<u>Secretary of State for International</u> <u>Trade NFU conference speech</u>

Thank you, Minette.

It is great to be here to talk about the new doors this government is opening for farmers through free and fair trade.

We all know that the last year has been hard, especially for our farmers and food producers, but we are also seeing the signs of new opportunities.

Earlier this month, I virtually visited with my Board of Trade the Foyle Food Group, the largest single dedicated beef processor in the United Kingdom, which has spearheaded exports into the United States.

Their recent shipment from Northern Ireland marked the first time we have been able to export UK beef there for over 20 years.

Foyle now supplies high-quality British meat to leading retailers, restaurants and butchers across the world, from Japan to Canada.

Such deals support the jobs of Foyle's 1,300 staff and the over 5,000 farmers it works with.

These are the sort of opportunities I want to see more British food and drink producers taking advantage of.

And today I am going to talk about how we will make that happen.

The fact is we have been held back for nearly fifty years by an antiinnovation approach that did not serve the interests of British farmers.

We have had high tariff walls with the rest of the world, whether it be up to 26% on beef going to the American market, or a 150% tariff on Scotch Whisky to India.

We have been held back by bans on our products, like the US lamb ban or India's red tape around apples and pears.

But now we have an opportunity as independent trading nation to set our own tariffs and to deal with these issues which have held us back.

And We are seizing our freedom to deepen our trade worldwide from the Americas to the Asia-Pacific, where fast-growing economies are set to dominate global demand over the coming years.

This is where the real opportunities lie for Britain and our farmers.

As for our European neighbours, we were always clear that in leaving the European Union, there would be processes to be undertaken and, of course, the

EU remains an important market.

Both the Chancellor of the Duchy of Lancaster and the Defra secretary are working to ensure these processes work.

And from 1st March, Lord Frost will be leading on the UK's relationship with the EU- and he is committed to resolving trade issues to make sure we have smooth access to that market.

What we are also doing is preparing the ground for our farmers and food producers to capitalise on the global economy's enormous untapped potential.

By the end of this decade, 66% of the world's middle-class consumers are expected to be found in Asia. And they are hungry for top-quality food and drink, where they know where that food comes from and how it was produced.

We know that prices for lamb and beef are higher in Asia than Europe, and that the United States is the world's second largest importer of both beef and lamb.

I want our farmers and food producers to be able to seize these opportunities.

I recently visited Saputo to see their Cathedral City and Davidstow cheese being produce, using Cornish and Devon milk and paying higher prices to local farmers.

Their neighbours — Rodda's clotted cream — is sold from Japan to Australia, and Welsh Lamb is sold across the Gulf in Qatar and the UAE.

I want more farmers and food producers to be able to have these sorts of opportunities and go global.

Embracing fast-growing markets will ensure we always have somewhere to sell our food and drink, will be resilient to any future economic shocks, and will help maximise the potential of our exports.

Take our meat exports for example, which are worth nearly £2.1 billion last year. That number is catching up on the £3.5 billion per year paid in agricultural subsidies.

We can make sure we use the whole animal and achieve "carcase" balance, as there are many cuts not popular in the UK but command high prices around the rest of the world.

What I want to see is a long-term sustainable future for British farming, based on high standards, competitiveness, and productivity, which satiates the growing demand for our world-class produce.

And by embracing free and fair trade, we can lead the world in food and drink and boost British farming like never before.

Fundamentally, I believe that British food and drink has so much to offer.

Our production standards are second to none — from food and animal welfare to the environment.

Our produce is synonymous with quality, which is why farmers proudly put the Union Jack on their pack.

And then is the Red Tractor mark, which assures consumers that high standards are followed from farm to fork. I saw how much that meant when visiting Somerset's Wyke Farm, with NFU President Minette Batters.

Their boss Richard Clothier is now seizing what he calls the "huge opportunities for British products".

The UK is already finding huge success in the global market, exporting nearly £24 billion in food in 2019.

That year, our exports grew by over three times more to the rest of the world than they did to the EU.

We exported £1.7 billion of dairy last year, and more red meat despite the challenges of Covid, as well as being Japan's second biggest supplier of malt, which shows that Britain can lead in those high-value markets.

We should be in the business of adding value — that will level up the country by supporting high-paid jobs for the more than four million people working in our food and drink industries.

These jobs range from farmers across the UK to caterers, manufacturers, and retailers reliant on their produce.

Altogether, there's a contribution £120 billion to our economy. But there really is potential for so much more.

We want it to take it to the next level by learning from the success of other great agricultural exporting nations.

New Zealand shows what is possible. Its farmers now account for nearly 30% of the value in the world's dairy market, despite producing less than 3% of the world's milk.

And there is no reason why we cannot match this sort of success. Our future lies in producing high-quality, high-value products with known provenance.

This entire Government is absolutely committed to making this happen, from the PM down.

Our farmers need access to new markets around the world. We know that exporting supports higher pay and more productive jobs, but at the moment only one in five of our food manufacturers export.

We want to unleash the potential of many more businesses, which is why we are today announcing the "Open Doors" export campaign for British food and drink.

As the PM has said, we want our farmers and food producers to be at the tip of our spear driving into new markets.

We will work in lockstep with friends and partners like the NFU, the AHDB and the Food and Drink Federation to deliver tailored support on the ground for these farmers and food producers.

They will have what they need to succeed through special masterclasses, mentoring and more.

And we also have UK Export Finance unlocking funds to help farmers and producers invest in new facilities, processing plants or machinery.

They provided £4.4 billion in support last year to British business and can cover exports with insurance so farmers and food producers can trade with confidence.

That is why I say: now is time to grow your business through exporting now, earning more money to invest in jobs, communities, and your future.

And we will do more to level up the UK by supporting farmers in every region and nation through our negotiations, from deepening access for Cornish dairy to recognising iconic products like Melton Mowbray pies or cutting tariffs on Scotch Whisky.

By removing the barriers holding back our farmers, we will support jobs, improve productivity, and cement our position as global players in the marketplace.

Because ultimately more trade means more higher-paying rural jobs and more prosperous rural communities.

We will also seize the opportunity to do things differently as an independent trading nation. We will champion high standards and liberal rules of trade, rather than consign ourselves to decline through protectionism.

I have already launched our new simpler and greener UK-led Global Tariff regime and negotiated deals with huge consumer markets like Japan, locking in more for our farmers than what we had before.

My good friend George Eustice is showing our readiness to innovate with his consultation on gene editing. It looks at harnessing nature's resources to help us better tackle the challenges of our age.

This shows how important it is to embrace new ideas and techniques, rather than close ourselves off from progress.

My department will continue to work alongside Defra to remove trade barriers, opening new doors worldwide.

What we need now is for British farmers and food producers to step through those doors to take on the opportunities which are out there.

British food is showing it can compete in global markets, and that freer trade plays to our strengths — which include our high production standards.

However, what cannot be right is for our farmers to face unfair competition that undermines the high-standards way we produce food and drink.

I want to be clear, we are not going to lower our food standards in any trade deal we sign. I will never sign a deal that is bad for British farming.

We have a range of tools — from tariffs, to quotas to safeguards — to protect farmers from unfair competition.

And we have kept the agriculture industry close to our negotiating approach through our Trade Advisory Group, which includes organisations like the NFU, like Cranswick, and through regular engagement with farmers and the devolved administrations.

We also listened to the NFU by establishing the Trade and Agriculture Commission, ably led by the excellent Tim Smith.

Next week, the Commission will produce its report showing the steps to take to be an innovative champion of high standards and free and fair trade, and help map the future of British farming.

We have put the Trade Ag Com on a statutory footing to boost scrutiny of trade deals and put British farming at the heart of our trade agreements.

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It will provide independent expertise when each free trade agreement is worked upon to make sure MPs are fully informed about what the trade deals deliver for farmers and food producers.

I am unashamed to promote the brilliant food that we produce in Britain. I think we produce the best food and drink in the world, which is why I want it out there in key markets, served up in homes, restaurants and our own embassies from the Atlantic to the Pacific.

In the past, British food and drink was too often the butt of jokes around the world, but now it is the top of everyone's menu.

That is thanks to all your hard work, your commitment to high standards and your openness to new ideas.

So, let us embrace the opportunities of the future by reducing barriers to trade and flying the flag for high standards, quality and flavour.

I do not just believe we can compete in the global market, I know we can compete and I know we can win.

Together, let's step through new doors and seize the golden opportunities

that are out there.

Thank you.