

UK Food and Drink - International Action Plan 2016-2020



Department
for Environment
Food & Rural Affairs



Department for
International Trade



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Foreword

The UK is renowned for its excellent food and drink. We have an established reputation as a land of quality, reliability and transparency.

We need to make the most of the export opportunities that result from this. As the global appetite for UK food and drink grows, it is crucial that our food and drink businesses have the tools and support they need to sell abroad.

This action plan sets out how the Government and industry will work together in partnership to deliver this boost in exports.

We will continue to raise the profile of our world class food industry and build our image as a great food nation. We will forge the strongest economic links with our European neighbours, as well as our close friends in North America, the Commonwealth and other partners around the world.

We need both first time and existing exporters to grasp the opportunity to increase our exports and build upon our reputation as a top class producer of food and drink.

We already have many export success stories. We can become even more successful if we keep up the great work that's being done to get British food on retailer shelves across the world.

**The Rt Hon
Andrea Leadsom MP**
Secretary of State for
Environment, Food
and Rural Affairs

Dame Fiona Kendrick
Chairman & CEO
Nestlé UK & Ireland
and FDF President



UK Food and Drink - The International Action Plan 2016-2020

GREAT British Food and Drink

The UK is a great food nation. We are a country proud of our food and its heritage. We produce food to the highest quality, with excellent safety, traceability and to world leading animal welfare standards. There is an extensive variety and range of products, with unique products like Scotch whisky, Welsh lamb and many world leading brands, which are increasingly being recognised globally.

The food and drink industry is the UK's largest manufacturing sector, adding £26.5 billion GVA to the economy in 2014 and providing 419,000 jobs. The entire agri-food sector, from farm to sale to the consumer, contributed £109 billion to the UK economy in 2014 and supports approximately 4 million jobs (13.5% of national employment).

As populations in major developing economies become increasingly affluent, the consumption of meat, dairy, processed Western-style grocery products and alcohol is growing. For example, meat, dairy and alcohol accounted for 49% of the UK's food and drink exports to China in 2015. Many countries are seeking to build a global food supply chain, and the areas in demand match areas of UK strength.

UK food and drink is exported around the world and enjoyed in over 200 countries and territories. In 2015, exports were worth over £18.1 billion. Exporting is key to the long term success of the UK food and drink industry, companies that export are overall more productive than those that do not. Exports offers opportunities for growth, taking advantage of emerging markets and capitalising on the growing consumer demand for the quality food and drink produced in the UK. The UK has a strong reputation for the high standards of its food, for its quality, safety,

animal welfare, sustainability and traceability. The Government and industry want to maintain and build upon this.

Currently, just one in five food and drink companies are exporters and there are many that have not yet taken that step. To maximise the potential of the UK industry we need to see more companies exporting and those that are exporting doing so even more successfully. Exports currently deliver only 19% of turnover of the food and drink manufacturing industry, so there is significant opportunity for growth.

An Action Plan for Increased Success

This plan details the activities which both Government and industry are committed to delivering over the next five years in order to accelerate UK export growth and boost the confidence and ambition of those wishing to export.

It has been developed jointly with Government and industry, including trade associations and companies. There is strong commitment from all parties to work together to support companies as they look to seize the export opportunities.

There are three main strategic objectives:

- **Raising ambition** – encouraging companies to export for the first time and, for those who already do, to export more. We also want to encourage key target markets to choose UK products and consumers worldwide to create demand for them.
- **Increasing capability** – exporting can be challenging, and companies need to have the information, innovation, finance and skills to be successful. This is supported by wider efforts from Government and industry to raise the overall productivity and skills of the sector.

- **Identifying opportunities** – building volume and opening trade opportunities in key markets, as well as creating new demand in third countries.

These objectives will be underpinned by Government and industry work to:

- Build global recognition of UK excellence in food and drink
- Get our current exporters to sell more overseas
- Help more food and drink companies to export for the first time
- Open new markets to UK products
- Build the export capacity and capability of the sector through FDI, increased skills and innovation

International Trade

We will, in due course, begin the negotiations to leave the European Union. Leaving the EU will allow us to shape our own international trade and investment opportunities, drive even greater openness with international partners (in Europe and beyond) and put the UK firmly at the forefront of global trade and investment.

The Prime Minister has established the Department for International Trade (DIT) to promote British trade around the world and ensure the UK takes advantage of the huge opportunities open to us.

Across the world, the Government will support British companies to boost our exports: promoting the UK as a place to do business and trade with; driving inward investment; and, in time, negotiating trade agreements. The Department for Environment, Food and Rural Affairs (Defra) and DIT are leading this work for the food and drink sector and have established

the Great British Food Unit to bring together expertise from both departments to boost exports and investment. This will be supported by a programme of trade and cultural activity to promote the UK's industry strengths and profile, engage new and existing exporters and lead the establishment of new markets and sectors.



Global Recognition of UK Excellence in Food and Drink

The UK's farmers, fishers and food manufacturers produce exceptional food and drink to some of the highest food safety, environmental and animal welfare standards in the world. With traditional institutions such as afternoon tea and the Great British pub to the groundbreaking innovations of processors through the food chain, to the creativity of our many Michelin-starred chefs, the UK has a strong and dynamic food and drink culture, shaped by the history of our fertile landscape and beautiful coast.

The quality and safety of UK food and drink products are underpinned by a strong regulatory structure and enforcement process. UK producers manage a rigorous system of production controls and traceability through the supply chain from farm to retail shelf, which ensure that the UK's food and drink meets the highest standards of trust and integrity. The UK has one of the most advanced markets for natural, organic and 'free-from' products, which offers consumers additional reassurance about the integrity of their food. There is a global demand for healthy, safe food from a secure supply chain; our products meet that demand, and in doing so can attract a premium.

Promoting UK Food and Drink - The Food is GREAT Campaign

The GREAT campaign is a global campaign which promotes British excellence across industry and culture to drive jobs and growth for UK business. Defra is now leading the strategy for Food is GREAT, to support the Great British Food Unit's trade activities in key markets and enhance the reputation for our food and drink around the world.

Our food businesses operate in a highly competitive global marketplace. There are many other countries seeking to capitalise on the rising consumer demand in emerging economies. We need to effectively promote the unique strengths and diverse portfolio of our industry and raise the profile of the UK's food and drink offer. We will use the Food is GREAT brand to celebrate our best qualities and enhance the value of the British food brand. This will include leveraging industry quality marques such as the Red Tractor Assured Food Standard and sustainability standards such as LEAF and organic to underpin the UK's reputation for high standards of food safety, food labelling and animal welfare.

Promoting the UK's Food Culture

Cultural awareness is key to driving consumer demand for imported food and drink in overseas markets. The Great British Food Unit and industry partners will build on the strength of a brand that is renowned for being committed to environmental quality and high standards of animal welfare. Whilst the British brand is highly regarded as a mark of quality, as a nation we are not yet known for the rich diversity of heritage and contemporary style which makes our food and drink so exciting. However, visiting a British pub is listed as the fourth most important activity for visitors to do when they come to the UK and distilleries in Scotland attract some 1.5 million visitors a year, many of whom are from overseas. We will be working to develop a programme of Food is GREAT events and communications. These will support our trade efforts and raise the profile of our food and drink culture through trade, consumer and tourist channels in key markets to drive demand and encourage more food tourism.

Key Support to Promote UK Excellence in Food and Drink

Key Government Support

The Food is GREAT message is being communicated around the world, to promote and showcase British products through a wide range of UK Government activities, including embassy and trade promotion events. An example is the British Embassy in the USA recently co-ordinating an English sparkling wine and spirits event in Chicago. Future events will build upon these types of activities to enhance perception of UK food and drink and deliver export wins.

The Great British Food Unit's priority overseas campaigns will seek to enhance the reputation of the UK's food and drink offer using the Food is GREAT brand. The Food is GREAT campaign will also be supported by a cross-Government, demand focused trade campaign. This highly targeted Business-to-Business and Business-to-Government campaign aims to drive export growth.

Key Support from Industry

Industry engagement is vital to make showcasing and promotional events successful. Trade associations are already using the brand at key events, and are committed to partnering with Great British Food Unit to support the Food is GREAT campaign. They want to deliver a successful joint programme to showcase British produce around the world. Trade associations, including the Scotch Whisky Association (SWA) and the British Beer and Pub Association (BBPA), engage in and help support high level inward trade missions and outward networking events.

CASE STUDY

The Preserve of Good Taste, Tiptree, Wilkin & Sons Ltd.

The Wilkin family have been making quality preserves from British fruits at Tiptree, Essex since 1885, and have been Royal Warrant holders since 1911.

Exports have become increasingly important to Tiptree in the last 10 years, and accounted for about 25% of revenue in 2015. Their products can be found in over sixty countries across the world, and have seen healthy growth in the Middle East and China. Making progress in the export markets is challenging as we have limited resources overseas. Support from distributors, FDF, FDEA, DIT and CBBC has helped to build more connections in promoting British Food & Drink in foreign markets. We were delighted to provide English scones and cakes from Tiptree Patisserie for the Queen's 90th Birthday celebrations in Shanghai, Beijing and Singapore.



Companies Exporting More Successfully

UK food and drink companies are already exporting globally, sending food and drink products to over 200 territories around the world. However there is considerable scope to expand our presence in these markets. We can use the UK's growing reputation for high quality food and drink, world leading standards of animal welfare, traceability and sustainability to increase overseas demand for our products.

Encouraging Export Growth

Helping current exporters sell even more to a broader range of markets is a priority for this Government. We will do this by running five year campaigns in priority markets to increase demand for UK products, with the target of raising the value of UK exports by an additional £2.9 billion. The Great British Food Unit has developed nine campaigns covering 18 countries, encompassing both large existing markets and markets with significant growth potential. These will help our exporters build market share in countries where the greatest export opportunity lies:

- **Australia & New Zealand**
- **Mexico and Latin America**
- **France**
- **Germany**
- **India**
- **USA and Canada**
- **China**
- **Japan**
- **UAE & Gulf**

Activity around the campaigns will include:

- Online packages of information and advice for first-time and existing exporters, including key market profiles and key product sectors
- Regional roadshows, business networking, market briefings and knowledge exchange

- Trade shows, meet-the-buyer events and inwards missions
- Communications materials and media programmes which will help to sell and promote the world class credentials of British food and drink
- Cultural events to raise profile in primary markets
- Ministerial and trade ambassador visits
- Opening markets and removing barriers to export

Trade associations and industry bodies have a vital role to play in supporting and shaping these campaigns, identifying opportunities for their sector and helping ambitious businesses to capitalise on them. They will also continue to capitalise on opportunities in many other markets as their appetite for British food and drink grows, including Africa.

Some sectors have already used specific export plans to engage their companies in discussion and develop export strategies and targets. This is a practical route to establishing how best to achieve growth; providing an opportunity to identify sector specific actions to drive growth in overseas markets. The Government will support the industry to develop their export plans.

Key Government Support

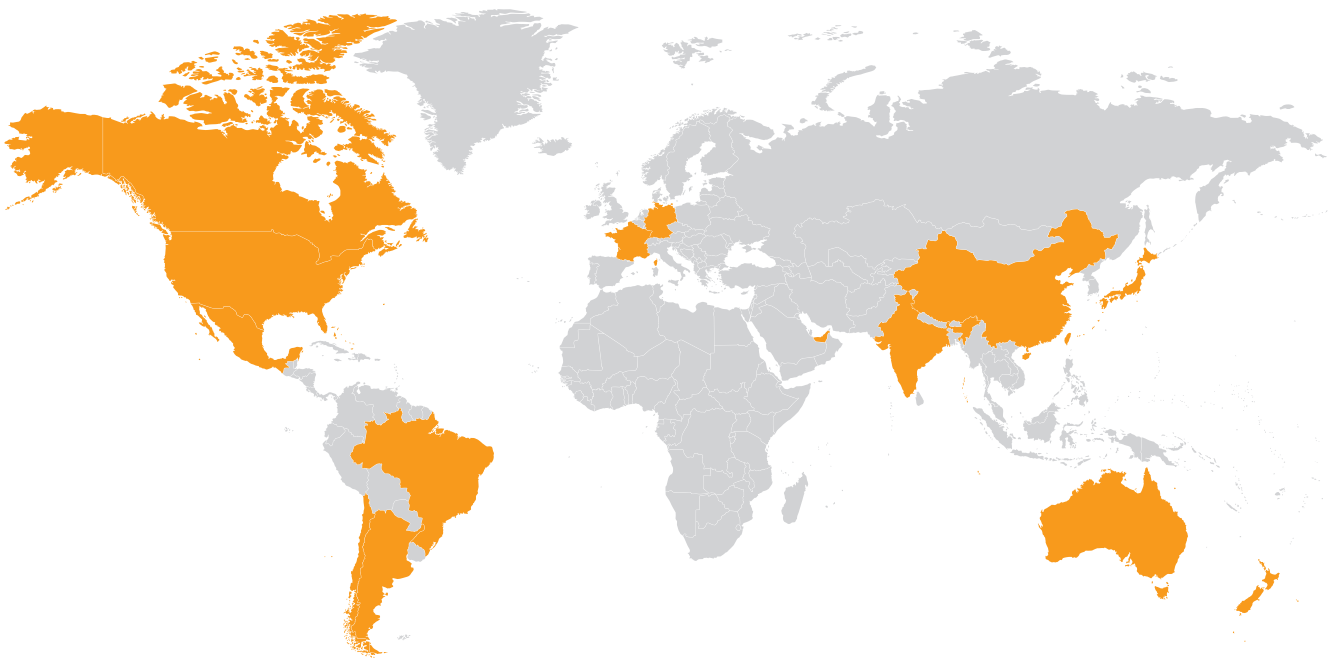
The Great British Food Unit has identified nine priority market campaigns where the Government will focus its resources to assist the food and drink industry to grow its exports. The campaign will focus on the following opportunities:

Australia & New Zealand

(target – additional £293 million of exports over 5 years)

Australia offers a great opportunity for UK products. There are specific opportunities in

Priority Export Campaigns for Food and Drink



traditional British ambient grocery products, health, well-being & free-from and alcoholic drinks (beer and cider). We will target key retail buyers, in-store promotions and category development. The Australian Prime Minister has also made clear his desire to proceed quickly with a new trade deal for Britain.

Mexico & Latin America

(target – additional £215 million of exports over 5 years)

Opportunities in key markets supported by good Government to retailer relationships will increase UK exports of premium grocery, traditional grocery and alcoholic beverages. Key activity will be around Expo Antad & Alimentaria Mexico 2017 (ANTAD), the most important food and retail trade fair in Latin America and multi-destination

outward missions within the region with focused inward missions for category development.

France

(target – additional £132 million of exports over 5 years)

One of the UK's leading export destinations for food and drink and the home of the second largest food & drink trade show in the world (SIAL). France offers growth opportunities in branded grocery through a very strong retail infrastructure. Leading exports include lamb, whisky, beer and seafood, with a growing food to go, convenience and snacking market. Activity around SIAL, in-store promotions and e-commerce relationships will drive export growth.

Germany

(target – additional £610 million of exports over 5 years)

A very strong and emerging market exists for speciality food, free-from, vegan and organic. This will allow the premium end of UK food and drink to establish itself in a large market. Other opportunities include growth in white spirits, beer, cider and wine. Germany is also home to the largest food and drink trade show in the world, ANUGA. We will develop promotions with leading middle-market retailers and category development for beer.

India

(target – additional £349 million of exports over 5 years)

A large and growing middle class with an appetite for British food and drink creates great potential for ambient grocery in the traditional category, tea, biscuits, condiments and emerging organic sectors. Key alliances with leading e-commerce platforms offer potential solutions to reach the market effectively. With improved tariffs for beer and spirits, export success potential is high. We will deliver activity around leading trade show and e-commerce promotions.

Japan

(target – additional £185 million of exports over 5 years)

With improved market access (beef and poultry) commodity trading will form a key element of our campaign. We will be promoting British ingredients for the foodservice market (including seafood) whilst focusing on traditional ambient grocery (tea, biscuits, preserves) for the retail market. There are big opportunities for promotion during global sporting events, such as the Rugby World Cup (2019) and Tokyo Olympics (2020).

USA & Canada

(target – additional £579 million of exports over 5 years)

Once secured, market access for lamb and beef will open up significant opportunities in retail and foodservice categories in both US and Canada. There is growing demand for UK beer, cider, wine and spirits. In addition there will be focused inward missions to the UK and presence at global trade shows and targeted activity at the leading speciality fine food show; Summer and Winter Fancy Food. Store promotions also have the potential to deliver big returns in this large market.

China

(target – additional £405 million of exports over 5 years)

The largest e-commerce market in the world and still growing, Memoranda of Understanding with key e-marketplaces and focused promotions will support work on market access for pork, beef, lamb and poultry as well as premium seafood. There will be category development in the second largest imported beer market in the world and promotion of spirits and wine. Activity will be around Food and Hotel China (FHC) and stand-alone events in second and third tier cities, working with strategic partners Agriculture and Horticulture Development Board (AHDB) and China-Britain Business Council (CBBC).

The UK is currently in the process of negotiating access for seed potatoes into China and has recently been successful in gaining access for barley grain.

UAE & Gulf

(target – additional £154 million of exports over 5 years)

The regional hub for the wider Middle East and North Africa and a strong ex-pat market provide opportunities for premium grocery, an emerging

organic and free-from market as well as for confectionery, drinks and snacks. World Expo 2020 will see a major increase in foodservice opportunities through both casual and formal dining, hotels and food court outlets. Key activity will centre around Gulfood trade show which is a hub for Indian, Chinese and Australian buyers.

E-Commerce

The Government will also help companies reach new markets through its E-exporting programme (<https://www.gov.uk/guidance/e-exporting>). This programme is coordinated by DIT and aims to help UK companies sell their products to millions of global consumers through online exports. The package of support includes better than commercial rates to list on some e-marketplaces.

Key Industry Support

Trade associations and levy boards (AHDB and Seafish) will assist their members stakeholders and levy payers by working with Government to support the overseas campaigns. They will also work to provide their sectors with fundamental market information, export guides, develop sector specific export plans and work to share complementary information and knowledge across the sectors.

Some of the significant activities being undertaken by industry bodies include:

- The Food and Drink Federation (FDF) is working with its members to boost exports of branded food and drink. It aims to increase the value of these goods by a third, from a 2014 baseline, to more than £6bn by 2020.
- The AHDB is looking along the supply chain to determine ways to add value to its products and increase the profit margins for



UK Export Finance

UK Export Finance, the UK's export credit agency, will ensure that no viable UK export fails for lack of finance or insurance. It complements the private sector, and works with 70 private credit insurers and lenders to help exporters:

- win export contracts by providing attractive financing terms to their buyers
- fulfil contracts by supporting working capital loans
- get paid by insuring against buyer non-payment

UKEF can support exports for any size of company and across all sectors, from capital goods to services and intangibles such as intellectual property.

UKEFs network of Export Finance Advisers are located across the UK. They are the first point of contact for guidance for UK exporters of all sizes and in all sectors.

For more information, visit www.gov.uk/uk-export-finance or email customer.service@ukexportfinance.gov.uk.

Companies planning to export face a variety of financial issues. Many commercial banks offer a range of services to assist businesses on their journey to becoming exporters providing seminars and advice to companies as they look to grow in new markets.

its sectors, with a target of export growth by 2020 of £550million. In addition AHDB lead a variety of trade missions to a number of markets, including key African growth markets, to support its members export activities.

- The British Beer and Pub Association (BBPA) is refreshing its sector specific export action plan - building on the experience and the successes of their previous plan.
- The Wine and Spirit Trade Association (WSTA) is working with its members to identify target markets and help them to succeed in selling their goods overseas. Specifically for English wine the industry aims to double production and to see a ten-fold increase in exports by 2020.
- Seafish will be promoting the UK seafood industry by providing country profiles; and supporting British pavilions and buyers' receptions at a variety of international trade shows.
- Dairy UK recently published 'United Kingdom: Exporting Dairy to the World'. The document details the sector's aspirations for a 20-30% increase in exports over the next five years.
- Food and Drink Exporters Association's (FDEA) Buyers Guide, featuring its active exporting members in printed form, online and as an app, is sent to international buyers and widely distributed at trade shows.



CASE STUDY

Nairn's

Nairn's has been baking quality oat-based products in Scotland since 1896. Nairn's' focus is to develop new markets, capitalising on the global development of the free from trend.

Exports account for approximately 10% of turnover and sales have increased by around 20% year on year, in line with the company's strategic export ambitions. Acceptance of gluten free oats has been challenging in some markets but Gluten Free is quickly becoming the most successful range internationally.

Nairn's' most successful export markets are USA, Canada, New Zealand, UAE, South Africa, Cyprus.

Martyn Gray, Nairn's Managing Director, said: *"We see great opportunities in the continued development of our export markets. The key for us is developing long-term partnerships with local importers. We have set very challenging targets to grow the proportion of exports within our total business."*



Image: DIT, Food Wensleydale

More Companies Exporting by 2020

Exporting provides businesses with potential for new growth, increasing their customer base and strengthening their reputation. It also provides new avenues for trade when domestic markets are proving even more competitive.

The Government has set ambitious targets to increase the number of exporters by 2020. The food and drink sector will be a key contributor in meeting these targets. Existing exporters can play an important role, encouraging and mentoring companies to take their first steps into international markets.

The Government is running the Exporting is GREAT campaign to encourage more companies, across all sectors of the economy, to become exporters.

Getting Ready To Export

Exporting can offer significant benefits and the evidence shows that companies that export are on average more productive and more competitive. However, there is no doubt that exporting can be daunting. It is essential that the processes around exporting are well understood and support is available to businesses to make their first step selling overseas. Government and industry will help companies to succeed, providing support and advice to advance their export know-how.

Businesses wanting to export must be able to approach exporting with an understanding of its associated regulatory and financial demands, as well as having an appreciation of the traditions and preferences of their target markets. Not only do we want to encourage companies new to exporting to seize the opportunities available, we want to ensure they have considered their long term growth overseas with strategies in place to ensure they can maintain and grow their markets, reaping the benefits for years to come.



The UK is a global leader in some of the world's fastest growing and/or innovative sectors. Every day in every country around the world there is someone somewhere who wants or needs a UK product or service. The demand is out there. But 70% of UK businesses that don't currently export think their product or service is not suitable for overseas markets.

The Exporting is GREAT campaign was launched in November 2015 to inspire and support 100,000 additional UK exporters to sell their goods and services overseas by 2020. It is designed to empower UK SMEs to take advantage of the global appetite for British products, skills and expertise in markets around the world. In partnership with major British businesses, the programme will support companies at every stage of their export journey – from identifying opportunities to winning contracts overseas.

At www.exportingisgreat.gov.uk ambitious UK businesses can apply for real-time global export opportunities and access expert advice, trade services, training and events. The site contains export opportunities worth hundreds of millions of pounds, organised by sector and market. Around a thousand new opportunities are being uploaded each month.

Key Government Support

Opportunities exist for companies in the food and drink sector to internationalise. Working with industry, Government will establish a strategy to support first time exporters in the food and drink sector.

Finding the right information at the right time is critical to export success. In an increasingly digital world, more of the support that Government can provide will be available online, giving easier and faster access to export opportunities and market intelligence. Resources such as Open to Export (www.opentoexport.com), which is funded by DIT, provides first time exporters with an online community of UK exporters and helps them to successfully enter new markets.

International Trade Advisers work with businesses in the English regions to offer advice and guidance to help them export. This includes:

- Helping businesses acquire the skills, contacts and confidence to start exporting or to break into new markets
- Working closely with our global network of Department for International Trade advisers, to ensure UK businesses are given the best advice about exporting to their chosen destinations
- DIT will provide support to companies exhibiting at major overseas trade shows

CASE STUDY

Hecks Cider

When Hecks Farmhouse Cider first started, they never imagined that they would export, but they were approached by an Irish pub in Russia, who had enjoyed their cider in Bristol and proposed that they export. Building on this success and with help from their local International Trade Adviser, DIT-run courses and a local beer and cider network, Hecks now export not only to Russia but also to the USA.

Sandra Hecks, Business Development Manager at Hecks Farmhouse Cider, said: *'My advice to any other business looking to export would be to straight away contact DIT (formerly UKTI) and be in touch with your representative before you do anything. And talk to as many companies as you can before exporting. Feeling networked here at home has been as important to us as the network we are happily now building overseas.'*



Image: Hecks Cider



Image: AHDB, West Country Beef

Key Industry Support

Trade bodies undertake a variety of activities to support first time exporters, communicating opportunities via digital means such as webinars as well as providing information on markets and promotional opportunities such as support at relevant trade shows. Industry support to first time exporters includes;

- The AHDB and Dairy UK are working collaboratively to develop a programme of activity to assist dairy exports. With a focus on the contributions that first time exporters can make to this area; they aim to implement a strategy to boost dairy exports by £180 million per annum by 2020.
- The FDF and the FDEA launched a partnership in 2016 with the aim of helping more UK food and drink manufacturers to export. As a first step, they published new guidance outlining 'Five steps to Food and Drink Export Success' and are developing further activities to encourage more entrepreneurs to begin their export journey. A programme of training workshops to improve export skills is run by FDEA.
- SWA and Scotland Food and Drink have developed an Export Collaboration Charter agreeing 10 commitments that encourage the sharing of best practice, knowledge and networks across the Scottish food and drink sector, building on the lessons learned by the Scotch Whisky industry as it successfully developed markets around the world.
- The Soil Association Certification (SA Cert) runs export briefing events, as well as running mini pavilions for UK Organic at a variety of international trade shows. SA Cert has re-launched their interactive global guide online, covering the top 40 organic export countries.
- Open to Export run an annual online food and drink feature in collaboration with FDF and FDEA.
- Seafish plays a pivotal role in facilitating the growth of the international seafood industry. It focuses on building relationships and providing information to our overseas and domestic buyers, fisheries and administrations, to support growth in both the import and export markets. Seafish provides export profiles for international exporters in the UK.



Image: Halen Môn Anglesey Sea Salt

Market Access: Providing Flexibility and Increasing Resilience

International trade in food and drink is highly regulated. A key enabler to assisting and growing UK food and drink exports is ensuring that we are working within a robust regulatory environment. For many products of animal origin it is necessary to agree specific terms of trade with third countries, to meet their animal and public health requirements, before we are able to even begin exporting. This requires government to government negotiations, and opening new markets and protecting existing trade is a key priority for Defra.

Opening New Markets and Protecting Existing Trade

Defra works in close partnership with industry in sector-specific export certification user groups to prioritise and progress negotiations. Industry have a key role to play in providing sound business cases for target markets, ensuring compliance with import requirements, preparing thoroughly for inspection visits and ensuring they are geared up to export as soon as access is secured.

Opening new markets can take time and it is essential that we continue to monitor and mitigate any risks in the hundreds of markets already open to UK food and drink products worth over £18bn. By doing so, we will maintain these vital trade routes and retain UK's reputation for food and drink of high provenance. Current priority negotiations include securing access for poultry meat to China; beef to China, USA and Japan and lamb to USA and China.

Other products can face non-tariff and fiscal barriers to access in third country markets, especially for alcoholic drinks. The Government supports the industry in trying to get these removed, and where appropriate challenging them in international fora like the WTO.

Key Government and Industry Support to Open and Maintain Markets

The Great British Food Unit's Market Access Team will continue to work with industry through sector partnership groups to progress agreed priority markets. In addition the team will work with industry to identify and mitigate risks to existing trade and support enhanced resilience of each sector.

Supporting industry activities around market access include:

- AHDB undertake market trend analysis to identify new export opportunities to inform market prioritisation
- The British Poultry Council (BPC) work to maintain and expand existing markets and explore new opportunities. It works with Government to re-open markets following disease outbreaks. In addition BPC is involved in organising, hosting and funding inward missions to secure and maintain market access
- SWA plays a key role in breaking down barriers to trade in the whisky export market
- SA Cert support its members to ensure they meet the specific organic certification requirements for the countries they wish to export to

Export Health Certification

Food and drink companies exporting products of animal origin need certification to show their products have met the import requirements of their destination country.

Following the Animal and Plant Health Agency's (APHA) introduction of a new interactive process for applying for Export Health Certificates (EHC) for animal and animal

products, applications can now be submitted electronically 24 hours a day and EHCs are now processed and issued within 24 hours of receipt, a major improvement over the previous system where it took 7-10 days to process and issue a certificate.

Most plant and plant products being exported to third countries also need to be accompanied by a phytosanitary certificate. The Plant Health and Seeds Inspectorate (PHSI) provide a range of services to help businesses show that they have met the relevant import requirements of the country of destination. Local authorities and the Rural Payments Agency provide certification for all other food and drink products. Government will continue to work in partnership with these organisations to support exports.

Improving Service Delivery for Issuing Export Health Certificates

Key Government Support

Whilst the new EHC system for animal and animal products has improved the quality and efficiency of the certification process, and contributed to reducing costs for businesses by speeding up issuance, there is more that Government can do to streamline the application procedure. The Government will introduce an e-certification system for animal and animal products to facilitate export growth and further improve customer service for existing and new exporters. The introduction of e-certification will ensure the UK remains at the forefront of international trade in food and drink and will underpin strengthened relationships with trading partners through a digital platform to provide assurances and exchange information. As a first step, Government will identify options for implementing e-certification.

Key Industry Support

As the Government work to improve service delivery, industry will work to embed certification requirements into their business planning. Industry bodies will play a key role in disseminating information, particularly for new exporters.

To sustain export growth, it is critical that industry ensure full compliance with the import requirements for all markets they are exporting to. This may require the application of tailored processes and requirements for different markets. Industry has a responsibility to ensure ongoing compliance to further strengthen the UK's reputation for the safety and quality of its food.

Industry plays a critical role in ensuring thorough preparation for inward inspections and audits from trading partners, working closely with Government to ensure that production facilities are fully compliant and showcase the UK's reputation for excellent public and animal health standards. These visits are a necessary pre-requisite for industry to gain access to markets and be approved to export and if any facilities do not meet requirements, then access to markets and the UK's reputation could be compromised.

Foreign Direct Investment

Foreign Direct Investment (FDI) is important for UK industry. It brings in new capital and skills as well as prospective strong overseas distribution links which are essential to succeed in expanding exports.

Government's Role

Foreign companies currently have £60 billion invested in UK food and drink manufacturing. Although most inward investment serves the domestic market, there are investments that also serve overseas markets. This Export Orientated Investment (EOI) is often larger scale in nature and located near airports, rail and road infrastructure to make it easier to access overseas markets.

Where we identify gaps in the UK supply chain that limit the sector's ability to export, we will work with the sector to understand whether overseas investment could play a role. If overseas investment is the solution we will use our sector specialists and overseas network to identify and target foreign investment to bring their expertise to plug gaps. We will work closely with industry to see where this sort of investment could bring benefits to the sector.

The UK is acknowledged by the World Bank as having one of the best business environments in the world. Government will ensure the UK continues to have a robust macro-economic business climate, through fiscal and taxation policies, and that the skills and infrastructure are in place to continue to make the UK an attractive location for foreign investment. Over the longer term once we leave the EU we will have more freedom to shape regulations and rules to make our business environment even more attractive to investors.

Key Action

Government and industry will work together to identify existing gaps in the UK food and drink supply chain. This could benefit a foreign investor setting up and fulfilling a function where we don't currently have capability, leading to enhanced export capability for the sector. By greater targeting of potential investors through analysis of the market, the Great British Food Unit will engage with DIT's teams in key markets and assist them to reach out to these target companies.



CASE STUDY

Nestlé

Nestlé UK is one of the UK food industry's largest food exporters.

Nestlé exports £375m worth of products to over 70 countries every year, making it one of the UK food industry's largest exporters.

In recent years, Nestlé S.A., the Swiss parent company and largest food manufacturer in the world, has undertaken a multi-million pound investment programme to establish its next generation of world class competitive manufacturing facilities in the UK.

This has included a £325 million investment in its Tutbury coffee factory, in South Derbyshire, with a £110 million extension to its Nescafé Dolce Gusto plant and a £215 million expansion of its Nescafé freeze dried and spray dried facilities. Together, these investments have created 425 new jobs and have transformed the Tutbury site into a world class coffee centre of excellence.

In 2014, 87% of the coffee capsules produced at Tutbury were exported to over 50 markets around the world.

Building Capacity and Capability

We need to build the capacity and capability of the sector in order to fully realise the growth potential new and existing markets overseas provide. Businesses need the right skills and support to innovate and develop their supply chains in order to meet new market demand.

A Skilled Workforce

In raising companies' ambitions to export, Government, industry bodies and trade associations have a key role to play in boosting confidence and ensuring that the skills and expertise are in place, so that companies are able to become successful exporters. Ambitious companies not only require a comprehensive understanding of the consumers they aim to attract, they also need skilled people to provide the innovation and export expertise required to deliver the right goods into these markets. Businesses with a strong skills base are best placed to become successful exporters. Government and industry will work together to highlight the opportunities for a successful and rewarding career within this sector and attract new talent.

Key Support from Industry

The FDF has worked in partnership with the National Skills Academy for Food and Drink and Sheffield Hallam University to launch the UK's first MEng and BEng Food Engineering degree course. This will help to produce the next generation of highly skilled food engineers needed by manufacturers, ensuring they are equipped with the skills and knowledge to design innovative manufacturing processes that support flexible production in export-focused businesses.

Support for Innovation

We want to make it easier for businesses – especially smaller companies – to find the help they need to innovate and develop new products, including for export markets. We are putting in place a new Food Innovation Network that will support, simplify and enhance the uptake of innovation across the whole food chain.

One of the main features of the network will be a web-based portal to help signpost information for industry on research capability and expertise, funding opportunities, and facilities to test innovation.

Local/Regional/National Partnerships

We want to mobilise local and regional networks to support food and drink businesses, to increase their productivity and deliver economic growth. We will be working with Local Enterprise Partnerships, Banks, Chambers of Commerce, Local Authorities and other local and regional networks to support business growth in the sector.

Supply Chain Development

In order to compete effectively, there may be a need to develop our existing supply chains to meet the different needs of overseas markets, for example through new processing capacity or even expanding production to provide sufficient access to raw materials. We will work with industry bodies and local and regional networks to support such supply chain development.



Government Roles and Responsibilities

The Department for Environment, Food and Rural Affairs (Defra) is responsible for the whole of the United Kingdom's negotiations on:

- Agreeing and opening new markets for food and drink

The Department for International Trade (DIT) is responsible for:

- Developing, coordinating and delivering a new trade and investment policy to promote UK business across the globe
- Developing and negotiating free trade agreements and market access deals with non-EU countries
- Negotiating plurilateral trade deals (focused on specific sectors or products)
- Providing operational support for exports and facilitating inward and outward investment

Export Growth for England

Defra is the key department responsible for growth of England's exports of food and drink. The Food and Drink Trade and Investment sector team from DIT integrated with Defra's Food Policy Unit to create the Great British Food Unit.

The Great British Food Unit supports the growth of the food and drink industry – the UK's largest manufacturing sector – both in the UK and through boosting exports. It brings together teams from Defra and DIT and with wide support from UK businesses. It will boost skills and apprenticeships, support innovation, increase the number of protected food name products, secure access to new export markets and support companies to export. It champions the excellence of British food and drink in the UK and overseas through the Food is GREAT campaign.

Food Safety and Food Hygiene

The Food Standards Agencies of England, Northern Ireland and Wales and Food Standards Scotland are responsible for food safety and food hygiene across the United Kingdom. They work with local authorities to enforce food safety rules and have staff who work in UK meat plants to check that the requirements of the regulations are being met. They ensure that information and advice on food safety and standards, nutrition and labelling is independent, consistent, evidence-based and consumer-focused.

Export Growth for Northern Ireland

Invest NI is the regional business development agency for Northern Ireland and its' role is to grow the local economy. They do this by helping new and existing businesses to compete internationally, and by attracting new investment to Northern Ireland. They are part of the Department for the Economy and provide strong government support for business by effectively delivering the Government's economic development strategies.

Invest NI offers the Northern Ireland business community a single organisation providing high-quality services, programmes, support and expert advice. They principally support those businesses that can make the greatest contribution to growing our economy. These are businesses that have ability to grow and drive productivity in the economy and are keen to export their goods and services outside Northern Ireland.

Invest NI works with food and drink processing companies to help them innovate, develop and grow with a focus on increasing productivity, generating sales and exporting outside of Northern Ireland and to create jobs. Invest NI offers financial and advisory support and

has a dedicated food marketing and trade support team. This team promotes markets and generates trade opportunities for Northern Ireland food and drink businesses in ROI, GB, Europe, Africa, Asia and America.

The Northern Ireland agri-food sector is unique in that the Northern Ireland Executive appointed an industry-led Agri-Food Strategy Board in 2012 to develop a growth strategy to 2020. The Executive published its response in October 2014 acknowledging the importance of the agri-food sector and welcoming the Agri-Food Strategy Board's vision of a sustainable, profitable and integrated supply chain. Delivery of the growth strategy is well on target and progress against recommendations in the strategy was published in March 2016. www.agrifoodstrategyboard.org.uk

Export Growth for Scotland

Scottish Development International (SDI) is Scotland's trade and investment agency, representing Scottish Enterprise, Highlands & Islands Enterprise and the Scottish Government. SDI supports the Food & Drink sector to achieve its ambitious targets for exporting through delivering exhibitions, trade missions, learning journeys and other activity in the priority markets set out in the Scotland Food & Drink Export Plan. SDI hosts the Scotland Food and Drink global team of in-market specialists and has a wider team based in overseas offices. They help individual businesses to achieve their international ambitions through providing market insights, developing exporting skills, and making connections with potential buyers and distributors. SDI also helps attract inward investment to Scotland and, working with SE and HIE, supports existing investors to grow.

In addition to the work of SDI, supported by Scottish Enterprise and Highlands and Islands

Enterprise, who play a key role in helping businesses raise their international ambition and recognise and realise global opportunities, the Scottish Government provides support to both the industry leadership group (Scotland Food and Drink), common interest groups and individual businesses. This includes direct financial support, influencing on the international stage, creating innovation and investment hubs, promoting food and drink to Scotland's visitors, and research and development, all of which support the growth of food and drink exports.

Export Growth for Wales

Wales is very proud of its food and drink. Welsh food and drink exporters offer world class produce, with many globally recognised iconic brands emanating from Wales, which are renowned for their high quality.

The development of both existing and new export markets for Welsh food and drink products will be essential towards realising the Welsh Government's vision to grow sales in the food and drink industry by 30% by 2020, as set out in the Action Plan towards Sustainable Growth.

The Welsh Government provides a comprehensive range of programmes to support Welsh food and drink producers to increase their exports. This support ranges from bespoke one-to-one advice on areas such as developing export strategies and market selection, through to identifying in-market opportunities and supporting companies to visit and exhibit in key overseas markets.

As part of a wider programme to develop business clusters in the food and drink sector, a dedicated Export Cluster is further developing capacity and capability for exports, particularly focusing on new and inexperienced exporters.

Additional information and acknowledgements

Contributors

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- Dairy UK
- The Devolved Administrations of Scotland, Wales and Northern Ireland
- Food and Drink Exporters Association
- Food and Drink Federation
- Food Standards Agency
- International Meat Trade Association
- National Association of Cider Makers
- Members of Defra's Export Forum
- Open to Export
- Provision Trade Federation
- Scotch Whisky Association
- Seafish
- Scotland Food and Drink Association
- Soil Association Certification
- Wine and Spirit Trade Association

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Web links

www.greatbritishfoodcampaign.com
www.exportingisgreat.gov.uk
www.opentoexport.com





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