Charity Retail Association®

The voice of charity retail

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Greg Clark
Secretary of State
Department for Business, Energy & Industrial Strategy
1 Victoria Street
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5 February 2019

Dear Secretary of State

CE markings in the event of a "no deal" Brexit

I am writing to you on behalf of the Charity Retail Association (CRA). We are the only body in the UK which represents the interests of charity retailers. We have over 400 members encompassing around 80 per cent of all charity stores in the UK. Our members range from national chains, to individual hospice shops, and everything in between.

Our members are very concerned about the potentially crippling costs – resulting from the holding significant quantities of unsellable stock – in the event of a "no deal" Brexit.

Specifically, these concerns result from your plan to replace the CE marking on products with a UK-only equivalent. Such a change would affect our members in two main ways:

- 1. Over 90 per cent of the goods our shops sell are donated by members of the public. Donors could have acquired these items several months or years before they donate them to charity, and so it is likely that for some time charity shops will continue to receive items bearing a CE marking, even after a new UK marking is introduced. If this stock cannot be sold it will be wasted and cost charities significant sums of money, and have extremely harmful effects upon the environment as these items will need to be disposed of.
- 2. Some charity retailers sell a small amount of bought in goods to help ensure stock certainty in their stores. Again, there may be a backlog of these items which cannot be sold, or significant costs associated with changing the labelling on these items.

To overcome these problems, and ensure the continued viability of our charity retail sector in the event of "no deal", I am writing to request that you commit to the following on behalf of our members:

- In the event of a "no deal" Brexit, ensure that any items in stock in charity shops on March 29 are not required to change their CE labels to bespoke UK labels
- Guarantee that second hand goods can continue to be sold in perpetuity by charity shops, even if they only have a CE label.
- For new goods that charity shops sell, ensure that the "period of grace" promised by the government, which will allow retailers and manufacturers to make provisions for the change, lasts as long as possible.

I hope you will be able to deliver these guarantees and I would be very happy to meet with you or any of your officials to discuss this matter further.

Please contact the CRA's Head of Public Affairs, Matt Kelcher (<u>matt@charityretail.org.uk</u> or 020 7697 4080) to arrange.

Yours sincerely

Robin Osterley

Chief Executive