mg/l |
| Carbon dioxide | N/A | quantum satis |
| Citric acid and its salts | E330 - E333 | quantum satis |
| Dimethyl dicarbonate (Velcorin) | E242 | 250 mg/l ¹ |
| Lactic acid and its salts | E270, E325, E326 | quantum satis |
| Malic acids and its salts | E296, E350a, E351b, E352a | quantum satis |
| Saccharin (and Na, K, and Ca salts) | E954 | 80 mg/l ² |
| Potassium metabisulphite | E 224 | For <u>organic</u> cider and perry prepared with addition of sugars or juice concentrate after fermentation: 100 mg/l ³ |
| Sorbic acid and its salts | E200, E202, E203 | 200 mg/l ^{4 5} |
| Sucralose | E955 | 50 mg/l |
| Sulphur dioxide and its salts | E220 - E224, E226 - E228 | 200 mg/l ³ (50 mg/l for <u>organic</u> cider) |
| Salt (Sodium chloride) | N/A | quantum satis |
| Tartaric acid and its salts | E334 - E336 | quantum satis |

Notes

- 1. Ingoing amount, residues not detectable
- 2. Maximum usable levels are expressed in free imide

- 3. Maximum levels are expressed as SO_2 relate to the total quantity, available from all sources, an SO_2 content of not more than 10 mg/kg or 10 mg/l is not considered to be present
- 4. The additives may be added individually or in combination
- 5. The maximum level is applicable to the sum and the levels are expressed as the free acid

Colouring

You can use colouring in cider or perry, but only to make cider or perry that's straw, gold or golden-brown colour. The permitted colourings are:

| Cidermaking colourings | Maximum Concentration or Limit | | |
|-------------------------|--------------------------------------|-------------------|--|
| | E Number | Application Scope | |
| Acid brilliant green BS | E142 | 200 mg/l | |
| Anthocyanin | E163 | quantum satis | |
| Caramel | E150a, E150b, E150c, E150d | quantum satis | |
| Carmoisine | E122 | 200 mg/l | |
| Cochineal | E120 | 200 mg/l | |
| Indigotine | E132 | 200 mg/l | |
| Mixed Carotenes | E160a, E160b, E160c, E160d, E160e | quantum satis | |
| Ponceau 4R | E124 | quantum satis | |
| Quinoline yellow | E104 | 25 mg/l | |
| Sunset yellow | E110 | 10 mg/l | |
| Tartrazine | E102 | 200 mg/l | |

Processing aids

There are no restrictions on the use of processing aids to make cider or perry, as long as they do not change or alter the characteristics of the cider or perry.

Residual traces of these aids may stay in the final product as long as they do not change the colour or flavour of the cider or perry.

| Type of Processing Aid | Maximum Conce | Maximum Concentration or Limit | |
|------------------------|----------------|---|--|
| | Function | Example | |
| Decolourizers | Processing aid | Charcoal | |
| Enzymes | Processing aid | Pectinase | |
| Filter aids | Processing aid | Cellulose Kieselguhr | |
| Fining aids | Processing aid | Bentonite Gelatin Isinglass Tannin | |

| Miscellaneous | Processing aid | Anti-foaming agents |
|---------------|----------------|---|
| | | Calcium carbonate |
| | | on-exchange resins |
| | | Lactic acid bacteria |
| | | Microbial nutrients other than urea and its |
| | | derivatives |
| | | Yeast and yeast culture |

In some ciders, yeasts and bacteria may be present in considerable numbers.

Organic Cider

The EU has a restricted list of additives and processing aids available for use in organic products. <u>EC</u>

<u>Regulation 889/2008</u> lists the relevant standard for organic products. See Labelling below for further details on organic cider.

Maximum Residue Limits

This list is not exhaustive and is based on EU Regulations 1881/2006 maximum levels for certain contaminants in foodstuffs; and 396/2005 on maximum residue levels of pesticides.. For a complete list of MRLs see this website – http://ec.europa.eu/food/plant/pesticides/eu-pesticides-database

| MRL | Specification Maximum | |
|---|--------------------------------|-----------------|
| | Maximum Residue Limit mg/kg | Type of Food |
| Acetamiprid (R) | 0.8 | apples, pears |
| Asulam | 0.05* | apples |
| Bifenthrin (sum of isomers) (F) | 0.01* | apples, pears |
| Bupirimate | 0.2 | apples |
| Buprofezin (F) | 3 0.5 | apples pears |
| Carbendazim and benomyl (sum of benomyl and carbendazim expressed as carbendazim) (R) | 0.2 | apples, pears |
| Cyanamide including salts expressed as cyanamide | 0.01* | apples, pears |
| Cyantraniliprole | 0.8 | apples |
| Cyclaniliprole | 0.01* | apples, pears |
| Diphenylamine | 0.05* | apples, pears |
| Ethephon | 0.8 | apples |
| Fenitrothion | 0.01* | apples |
| Fenpyroximate (A) (F) (R) | 0.3 | apples, pears |
| Flupyradifurone | 0.4 | apples |
| Fosetyl-Al (sum of fosetyl, phosphonic acid and their salts, expressed as fosetyl) | 150 | apples |

| Hexaconazole | 0.01* | apples, pears |
|--|-------|---------------|
| Imidacloprid | 0.5 | apples |
| Kresoxim-methyl (R) | 0.2 | pears |
| Lindane (Gamma-isomer of hexachlorocyclohexane | | apples |
| (HCH)) (F) | 0.01* | |
| Metamitron | 0.1* | apples |
| Methidathion | 0.03 | apples, pears |
| Methomyl | 0.01* | apples, pears |
| Metrafenone (F) | 1 | apples, pears |
| | 2 | apples |
| Novaluron (F) | 3 | pears |
| Prohexadione (prohexadione (acid) and its salts | | apples |
| expressed as prohexadione-calcium) | 0.1 | |
| Propargite (F) | 0.01* | apples, pears |
| Thiabendazole (R) | 4 | apples, pears |
| Triadimefon (F) | 0.01* | apples, pears |
| 2,4-D (sum of 2,4-D, its salts, its esters and its conjugates, | | pears |
| expressed as 2,4-D) | 0.05* | |

^(*) Indicates lower limit of analytical determination

(A) The EU reference labs identified the reference standard for the M-3 metabolite as commercially not available. When re-viewing the MRL, the Commission will take into account the commercial availability of the reference standard referred to in the first sentence by 7 April 2018, or, if that reference standard is not commercially available by that date, the unavailability of it.

- (F) = Fat soluble
- (R) = The residue definition differs for the following combinations pesticide-code number:
 - Acetamiprid code 1000000 except 1040000: Sum of acetamiprid and N-desmethyl-acetamiprid (IM-2-1), expressed as acetamiprid
 - Carbendazim code 1000000: Carbendazim and thiophanate-methyl, expressed as carbendazim
 - Fenpyroximate codes 1012030, 1012040, 1013030, 1013040, 1014030, 1014040, 1015030, 1015040, 1017030, 1017040: Fenpyroximate (metabolite M-3, expressed as fenpyroximate (F))
 - Kresoxim-methyl code 1000000 except 1040000: kresoxim methyl (BF-490-9, expressed as parent)
 - Metabolite BF 490-9 = 2-[2-(4-hydroxy-2-methylphenoxymethyl)phenyl]-2-methoxy-iminoacetic acid
 - Thiabendazole code 1000000: Sum of thiabendazole and 5-hydroxythiabendazole

Labelling

| Reference | Mandatory Items | Minimum Height | Position |
|-----------|--|----------------|----------------------------|
| A1 | Name of the Food | 1.2mm | Principal Field of Vision* |
| A2 | Alcohol Statement | 1.2mm | Not defined |
| A3 | Country of Origin | 1.2mm | Not defined |
| A4 | Volume Statement | 4mm | Principal Field of Vision* |
| A5 | Importer Name & Address | 1.2mm | Not defined |
| A6 | Allergens Declaration | 1.2mm | Not defined |
| A7 | Lot Number | 1.2mm | Not defined |
| A8 | Date of Minimum Durability | 1.2mm | Not defined |
| Α9 | Storage Conditions or Conditions of Use | 1.2mm | Not defined |
| Reference | Optional Items | Height | Position |
| A10 | UK Health Warning | See A10 | Not defined |
| A11 | Health and Nutrition Claims | Not defined | Not defined |
| Reference | Prohibited Items | Height | Position |
| A12 | European Regions and Traditional Expressions | | |

The following information is sourced from EC Regulation 1169/2011 on the provision of food information to consumers as well as Alcoholic Liquor Duties Act 1979 (UK), EC Regulation 110/2008 on Spirit Drinks and the Weights and Measures (Packaged Goods) Regulations 2006 (UK).

Language

Cider sold in the UK must be labelled in one or more of the official languages of the EU, however, the UK Food Standards Agency states English is to be used in the UK market.

Labelling Item Position

* Principle Field of Vision

Principle field of vision means the field of vision of a package which is most likely to be seen at first glance by the consumer at the time of purchase and that enables the consumer to immediately identify a product in terms of its character or nature and, if applicable, its brand name. If a package has several identical principal fields of vision, the principal field of vision is the one chosen by the food business operator.

All mandatory information must be labelled in a conspicuous place in such a way as to be easily visible, clearly legible and, where appropriate, indelible. It must not in any way be hidden, obscured, detracted from or interrupted by any other written or pictorial matter or any other intervening material.

Character Heights

The minimum height of letters is based on the lower-case font, ie, the 'x-height' as identified by item 6 in the diagram below:



References to labelling requirements

A1 Name of the Food

The legal name of the food must be declared on the label. Alternatively, the label may indicate the customary name of the food or a descriptive name if there is no customary name. Product categories for cider are based on the UK Alcoholic Liquor Duties Act 1979 while the product categories for spirit-based cider are based on EU Regulation 110/2008 on Spirit Drinks. The product categories are summarised below:

| Product Type | Definition |
|-----------------|--|
| Cider or Perry | Cider and perry means the product of a strength exceeding 1.2% but less than 8.5% alcohol by volume obtained from the fermentation of apple or pear juice without the addition at any time of any alcoholic liquor or of any liquor or substance which communicates colour or flavour other than such as the Commissioners may allow as appearing to them to be necessary to make cider (or perry) and contains only permitted cider or perry ingredients. Before fermentation takes place, the mixture you use to make cider must have at least 35% apple or pear juice at a gravity of 1,033 degrees or above. The final product must also contain at least 35% apple or pear juice at a gravity of 1,033 degrees or above. You can dilute the juice with water, or it can be concentrated or come from the dilution of concentrated juice. If 2 or more pre-fermentation mixes are blended, the pre-fermentation mixtures are taken as a whole when establishing volumes and strengths. If a cider is made by blending 2 or more ciders, the pre-fermentation mixtures for each of these ciders are taken as a whole. |
| Sparkling cider | Cider which is for the time being in a closed bottle is sparkling if, due to the presence of carbon dioxide, the pressure in the bottle, measured at a temperature of 20°C, is not less than 3 bars in excess of atmospheric pressure. Cider which is for the time being in a closed bottle is sparkling regardless of the pressure in the bottle if the bottle has a mushroom-shaped stopper (whether solid or hollow) held in place by a tie or fastening. |
| 'Made-wine' | Cider may be classified as 'made-wine' if it is has 8.5% abv or more and the label of the container or the accompanying invoice or delivery note shows it's 8.5% abv or more. it contains any ingredient that adds colour or flavour and is not a permitted cider or perry ingredient (because the ingredient is not on the list, or is above the maximum concentration). |

- a) Fruit marc spirit is a spirit drink which meets the following conditions:
 - it is obtained exclusively by fermentation and distillation at less than 86 %
 vol. of fruit marc except grape marc;
 - ii) it contains a minimum quantity of volatile substances of 200 grams per hectolitre of 100 % vol. alcohol;
 - (iii) the maximum methanol content shall be 1 500 grams per hectolitre of 100 % vol. alcohol;
 - (iv) the maximum hydrocyanic acid content shall be 7 grams per hectolitre of 100% vol. alcohol in the case of stone-fruit marc spirit;
 - (v) redistillation at the same alcoholic strength according to (i) is authorised.
- b) The minimum alcoholic strength by volume of fruit marc spirit shall be 37.5 %.
- c) No addition of alcohol, diluted or not, shall take place.
- d) Fruit marc spirit shall not be flavoured.
- e) Fruit marc spirit may only contain added caramel as a means to adapt colour.
- f) The sales denomination shall consist of the name of the fruit followed by 'marc spirit'. If marcs of several different fruits are used, the sales denomination shall be 'fruit marc spirit'.
- a) Fruit spirit is a spirit drink:
 - (i) produced exclusively by the alcoholic fermentation and distillation of fleshy fruit or must of such fruit, berries or vegetables, with or without stones,
 - (ii) distilled at less than 86 % vol. so that the distillate has an aroma and taste derived from the raw materials distilled,
 - (iii) having a quantity of volatile substances equal to or exceeding 200 grams per hectolitre of 100 % vol. alcohol,
 - (iv) in the case of stone-fruit spirits, having a hydrocyanic acid content not exceeding 7 grams per hectolitre of 100 % vol. alcohol.
- b) The maximum methanol content of fruit spirit shall be 1,000 grams per hectolitre of 100 % vol. alcohol. However for the following fruit spirits the maximum methanol content shall be:
 - (i) 1,200 grams per hectolitre of 100 % vol. alcohol obtained from the following fruits or berries:
 - plum (Prunus domestica L.),
 - mirabelle (Prunus domestica L. subsp. syriaca (Borkh.) Janch. ex Mansf.),
 - quetsch (Prunus domestica L.),
 - apple (Malus domestica Borkh.),
 - pear (Pyrus communis L.) except for Williams pears (Pyrus communis L. cv 'Williams'),
 - raspberries (Rubus idaeus L.),
 - blackberries (Rubus fruticosus auct. aggr.),
 - apricots (Prunus armeniaca L.),
 - peaches (Prunus persica (L.) Batsch);
 - (ii) 1,350 grams per hectolitre of 100 % vol. alcohol obtained from the following fruits or berries:
 - Williams pears (Pyrus communis L. cv 'Williams'),
 - redcurrants (Ribes rubrum L.),
 - blackcurrants (Ribes nigrum L.),
 - rowanberries (Sorbus aucuparia L.),
 - elderberries (Sambucus nigra L.),
 - quinces (Cydonia oblonga Mill.),
 - juniper berries (Juniperus communis L. and/or Juniperus oxicedrus L.).
 - c) The minimum alcoholic strength by volume of fruit spirit shall be 37.5 %.
 - d) No addition of alcohol, diluted or not, shall take place.
 - Fruit spirit shall not be flavoured.

Fruit spirit

Fruit marc spirit

f) The sales denomination of fruit spirit shall be 'spirit' preceded by the name of the fruit, berry or vegetable, such as: cherry spirit or kirsch, plum spirit or slivovitz, mirabelle, peach, apple, pear, apricot, fig, citrus or grape spirit or other fruit spirits.

It may also be called wasser, with the name of the fruit. The name of the fruit may replace 'spirit' preceded by the name of the fruit, solely in the case of the following fruits:

- mirabelle (Prunus domestica L. subsp. syriaca (Borkh.) Janch. ex Mansf.),
- plum (Prunus domestica L.),
- quetsch (Prunus domestica L.),
- fruit of arbutus (Arbutus unedo L.),
- 'Golden Delicious' apple.

Should there be a risk that the final consumer does not easily understand one of these sales denominations, the labelling shall include the word 'spirit', possibly supplemented by an explanation.

- g) The name Williams may be used only to sell pear spirit produced solely from pears of the 'Williams' variety.
- h) Whenever two or more fruits, berries or vegetables are distilled together, the product shall be sold under the name 'fruit spirit' or 'vegetable spirit', as appropriate. The name may be supplemented by that of each fruit, berry or vegetable, in decreasing order of quantity used.
- 1. Cider spirit and perry spirit are spirit drinks:
 - (i) produced exclusively by the distillation at less than 86% vol. of cider or perry so that the distillate has an aroma and taste derived from the fruits, having a quantity of volatile substances equal to or exceeding 200 grams per hectolitre of 100 % vol. alcohol,
 - (ii) having a maximum methanol content of 1,000 grams per hectolitre of 100% vol. alcohol.
- 2. The minimum alcoholic strength by volume of cider spirit and of perry spirit shall be 37.5 %
- 3. No addition of alcohol diluted or not, shall take place.
- 4. Neither cider spirit nor perry spirit shall be flavoured.
- 5. Cider spirit and perry spirit may only contain added caramel as a means to adapt colour.

Cidre bouché

Cider spirit and perry

spirit

- Cidre bouché (cider with a cork) is the product obtained from the fermentation of fresh apple musts or of a mixture of fresh apple and pear musts, extracted with or without the addition of water.
- It has a content of carbonic anhydride of minimum 3 g/l for cidres bouchés obtained by natural fermentation in bottle and of 4 g/l for the others cidres bouchés.

A2 Alcohol Statement

Alcoholic beverages greater than 1.2% alc/vol must include an alcohol statement. The alcohol must be indicated by a figure to not more than one decimal place. It must be followed by the symbol '% vol.' and may be preceded by the word 'alcohol' or the abbreviation 'alc', e.g. 'xx.x% vol' or 'alc xx.x% vol' (or '5.5% vol' or 'alc 5.5% vol'). The alcohol must be within 0.3% tolerance of the actual alcohol on the analysis. It is recommended that cider be analysed by a NATA registered laboratory prior to printing an EU label as ciders outside the 0.3% tolerance cannot be sold in the EU.

A3 Country of Origin

The country of origin statement is mandatory. Acceptable formats include, but are not limited to, the following:

- Cider of Australia
- Produced in Australia
- Product of Australia

If the country of origin of a food is given and where it is not the same as that of its primary ingredient, the country of origin of the primary ingredient must also be given; or the country of origin of the primary ingredient must be indicated as being different to that of the food.

The place of provenance may also be indicated. Place of provenance means any place where a food is indicated to come from that is not the 'country of origin', e.g., 'Tasmania' or 'Adelaide Hills'.

A4 Volume Statement

The volume can be shown in litres, millilitres or centilitres. The name of the food and the volume statement must appear in the principal field of vision. The minimum print height for packages exceeding 200mL but less than 1 L is 4mm.

A batch of packaged goods must, at the time of production, comply with the following three rules:

- rule 1: the actual contents of the packages must not be less, on average, than the nominal quantity (the weight or volume that is marked on the packages);
- rule 2: the proportion of packages that are below the nominal quantity by a defined amount the 'tolerable negative error' or TNE must be less than a specified level, in general no more than 2.5%;
- rule 3: no package should be below the nominal quantity by more than twice the TNE.

Following is a table of the tolerable negative error (TNE) values that you should use when complying with the three rules:

| Nominal quantity (ml) | Tolerable Negative Error | |
|-----------------------|--------------------------|--|
| from 100 to 200 | 4.5% of nominal quantity | |
| from 200 to 300 | 9 g / ml | |
| from 300 to 500 | 3% of nominal quantity | |
| from 500 to 1,000 | 15 g / ml | |

A5 Importer Name and Address

The name and address of the United Kingdom-based importer, including the name, local administrative area and head office, must appear on the label and must be preceded by the words 'imported by' or a similar phrase. 'Importer' means a natural or legal person or a group of such persons established within the European Community assuming responsibility for bringing into circulation non-Community goods. Only <u>one</u> importer may appear on UK labels.

A6 Allergens Declaration

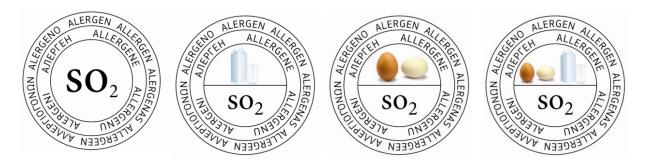
Where the cider has not tested negative for the presence of residues using a technique with a detection limit of 0.25 mg/l, the label must indicate the presence of the following allergens:

- 1. celery
- 2. cereals containing gluten including wheat (such as spelt and Khorasan), rye, barley and oats
- 3. crustaceans such as prawns, crabs and lobsters
- 4. eggs
- 5. fish
- 6. lupin
- 7. milk
- 8. molluscs such as mussels and oysters
- 9. mustard
- 10. tree nuts including almonds, hazelnuts, walnuts, brazil nuts, cashews, pecans, pistachios and macadamia nuts
- 11. peanuts
- 12. sesame seeds
- 13. soybeans
- 14. sulphur dioxide and sulphites at concentrations of more than 10 mg/kg or 10 mg/litre in terms of the total SO2.

The allergen indication may be in one of the following formats (e.g.):

- 'contains sulphites' 'contains sulphur dioxide'
- 'contains milk' 'contains milk products' 'contains milk casein' or 'contains milk protein'
- 'contains egg' 'contains egg products' 'contains egg protein' 'contains egg lysozyme' or
 'contains egg albumin'

If multiple allergens are present, there is no need to repeat the word 'contains'. The phrase 'contains sulphites, milk, egg' would suffice if all three allergens were present. The pictorial logos may also be used in conjunction with the textual declaration. The logos may be used in colour, gray scale or black and white:



A7 Lot Number

The Lot Number must be shown as the letter L followed by a legible code enabling the product to be traced back to an identifiable batch. The format is not prescribed and need only have meaning to the manufacturer. If the producer or packer of the imported product has not applied such a mark, then the onus for doing so rests upon the first seller within the Community.

The lot number may appear anywhere upon the package including the seal. It cannot appear on the cork. It must be indelible, clearly visible and (although the characters used may be any height) readily intelligible to anyone. There should be no need for a decoder or other aid.

Accordingly, it is virtually certain to comprise alpha and/or numeric characters. The lot identifier can be of any length. To avoid the forced opening of cases, outer cases should also carry the lot marks of their contents.

A8 Minimum Durability Date

The date of minimum durability must be indicated as follows:

- a. the date must be preceded by the words:
 - 'Best before ...' when the date includes an indication of the day,
 - 'Best before end ...' in other cases,
- b. the words referred to in point (a) must be accompanied by:
 - either the date itself, or,
 - a reference to where the date is given on the label.

The date must consist of the day, the month and possibly, the year, in that order and in uncoded form. However, in the case of foods which will keep for more than 18 months, an indication of the year is sufficient.

A9 Storage Conditions or Conditions of Use

In cases where foods require special storage conditions and/or conditions of use, those conditions should be indicated.

To enable appropriate storage or use of the food after opening the package, the storage conditions and/or time limit for consumption should be indicated, where appropriate.

Any instructions for use should also be indicated in such a way as to enable appropriate use to be made of the food.

A10 UK Health Warning - Optional

The United Kingdom Department of Health has implemented sensible drinking messages on alcohol drinks labels. This health warning is currently a voluntary standard, but the Department of Health encourages this message to be shown on all alcoholic drinks labels and secondary packaging sold in the UK.

The health warning incorporates three minimum elements:

- Unit alcohol content per container (and optional per typical serve)
- Pregnancy logo/message
- Active signposting to Drinkaware.co.uk

UK Units can be calculated using the following method:

Strength (ABV) x Volume (ml) ÷ 1000 = No. of units

E.g. 5.5% alc/vol x 750ml \div 1000 = 4.12

The <u>Portman Group</u> has published a labelling guide to assist with complying with the government recommendations. The preferred government warning formats and Drinkaware logo are outlined below.









Drinkaware

The Drinkaware logo is a registered trademark and, as such, requires a licence to be used. Individual cider companies need to obtain a licence from Drinkaware to use the logo on their packaging or advertising.

There are fees associated with the licence agreement to use the logo. The fee is £1800 for a 2-year period.

The Drinkaware logo is an <u>optional</u> inclusion on the UK health warning. Exporters can apply for a licence at the following link: https://resources.drinkaware.co.uk/use-our-logo or at this email address: logos@drinkaware.co.uk/use-our-logo or at this email address:



A11 Health and Nutrition Claims - Optional

Regulation 1924/2006 states that alcoholic beverages greater than 1.2% alcohol by volume cannot bear health claims or nutrition claims, other than those which refer to a reduction in the alcohol or energy content under the following conditions:

- Reduced (ie, alcohol/energy): May only be made where the reduction in content is at least 30% compared to a similar product.
- Light/Lite: May only be made where the reduction in content is at least 30% compared to a similar product. The claim shall also be accompanied by an indication of the characteristics which make the food light. For example, 'light alcohol cider' would be acceptable.

Nutrition Information Proposal

On 12 March 2018 the EU alcoholic beverages industry presented to the EU Health and Food Safety Commissioner its self-regulatory proposal on nutrition information and ingredients listing. The proposal commits industry to provide nutrition information as an indication of energy content (rather than fats, carbohydrates, protein etc which are largely irrelevant for cider). The proposal also limits ingredient listing to additives, rather than processing aids, and would exempt additives that are naturally occurring constituents. Furthermore, the proposal would permit all information, related to either nutrition or to ingredients, to be provided via a QR code or web-link, rather than by cluttering the product label.

It is unclear whether the Commission will accept the labelling schemes proposed or if/when it will initiate a legislative process.

A12 European Regions and Traditional Expressions

Geographical Indications and Traditional Expressions of the European Union cannot appear on Australian labels even if accompanied by terms including 'like', 'style', 'type' or similar. The EU has registered a number of Geographical Indications for cider listed below. A full list of terms can be seen at this website – http://ec.europa.eu/agriculture/spirits

| Traditional Welsh Cider | Eau-de-vie de cidre de Bretagne |
|----------------------------------|----------------------------------|
| Aguardiente de sidra de Asturias | Eau-de-vie de cidre de Normandie |
| • Calvados | Eau-de-vie de cidre du Maine |
| Calvados Domfrontais | Eau-de-vie de poiré de Normandie |
| Calvados Pays d'Auge | Somerset Cider Brandy |

Organic Cider

Organic products are regulated by <u>EC Regulation 834/2007</u> on organic production and labelling of organic products and <u>EC Regulation 1235/2008</u> on rules for import of organic products from third countries into the EU.

Certification and Standards

Australia has been recognised as a third country whose rules on organic production and control are equivalent to the EU's under the Australia – EU equivalence arrangement. A number of Australian certifying agents have been recognised by the European Commission as competent to carry out controls of organic food for the purpose of equivalence and import of products into EU member states. The list includes Australian Certified Organic (ACO), AQIS, Bio-dynamic Research Institute, NASAA (NCO) and Organic Food Chain. Cider exporters must be certified under one of these organic standards recognised by the EU.

In addition to these requirements, exporters must also meet the <u>European Union Plant and Plant Products</u>
<u>International Operator Additional Requirements</u> (this link is to NCO's additional requirements document – contact your certifier for specific details).

EC Regulation 889/2008 lists the relevant standard for organic products. The standard limits the addition of sulphur dioxide (to 50 mg/l) and potassium metabisulphite (to 100 mg/l) for organic cider.

Organic Labelling

Products certified by an EU recognised certifying agent may use the term 'organic cider' on their labels in conjunction with the EU leaf logo and the mandatory code number of the certifier. The logo and labelling guidelines can be downloaded here – ec.europa.eu/agriculture/organic/downloads/logo

To qualify for use of the EU logo the following conditions must be met:

- At least 95% of the product's ingredients are of agricultural origin and have been organically produced to a standard recognised by the EU;
- · Products comply with the control measures of their EU recognised certifying agent;
- Labels must declare the name of the producer;
- Labels must declare the EU code of the inspection body (obtained from your EU recognised certifying agent).

Products in conversion (which means products from producers undergoing certification but who are not yet certified) are not permitted to use the EU leaf logo or refer to the product as organic. Cider labelled as

organic must be accompanied by an organic produce certificate obtainable from your EU recognised certifying agent.

Further information can be seen on the EU Organic Farming website – <u>ec.europa.eu/agriculture/organic.</u>

Further Advice

For further advice on use of the logo, place of production and code number, members are advised to contact their Organic Certification Body. Further information can be seen on the EU Organic Farming website – ec.europa.eu/agriculture/organic.

Importing

HM Revenue and Customs controls the import of cider into the UK however the documentation is regulated by European Union regulations.

Import Certificates

Only cider labelled as organic is required to be accompanied by an import certificate. Non-organic ciders do not require any special certification.

Organic Produce Certificate

Cider labelled as organic must be accompanied by an organic produce certificate (OPC) obtainable from your EU recognised certifying agent. The EU has implemented a new system of electronic certification for organic products. The regulations took effect on 19 April 2017. Only electronic OPCs will now be accepted. OPCs must be uploaded into the Trade Control & Expert System (TRACES) – the EU's electronic system for tracking movements of food products across the EU.

Import Procedures

HM Revenue and Customs authority governs customs procedures and duty collection in the UK. The steps required for importing cider into the UK include:

- 1. Economic Operator Registration and Identification (EORI) registration (completed by the importer in the UK);
- 2. Entry Summary Declaration submitted to HMRC (by the importer 24 hours prior to loading);
- 3. Import Declaration (Single-Administration Document) submitted to HMRC by UK importer;
- 4. HMRC examines documentation and takes samples (if required);
- 5. Importer pays duties and VAT to HMRC;
- 6. HMRC approves release of the goods into free circulation (or to customs warehouse as required).

Import Control System

The Import Control System (ICS) is part of the EU-wide Automated Import System to facilitate import procedures so that UK-based traders only have to submit information once. UK-based traders are required to provide customs authorities with advance information by way of an Entry Summary Declaration (ENS), for goods being imported into the EU at least 24 hours before loading at the port of departure.

The carrier or their authorised representative submitting the ENS must have a valid Economic Operator Registration and Identification (EORI) number. The ENS provides a description of all goods included in your consignment and describes how and where they will enter the territory of the EU. (The specific data items required are contained in Annex 30A of Regulation 1875/2006).

On receiving an ENS, the customs office carries out a risk analysis for safety and security purposes. This is based on agreed EU-wide risk profiles. At this stage, it is possible that a 'Do Not Load' instruction may be

issued if a serious threat to safety and security has been identified. The 'Do Not Load' notice will be issued to the person who lodged the ENS and to the carrier, if different, within 24 hours of receipt of the ENS.

If the risk analysis does not result in the issue of a 'Do Not Load' instruction the goods may, depending on the level of risk identified, be subject to a physical control on arrival at the first Office of Entry in the EU or at a Subsequent Office of Entry.

The Import Control System is in the process of being replaced by the Union Customs Code (UCC) with expected completion by 31 December 2020.

Import declarations

UK importers are required to send an import declaration to HMRC. This is usually done using the <u>Single Administrative Document (SAD)</u> (also known as form C88). SADs can be submitted either electronically using the Customs Handling of Import and Export Freight (CHIEF) system, or manually.

The declaration must include:

- customs classification
- · commodity code
- import value of the goods
- customs procedure code explaining what is being done with the goods, for example import to free circulation

Process Through Customs

HMRC will examine the documents and may also examine the goods and take samples if required. Once the examination is completed to the satisfaction of Customs, the declaration will be accepted and the goods will be eligible for release for free circulation. Goods which attract a customs debt cannot be released until that debt has been paid or secured. The Union Customs Code states that release for free circulation entails:

- both the collection of import duty and other charges where goods are liable to them according to the Union Customs Tariff and no duty and/or tax relief is applicable;
- and the application of commercial policy measures (such as the presentation of an import licence for goods subject to quotas) and any other formalities laid down in respect of the importation of such goods.

Documentation

Exporters are usually required to provide the following documentation to their UK-based importer:

- Commercial Invoice
- Bill of Lading
- Packing List

Commercial Invoice

There is no prescribed format for commercial invoices and a minimum of two copies are required. The invoice must include:

· Clear and precise descriptions of goods

- Terms of sale and payments
- All details necessary to establish full prices paid
- · Gross and net weights
- The country of origin.

Bill of Lading

No special requirements. A minimum of two original copies are required and additional copies are required for customs if goods are transhipped en route.

Packing List

A packing list is compulsory if the shipment contains more than one package and if the contents of each package are not shown in the commercial invoice. Regardless of whether it is compulsory or not a packing list facilitates clearance.

Method of Quoting Payment

Quotations should be listed in British pound sterling (GBP) or Australian dollars on Cost, Insurance and Freight (CIF) UK port or airport basis.

Payments are usually by letter of credit, sight draft or on terms of 30, 60 or 90 days or as agreed between the parties.

International Travellers

Goods with **no commercial character** and carried in the personal luggage of travellers over 17 years of age can be imported free of customs duties, VAT and excise duties within the following limits:

- a total of 1 litre of alcohol and alcoholic beverages of an alcoholic strength exceeding 22% vol, or undenatured ethyl alcohol of 80% vol and over; or
- a total of 2 litres of alcoholic beverages of an alcoholic strength not exceeding 22% vol.
- a total of 4 litres of still wine, and
- 16 litres of beer (only for VAT and excise duty)

In this context, imports are regarded as having no commercial character if they take place occasionally and consist of goods for the personal or family use of the travellers, or of goods intended as presents. The same rules apply to travellers coming from territories where EU rules on VAT and excise do not apply, such as the Canary Islands, the Channel Islands and Gibraltar.

Trade samples will usually be subjected to all duty and tax obligations.

Contacts

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HM Revenue and Customs

CITEX Written Enquiry Team Crownhill Court

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Department for Environment, Food & Rural Affairs

Nobel House, 17 Smith Square London SW1P 3JR

T: + 44 20 7238 6951

E: defra.helpline@defra.gsi.gov.uk

Food Standards Agency

Aviation House 125 Kingsway London WC2B 6NH

T: + 44 20 7276 8000

E: helpline@foodstandards.gsi.gov.uk

Website Resources

Cider Australia - www.cideraustralia.org.au

Austrade Online - www.austrade.gov.au

Department of Foreign Affairs & Trade - www.dfat.gov.au

HM Revenue and Customs - www.hmrc.gov.uk

Department for Environment, Food & Rural Affairs – $\underline{www.gov.uk/defra}$

Wine and Spirit Trade Association - <u>www.wsa.org.uk</u>

Food Standards Agency – <u>www.food.gov.uk</u>

International Trade Business Link - <u>www.businesslink.gov.uk</u>