

Feeding an Overcrowded Britain – October 2015

The following report presents a summary of the overseas trade in food and drink for the United Kingdom, focusing on the most recent set of data published by the Office for National Statistics and summarised in the annual Agriculture in the United Kingdom (AUK) annual report¹. The report for 2014 was published in May 2015.

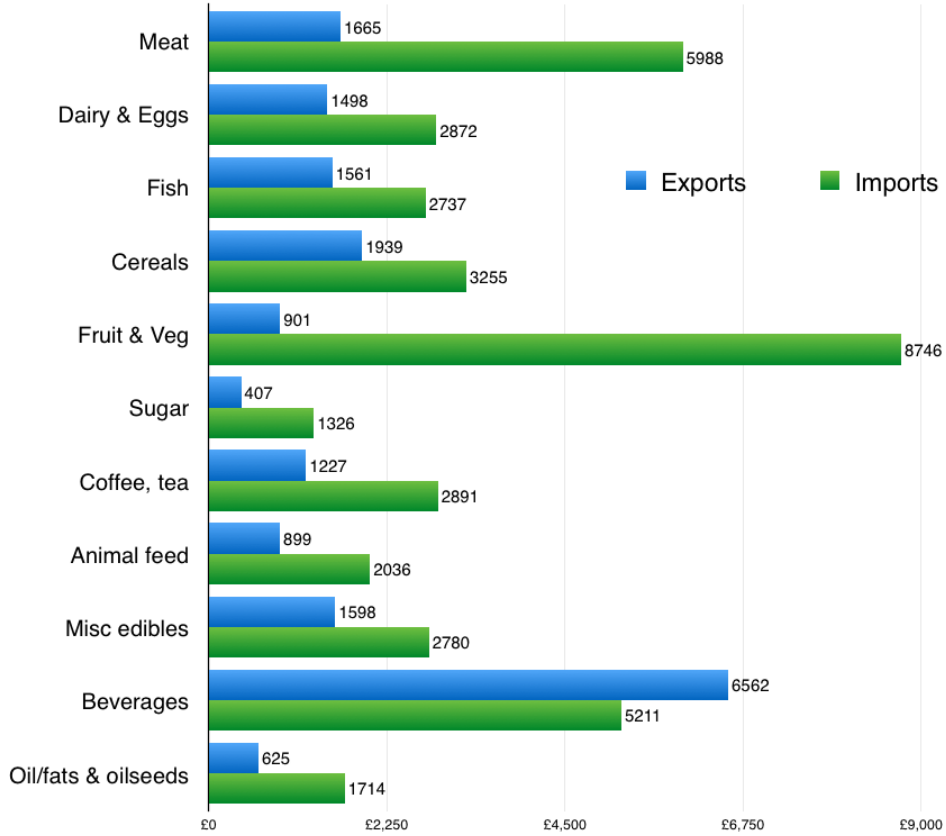
The key findings published in the 2014 report were as follows:

- 1) Exports of food, drink and animal feed were worth £18.9billion in 2014
- 2) Imports of food, drink and animal feed were worth £39.6billion in 2014
- 3) The trade gap decreased by 4.9% in 2014, although the trade gap has widened by 25% in real terms since 2005
- 4) The long-term trend in the value of both imports and exports is upwards: 37% and 54% increase respectively since 2005
- 5) Principal destinations for UK exports in 2014 were Ireland (18%), France (11%), the USA (10%) and the Netherlands (7.1%)
- 6) Principal sources for UK imports in 2014 were the Netherlands (12%), France (11%), Ireland (9.7%), Germany (9.4%) and Spain (6.3%)

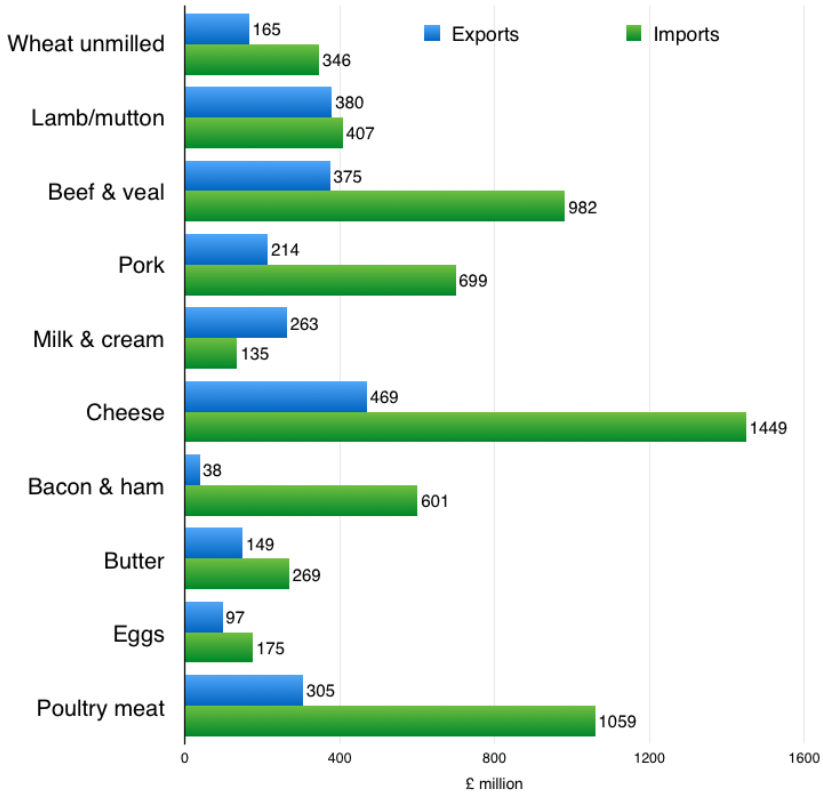
The following charts summarise the trade balance in the core food, drink and feed sectors and in key commodities (data from AUK report 2014).

¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/430411/auk-2014-28may15a.pdf

UK Food & Drink Trade Balance 2014



UK key commodities trade balance 2014



REVIEW OF KEY COMMODITIES:

1) The vast majority of trade in bacon and ham, pork and milk and cream is with EU countries:

A: Imports of bacon are vastly in excess of exports, and imports are largely provided from Denmark (45%) and the Netherlands (34%). Exports increased by 5.7% in 2014 to 14,000 tonnes.

B: Exports of pork were severely affected by the foot and mouth outbreak in 2001 and have not recovered to their pre-2000 levels, although they have increased by 75% since 2004. Since 2009 imports have been relatively static. 128,000 tonnes were exported in 2014 (166,000t in 2000) and 458,000t were imported, largely from Denmark, Germany, Netherlands and Belgium-Luxembourg.

C: Milk and cream exports increased to 643,000t in 2014. Imports continue to represent only about 1% of the UK's supply of liquid drinking milk. The UK remains a solid net exporter of milk and cream, primarily to Ireland (92%).

2) Other key commodities are more widely traded, not just with EU countries:

A: Lamb and mutton exports were also severely affected by the foot and mouth outbreak but has recovered to exceed pre-2000 levels by 2014. Since 2009, the UK has been a net exporter of lamb, with 49% going to France, 13% Hong Kong, 9% Germany and 8% Ireland. Imports of lamb in 2014 were 20% lower than in 2004.

B: Exports of beef and veal are still less than half of their pre-BSE levels. In 2014 we exported just 112,000t (274,000t in 1995). Imports have been relatively static since 2005 and were 255,000t in 2014. The vast majority (68%) comes from Ireland.

C: The UK has long been a net importer of poultry meat but the gap has been decreasing since 2006. We imported 423,000t of poultry meat in 2014, primarily from the Netherlands (43%) and Poland (13%). Exports have been rising steadily since 2009 and stood at 353,000t in 2014.

D: Poultry meat products are traded separately to fresh poultry meat. In 2014, the UK imported 306,000t of prepared poultry meat, with 41% coming from Thailand and 13% from Brazil. The UK exported just 49,000t of poultry meat products in 2014.

E: The unmilled wheat trade varies widely depending on the size and quality of the UK wheat harvest. Harvests were poor in 2012 and 2013, but exports rose to 1.1mt in 2014. This was not enough to stop the UK being a net importer again: from 2004-2011 the UK was a net exporter, but in 2014 we imported close to 1.8mt. Main export destinations in 2014 were Spain (34%) and Algeria (20%).

F: Imports of fresh vegetables declines slightly in 2014 to around 2.2mt, twice their 1994 total. Exports increased by nearly 50% over the same period and the trade gap narrowed for the first time in 2014 since 2006. Spain (39%) and the Netherlands (30%) were the main sources of fresh vegetable imports.

G: Imports of fresh fruit reached an all-time high of 3.6mt in 2014. In comparison, exports were just 98,000t, or 2.7% of imports. Export patterns are fairly volatile year on year. The UK has a wide range of trading partners in fresh fruit, including Spain (17%), Costa Rica (9%), South Africa (9%), Colombia (7%), France (5%) and Brazil (3%).

The following chart, from the AUK report, summarises the key import and export trading partners of the UK:

Chart 12.2 Imports of food, drink and animal feed by country of dispatch 2014; United Kingdom

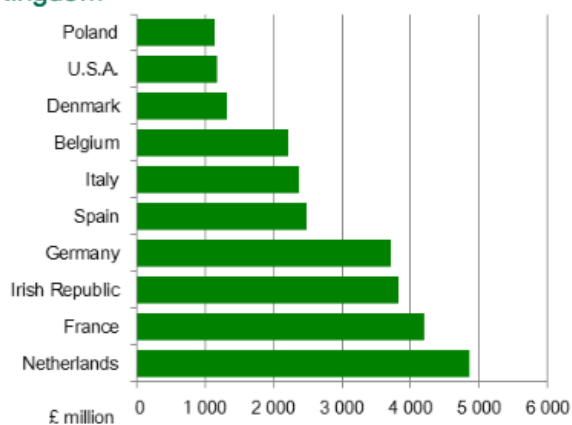


Chart 12.2 Exports of food, drink and animal feed by country of destination 2014; United Kingdom

