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Lord Teverson
EU Energy and Environment Sub-Committee
House of Lords
London
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8 July 2018

Dear Robin,

Please find enclosed the Government Response to your Inquiry into *Brexit: food prices and availability*.

GEORGE EUSTICE

House of Lords European Union Energy and Environment Sub-Committee

Brexit: food prices and availability

Government Response

Introduction

1. The Government welcomes the Committee's Brexit: food prices and availability report.
2. It is a key priority of this Government to enable an innovative, productive and competitive food supply chain from farm and sea to fork, that invests in its people and skills.
3. There is a major programme of work across Government to ensure that: the UK is fully prepared for EU Exit; it has identified the challenges and opportunities for consumers and producers; and it is achieving the best outcome for the United Kingdom.

Tariffs

Conclusions and recommendations 1-7

- i. **The Government hopes to negotiate a free trade agreement that would allow tariff-free imports of food from the EU to continue. If an agreement cannot be reached, however, the default position would be for World Trade Organization tariffs to apply. (Paragraph 18)**
 - ii. **While estimates vary, if tariffs were imposed based on EU most-favoured-nation rates it seems highly probable that food prices for UK consumers would rise. (Paragraph 19).**
 - iii. **We acknowledge the Minister's argument that food prices are affected by a wide range of factors, and fluctuate frequently. But all this means is that price rises resulting from tariffs would be on top of increases that would have occurred anyway. We do not share the Minister's view that these levels of price increases would be marginal for UK food consumers. (Paragraph 20)**
4. Research has demonstrated that commodity prices, exchange rates and oil prices are the driving factors behind changes in UK retail food price inflation. Food price inflation, therefore, will vary according to the impacts of these, as well as other, drivers. As a result, at times food prices can be relatively stable – such as the 1996 – 2006 period. Equally, however, shocks to these key drivers can have significant impacts on prices. For example, the UK experienced double-digit rates of food price inflation from June 2008 to March 2009, as result of both dramatic commodity and oil price changes, and a steep Sterling depreciation, particularly against the US Dollar. On the other hand, food prices fell over 7% between early 2014 and late 2016 as commodity prices eased significantly, and prices then rose again after the Sterling depreciation of 2016.
 5. Whilst the 'World Trade Organisation' (WTO) scenario (in which the UK would set MFN tariffs with the EU and the rest of the world) would likely lead to increases in some producer prices, it is an extreme scenario – reflecting no trade deal with the EU. For these producer price increases to persist over time would mean the UK and the EU

having no trade agreement in the long-term. That is not a scenario that the Government is working towards or expects to materialise.

6. Moreover, even in that extreme scenario (where the Government were not able to secure an FTA with the EU in the time available), there would be a number of tools available to mitigate price impacts on consumers. These include tariff rate suspensions, lowering the applied tariff on certain goods and opening up autonomous tariff rate quotas. In other words it would be open to the Government on how to best respond.
 7. It is important to note, in estimating the final consumer or retail price impacts of different trade scenarios, that the pass-through to consumer prices from tariffs via producer prices is tempered through the supply chain. Indeed, for highly processed products, such as bread, less than 10% of the final retail consumer cost is accounted for by the primary commodity (in this instance, wheat) cost. Whilst for less processed products, such as lightly-processed beef or some vegetables, that proportion (ie the proportion of the final retail price that is accounted for by the primary commodity cost) is around 50%.
 8. An illustration of this difference can be seen by looking at the results from different pieces of analysis. Looking at *producer prices*, a range of external researchers have analysed the impact of a World Trade Organisation Most Favoured Nation (MFN) scenario. In such a scenario, researchers have assessed that the imposition of MFN tariffs would increase the producer prices of many goods. For example, FAPRI's analysis suggests that producer prices for beef and poultry could increase by up to 17% and 15% respectively. However, looking at the impact on *consumer prices*, some analysis suggests this same trading scenario (WTO) would increase consumer prices by around 4%.
 9. The Minister set out in his appearance at the committee, "Under that extreme scenario [WTO], and it is an extreme scenario because you would have the freedom to change those tariffs if you wanted to, it shows that food prices might go up by about 4%. It is pretty marginal....."
 10. **A number of witnesses to this inquiry stressed the importance of maintaining tariff-free trade with the EU. Given the potential impact of tariffs on food imports for consumers, we endorse their view. (Paragraph 21)**
 11. The Government has begun discussions on the future economic partnership we want to see after we leave the EU. We are aiming for the broadest and deepest possible partnership, and ensuring closer cooperation than under any free trade agreement anywhere in the world. The Government seeks to have the greatest possible tariff-free trade with our European neighbours, as well as to negotiate our own trade agreements around the world.
 12. The EU enjoys a considerable trade surplus in food and drink vis a vis the UK. So maintaining access to the UK market is firmly in Member States' interests. Indeed, the Government believes it is mutually beneficial to work towards an agreement that sustains the flow of goods through free and frictionless trade.
- iv. **Agreements negotiated by the EU have allowed the UK to benefit from low-tariff or tariff-free imports of food from non-EU countries. (Paragraph 33)**
 - v. **The UK Government is confident that the majority of these agreements can be easily 'rolled over' and the status quo maintained. This is not, however, a guaranteed outcome, either during any transition period or afterwards. If current**

arrangements are not maintained, it is likely that the sudden imposition of tariffs and loss of tariff rate quotas would affect the price and availability of food for UK consumers. (Paragraph 34)

- vi. The Government should urgently seek agreement from the relevant third countries that existing FTAs will continued to be honoured during the transition period. Determining which might continue to apply post-December 2020 (or post-March 2019 if no transition arrangement is agreed) and which will need to be renegotiated will then become the priority. (Paragraph 35)**
- 13. The Government is seeking to achieve continuity in the UK's trade and investment relationships with third countries, including those covered by EU free trade agreements and other EU preferential arrangements. This will be a technical process rather than a renegotiation of existing terms. So far, we have engaged with over 70 countries in relation to around 40 agreements. Initial reactions from a range of international partners have been broadly positive and we are confident of securing a smooth transition for businesses and consumers.**
- 14. Under the terms of the draft Withdrawal Agreement, the UK is to be treated as a Member State of the EU for the purposes of international agreements (including trade) for the duration of the Implementation Period. What this means is, all existing EU-third country agreements will continue to apply to the UK during the Implementation Period and the EU will notify third countries in due course.**

Non-tariff barriers

Conclusions and recommendations 8 – 14

- vii. The Government hopes to negotiate an agreement with the EU that will allow the 'frictionless' import of food to the UK to continue. This was a clear priority for witnesses and, given its importance to the UK's food supply, we strongly support this objective. It is not, however, a guaranteed outcome. We note that there will only be 21 months to negotiate a FTA and that, at the time of writing, there is a significant gulf between the 'red lines' set out by the EU and the UK Government, which will need to be bridged to achieve frictionless trade. (Paragraph 59)**
- 15. We are building an ambitious future partnership with the EU, the proposed framework for which was set out by the Government in its statement of 6 July. This includes the UK and the EU maintaining a common rulebook for all goods including agri-food, with the UK making an upfront choice to commit by treaty to ongoing harmonisation with EU rules on goods, covering only those necessary to provide for frictionless trade at the border.**
- viii. The Minister told us that if no agreement is reached, the UK could decide to minimise the impact of non-tariff barriers by placing very minimal checks on imports from the EU. We note, however, that the UK Government would at the very least be obliged to comply with WTO rules. To provide much needed clarity to the industry, we urge the Government to publish exactly what customs and border requirements it would put in place on EU food imports in that situation. (Paragraph 60)**
- ix. In determining post-Brexit arrangements, the UK Government will need to balance the need to maintain easy access to EU food imports with the need to maintain**

food standards through adequate checks on imports. The Minister's suggestion of minimal checks on EU imports appears at odds with the Government's obligations under the WTO and its commitment to maintain food safety and animal welfare standards. (Paragraph 63)

16. The WTO sets a baseline for how international trade should operate outside of an FTA and that should apply to everyone on the same basis. WTO Members have the freedom under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures to set their own standards in relation to agri-food and plants as long as it is proportionate to the overall goal being achieved in relation to protecting animal, plant and human health, is made on the basis of a scientific risk assessment of the available evidence or where an international standard already exists, does not unnecessarily discriminate between countries where similar conditions exist and is the least trade-restrictive way of achieving that goal.
 17. The proposed framework for our future relationship with the EU was set out by the Government in its statement of 6 July. As stated above, this includes the UK and the EU maintaining a common rulebook for all goods including agri-food, with the UK making an upfront choice to commit by treaty to ongoing harmonisation with EU rules on goods, covering only those necessary to provide for frictionless trade at the border. In any event, on day one, the UK's and the EU's rules on food safety will be aligned, as enshrined in the Withdrawal Act. Were the UK to exit the EU without a future partnership being agreed, our assessment is that the respective animal and plant health hazards posed by imports of live animals, animal products, plants and plant products will not significantly change immediately afterwards. We would continue to analyse how this risk could change over the longer-term as a result of leaving the EU and would take steps to address this, in discussion with Devolved Administrations and stakeholders.
 18. The Government is proud of the UK's high standards of animal welfare and food safety. These will not be watered down when we leave the EU. We will remain global leaders in environmental protection and animal welfare standards, maintaining our high-quality produce for British consumers.
- x. **While the extent of future non-tariff barriers is unknown, it seems unavoidable that in either a 'deal' or 'no deal' scenario, Brexit will result in some additional border checks and documentation requirements for food imported from the EU to the UK. These will increase the time it takes for food to reach shop shelves and result in additional costs to businesses, which may be passed on to consumers through food price rises. (Paragraph 61)**
 - xi. **Based on the evidence we have heard, we do not believe the UK's ports and airports will be able to cope with the additional workload that new checks will create, and this will add significantly to the import timescales. Significant delays will disrupt the 'Just-In-Time' supply chains that food manufacturers and retailers depend on and could affect the availability of food. We urge the Government to conduct a thorough assessment of the additional staffing, infrastructure and IT requirements that differing levels of post-Brexit border and customs checks would require. (Paragraph 62)**
 - xii. **Regardless of the customs and border arrangements that the UK puts in place for imports, EU countries exporting food to the UK will have additional checks and documentation to complete. It seems probable that the costs associated with this will affect the price of food in the UK. (Paragraph 68).**

xiii. These additional checks will create resource requirements for border and customs agencies, and ports and airports, in EU countries. Just as a lack of capacity at UK entry points would result in delays and affect food availability, a lack of capacity at EU exit points would affect the price and availability of food in the UK. (Paragraph 69).

19. The Government established a Border Planning Group in March 2017. The group is chaired by the Chief Executive and Permanent Secretary of HMRC, and comprises Director General-level representatives of departments and agencies with responsibilities for the UK border. Day-to-day work on behalf of the group is undertaken by the Border Delivery Group, led by a dedicated Director General, Karen Wheeler.
20. The Border Delivery Group have considered all the different governmental activities, controls and checks which affect flows across the border (people, passengers, goods, parcels, and freight), and the modes for crossing the border (air, sea, rail, post). For each of the activities, it continues to work with Government Departments to ensure proposed arrangements for those activities under different exit scenarios will work at the border, in all the different locations.
21. We have been working regularly with the major ports, especially the Roll-on/Roll-off ports, Eurotunnel and major airports, and also representatives of other organisations such as road haulage, transport and logistics organisations, to share current thinking and understand the operational implications from their perspective, and to enable them to plan for changes.
22. Building on this, we have begun systematic engagement at a more detailed operational level with all of the 140 border locations (97 ports (and Eurotunnel), 43 airports) across the UK to ensure they are also able to plan and prepare for changes. These locations handle all the scheduled services (flights, ferries, trains) across the border and include all those handling EU traffic (goods, freight, people, post).
23. Government departments all have plans and arrangements to ensure that they have the necessary resources in place to manage increased border-related activities in the event of a no deal. These are kept under close review to ensure that they can be implemented in time, and to avoid nugatory cost.
24. Plans are also well in hand for working through all official IT systems which will be affected when we leave the EU, or to replace any we may not have access to. Those plans are also kept under review, to ensure they can be delivered and operate effectively on time. Where there are significant risks that changes cannot be made in time, Departments also have plans in place to ensure continuity of operations for all scenarios.
25. Work is underway to ensure communications for engaging with businesses, so that they are adequately prepared for any new customs and other arrangements which will affect border operations, once the outcome of the negotiations is known.
26. The number of new checks, and staff needed, will very much depend on the outcome of negotiations. However, Defra has over 60 EU Exit workstreams, as we work to ensure that we are prepared for every eventuality. The plans on which we are working set out detailed delivery timelines for actions such as: the recruitment and training of new staff; designing and procuring IT systems; and delivery of the necessary legislative and regulatory changes. These timelines are extensively reviewed to ensure they remain on track.

Increasing self-sufficiency

Conclusions and recommendations 15 – 22

- xiv. **The UK is capable of producing more of its own food, so if post-Brexit tariff and non-tariff barriers were to make EU imports less competitive, domestic production might be stimulated. There are differing opinions, however, about the effect that this would have on food prices for consumers. (Paragraph 73)**
 - xv. **We note that increasing domestic food production will require long-term investment decisions: it would not be possible to increase food production in time to meet any immediate availability challenges posed by Brexit. (Paragraph 75)**
 - xvi. **UK consumers have become accustomed to being able to buy a wide variety of foods all year round, and it will not be possible to meet this demand from purely domestic production. (Paragraph 77)**
27. The UK sources food from a diverse range of countries, in addition to a strong domestic production base. This will not change after leaving the EU. We want to grow more, sell more and export more British food. This will allow the food and drink sector to become even more resilient, competitive and profitable. It is our priority to enable an innovative, productive and competitive food supply chain from farm and sea to fork, which invests in people and skills.
28. The UK has a high degree of food security, as demonstrated by the 2010 UK Food Security Assessment. Self-sufficiency is not in itself an indicator of food security. Achieving increased self-sufficiency in indigenous products would not insulate us from shocks to the system – for example, weather and disease can affect harvests and yields.
29. Investment in new technology, modern buildings and the latest equipment allows businesses to benefit from efficiency savings, increased production and new market opportunities, which all contribute to business improvements. There are certain new technologies and techniques which, if adopted, can rapidly improve agricultural performance and production.
30. To help this process, the Rural Development Programme for England (RDPE)'s Countryside Productivity scheme offers farmers and growers grants towards the costs of purchasing new technology, equipment and machinery to improve farm productivity.
31. Advances in technology and the development of innovative equipment and techniques has seen significant changes in the pattern of UK agricultural production. For instance, the domestic strawberry growing season once ran for little over a month. Through advances in climate-controlled greenhouses, alongside new storage techniques, the growing season now stretches from May to October and UK strawberries are available to consumers for a significant proportion of the year.
32. The UK is aiming to strike ambitious free trade agreements with third countries around the world, putting the UK at the forefront of global trade. These trade agreements will give UK consumers a wider choice of products to choose from, and could in fact lower prices on products we cannot produce ourselves. For example, fruit and coffee from South America and wine from South Africa are among the products available here at competitive prices. All of these have to meet our quality standards.

- xvii. **Lack of access to EU labour, post-Brexit, could lead to an increase in recruitment and overtime costs, or alternatively food producers could seek to attract additional domestic workers by paying higher wages. Such cost increases may have to be passed on to consumers, or else some businesses may cease to be viable, reducing the UK's ability to produce its own food, with a potential knock-on effect upon availability for consumers. (Paragraph 88)**
- xviii. **We reiterate the recommendation made in our report on Brexit: agriculture that the Government should ensure that the skills needed by the agricultural sector are recognised when assessing labour needs and access to non-UK labour after Brexit, and further recommend that this should be extended to consider the labour needs across the food supply chain. (Paragraph 89)**
33. Until we have left the EU, employers in the agricultural and food processing sectors can continue to recruit EU workers to meet their labour needs. During an Implementation Period, EU citizens will be able to come to live and work in the UK, although there will be a registration system.
34. The Government has commissioned the independent Migration Advisory Committee (MAC) to assess the role that EU citizens play in the UK economy and society and how to align future immigration framework with modern industrial strategy. The MAC have been asked to consider the impact of migration on a range of economic areas, including prices, and will also consider labour needs across the food supply chain in its final report.
35. After we leave the EU, we must have an immigration system which works in the best interests of the UK; controlling immigration whilst continuing to welcome those who make an invaluable contribution. That is why the Government is considering the options carefully and will ensure that businesses and communities, including representatives from across the food chain, have the opportunity to contribute their views.
- xix. **Long-term investment will be needed to maximise the potential for technology to reduce the number of staff required for UK food production. We welcome the Government's recent announcement of additional funding for technological innovation in the agri-food sector, but reiterate the conclusion of our Brexit: agriculture report, that technology cannot reduce demand for EU labour in the short term. (Paragraph 90)**
36. As outlined in our Future Farming and Environment consultation paper, we want to stimulate a forward-thinking agricultural industry that invests in the future through innovative practice and automation. Through the 2013 Agri-Tech Strategy, Government committed £160m to stimulate businesses and academia to collaborate on productivity projects through the Agri-Tech Catalyst programme.
37. The £90m Industrial Strategy Challenge Fund programme on Transforming Food Production will also bring together Artificial Intelligence (AI), robotics and earth observation to improve supply chain resilience in the agri-food sector. Defra is exploring the potential impact on labour that such innovative practice could have in the future.
38. Recently, the potential for automation in addressing labour shortages was demonstrated through the Harper Adams and Precision Decisions 'Hands Free Hectare' project, which in 2017 successfully grew a barley crop using only autonomous machinery and drones. More generally, innovative practices are increasingly being taken up, such as table-top growing and poly-tunnels, which have increased productivity and improved working conditions.

39. Whilst investment in capital and R&D for innovation and automation may help to address some of the workforce issues faced by parts of the food chain, automation has not yet realised its full potential, and some automated solutions are still in the R&D phase of development. It therefore may take up to a decade for a significant impact on reducing migrant-labour requirements to be realised in some agricultural sectors.
- xx. Increasing agricultural production will require financial incentives and investment. This could be a way of maintaining, or increasing, food availability post-Brexit, but the cost would have to be met by the UK taxpayer. (Paragraph 94)**
40. We have some of the best farmers in the world, producing excellent food for our tables. Across the industry, there are opportunities to go further and improve productivity, profitability and performance through research, adoption of best practice, investment in new tools and technologies and adoption of new business models. Individual business decisions are key to future progress and boosting the economic performance of farming. The Government wants to play its part and help to make this happen.
41. For example, DIT are working closely with potential and existing overseas investors to provide tailored advice and support based on the unique UK offer of world class science, progressive farming supply chain and dynamic business environment. The UK hosts some of the world's leading agri-tech companies, such as Syngenta, Genus, Aviagen, JCB, New Holland and Velcourt. Syngenta have recently invested in a £2 million glasshouse and a £3.5 million facility for the automated formulation of agri-chemicals.
42. The UK offers overseas investors in the Agri-Tech sector the opportunity to partner with world-class researchers to improve existing and devise new innovative products and services; provide solutions to technical problems; de-risk research projects by accessing Government funding; and respond to consumer pressures and give credibility to products.
43. To facilitate agricultural investment, the Rural Development Programme for England (RDPE)'s Countryside Productivity scheme offers farmers, growers and foresters grants towards the costs of purchasing the latest equipment and machinery to improve farm productivity. Whilst a robust value-for-money analysis has yet to be completed for the RDPE schemes, early qualitative evaluation evidence suggests that self-reported deadweight (that is, the percentage of surveyed grant recipients who have stated they would have undertaken the same project without the grant funding) is low. This suggests the RDPE Productivity schemes could be effective in stimulating investment in farming sectors.
- xxi. UK food production is dependent on a variety of raw materials and supplies imported from the EU. As these imports will be affected by any post-Brexit tariff and non-tariff barriers, increasing the amount of food produced in the UK would not necessarily avoid these extra costs and disruptions (Paragraph 97)**
44. We agree with the Committee that UK agriculture is dependent on a number of imported inputs, especially protein crops. Crops such as soya beans, oilseed meals and pulses can already be imported from outside the EU at zero or low most-favoured nation (MFN) duty and this will not change following EU exit.

Importing more food from non- EU countries

Conclusions and recommendations 23 – 27

xxii. When it leaves the EU, the UK will be able to negotiate new trade agreements with non-EU countries. This could offer an alternative to EU imports, if these become more expensive or less available, and could result in cheaper food prices for consumers. (Paragraph 115)

xxiii. Not all types of food currently imported from the EU, however, could be easily substituted like-for-like with non-EU imports. (Paragraph 116)

45. Depending on the trade scenario, the price of some commodities could be reduced through imports from non-EU countries. For instance, prices of some fruit and vegetables could potentially be reduced through imports from some non-EU countries.

46. It may not be possible to substitute either domestically or internationally for all EU imports, given levels of production. For example, between 2015 and 2017, less than 1% of olive oil imports to the UK came from outside of the EU (figures from Defra/HMRC). Spain, Italy, and Greece account for around three quarters of global olive oil production, with most of the remainder coming from north African countries.

47. This is why the Government is committed to getting the best possible deal when we leave the EU, one that allows us to continue to have tariff-free frictionless access for goods into the European market.

xxiv. We have heard significant concerns from a range of organisations, during this inquiry and previous inquiries, that cheaper food imported from non-EU countries is likely to have been produced to lower animal welfare and food safety standards, and that it could undermine the competitiveness of UK producers. (Paragraph 117)

48. Any new products wishing to enter the UK market must comply with our rigorous legislation and standards – we will not compromise on animal welfare and food safety.

49. Maintaining safety and public confidence in the food we all eat is a high priority for the Government and any future trade deal must work for UK producers, businesses and consumers.

50. The UK imports a wide range of produce from around the world, including poultry from Thailand, beef from Botswana, shellfish from Vietnam, tomatoes from Morocco, and pears from South Africa, all of which already meet our high standards of food safety and animal and plant health. We have no reason to believe that other third countries cannot meet our high standards, and this will be a condition for any market access granted as part of future trade agreements.

xxv. We welcome the Government's commitment that animal welfare standards will be maintained. We reiterate the conclusion of our 'Brexit: agriculture' inquiry, however, that it will be difficult to reconcile this commitment with a desire to become a global leader in free trade. Ensuring food imports meet UK standards will require a rigorous inspection regime, and we call on the Government to detail what arrangements it will put in place to implement such a regime. (Paragraph 118)

51. The Government has no intention of undermining the UK's reputation for quality by lowering standards in pursuit of a trade deal. There are tried and tested mechanisms for ensuring that exporters from foreign countries abide by British standards.

52. The Government has committed to providing a replacement import control system. To ensure smooth operation at our ports and elsewhere, our import control regime for food imports will balance our biosecurity risk with security of supply.

53. Building on our current imports regime, we see envisage a range of approaches:

- a. inland checks at customs-controlled storage facilities (plant imports);
- b. checks at destination premises (live animals imported from the EU); and
- c. consignments travelling with a health certificate (live animals from the EU and animal products subject to emergency controls)

xxvi. We note that some witnesses, including the Minister, feel opportunities for new trade deals are limited. Given that, and given the Government's commitment to ensuring imports meet UK standards, it seems unlikely that imports from outside the EU will have much effect on the price or availability of food. (Paragraph 119)

54. The Prime Minister established the Department for International Trade to:

- Open markets, building a trade framework with new and existing partners which is free and fair; and
- Use trade and investment to underpin the Government's agenda for a Global Britain and its ambitions for prosperity, stability and security worldwide.

55. We are considering our future trading relationships with all our partners as we prepare to leave the EU. The Government has established working groups and high level dialogues with a range of key trade partners, including the United States, Australia, China, the Gulf Cooperation Council (GCC), India, Japan and New Zealand.

56. Any new trade agreements must work for UK consumers, farmers and companies as well as ensuring food safety, animal welfare standards and environmental protection. Currently the most important drivers of change in the cost of food are commodity prices, exchange rates and oil prices. These will continue to apply when we leave the EU. The Government is committed to ensuring that consumers continue to have a wide range of choice of high-quality food products at affordable prices.

57. As mentioned in points 4 and 5, a range of external researchers have analysed the impact of trade agreements on food prices. If the Government were not able to secure an FTA with the EU in the time available, there would be a number of tools available to mitigate price impacts on consumers.

Food Security for all

Conclusions and recommendations 28 – 30

xxvii. Food inequality already exists in the UK, but there is a risk that this inequality could increase following Brexit. (Paragraph 127)

xxviii. Food security is critically important, but agreeing on the best way to provide food security raises tensions between the different priorities we have considered during this inquiry. As the UK prepares to leave the EU, it is unclear whether the Government's goal is maintaining or even reducing food prices, or maintaining high animal welfare and food safety standards; protecting UK producers, or seeking new trade agreements with other countries. (Paragraph 128)

xxix. We agree with witnesses to this inquiry that the Government should produce, with some urgency, a comprehensive food strategy for the UK that sets a clear policy direction for ensuring the UK's food security in a post-Brexit world. (Paragraph 129)

58. The 2010 UK Food Security Assessment reviewed food security in its widest sense, assessing: global food availability; global resource sustainability; UK availability and access; UK food chain resilience; household food security and safety; and confidence. The review concluded that overall the UK has a high level of food security. We have commenced the next update of this assessment.
59. The Industrial Strategy aims to boost productivity across the UK and is a key enabler for agri-food sector productivity. The Food and Drink Sector Council is a strategic body that has representation from industry from farm to fork, and is central to driving the productivity agenda. We are working in partnership with the Council to help boost productivity and sustainability across the agri-food system. The Council has identified seven cross-cutting priorities – innovation, workforce, agricultural productivity, packaging and recycling, logistics, exports and nutrition. These priorities are key to addressing cross-cutting productivity challenges and opportunities within the sector.
60. One of the early tasks of the Food and Drink Sector Council is to further develop the proposals for a food and drink manufacturing sector deal. This sector deal aims to improve the productivity of the sector through exports, innovation and skills. Industry have worked together closely and carried out extensive analyses to develop these proposals. A sector deal would be one of the components that would support industry ambitions to increase sector GVA above trend by 2030.