



Agribusiness 2017

**Driving today's
agricultural revolution**

**Promoting innovation
within UK agriculture
& agribusiness**

Tim Mordan

*Dep Director, Farming Team,
Defra*



Department
for Environment
Food & Rural Affairs

Promoting Innovation within UK Agriculture and Agribusiness

Tim Mordan, Deputy Director, Farming Team,
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The Big Picture

- Food and farming are central to our national identity and together they are a bedrock of our economy, generating over £100 billion a year and employing 1 in 8 people.
- Food and drink is the UK's largest manufacturing sector. It contributed £26.9 billion to the UK economy in 2014 and employs around 400,000 people.
- We remain committed to securing a strong and successful future for our food and drink industry.
- Our focus is to ensure the continued success of the sector through boosting domestic competitiveness, securing access to international markets and ensuring the right rules are in place to enhance consumer confidence whilst giving businesses the freedom to thrive.



What we know

1. Article 50
2. The Great Repeal Bill
3. DIT and DExEU

Brexit

What we are hearing you want:

- Access to EU markets
- Access to Labour
- Trade
- Support for land use
- Evidence-based decision making



The Agri-Food Chain



Agriculture

(The farm gate)



Manufacturing



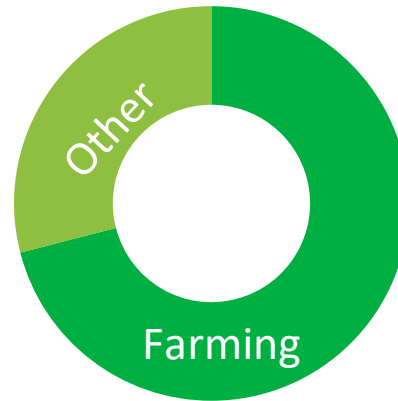
Catering



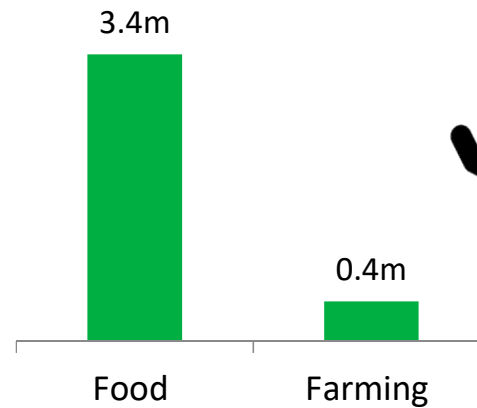
Wholesale



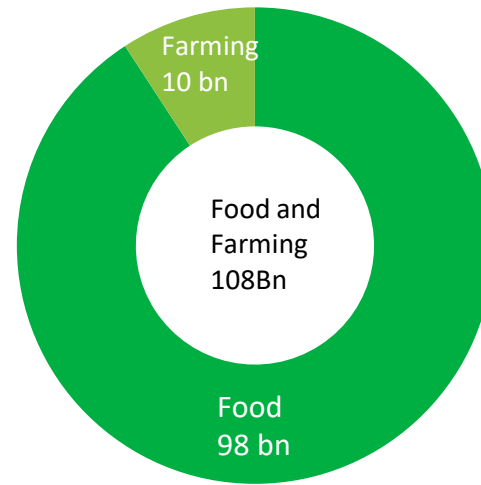
Retail



70% of UK land (farming) in 2015















13.6% of total GB workforce in employment in 2015



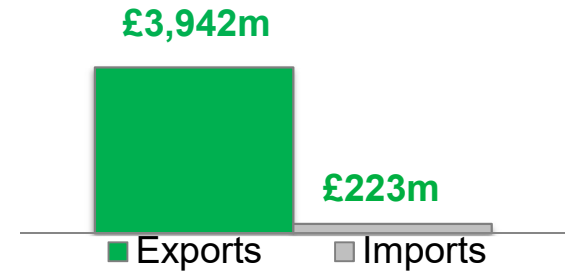
7.2% of UK GVA in 2014

Post Farm Gate

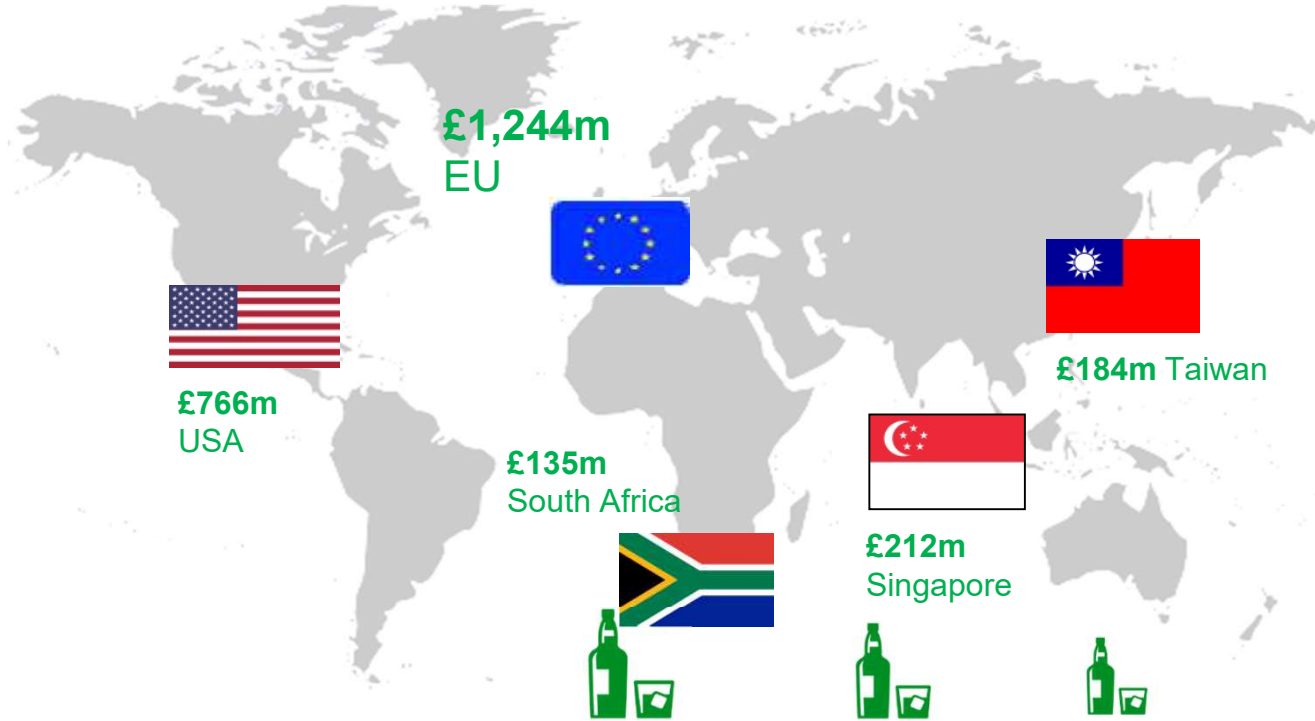
| | Manufacturing  | Retail  | Catering  | Wholesale  |
|--------------------------|---|--|--|---|
| Gross Value Added (2014) | £26.9 billion  | £30.2 billion  | £29.1 billion  | £11.9 billion  |
| Employment (2015 GB) | 0.40 Million  | 1.17 million  | 1.61 million  | 0.23 million  |

Opportunities: whisky

The UK is a net exporter and has a large revealed comparative advantage



Top 5 UK export markets for whisky (2015)

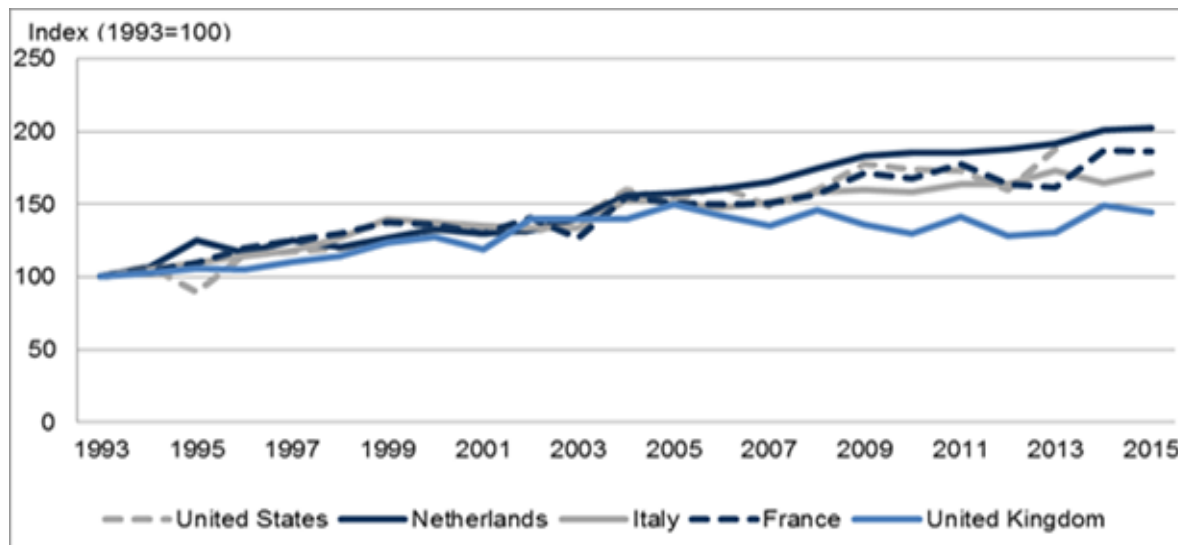


UK whisky imports originate from (2015):

| Market | Value (£m) |
|-----------|------------|
| USA | £138 m |
| EU | £79 m |
| Singapore | £2 m |

UK Performance

- Although the UK has some world-class farmers, the industry as a whole is lagging behind other countries.
- The UK agriculture sector has improved its productivity by **3.1% per year**. Annual growth is 6% in the Netherlands, 5.3% in France and 4.6% in Italy.



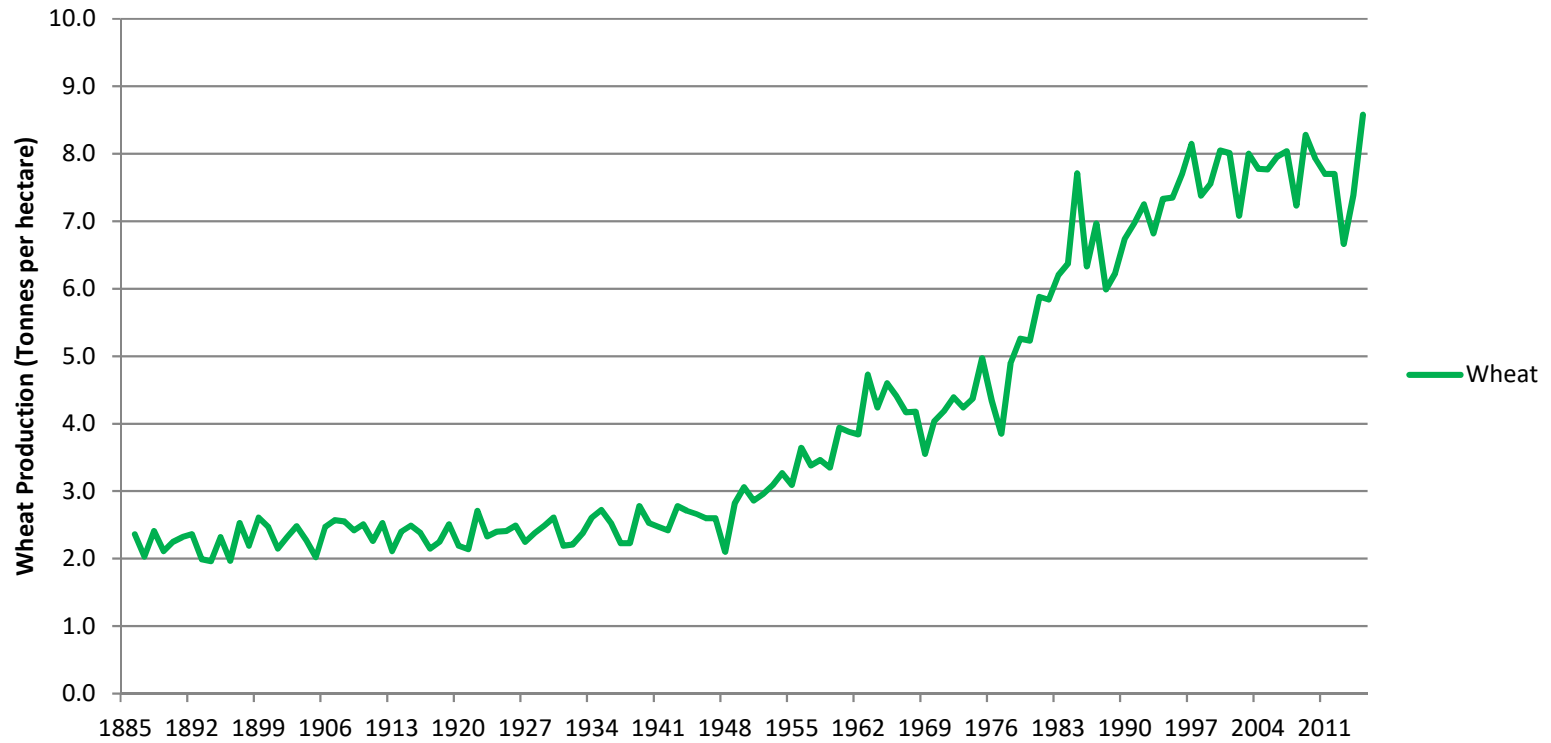
Agricultural Labour Productivity

(Source: Eurostat)

Areas to look at

- Knowledge
- Benchmarking
- Skills
- Agricultural R&D
- Innovation
- Barriers to entry and exit
- Volatility and Risk Management

Wheat Production



Strawberry Success



Milk Production

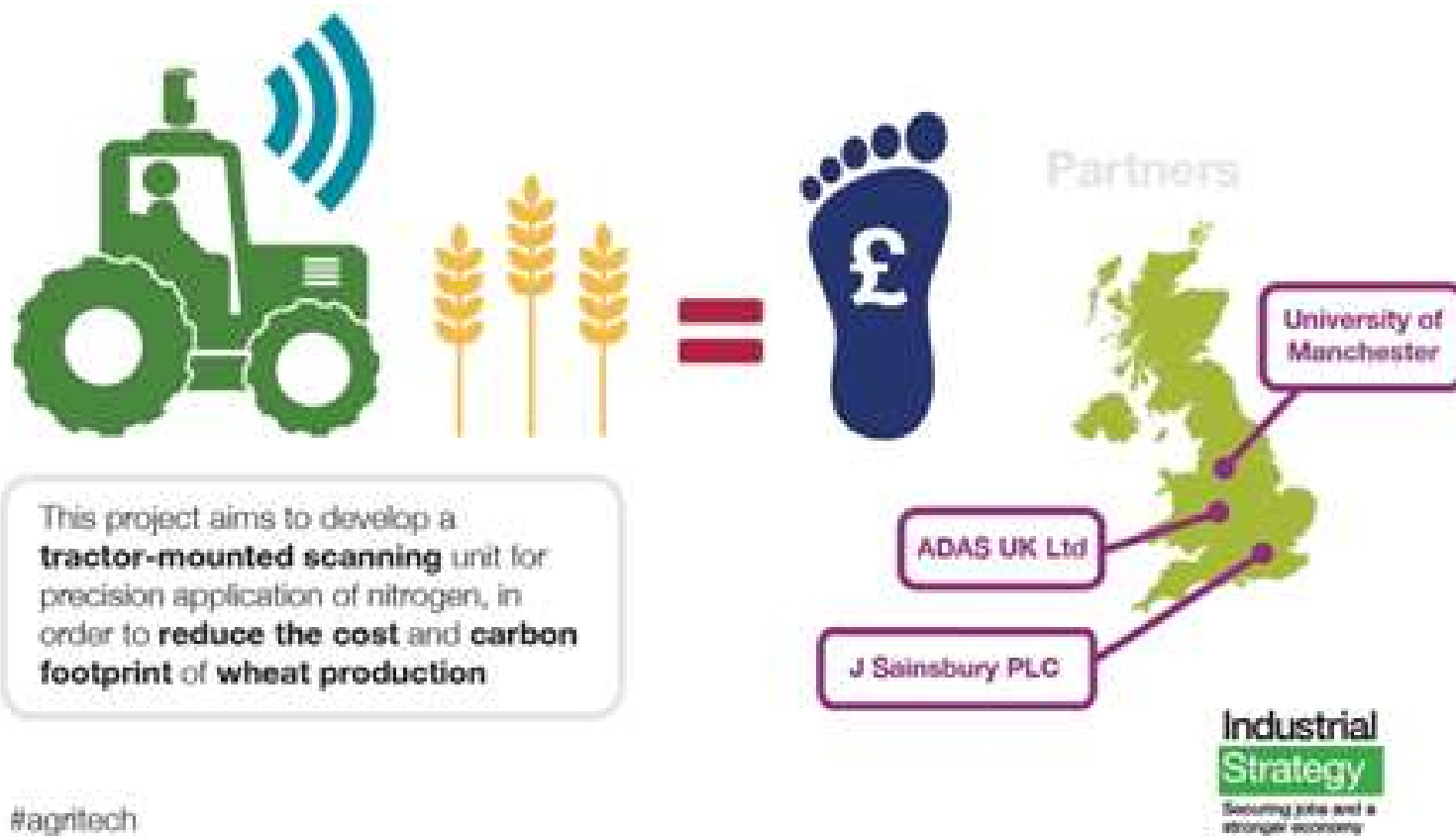


UK Strategy for Agricultural Technologies

Published in July 2013, key actions include:

- Improve **translation** of research into practise.
- £80m of government funding for Centres for Agricultural Innovation.
- £70m for “catalyst projects”
- Provide stronger **leadership** across the **agri-food** sector
- Build a stronger **skills** base.
- Increase UK **exports** and inward **investment** performance

Example of Agri-tech Projects Funded



#agritech

Agri-Tech Catalyst - Disease



Developing **antimicrobial technology** to **control disease** in potato production, the commonest reason for failing quality inspections - **reducing financial losses.**

Partners

1. Agrico UK Ltd
2. Advanced Pest Solutions Ltd
3. Scottish Agronomy Ltd
4. Science and Advice
Scottish Agriculture (SASA)
5. McCain Food (GB) Ltd
6. Branston Ltd



Agri-Tech Catalyst - Engineering and sensor technology

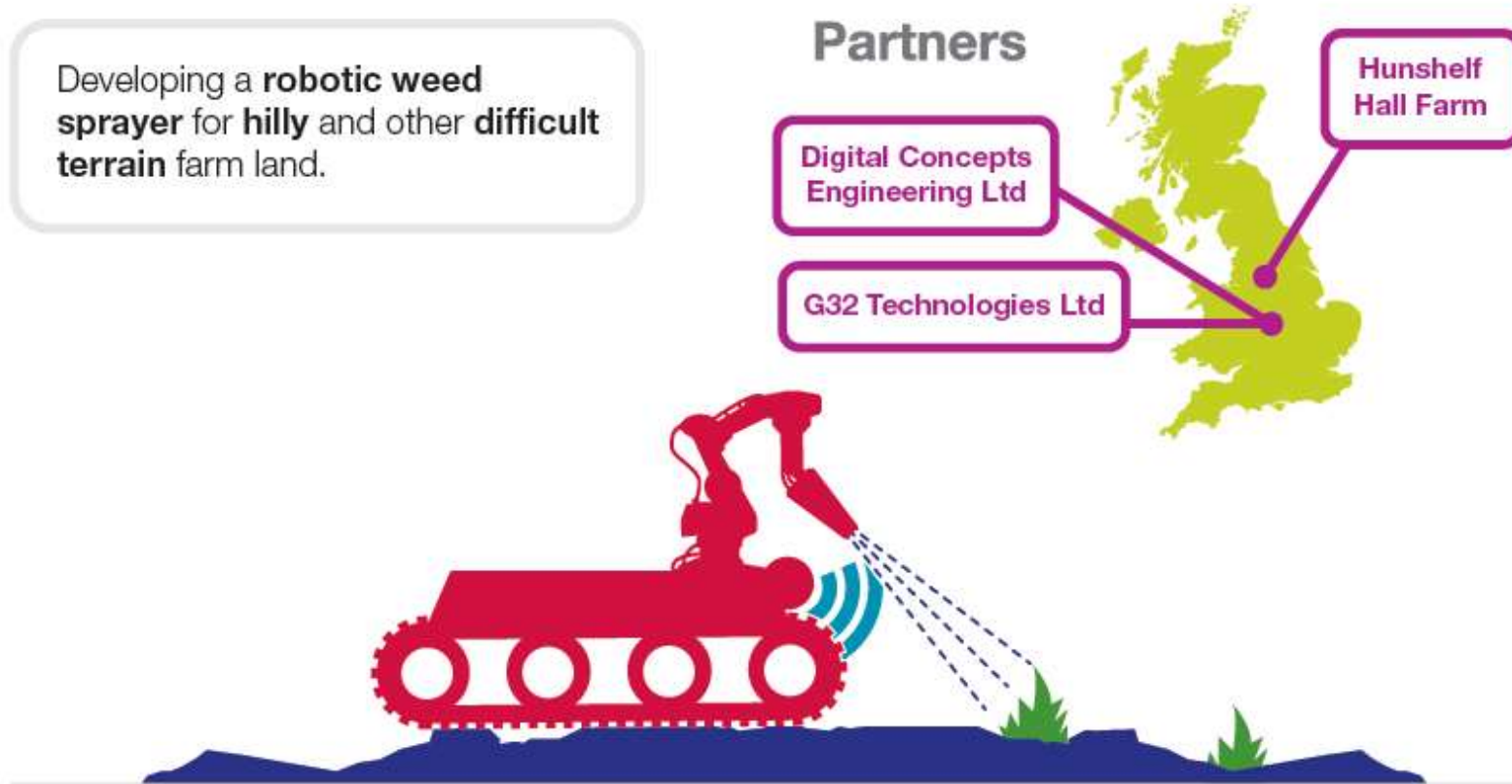
Developing a **robotic weed sprayer** for **hilly** and other **difficult terrain** farm land.

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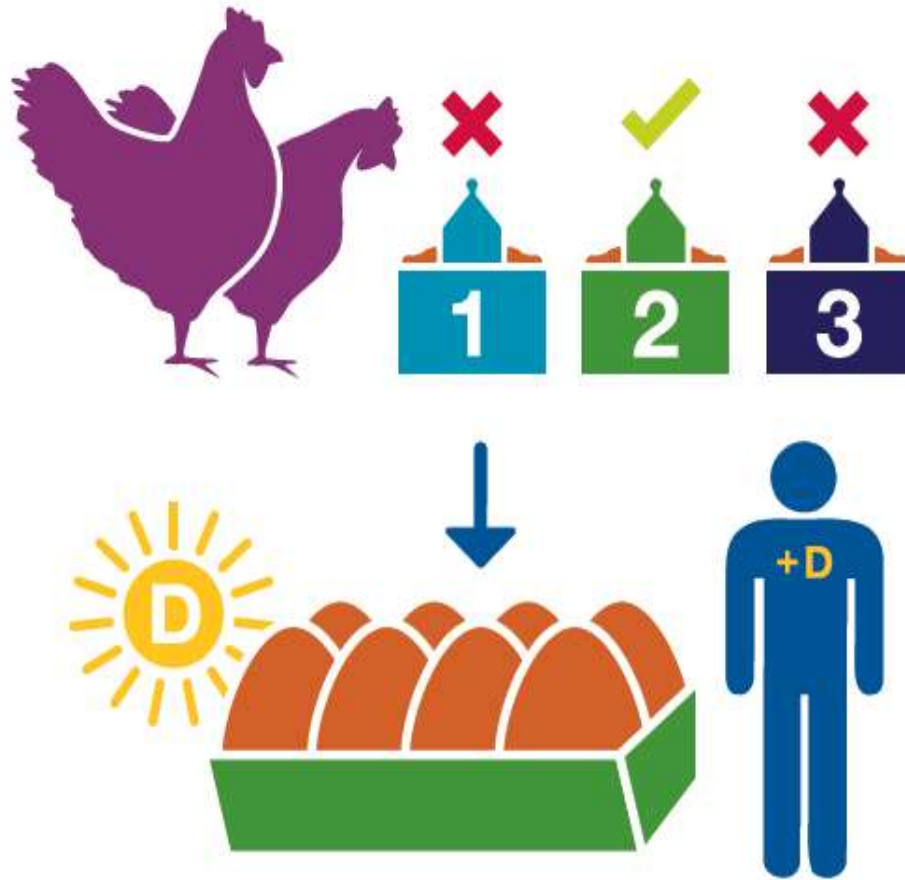
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Agri-Tech Catalyst - Food



Developing vitamin D-enriched 'sunshine' eggs, by testing different hen diets, to help reduce vitamin D deficiency in humans.

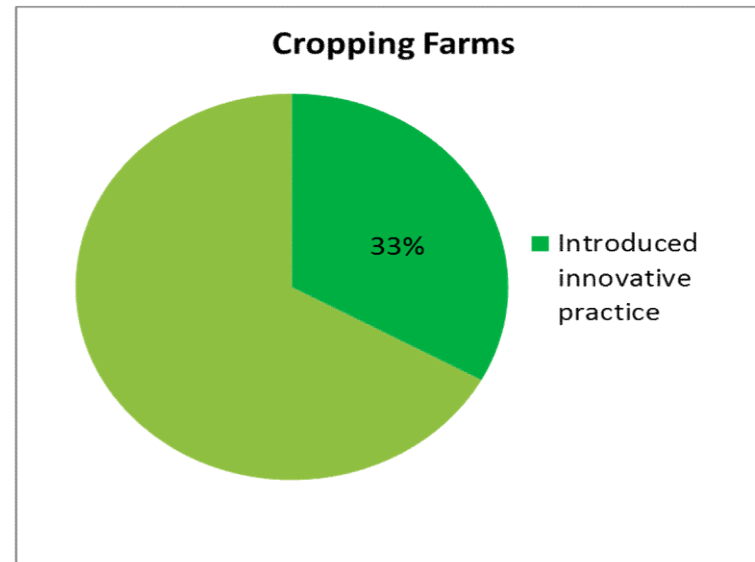
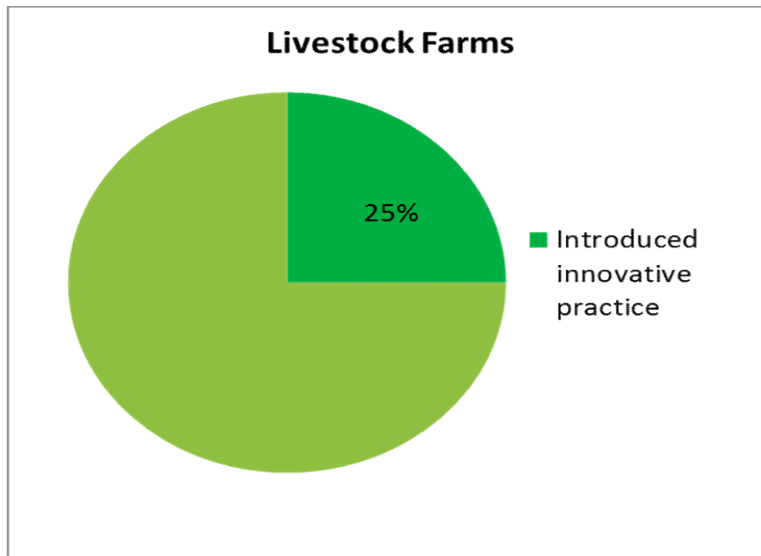
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DSM Nutritional Products

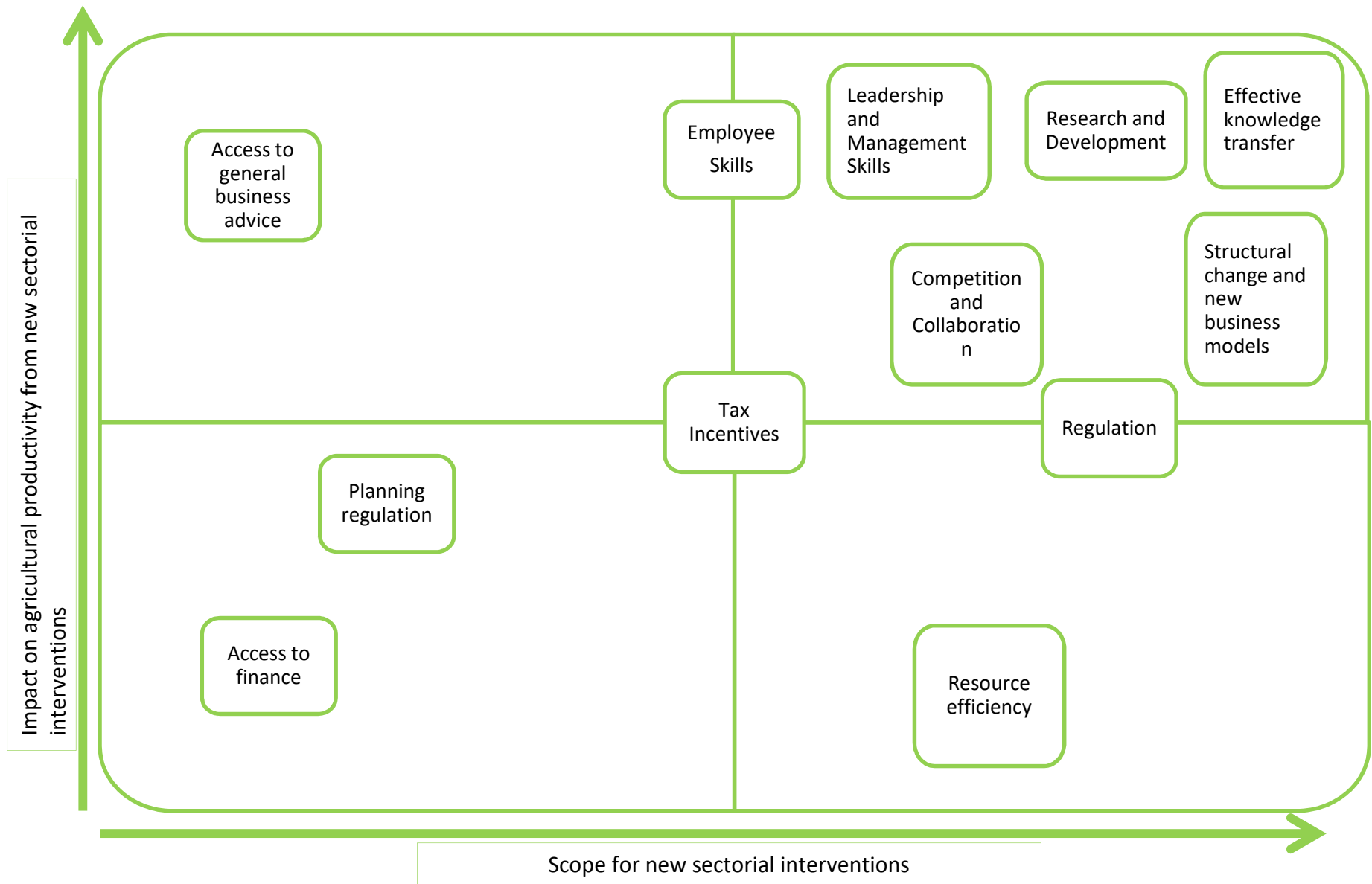
Noble Foods

Farm-Level Innovation

- Farm Business Survey (FBS) data shows that around a quarter of surveyed livestock businesses in England had introduced some form of new or innovative practice in 2015. For cropping businesses, the equivalent number was a third in 2014.



Where can Government make a Difference?



Brexit

The EU Exit Programme is made up of eight work streams, with a programme office to support the Programme. The work streams are:

1. Fisheries
2. Animal and plant health
3. Environmental strategy
4. Environmental regulations and markets
5. Farming and horticulture and land use
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7. UK framework
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We can think creatively about our options drawing from best practice around the world to deliver the best combination of outcomes for the sector, the environment, the consumer and the taxpayer. Major areas for concentration will be: productivity; trade and market access and access to labour.

So, to summarise

- A lot of complex preparatory works going on
- We're listening
- More active structural engagement soon
- Want to work in partnership with industry



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Thankyou! Questions?



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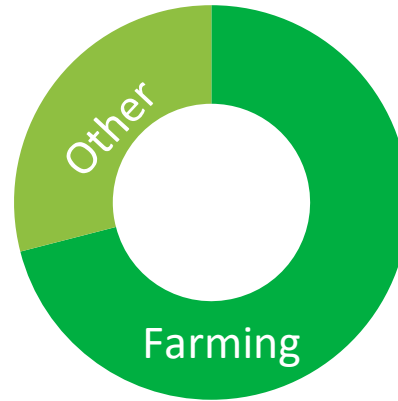
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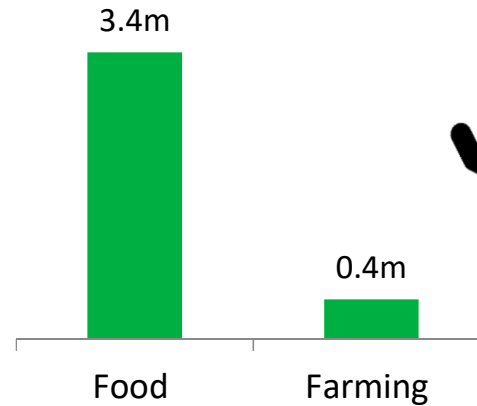
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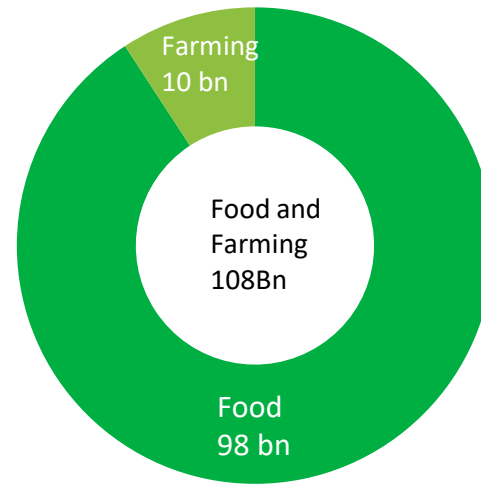
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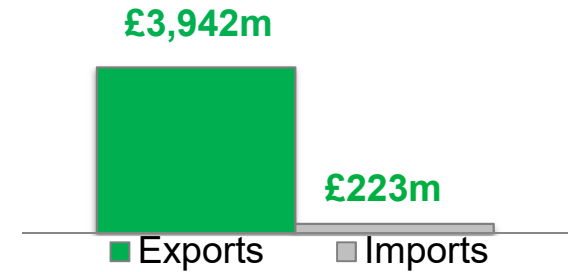
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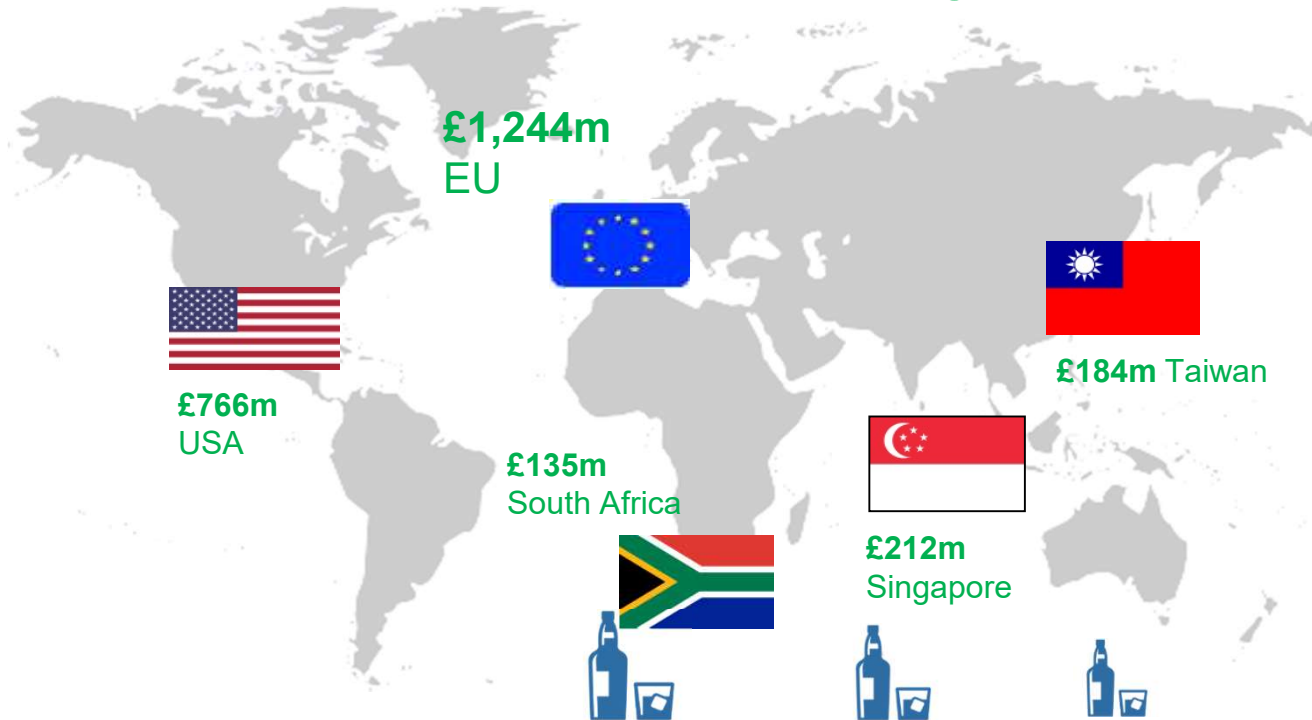
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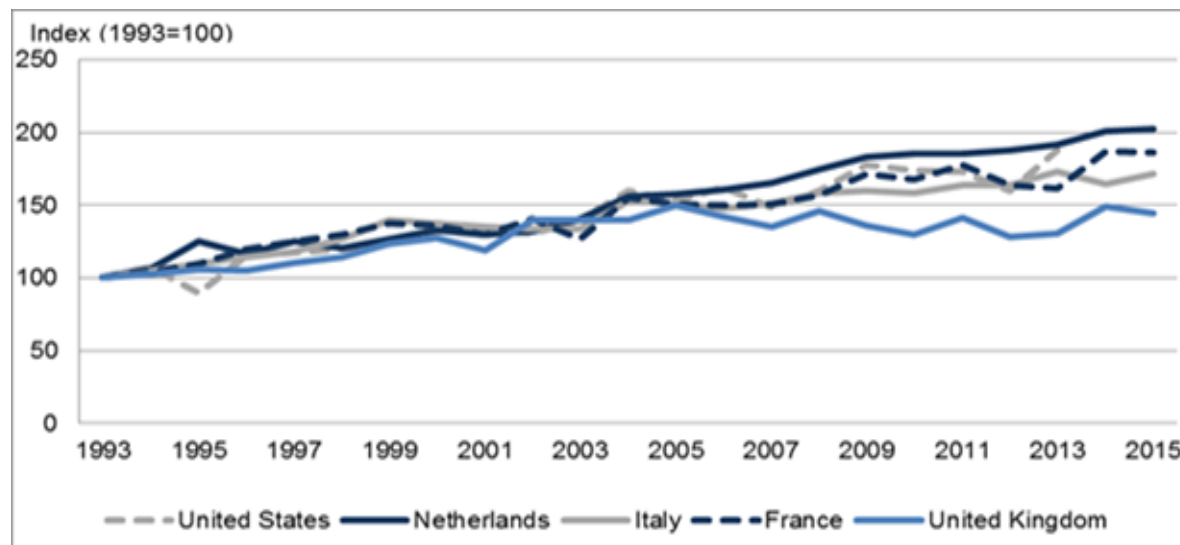


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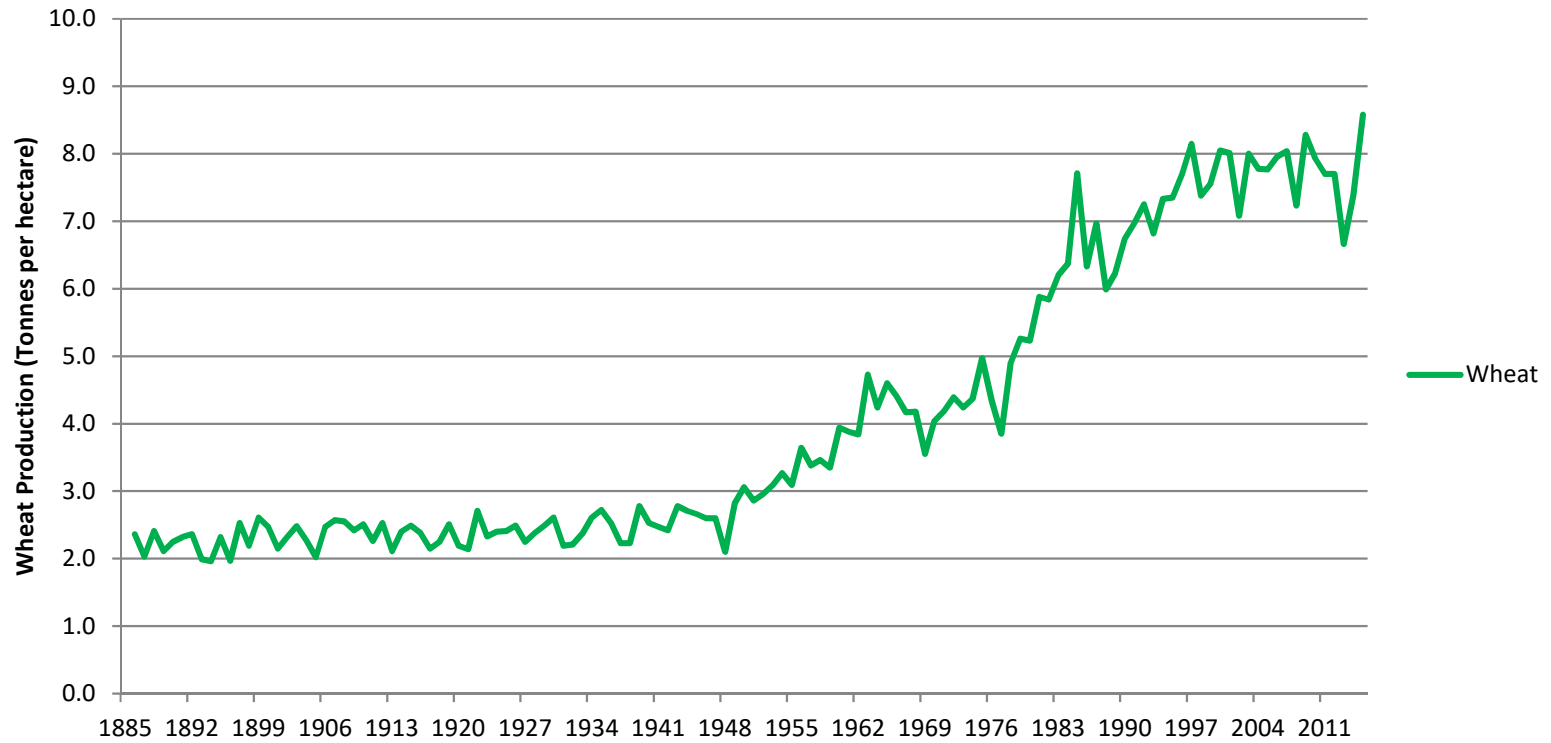
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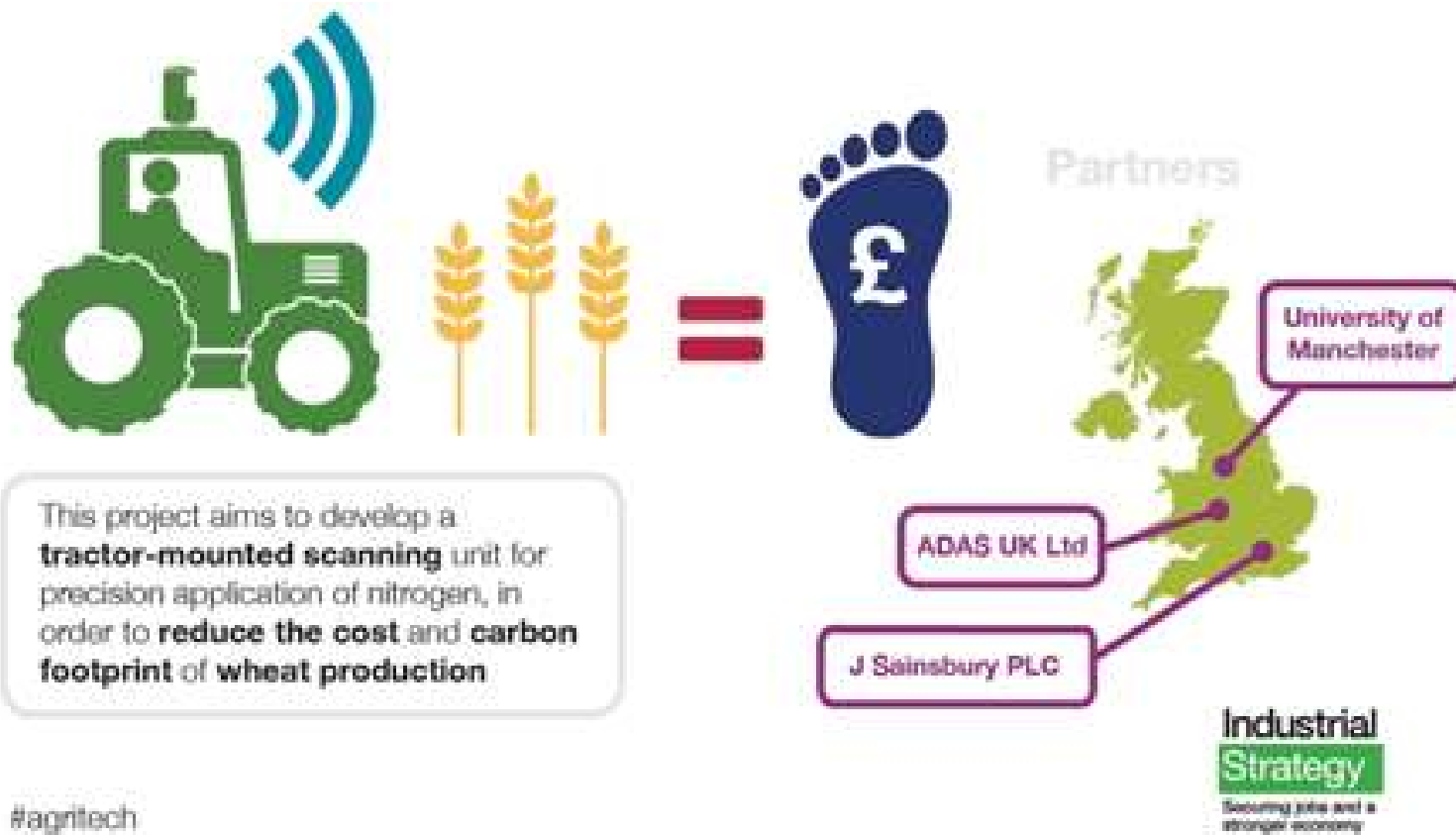


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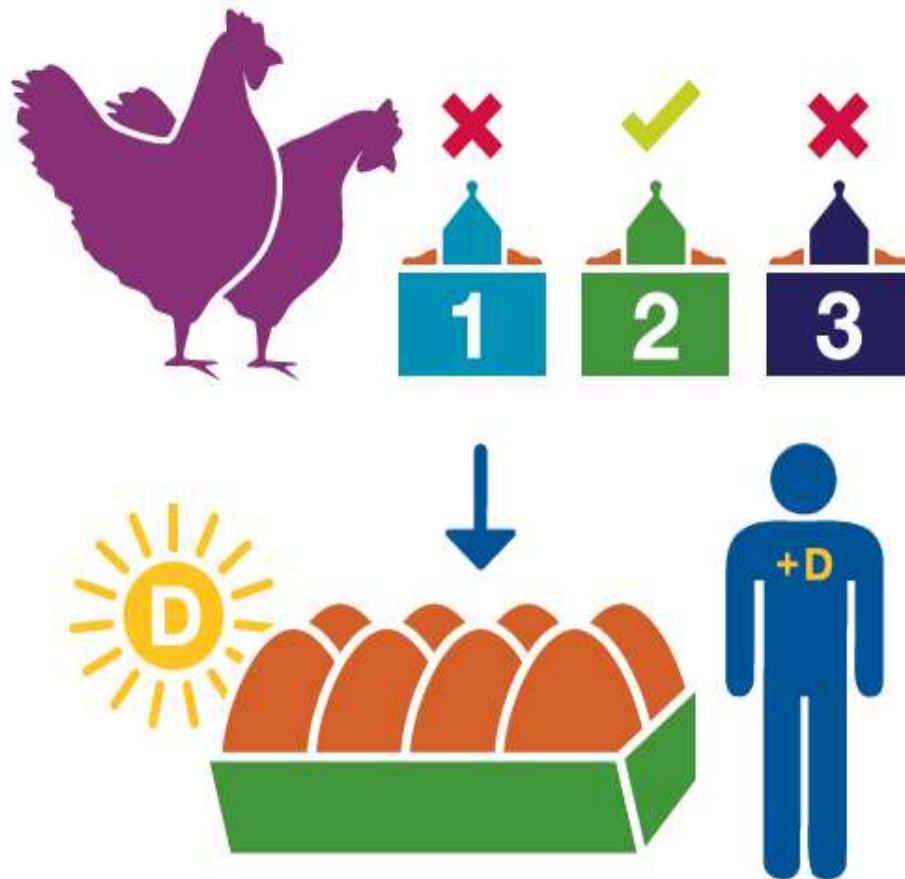
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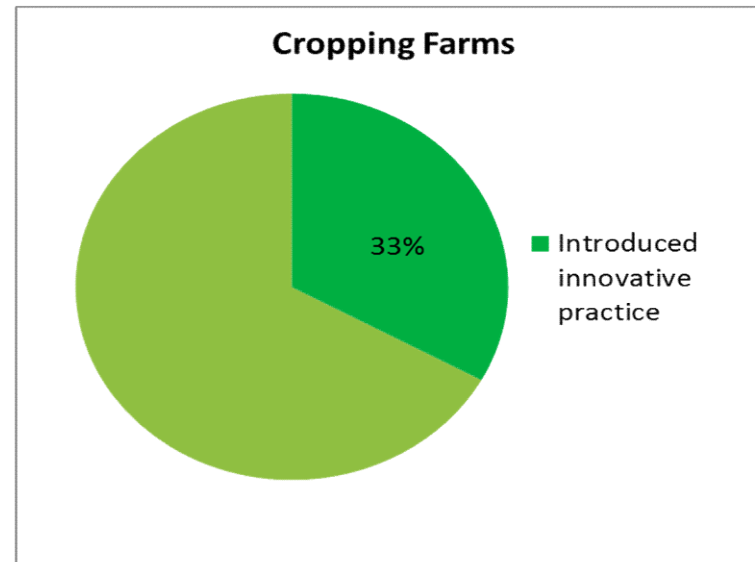
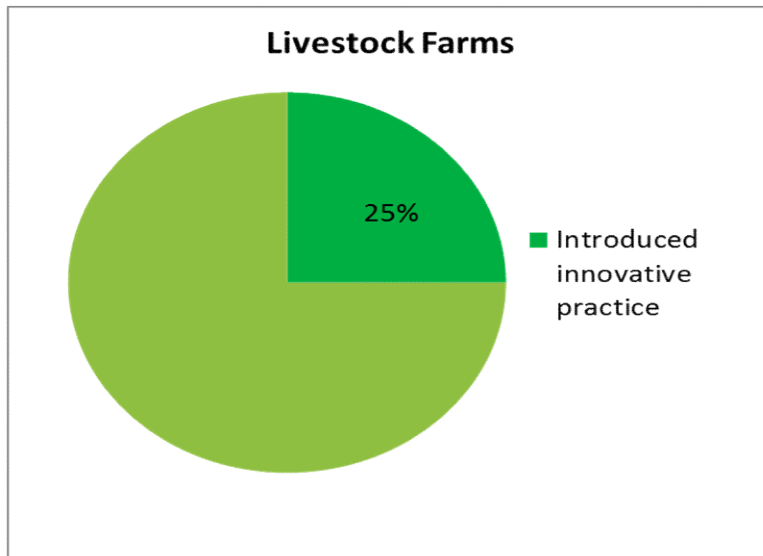
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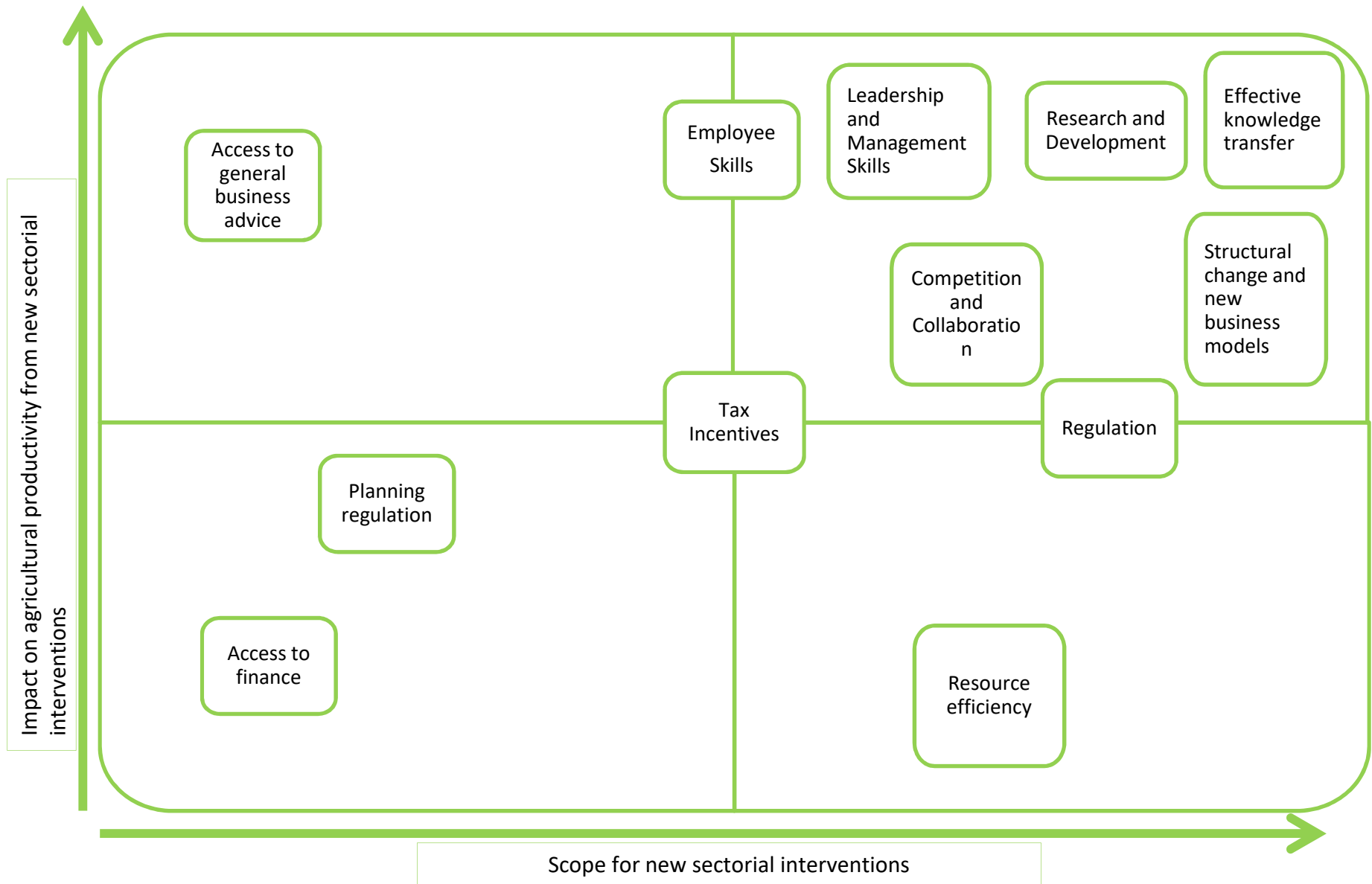


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