

BRITISH FOOD: LEADING THE WAY



Introduction

British food is some of the highest quality, safest, and most nutritious food in the world. We have the climate and the natural resources to produce fresh, affordable food for everyone, in every corner of the UK.

As the landscape for food changes – both at home and globally as we face the enormous challenge of feeding a population which will approach ten billion by 2050 – British farming can play a key role in ensuring we continue to lead the way both at home and abroad.

Through investment and innovation, we can improve our food resilience at home and play a leading part in a sustainable food revolution around the world, while also taking advantage of new opportunities being created through products like home grown protein crops for both human consumption and animal feed. Growing more crops like these – including peas and beans – would reduce reliance on imports, bring more diversity into crop rotations and could help reduce use of artificial fertilisers.

The ability to use all the tools available to us to further increase our food production efficiency, while reducing our impact, will have economic as well as environmental benefits and reinforce our ambition as a global leader in sustainable food production. Our ability to produce food in a sustainable way, and to use waste products to create innovative products like packaging, reinforces why agriculture is leading the net zero revolution.

We want British agriculture to be the number one supplier of choice to shoppers in the UK and across the world as well as being a model of sustainable, climate friendly farming. Serving more local British food in our hospitals, our schools and in the armed forces would be a huge demonstration of support for British food by policy makers. We want to engage with government departments and work with them to open up all routes to market for British food. Not only can this benefit the economy, but reconnecting people with where the raw ingredients of their food comes from could also have an impact on their health.

The National Food Strategy published earlier this year should act as a wake-up call that we need to value the food we eat. We need to put



balance back in our diets and have a renewed emphasis on eating whole foods – the kind British farmers produce in abundance.

In a survey by OnePoll, 78% of people said they believed British farms should grow as much food as they can to help with national food security. The importance of this has been reinforced by the impact of the COVID-19 pandemic and the work British farmers have done to keep the nation fed.

Providing the right environment for farmers and growers to increase our food security will not only make our own food supply more secure, it will help us lead the way on the challenge of food security for a growing population on a global scale. Routine reporting of food security in the Agriculture Act provides a huge opportunity for policy makers to keep informed about the true picture of UK food security and how we are contributing to the global effort.

Making the most of overseas markets post-Brexit is also crucial. We are ready to partner with government to build our global ambition and increase the British food brand identity across the world. Doing this could see us leading the way on the global stage and cement our position as a role model for other countries to follow.

British farming has the ability to generate economic growth, deliver for the environment and improve people's health and wellbeing. But world-leading food production must continue to be at the heart of everything we do. Supporting British food production will enable us to continue to support Britain now and in the future – and ensure we can continue to lead the way.

Minette Batters
NFU President

To fully grasp the opportunities ahead to put more food on plates at home and abroad, British farmers need:

- Commitment from government to report annually on UK food security, highlighting our self-sufficiency in key products and our contribution to global food security.
- UK produced food to be put at the heart of public procurement policy with assurances that the public sector does not provide a back door to food imports not produced to UK production standards.
- An ambitious marketing strategy for British food exports which includes agricultural counsellors in key potential markets across the world and UK government-backed promotion of 'Brand Britain'.
- A supportive approach that enables new technology and innovation to be embraced by farmers, ensuring international competitiveness and climate friendly food production.
- Domestic policies – and the associated investment needed – that ensure farmers can continue to be producers of world-leading food while delivering for the environment, the economy and net zero.

Research was carried out by OnePoll, on behalf of NFU, between 17/06/2021 – 22/06/2021. 2,000 adults in England and Wales completed the survey.

Leading the way in climate friendly food

British farming is well placed to lead the way in food production with a declining environmental footprint. Our climate, coupled with the right policy and investment, leaves us ideally placed to lead the way when it comes to climate friendly food.

British red meat and dairy is produced to some of the highest welfare and environmentally sustainable standards in the world. Around 65% of farmland in the UK is best suited to growing grass rather than other crops¹. Grazing livestock on it allows us to turn inedible grass into high quality, nutrient-rich beef, lamb and dairy.

Our extensively grazed pastures provide habitat for wildlife, while actively managed pastures take carbon dioxide from the atmosphere and store it, as do hedgerows that separate fields. If this land was put to other uses, and the soil was disturbed, there is a risk that much of that carbon would be lost to the atmosphere as CO₂.

Well managed grazing produces food and fibre while keeping the soil covered with vegetation. This improves water storage and quality, prevents erosion and nutrient migration, and provides wildlife habitats. Around 87% of UK beef is produced using predominantly forage-based diets². This means UK beef production is not a driver of deforestation in other parts of the world. The Government's Committee on Climate Change noted that greenhouse gas emissions from beef production in the UK are about half the global average.



Meanwhile, the UK homegrown sugar industry is one of the lowest cost sugar producers in the world. British sugar beet growers are some of the most efficient in the world, and buying sugar produced from British sugar beet has the environmental benefit of significantly lower food miles, but that production is now at risk as growers face being undercut by sugar produced in countries in ways that would be illegal in the UK.

Locally produced food is typically more traceable, giving greater assurance on standards and provenance - and because we are embracing the challenge of net zero greenhouse gas emissions by 2040, consumers can have increasing confidence in sourcing food nearer to home.

Agriculture and horticulture are dynamic, forward-looking industries. Farmers and growers are ready to adopt new technology to become more productive while reducing environmental impact and contributing to the country's collective ambition to become net zero. This includes new breeding techniques, which have the potential to play an important role in the challenge of issues like improving disease resistance. Such innovations could help improve productivity and drive green growth in the rural economy and beyond.

To ensure our farmers can utilise advances and continue to be world leaders in climate friendly farming we support the government's progressive approach to the adoption of new technologies, and its pro-science agenda.

1. Source: Defra, 2020

2. Source: Defra 2019 and UN FAO 2019



Farmer Voice

"Managing our farm in a way that is climate friendly is really important to me and grazing cattle and sheep is a critical part of that. Not only do they convert inedible grass into a healthy, nutritious and sustainable product, but they help keep our fantastic countryside tidy and attractive for the visiting public.

"It's not just beneficial for people but the environment too. Grazing livestock promote biodiversity by removing weeds and allowing other plants to flourish. Their manure also provides fertility and keeps the soil in a healthy condition. All of our water for the farm is natural too, coming from springs nearby to minimise our water usage.

"We do all we can to improve the health of our herd. We use cows and sheep with high genetics to reduce demand on natural resources, we have a policy of lameness reduction. Whatever diseases are preventable by vaccination, we will prevent."

Steven Crabtree
livestock farmer, Yorkshire



Leading the way in sustainability

When we talk about sustainability, we do not just mean doing everything we can to ensure food production is environmentally sustainable in the future as well as now. We also mean ensuring that those businesses that produce our food are economically sustainable, so they can continue to play a pivotal role at the heart of rural communities and continue to produce food in the future as well as now. If we do not, we risk our national food security as well as having an impact on global food security.

To help achieve this economic sustainability, it is important that there is an efficient and meaningful delivery of investment through the Agricultural Transition Period and fully funded schemes through the Farm Investment Fund, which includes the Farm Equipment and Technology Fund, and Farm Transformation Fund to enable farmers to build more sustainable, resilient and productive farm businesses which deliver for the environment, the economy and net zero.

Economic sustainability is underpinned by viability and long-term confidence. To achieve this, it is key that farmers receive the right signals from the marketplace and buyers.

To date there has been a lack of transparency within the supply chain. There needs to be rules and codes that support fairness in the supply chain so that farmers do not find themselves in a "David vs Goliath" scenario. By having clear information available to them, farmers can make informed business decisions.

Farming also needs to be environmentally sustainable. Farmers have an inherent interest in maintaining the health of their soils and assuring their long-term fertility and productivity. Recent years have seen an increasing interest in, and wider adoption of, practices designed to maintain and enhance soil quality by farmers – like matching tillage intensity appropriate to the soil and the crop, cover cropping to better protect soil and replenish nutrients essential for crop growth, and the use of low impact machinery to reduce soil compaction which can restrict root growth and make it more difficult for

water to penetrate the soil. Future schemes such as Environmental Land Management schemes (ELMs) and the Farm Equipment and Technology Fund need to further boost the uptake of soil health management options.

Livestock can play an important role in maintaining and enhancing the soil used to grow crops too. Introducing grass and clover leys and livestock into arable crop rotations benefits soil health and fertility, with manure helping to boost soil organic matter.

As well as playing a role in sustainable farming, livestock play a role in a balanced and sustainable diet. Lean red meat and dairy provide a range of vitamins and minerals that contribute to good health and can be more difficult to get from plant-based sources. These include vitamin B12, which is important for healthy red blood cells, growth and the production of energy.

Good quality soil underpins our whole farming system and helps deliver a diverse range of public goods – helping enhance water quality, enabling carbon storage, increasing resilience to climate change, and mitigating against flooding. The collection of more reliable and robust data on soils that can be used at a farm level to help farmers make informed business decisions is crucial to improving efficiency and maintaining long-term soil health.

UK livestock production has achieved worldwide recognition for its targeted and responsible use of veterinary medicines, and antibiotics in particular, without reducing or compromising its high standards of animal health and welfare. In the UK, less than 30% of total antibiotic use is in farm animals¹. Globally, this figure is closer to 70% of total antibiotics used². Since 2014, sales of antibiotics in food production have halved, including for those antibiotics deemed critical for human health and we lead the way across the more commercially productive European countries.

Sustainable use of water is also a key element for agriculture. The creation of an



Water storage tanks

integrated water management strategy would secure a fair share of water for agriculture and horticulture and establish the agri-food sector as an essential user of water and would also help increase national food security and support economic growth.

Unlike other parts of the world, British farmers and growers can normally rely on 'green' water (rainfall) for growing crops such as grass and cereals. Growers of fruit and vegetables use both 'blue' water (abstracted from boreholes and river sources) and 'green' water. As rainfall becomes more erratic, crop production has increasingly relied on abstracted sources of water, but that too is now becoming less reliable. 'Grey' (reused) water is not of drinking water quality and is under-utilised in agriculture.



1. Responsible Use of Medicines in Agriculture Alliance (RUMA) Farm antibiotics: presenting the facts website
2. Global trends in antimicrobial resistance in animals in low- and middle-income countries, Van Boeckel et al, Science, 2019

The NFU wants an integrated water management strategy to deliver optimal use of all three kinds of water across the agricultural sector. This could be achieved in a number of ways, including the capture and storage of abstracted water when it is in surplus following flooding and wet weather events for use in agricultural production in drier periods, and the capture and use of rainwater through, for example, rainwater harvesting – tanks connected to the downpipes of farm buildings that collect rain falling on roofs. This has the additional benefit of reducing localised surface water flooding.

Mitigating the impacts of climate change by reducing greenhouse gas emissions, and improving air quality, are two of the most significant challenges we face. Farm businesses can make an important contribution to building a zero-carbon economy for Britain. Improving farming's productive efficiency, improving land management and changing land use, and boosting renewable energy and the bioeconomy will help either reduce or remove greenhouse gas emissions. An ambitious productivity programme supporting research and development, knowledge exchange, training, advice, collaboration and incentivising the adoption of technical advances, together with investment in infrastructure, will be critical.

Spotlight on sustainability:



The UK beef sector is very diverse with a varied number of breeds and production systems giving resilience to the UK supply. The forage-based nature of the UK beef system makes it a sustainable choice for consumers at home and abroad, with a carbon footprint less than half the global average, and also helps support the iconic patchwork nature of the countryside.

The UK typically has an annual trade deficit in beef of over £200 million and so there is opportunity to grow sustainable beef exports and displace imports if conditions are right for farm businesses. Advances in genetics, data, and resource recovery from by-products such as manure, all present opportunities for the industry and government to work together for a sustainable future.

The creation of the Livestock Information Programme is a leading example of collaborative working between industry and government which provides the opportunity for added value over and above the regulatory need.

Future growth of the sector is reliant on developing export markets through investment and networks. The UK has an exciting offer to the global beef market and should be showcased as a leader in sustainable production.

Farmer Voice



"My contracting business focuses on efficiency by investing in modern equipment, including precision technology to ensure inputs are used efficiently. My father was a pioneer of the first six-row, self-propelled sugar beet tanker harvester, so we have a family history of innovation.

"I have a highly skilled, professional team who coordinate harvesting and haulage to reduce unnecessary journeys and maximise productivity. I utilise best practice guidance provided by the British Beet Research Organisation, co-funded by NFU Sugar and British Sugar.

"Sugar beet is a break crop for cereals, creating diversity in the crop rotation, therefore reducing pest and disease pressure, spreading workload to different times of year, and giving exposure to different markets.

"I am committed to improving the natural environment on the farm. This includes margins around watercourses to reduce run off into rivers and streams."

Alison Lawson
sugar beet grower, Norfolk

Leading the way in smart farming

Improving farming's productive efficiency enables farmers to produce the same amount of food, or more, with fewer inputs, in smarter ways. It is not about producing more food, it is about improving the efficiency with which food is produced. The key to delivering this is driving Resource Use Efficiency (RUE) – essentially, how efficiently the food and farming industry can turn resources like water and energy into food products.

Boosting productivity is a key theme of the NFU's ambition to deliver a net zero agriculture industry in England and Wales by 2040. There are several key areas where making more efficient use of resources will not only improve productivity, but will also further reduce our environmental footprint and help boost sustainability and the future prosperity of farming.



These areas are:

CROP NUTRIENTS

Artificial crop nutrients are a source of emissions and cost for crop production. Development and use of technology such as slow-release fertilisers, as well as improved use of animal manures, can contribute to improving nutrient use efficiency.



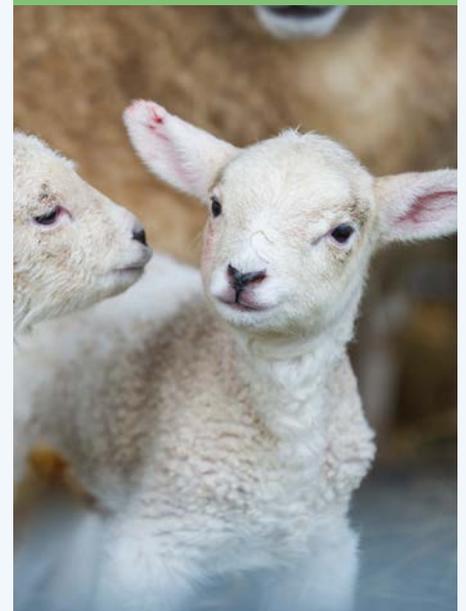
ENERGY

Agriculture is a consumer of many different types of energy including electricity, gas and diesel. But agriculture can also supply renewable energy to the grid. Anaerobic digestion of by-products such as manures and crop residues, and other feedstocks, can be a key source of renewable energy. This helps recycle crop nutrients and supports more diverse crop rotations.



BREEDING HERDS AND FLOCKS

Healthy animals are the most productive animals and have the lowest impact on the environment per unit of food produced. Eradication and prevention of key diseases such as bovine viral diarrhoea (BVD) and bovine TB is key in driving efficiency and minimising impact.



continued overleaf →

WATER

Reducing the water footprint of production across all agricultural sectors helps improve resilience to ongoing climatic issues and supports sustainability. Investment in infrastructure enables the UK to take advantage of its maritime climate by storing excess rainfall for drier periods of the year.



Investing in, and improving, productivity can also help our contribution to both national and global food security now, and in the future, by:

- enabling farmers to get better at producing foods we already excel at which will drive future competitiveness;
- improving the industry's performance in producing foods that are more challenging to produce in the UK, which will reduce the need for imports and drive growth in the sector;
- ensuring we are ready to meet demand for emerging food products, like plant proteins, to support growth;

LAND

Optimising crop yields is key in striking the right balance of demand on land. Focusing on holistic plant breeding, soil and plant health can help ensure crop production is making efficient use of land and supporting space for nature.



- continually driving sustainable food production to help secure availability of food in the future as well as access to food today; and
- supporting collaboration so complementary businesses and organisations can work together to drive growth and sustainability, as seen in horticulture with the Producers Organisations scheme.

As well as improving the productive efficiency of farming, steps can also be taken to improve the efficiency with which we use what is produced. Reducing food waste is

ANIMAL FEED

Feed represents a key cost and source of emissions for livestock production. Feed additives cannot only support efficient use of feed, but also help reduce methane emissions.



one area. Farmers and growers are already working hard to ensure there is as little waste as possible at farm level to help the profitability of their businesses.

This is being done in a variety of ways, from improving breeding techniques to investing in new and innovative harvesting and processing technologies. Where some crops do not meet the stringent specifications set by retailers, farmers have found other markets for them to avoid waste, from selling them directly through farm shops to feeding anaerobic digesters to create green energy.

To help boost productivity we have three key asks:

A cross-government strategy to improve productivity and competitiveness in domestic farming in light of the changing market conditions resulting from new Free Trade Agreements. This strategy should include:

- Properly funded domestic agricultural schemes to assist farmers in investing in more productive and efficient technology, consistent with government aims around sustainability and climate friendly farming, while recognising the potential impact of trade deals on farm profitability.

- A full assessment of the regulatory burdens holding back on-farm productivity and a review of all new farming regulations being brought in to ensure they are accompanied by other measures that ensure a net-gain in productivity.

An efficient and meaningful delivery of investment through the Agricultural Transition Period (ATP). This includes:

- Ensuring that the Defra commitment to invest 9% of the ATP budget on productivity is delivered;

- Investment schemes are fully funded and resourced so that they might be accessible and deliver tangible outcomes on-farm;
- To enable collaboration between farmers and government to incentivise the adoption of technical advances that will strengthen farm business resilience.

A progressive approach to innovation and technology that can transform productivity with policy making based on science and evidence.

Farmer Voice



“My soils are quite difficult, but we can grow good crops on the farm because of how we look after them. Putting organic matter in the soil is crucial to that and one of the main things we use is sewage sludge cake that is rich in phosphates, nitrogen, sulphur and other trace elements that are great for the crop.

“It’s great to find a use for it because it used to be disposed of in the sea. We’ve been using it for the past 18 years and it’s enabled us to reduce our bagged fertiliser use by around 300 tonnes a year, which also helps reduce our plastic waste.

“Using it creates a more resilient soil enabling rain to infiltrate better, which helps against flooding and environmental damage. It’s not just the soil either. Around every field we have six to eight-metre wide grass and wildflower margins to protect the environment and the water courses.

“We’ve been doing this sort of thing since 2005. It takes many years to improve organic matter content in the soil and I can proudly say I produce healthy food, while looking after the environment, nature and wildlife.”

Andrew Ward MBE

combinable crops farmer,
Lincolnshire

Increasing food security

Food security is a complex area. It is about more than keeping food on shelves today and how much it costs. Inequality, at home and abroad, is likely to be a significant influence on affordability of food. Government work around food security must also encompass food supplies for the future, including key aspects of sustainability.

There has not been a meaningful assessment of UK food security since 2010. Since then, the UK population has increased by 7%, the COVID-19 pandemic has happened and the climate is impacting production locally and globally.

The Food and Agriculture Organisation of the United Nations (FAO) defines food security as existing: “when all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life”.

As a wealthy nation the UK has an obligation to contribute to global food security by producing what it can and not over-relying on other countries to fulfil its food needs. However, this is not about simply producing more food. It is about producing food in a smarter and more sustainable way.

The UK food system is made up of a wide range of products and underlying commodities. While food security is more complex than simply self-sufficiency, if we understand the self-sufficiency status of key foods we can start to understand how the UK is contributing to global food security and where growth opportunities lie.



To achieve food security, the FAO also sets out four areas that have to be addressed:

Physical availability of food – driven by production, stock levels and trade

Economic and physical access to food – in both a national and international context and impacted by external issues such as inequality and prosperity

Food utilisation – ensuring people can access a diverse and balanced diet

Stability of the first three areas over time – food supply and consumption is sustainable and resilient to climatic, economic and political shocks

The issue of self-sufficiency – our ability to feed ourselves using only food produced in this country – is inextricably linked to food security.

There are some groups of food products that we are really good at producing and some we excel at producing at certain times of the year. At the same time, there are those where there are opportunities for us to produce more, and some that we simply cannot produce but people want to buy.

Leading the way

We excel at producing things like carrots, parsnips, fresh potatoes, frozen peas, liquid milk, cream, specialist cheeses, malting barley and shell eggs. At certain times of the year we are also very good at producing things like strawberries, broccoli, savoy cabbage, cauliflower and lamb.

Opportunities

There are foods we are good at producing but there are barriers stopping us producing more. These include mushrooms,

cucumbers, tomatoes, peppers, apples and pears, onions and leeks, beef, butter and yoghurts. There are also emerging food areas – such as protein crops and whey protein – where demand is likely to grow, but where volumes are likely to be low and self-sufficiency is likely to fluctuate.

With food security being a key part of national security, contributing to global prosperity and important in building resilience to climate change, it is important that there is specific responsibility for driving UK food security, as well as making a proportionate contribution to global food security. Similarly, where an area of UK food security is underperforming or falling, there must be a commitment to rectify the issue.

On food security, the NFU would like to see:

- Government reporting on food security to report on the self-sufficiency state of key commodities and products, and to be clear on how the UK is contributing to world food security;
- A minister whose responsibilities include food security;
- Government develop a strategy and work with the industry to bolster any areas where UK reporting identifies an underperforming aspect of food security.

Figures show that, in 2020, overall British self-sufficiency stood at



We were only



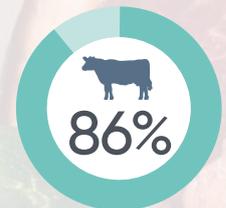
self-sufficient in **fruit**



self-sufficient in **fresh vegetables**



self-sufficient in **potatoes**



self-sufficient in **beef and veal**



self-sufficient in **hen eggs**

Source: Agriculture in the UK 2020, Defra, DAERA, Welsh Government, Scottish Government/National Statistics, 2021

The five self-sufficiency building blocks of food security



Domestic mainstays

Foods we are really good at producing – carrots, parsnips, fresh potatoes, frozen peas, liquid milk, cream, specialist cheeses, malting barley, poultry meat and shell eggs.



Domestic seasonally good

Foods we're really good at producing at certain times of the year – strawberries, broccoli, savoy cabbage, cauliflower and lamb.



Domestic potential

Foods where there are barrier stopping us producing more – mushrooms, cucumbers, tomatoes, peppers, apples and pears, onions and leeks, beef, butter and yoghurts.



Domestic emerging growth

Foods where demand is likely to grow – protein crops, like peas and beans and whey protein.



Import reliant

Foods we cannot produce because of our climate but consumers want to buy – citrus fruit and bananas.

Leading the way

Poultry meat and eggs

This sector has been a real success story for providing an affordable and nutritious source of protein to UK society. Since 2010 production of poultry meat and eggs has grown by 29% and 15% respectively, according to Defra, meeting growing demand both inside and out of home.

Both the Red Tractor, Lion and broader assurance schemes provide retail customer confidence in the standards of production and food safety. But much of this effort is at risk if sub-standard imports are allowed unfettered access to the UK market. Our standards on animal welfare, biosecurity and antibiotic use lead the way and set a global example of best practice.

The COVID-19 pandemic saw huge disruption for the poultry sector because of closures in the hospitality and food service sector. In addition, the availability of labour could become a long-term barrier to the sector.

Strawberries

UK strawberry production is the leading seasonal food success story of recent years. Since 2010, Defra figures show domestic production has grown by almost 50%. In 2019, UK production reached a new record of 143,500 tonnes – more than 350 million 400g punnets of strawberries

Growers have invested in technology, infrastructure and expertise that has enabled the growing season to be lengthened – providing consumers with one of the most iconic five a day for longer.

The growth and investment that has been achieved is at risk though if the sector is unable to access sufficient workers to help harvest the crop. The national strawberry crop is one of the most exposed to labour shortages given it has one of the biggest demands for workers in horticulture and the perishable nature of the crop.

In addition, further growth could be impeded if a strategic focus is not given to both water infrastructure and the planning system.

Barley

This is a traditional mainstay for UK agriculture providing raw material for the brewing, distilling and animal feed sectors. The UK climate is well suited for growing high quality barley, which is the foundation stone for globally sought-after malt, beer and of course iconic Scotch whisky.

Over the last decade, UK barley production has increased by almost 30%, according to Defra, providing ample supply for domestic processors but also for the global market where barley is becoming almost a niche crop. This dynamic brings diversity to the global grain market, which is becoming increasingly reliant on maize (corn) grown in relatively few countries. By supporting a diverse grain production base, the UK is helping to build resilience to current and future weather impacts.

Global demand for malt, beer and whisky provides a real opportunity for volume and value growth. Connecting UK maltsters, brewers, and distillers with international customers via an invested export strategy is the key to growth for this sector. In turn this will drive inward investment.

Building a stronger, more resilient barley sector would involve technology and innovation, giving farmers access to the best crop genetics and innovations that will drive efficiency and reduce the footprint of production.

Lamb

Lamb is a longstanding seasonal offering from UK agriculture, making productive use of millions of acres of land that isn't suitable for growing crops. It is a key contributor to the patchwork countryside synonymous with the UK. A number of UK retailers have committed to 100% British lamb – a reflection of the high standards of production.

Although available all-year round, seasonality in production means that trade is important in keeping the market balanced. According to Defra, in the five years to 2020 UK annual sheepmeat production averaged almost 300,000 tonnes – down 5% on the five years to 2010.

Both imports and exports play a key role in supplying consumers and supporting sustainable incomes for farmers. Maintaining access for seasonal surpluses into the EU market and beyond is critical. Equally, protecting UK production standards from being undermined by substandard imports is a key component of long-term sustainability.

Maintaining the home market and growing export opportunities are key to the future and we must invest to articulate the UK point of difference and drive consumer confidence. There is opportunity to grow export demand, but this requires long-term investment in opening markets, tackling barriers, building networks, and promoting the UK lamb offer to international consumers.

Opportunities

Cheese and yoghurts

This segment of the dairy market presents one of the biggest opportunities for growth in agri-food. In recent years, the UK has had over a £1 billion trade deficit in cheese and around £250 million in yoghurts, according to AHDB.

The UK dairy production base is well placed to provide sustainable raw materials for manufacturing. Our climate allows for high quality forage production, which is a key part of the sustainability of production. Again, access to export markets will be critical in pitching the UK dairy offer internationally.

To achieve growth in both the export and domestic markets, inward investment will be critical to modernise and grow processing capability. Industry and government need to work together to create an appealing environment for investment to occur.

Apples and pears

These two tree fruit stalwarts provide a real opportunity for growth and an avenue to provide society with more home-produced fresh fruit. Apples and pears are a good source of fibre, as well as other nutrients.

In the five years to 2020, domestic production accounted for 38% of total apple demand and 18% for pears. This has fallen in the last 30 years from 44% and 28% respectively, according to Defra data.

While the seasonality of production means domestic apples and pears are unlikely to be exclusively available on the domestic market, there should be opportunity to reverse the declining trend of the last 30 years and provide further growth.

Access to labour is a critical element for success in this sector given the delicate nature of harvesting. An industry-funded report produced by Andersons revealed that the COVID-19 pandemic alone has increased labour costs by 15%, which follows a 34% increase in wages over the previous five years.

Another aspect affecting the competitiveness of the wider fruit and veg sector is trade and plant health policy. Many imports into the UK can be grown using plant protection products that are not allowed here. Future growth is dependent on domestic plant health policy being based on science and evidence as well as addressing sub-standard imports.

Protein crops

The UK has generally under-invested in leguminous crop research and innovation compared to more mainstream crops, which means these crops risk becoming uncompetitive in the long term and more susceptible to the effects of climate change.

The UK typically imports just under three million tonnes of soyabean and soyabean meal every year, according to AHDB, while producing around 600,000 tonnes of field beans. Although long-term averages are stable, the industry is experiencing erratic crop yields due to weather and a limited resilience of the crop to changing climatic conditions.

There is growing interest in plant protein raw material for both human and animal consumption. The credentials of animal feed protein are coming into increasing focus and there is appetite, where possible, to diversify away from soy-based products. In addition, there is growing interest in plant protein for human consumption, which is providing opportunity for growth in the UK and international markets.

To enable UK farmers to take advantage of these opportunities, steps such as targeted investment in breeding, agronomy and cropping systems; inward investment in processing and handling capability; and support for innovation through plant breeding need to be taken.

Whey protein

Whey protein is a by-product of cheese production with cheese makers looking to add value to it, which is likely to help farm gate milk prices.

There are four main markets for whey with UK production roughly equally split between (in order of increasing value) animal feed, food ingredients, sports nutrition and infant milk formula (IMF).

A strategic approach to whey is needed and this could involve a collaborative approach between industry and Government to attract investment and develop markets. This could enable more UK-produced whey to be sold into higher value markets. One market for whey that is currently untapped by the UK is that for pharmaceutical use. Action is needed to understand the scale of opportunity here and barriers facing the industry.

Farmer Voice

“At APS Produce, we are passionate about developing and implementing technology that can help us to produce healthy food while also improving our environmental credentials. We use combined heat and power plants, which allow us to recover 100% of the heat from power generation and, even more importantly, allow us to recover the carbon dioxide normally emitted, to feed our crops, producing food. We minimise water use and recycle excess irrigation water and fertiliser, increasing resource efficiency and reducing our carbon footprint

“Through the development of advanced computerised control systems in our glasshouses, we are able to minimise inputs by providing only what the crop requires. Maximising quality, while minimising the use of resources, this system incorporates direct real-time connection to the Met Office to reduce heat input on a cold day, if we know that the following day will be sunny.”

“It’s also important to combat food waste, and we make sure that any packhouse waste is either given to food charities or converted into energy. In addition, we are developing a process to convert our crop leaf waste into fruit punnets, cellophane, and liquid fertiliser, among other things.

“A progressive approach to the development of new technologies to maximise my potential as a food producer is absolutely vital. The horticultural sector has always succeeded through innovation, and it is so important that this continues.”

Phil Pearson
tomato grower, Cheshire



Increasing domestic consumption

Our farmers produce high quality, nutritious, traceable food and we want to see domestic food production and consumption promoted and championed so everyone can enjoy it, whether it's at home, at work, in restaurants or in the public sector.

We want to work with the government to open up new routes to market at home. Doing this can have economic benefits as well as the benefit from reconnecting people with where their food comes from. There are a number of measures that can help British farmers provide British food to the British public. These include greater transparency in the out-of-home market on the provenance and country of origin of the food in and out of the home, and support for an improved way for customers to choose the origin of product when shopping online – such as a “Buy British” button or filter for online food purchases. But perhaps top of that list is overhauling government procurement practices to increase the provision of fresh and nutritious British food in our schools, hospitals and other public sites. These moves will not only boost British farming, they will have economic and environmental benefits.

Public procurement:

Increasing the volume of British food in public sector food procurement provides an opportunity to showcase British food's high standards and environmental credentials to everyone. As well as providing an opportunity for people to eat healthier, more environmentally sustainable food produced by British producers and suppliers, it can also help ensure our public sector works with our world-leading food and farming industry to deliver safe, traceable, affordable, nutritious food.



In a recent OnePoll survey, 80% of respondents said they supported the increased procurement of British food in schools, hospitals and government agencies.

At a time of acute economic insecurity, we believe that the government's public procurement policies create an opportunity to utilise public spending to invest in the national economy, the environment, and the health of consumers and communities who supply the country's food. The Conservative manifesto committed to ensuring British produce was used in the public sector.

Promoting and driving local, seasonal and fresh food purchasing, by serving more local British food in our hospitals and our schools, would be a huge vote of support for British food and farming.

To deliver these results, which are a win-win for farming and the public, we need the government to be ambitious in its commitment to sourcing from the UK food and drink sector by promoting and driving local and seasonal food purchasing. This can be achieved by government developing a cross-government strategy which champions British food production within public sector catering. This should ensure the Government Buying Standards for Food

and Catering (GBSF) champion sourcing British produce by driving transparent, sustainable, and cost-effective food procurement.

Research was carried out by OnePoll, on behalf of NFU, between 17/06/2021 – 22/06/2021. 2,000 adults in England and Wales completed the survey.

To help achieve this, the NFU is asking government to:

- make GBSF mandatory across all government departments;
- legally embed the balanced scorecard, established by Defra in 2014, into contracting procedure;
- improve the accessibility of public procurement contracts to SME businesses by improving contracting visibility and terms and conditions;
- provide improvements in data collection, auditing, and monitoring of public sector procurement across central, regional, and local procurement bodies; and
- ensure the public sector does not become a home for food which is not produced to UK production standards.

continued overleaf →

Across the EU there are examples that show how government can work to put locally produced food at the heart of public procurement policy to the benefit of wider society as well as local farmers and growers.



Finland

In 2020, Finland launched its first National Public Procurement Strategy. The strategy has been prepared by the Ministry of Finance, and the Association of Local and Regional Authorities together with municipalities, central government, tenderers, and expert organisations. It aims to increase the level of ecological, social and economic responsibility in public procurement and promote the achievement of these goals in society. The strategy aims to increase the use of responsibly and sustainably produced raw materials and services in public food procurement. The policy encourages increasing the share of local and organic food and fish in public food procurement and must pay particular attention to the use of domestic raw materials in food services.



France

The French government has been clear in its intention for public sector purchasers to procure from local food producers. There have been both national and regional initiatives that have driven shorter, more local supply chains. A clear national mandate by central government can incentivise and drive local sourcing and we have seen this in France by the "reterritorialisation" of food through things like:

- The Localim guide – a tool for public purchasers to support local and quality procurement;
- The publication by the National Council for Collective Catering of a practical guide for buyers of collective catering so they can comply with the EGAlim law – a law which supports quality, sustainable and local sourcing alongside paying fair prices to producers, allowing them to earn a decent living from their work, reinforcing the health, environmental and nutritional quality of products, and promoting healthy, safe and sustainable food for all;
- Initiatives at a regional and local level that put local suppliers in touch with collective catering managers. For example, the Agrilocal platform which was developed by Puy-de-Dôme and Drôme departmental councils but is now used by 36 departments. This platform aims to bring together public buyers and local producers.

Labelling and buying British online

We know people want to buy high quality British food and it is important that retailers make this as easy for people to do as possible. Clear labelling of the country of origin of produce is one way to help shoppers make a considered choice and something shoppers want as well – a recent survey by OnePoll showed that 84% of respondents supported clearer labelling of British food.

Despite the significant rise in online grocery shopping in recent years, the labelling requirements that ensure consumers can make choices in store are not always as transparent online. What is particularly concerning is that the country of origin of products sold online is not always clearly identified and pictures of products with origin labels do not always represent what a customer may receive.

It is clear that consumers expect the online shopping experience to provide the same level of accuracy on quality and origin. As well as clear, accurate labelling, another step that could help make it easier and simpler for people to buy British food online is the addition of a "Buy British" button or filter which gives online shoppers the ability to be able to select British products.

Support for, and promotion of, the Red Tractor Assurance scheme can play a central role in helping people buy British wherever they can and seeing more British food on more British plates – a widely recognised scheme that shoppers know stands for high quality, safe, traceable food produced with care and to high environmental and animal welfare standards. Verifiable assurance schemes like this can help build trust with consumers.

Championing, and investing in, the nation's food production system will also help us maximise the benefits our agri-food economy delivers, including food safety and production standards, environmental protection and animal welfare.



Research was carried out by OnePoll, on behalf of NFU, between 17/06/2021 – 22/06/2021. 2,000 adults in England and Wales completed the survey.

Farmer Voice



“We are very proud of the standards we produce our turkeys to. It is so rewarding to know that we produce the centrepiece of the most important meal of the year, which brings families and friends together to celebrate Christmas Day. We know that the birds have high standards of welfare, having access to the outdoors and the enrichment that this brings, and that they are slow grown and reared on quality feeds, producing a premium flavour in the meat.

“The production of our poultry goes hand in hand with sustainability on our farm. We use the products from our arable fields, both the grains and the by-product straw, for feed and bedding. We then recycle the muck and straw back on to our arable fields in the autumn, which is incorporated to increase the organic matter of our soils and also reduces our synthetic fertiliser usage, which in turn reduces our carbon footprint.

“Domestic consumption must be driven by education of the British public to help them to understand the advantages of buying domestically produced food, and to explain how our products are more sustainable, higher quality and produced to higher standards than by other countries of the world.”

Anna Hunt
poultry farmer, Bedfordshire

Increasing export markets

UK farmers produce some of the world's best quality food, which has an enviable reputation, but it will not sell itself. Our farmers are keen to embrace the opportunities that free trade deals will deliver but the government must provide the right measures to ensure our produce can be enjoyed all over the world.

As well as championing British food at home and ensuring our domestic agriculture sector can increase its competitiveness and productivity, it is crucial UK farmers are in the best position possible to export food around the world.

Central to this is the delivery of a comprehensive agri-food strategy to improve productivity as well as increase exports, which includes:

- A minister for agri-food trade and competitiveness to work across government and with the devolved administrations.

- Government match-funding for existing industry investment in developing and entering new markets at home and abroad.
- An ambitious strategy for growing exports including more agricultural counsellors in our embassies; a UK export council to coordinate the strategy; and a review of the marketing and promotion of "Brand Britain" abroad.
- A dynamic approach to domestic farm policy that supports improvements in on-farm productivity and competitiveness, which aligns with trade policy to reflect changing market conditions.

We also need a rolling review process for future free trade agreements (FTAs), ahead of negotiations and once implemented. Every FTA should be assessed annually

to provide a clear picture of its impact on imports, exports, farmgate and consumer food prices, and the UK's ability to feed itself. The cumulative impact of proposed FTAs must also be modelled and published, ahead of any deals being finalised, as it is clear that the collective impact of liberalisation through a lot of FTAs would have an enormous impact on UK farmers.



Farmer Voice



"I'm incredibly proud of the milk we produce on our family dairy farm, which is made into award-winning Long Clawson Dairy Stilton cheese.

"Having the opportunity to produce high-quality food that feeds not only the nation, but that also gets exported around the world, is incredibly special. There is nothing more satisfying than seeing the final product on the supermarket shelf, especially when on holiday abroad.

"As a family we care passionately about the wellbeing of our cows, as well as the health of the natural environment. Happy cows produce high-quality milk, while healthy soils, clean water and an abundance of wildlife are all essential foundations for growing successful crops.

"This year, in partnership with Long Clawson Dairy, we undertook our first carbon audit, to benchmark our carbon emissions. Over the coming years we'll be working to reduce these, by improving efficiencies on the farm. At the same time, we'll be planting trees and hedgerows to capture and store more carbon to reduce our overall footprint.

"I'm proud to be part of a British dairy industry that produces food to some of the world's highest animal welfare and environmental standards. The ever-evolving Red Tractor food assurance scheme, as well as Long Clawson Dairy's own 'Clawson Care 365' gold-standard assurance scheme, are both fantastic adverts for UK food production – something I think we should celebrate more on the world stage."

Ruth Grice
dairy farmer, Leicestershire

BRITISH FOOD: LEADING THE WAY

National Farmers' Union, Agriculture House,
Stoneleigh Park, Warwickshire CV8 2TZ



Tel: 024 7685 8500



Fax: 024 7685 8501



Email: nfulondon@nfu.org.uk



www.nfuonline.com

Produced by:

NFU, AGRICULTURE HOUSE
STONELEIGH PARK, STONELEIGH, WARWICKSHIRE CV8 2TZ
September 2021



NFU SUPPORTED BY

NFU Mutual