PUBLISHED REPLACEMENT EU ACT ASSESSMENT OF IMPACT

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Department: Department of Agriculture, Environment and Rural Affairs (DAERA)

Published Replacement EU Act

Regulation (EU) 2026/1739 of the European Parliament and of the Council of 8 July 2026 amending Regulations (EU) No 1308/2013, (EU) 2021/2115 and (EU) 2021/2116 as regards the strengthening of the position of farmers in the food supply chain**.** OJ L 29.07.2026

This Regulation amends parts of Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007. Only the amendments to Section 1 of Title II Part II and Annex VII of Regulation (EU) No 1308/2013 relating to marketing standards and food labelling are relevant to the Windsor Framework; Protocol Annex 2, Heading 31 on Food – ingredients, traces, residues, marketing standards.
The rest of the changes made are not relevant to the Windsor Framework.

Summary of the Act

This Regulation seeks to strengthen the position of farmers in the agri-food supply chain, improve fairness, and enhance market transparency and resilience. The main changes are summarised below.

Provisions not applicable in Northern Ireland

- A general obligation for written contracts between farmers and buyers, with contract review clauses in cases of significant market or cost changes; and mandatory mediation mechanisms for dispute resolution.
- Simplified recognition procedures for Producer Organisations, with increased financial support under Common Agricultural Policy (CAP) sectoral interventions, including provisions for crisis management actions and support for young or new farmers.
- Producer Organisations in the dairy sector may negotiate larger shares of production while maintaining appropriate safeguards for fair competition.
- Expanded scope for sustainability cooperation, encompassing environmental and social objectives such as climate action, biodiversity protection,

generational renewal, support for small farms, and improved working conditions, while ensuring full compatibility with competition rules.

Provisions applicable in Northern Ireland under the Windsor Framework

- Minor amendments to country of origin labelling rules.
- Rules on the use of voluntary marketing terms such as "fair", "equitable" and "short supply chains", ensuring that such designations genuinely reflect trading conditions and supply chain structures.
- New rules on the protection of meat terms and meat-related names, with a view to improving transparency, protecting product integrity, and supporting informed consumer choices. Products not containing meat, including plant-based substitutes and novel foods are not allowed to use names referring to meat, with derogations for certain products whose names have been used for a long time and do not create consumer confusion.

The main change made since the act was first proposed is the addition of new rules on the protection of meat terms and meat-related names and a minor change in relation to origin labelling which were included in the compromise text agreed at trilogue on 5 March 2026, with the published final compromise text issued on 19 March 2026**.**

The main change in the final published text of the adopted Regulation is to the transitional arrangements for the new rules on the protection of meat terms and meat-related names. The compromise text provided for a three-year period before the new rules on meat designations start to apply. The final text provides an **additional** three-year period for the selling through of stocks already lawfully produced and placed on the market before the date of application.

The remaining changes made since the compromise text appear to be largely legislative drafting changes which do not alter the policy intent or impact.

Department(s) Responsible

DAERA.
The Food Standards Agency in NI (a non- Ministerial Department) also has an interest in this Regulation.

Assessment of Impact

Origin labelling

The Regulation amends Article 75(3)(j) of the CMO regarding origin labelling to provide that, at a later date, place of farming and/or origin obligations could be introduced for poultrymeat and spreadable fats. Therefore, at present, these amendments do not alter the regulatory position of these goods.

Optional terms

The new Article 88a establishes minimum requirements for the use of the optional terms 'fair', 'equitable' or equivalent terms and 'short supply chain' to describe a particular product. The final text of the Regulation provides further clarity on the conditions for use of such terms.

In particular, the terms "fair" and "equitable" must only be used to describe arrangements that ensure stability and transparency in commercial relations between farmers and purchasers and pricing that is considered to be equitable and remunerative by participating farmers, and that support and contribute to the United Nations Sustainable Development Goals. The term "short supply chain" can only be used where there is a limited number of intermediaries between farmers and final consumers and/or close geographic proximity between farmers, intermediaries and consumers, including in cross-border contexts.

The Commission is empowered to adopt implementing or delegated acts to specify further conditions under which these terms can be used, or to add terms that are considered equivalent, taking into account any relevant international standards and related quality schemes. DAERA would assess the implications of any such acts, including any proposed enforcement or reporting arrangements set out therein, when available.

The application of the rules relating to the reservation of the optional terms 'fair', 'equitable', and their equivalent terms, and the term 'short supply chains', will be deferred by 2 years after the entry into force of this Regulation in order to give market operators the necessary time to adapt and to allow the Commission to assess existing national schemes and practices.

It is not likely that the application of these provisions of the replacement EU act would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist.

It is not likely that <u>not</u> applying these provisions of the replacement EU act would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist.

Meat and Meat-related Terms

The Regulation amends Article 78 and Annex VII of the CMO to provide new legal definitions of "meat" and "meat products" and to restrict the use of 31 meat-related terms so that they may only be used to describe products comprised of the edible parts of an animal. The terms are “beef, veal, pork, poultry, chicken, turkey, duck, goose, lamb, mutton, ovine, goat, drumstick, tenderloin, sirloin, flank, loin, ribs, shoulder, shank, chop, wing, breast, thigh, brisket, ribeye, T-bone, rump, bacon, steak, liver”.

The new rules on meat and meat products would apply to all such products produced in Northern Ireland, and those sold in Northern Ireland outside of the Northern Ireland Retail Movement Scheme (NIRMS). Local producers which use any of the meat-related terms would have to alter their marketing and labelling/packaging if it did not comply.

It is still not entirely clear from the final text of the Regulation which products are in scope of these new rules, as the Regulation states the new meat designations apply to “*products listed in Annex I to the TFEU as well as food products not listed in that Annex.*”. While the current assumption is that restrictions would apply to vegetarian or vegan “meat-replacement” products, other products, such as meat flavour or meat-flavoured snacks, e.g. beef or chicken crisps, especially where no beef or chicken is used in the recipe and only comes from flavours, may also fall within scope.

The Government is seeking clarification from the EU Commission on the scope of the amendment.

Derogations

At present the only explicit exceptions to the application of the new rules on meat-related terms is for fishery and aquaculture products and for *“other products listed in a delegated act”.* The adopted Regulation provides for potential derogations for certain products whose established long-term use does not cause consumer confusion; however, further detail, including any list of such products, and how such a list will be drawn up is not currently available.

Impact of the meat-related terms

Defra has had some initial engagement on the Regulation with the food manufacturing industry and retailer representatives who have expressed some concerns about the potential impact of these provisions, if meat-flavoured snacks are in scope and there is no exemption for them.

DAERA does not collect or hold any data on the number of NI businesses producing vegan or vegetarian foods or meat-flavoured snack products (because these are not agricultural products).

The new rules would also affect cell-cultured meat products. As far as DAERA is aware there are no NI businesses producing cell-cultured products which would be expressly prohibited from using meat-related terms, nor indeed any such products for human consumption currently approved for sale on the UK market.

We will seek to engage with local businesses on the potential impact of the restrictions on meat-related terms. Further details are provided below in the Departmental Engagement section.

Implementation Period/Costs

Affected businesses are expected to face familiarisation costs. Depending on the final scope of the Regulation, some businesses may also face relabelling, rebranding or marketing costs where products use meat-related terms but do not meet the relevant definition of meat or meat products.

The estimated cost of any labelling changes, if required, would likely vary by product or business. Defra recently commissioned research aimed at assessing the drivers of food labelling and providing evidence to help better understand the costs and benefits associated with key legislative labelling changes. The report provides evidence that food businesses support phased and formalised transition arrangements and favour transition periods that are aligned with normal packaging and labelling update cycles. Businesses indicated that a phased approach would help them manage compliance costs more effectively, reducing costs associated with discarding existing packaging stock and printing new labels. This was viewed as being particularly important for SMEs with more limited resources. However, food businesses did not identify a specific duration they would consider to be a reasonable labelling transition period.

The extended implementation period in the adopted Regulation should therefore help mitigate direct costs and minimise waste. DAERA will seek to engage with local businesses on this.

Consumers may benefit from clearer information on the nature of products using meat-related terms. There may also be some impact on consumer choice if some products become less available or product recognition if familiar product names or descriptions change.

GB/NI Trade

DAERA does not hold data on the volume of goods moving from GB to NI outside of NIRMS. There is no specific commodity code linked to meat-alternative vegan or vegetarian products (as their composition and ingredients could vary), nor for meat flavoured products. However, officials would expect that the large majority of such products would be moved under NIRMS, and therefore could continue to meet GB marketing rules.

It is expected that key agri-food marketing standards (except fish and wine) will be in scope of an UK/EU SPS Agreement. While the final scope and date of entry into force of the Agreement are subject to ongoing negotiations, it is anticipated that GB will be dynamically aligned with EU marketing standards by the time of application of the relevant parts of this Regulation.

In summary, the scale of impact of the planned restriction on the use of meat related terms remains uncertain and will depend on exemptions, and the extent to which products in Great Britain and Northern Ireland currently use meat-related terms in their labelling, for which evidence is currently limited.

However, it is expected that most relabelling costs could be absorbed through normal business-as-usual packaging and labelling update cycles, given the extended implementation period. Furthermore, on the assumption that these provisions will fall within the scope of an UK-EU SPS agreement, the same rules will apply in GB and NI, as well as in the Republic of Ireland which will prevent regulatory divergence in this area.

On that basis, **it is likely that the application of these provisions of the replacement EU act will not have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist.**

Under current circumstances, it is likely not applying these provisions of the replacement EU act would not have a significant impact specific to the everyday life of communities in Northern Ireland in a way that is liable to persist. However, in the event of an EU/UK SPS agreement, non-application of the provisions in NI will create frictions in trade with the EU and GB for NI-produced goods after the implementation period.

UK Government Explanatory Memorandum

The UK Government shared an initial Explanatory Memorandum with the Committee on 27 February 2025. We expect the UKG to provide a final Explanatory Memorandum on the published Regulation in due course.

Analysis by the European Commission on its Impact Assessment

The European Commission did not complete an impact assessment for this replacement act. The measures were developed on the basis of input received from stakeholders, in particular the enlarged Civil Dialogue Group meeting, the European Network of the Competition authorities and in bilateral meetings involving all relevant EU based associations within the agri-food supply chain, including consumers, as well as from the Chairman of the European Parliament's Committee for agriculture and rural development.

The Commission also ran an 8-week period of consultation in early 2025 via the 'Have Your Say' portal. NI stakeholders were able to respond to that consultation. One response was received from an Irish stakeholder; no responses were received from the UK. Stakeholders broadly welcomed the Commission's proposals/ objectives. Comments and concerns included the definition and control of the optional terms, the potential for inconsistency with established international e.g. "Fair Trade" and national requirements; their uniform application to EU and imported produce, as well as the appropriate legislative vehicle for introduction of such labelling terms and the lack of an impact assessment.

The adopted Regulation requires the Commission to consult on any proposals for further conditions for use of the new optional terms or additional terms, including with relevant expert groups, and NI stakeholders will again be able to contribute their views at that point.

Departmental Engagement

This Proposed Regulation, and the initial DAERA Assessment of Impact, was previously considered by the Democratic Scrutiny Committee (DSC) at its meeting on 20 February 2025, when the DSC agreed to monitor the Proposal.

DAERA provided an updated Assessment, including a DAERA summary of responses to the EU 'Have Your Say' consultation on 7 April 2025 and a revised Assessment of Impact on 14 April 2026, following publication of the compromise text. The latter was considered by the DSC at its meeting on 30 April and DAERA subsequently responded to the Committee's follow up questions on 12 May 2026.

In addition, the DSC considered COM (2025)553, which includes similar amendments regarding restriction of meat related terms, at its meeting on 29 January 2026. These terms, "beef, veal, pork, poultry, chicken, turkey, duck, goose, lamb, mutton, ovine, goat, drumstick, tenderloin, sirloin, flank, loin, ribs, shoulder, shank, chop, wing, breast, thigh, brisket, ribeye, T-bone, rump, bacon." will no longer be included in that Regulation.

There has been engagement with Defra marketing standards colleagues regarding the preparation of the DAERA Impact Assessments and the Defra Explanatory Memorandum for the proposed Regulation and also the various iterations of the Regulation. Policy officials will continue to engage with Defra as officials develop their final Explanatory Memorandum and further information from UK stakeholders and the Commission becomes available.

As the amendments within scope of the Windsor Framework relate to amending provisions of the CMO that fall within DAERA's remit, the Department has currently assumed responsibility for the new requirements on use of the optional terms “fair”, “equitable” and “short supply chain” and those restricting the use of meat terms and meat-related names but continues to work closely with the Food Standards Agency in NI which is responsible for general food labelling, the Food Information to Consumers Regulation 1169/2011 and novel foods.

Defra is engaging informally with the manufacturing industry and retailer representatives on the Regulation. We understand that Defra will also be engaging with the EU Commission, seeking clarification of the scope of the meat related terms.

Now that the final text has been published, DAERA will also engage with key NI stakeholders, initially via the Agricultural Policy Stakeholder Group (APSG) which includes representatives from the farming unions, meat, and food and drink sectors, to communicate the new requirements and seek feedback on potential impacts.