

July 8<sup>th</sup>, 2019**TIMCON statement on Yahoo Finance news story**

The Timber Packaging & Pallet Confederation (TIMCON) and Defra have responded to a story on the Yahoo news platform about the possible impacts of a no-deal Brexit on the food and drink industry.

The story, entitled: *'How no-deal Brexit crate shortages could cripple UK food and drink firms'*, highlighted delays, price hikes and shortages as a possible outcome of wooden packaging that originate in the UK needing to comply with ISPM15 regulations after Brexit.

However, TIMCON president John Dye said the organisation's work with Defra, the Forestry Commission and the EU made this an extreme scenario. "While we are supportive of a negotiated deal, we are planning for every eventuality. Scaremongering in the media such as this is a distraction to the good work and discussions we've held on the possible outcomes of Brexit to date," he said. "Thanks to this, the negative impacts described in this article are highly unlikely. Everyone is working to mitigate the situation - as it's simply not in anyone's interest for this to happen."

He added that, following the original March deadline for the UK to leave the EU, further steps have been taken, including the introduction of a by-application exemption from the current WPM marking programme regulations for pallet pools with regards heat treatment requirements – i.e. the use of treated components in repairs (agreed with the Forestry Commission) and a Welsh Government initiative to give grants to companies wishing to invest in kiln facilities.

Also responding to the story, a Defra spokesperson said: "In the event of a non-negotiated exit from the EU, it is essential that we are able to maintain protection against plant pests and diseases while ensuring as frictionless trade as possible at the border.

"The UK will continue to take a risk-based approach to checks on Wood Packaging Material (WPM) enabling us to focus on high risk commodities from high-risk areas while minimising disruption to trade.

"As there will be no immediate change to the WPM biosecurity threat as a result of the UK leaving the EU, the UK will continue to take a risk-based approach to checks on WPM as we do now and will not routinely conduct checks at the border. This pragmatic approach will ensure our inspector resource remains focused on high risk commodities from high-risk areas as well as have minimal disruption to trade.

"Defra, the Forestry Commission and other relevant UK plant health authorities are working closely with the WPM sector who understand what actions they will need to take to manage this new requirement in a no deal scenario. We are working with our European counterparts to seek assurances that they will adopt a similarly pragmatic approach in the event of a no deal".

## Notes

- TIMCON is the acknowledged representative body of the UK and Republic of Ireland wooden pallet and packaging industry, encompassing manufacturers, the four major pallet pooling companies and the majority of sawmills who supply the industry from UK and Ireland.
- TIMCON members manufacture 70 per cent of the UK's 43 million new pallets every year; they use around one million cubic metres of wood, representing between 25 and 30% of the UK's sawmilling production.
- The wooden packaging and pallet industry is a significant employer, which is crucial to the UK sawmill industry and forestry sector as a market for timber produced from small logs and falling boards from larger logs.

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