

Sugar

Sugar | Processed products

Top 5 EU Export Markets

For processed products e.g. biscuits, chocolate products, cakes, pastries

1. Ireland – £354,314,361
2. Netherlands – £102,652,862
3. Germany – £78,702,741
4. France – £71,341,148
5. Poland – £45,415,003

(average 2017-2019)

Top 5 non-EU Export Markets

For processed products e.g. biscuits, chocolate products, cakes, pastries

1. United States – £84,519,739
2. Australia – £52,582,631
3. Canada – 51,785,167
4. UAE – 32,502,497
5. Saudi Arabia – 28,832,456

(average 2017-2019)



Market Opportunities & Trade Barriers

Sugar

The UK is a net importer of sugar therefore export opportunities are limited. In 2017/18 the UK produced over 300,000 tonnes of sugar for export. Today the homegrown sugar industry involves 3,000 sugar beet growers and supports up to 9,500 UK jobs in the wider economy. Sugar beet is a heavy crop which contains 75% of water and as a result, it makes it extremely difficult to transport and export in crop form. Sugar beet is processed in the UK and exported as refined sugar. Therefore, it faces significant competition from major sugar cane producers (e.g. Brazil, Mexico, Australia and India).

Although limited, some export opportunities do exist for UK sugar beet growers. For example, North America (USA and Canada) is a net importer of sugar and has an attractive market price for high quality, non-GM derived sugar, which the UK produces. However, currently the market is highly protected and the high tariffs which are in place prevent UK sugar exports from entering North America.

Processed goods

The UK is renowned for its traditions including afternoon tea. Cakes, biscuits, pastries and scones are quintessentially British and offer a taste of the UK. Founded in Birmingham, Cadbury's is now the second largest confectionary brand in the

world, exporting to overseas market. There are great opportunities to export British cakes, biscuits and branded products, such as 'Dairy Milk' to countries with significant ex-patriotic communities and for consumers looking for a taste of Britain. The Gulf offers a substantial market for these processed products as a result of their ex-patriotic community and huge British tourism market. As we see from data, over recent years, UAE and Saudi Arabia have been within the top 5 market for exports of British processed goods including chocolate, cakes and biscuits.

Although not officially protected as geographical indicators, sweet treats such as Manchester Tarts, Eccles cakes, Kendal Mint Cake and British traditions, for example, Simnel Cake, Parkin and Victoria Sponge cake are all recognised as a taste of Britain. This appeals particularly to overseas cultures looking to try different foods and tastes.

To make the most of the export opportunities created by the government, all FTAs the UK negotiates should contain rules of origin (RoO) which support and promote the use of local raw ingredients. To ensure the benefits of export opportunities are felt by British sugar growers, the RoO chapter should set thresholds which ensure there is a requirement to use at least some domestically produced sugar.

Growing consumption of confectionary across overseas markets

Market insight into the UAE suggests that British businesses could have lucrative access to a population of 9.6 million. Included are 100,000 UK expatriates with an additional 500,000 UK tourists every year. As a result, a strong pro-British sentiment exists enabling the UK to have significant influence in UAE retailing. According to a Defra-commissioned Promar research, the UAE are looking to import products that are overtly British and authentic and seen as 'the real deal'. The UK food sector has an excellent reputation for product quality and innovation and these attributes help form the image of 'British' food which resonates with UK expatriates and local Emiratis. In particular, within the UAE, the UK has a good reputation for confectionery products. The UAE confectionery market is growing at a rate of between 5 – 6% per annum and a wide range of UK products are available in most of the leading retailers and convenience stores. UK biscuits currently dominate the high-end biscuit sector in the UAE and the category is still growing with future opportunities for products that can display high levels of UK provenance. Most UK products are imported on a direct basis to the UAE from the UK, but some are manufactured in other MENA¹ countries like Egypt

1. Middle East and North Africa

