



All-Party Parliamentary Group on Science and Technology in Agriculture

Notes of a Zoom Meeting held on Tuesday 27 April 2021

Hosted by NIAB, Cambridge

International trade opportunities for the UK agri-tech sector

In attendance:

Members:

Julian Sturdy MP (Chair)
Earl of Lindsay
Earl of Devon
Lord Cameron of Dillington
Viscount Ridley
Lord Carrington
Lord Inglewood
Ben Everitt MP
Catrina Prince (pp Lord Trees)

Guest speakers:

Rt Hon Greg Hands MP, Minister of State for Trade Policy, DIT
Nick von Westenholz, Director, Trade and Business Strategy, NFU

Stakeholders:

Elizabeth Warham, DIT; Karen Morgan, DIT; Ed Barker, AIC; Mark Buckingham, abc; Dr Tina Barsby, NIAB; Samantha Brooke, BSPB; Dave Bench, CPA; Bill Clark, NIAB; Daniel Pearsall, Group Co-ordinator.

1. Introduction

APPG chair Julian Sturdy MP welcomed members, guest speakers and stakeholders to the meeting and briefly introduced the session as a timely opportunity to hear from the Minister about the important work DIT is doing to support and promote the agri-tech sector in the context of UK trade deals and the Government's international trade strategy.

2. Guest speakers

Rt Hon Greg Hands MP, Minister of State for Trade Policy, DIT

Greg Hands (GH) opened by indicating that although from a non-agricultural constituency and not a specialist in agri-tech, he fully recognised the economic significance and the UK's exceptional strengths in the sector.

He described relevant Ministerial responsibilities within DIT, with Liz Truss as Secretary of State, Graham Stuart as Minister for Exports, GH as Minister for Trade Policy including trade agreements, WTO, tariffs, Lord Grimstone as the Minister for Investment – also important for the agri-tech sector – and Ranil Jayawardena also with responsibilities for international trade policy.

GH emphasised the UK's position as a global leader on agri-tech. He referenced a recent visit to vertical farming company Intelligent Growth Systems based in Dundee which was enjoying significant export success with its components and infrastructure.

He noted that UK exports in agri-tech contribute significantly to the UK economy, particularly in areas such as agrochemicals and animal health products.

In terms of trade agreements, GH reported that the UK had rolled over EU trade agreements with 67 countries and there were only three countries outstanding in an extremely successful programme of negotiations.

He highlighted the UK's trade agreement with Japan which went further than the existing EU trade deal in relevant areas such data and digital provisions and geographic indicators. He also referenced the UK's application to join the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) on 1 February 2021, noted the UK was making progress in talks with Australia with the prospect of reaching a deal in June, and was at an advanced stage of negotiations with New Zealand and the US, although here the UK was waiting to see the direction of travel of the new administration.

GH reported that the UK was taking a very active role in the WTO, particularly in areas such as plurilateral agreements, e-commerce and removal of fisheries subsidies.

GH then introduced DIT's lead on agri-tech, **Elizabeth Warham (EW)**, who noted that the Covid pandemic had led to increased interest in and demand for agri-tech over the past year due to a renewed global focus on food security.

EW explained that DIT is now working in 42 different markets overseas to help UK companies engage in these markets.

DIT was also supporting and planning a number of relevant new initiatives to help promote trade in the agri-tech sector, including a dairy development farm in Ukraine, a centre of excellence for crop post-harvest and cold chain management in Rwanda, working closely with the University of Birmingham and other partners, and hopeful of signing a similar deal for a centre of excellence for crop post-harvest and cold chain management with the state government of Haryana in India.

In terms of investment, EW reported that the UK's pipeline for agri-tech investment has increased by 50% in the past year, making the UK the 4th biggest global investor in agri-tech.

Nick von Westenholz (NvW), Director of Trade and Business Strategy at NFU, provided a brief response to the Minister on behalf of the agricultural industry. He underlined the overriding importance of ensuring that trade policy in this area is joined up with domestic policy, and that a successful trade policy in agri-tech should also stimulate greater productivity and competitiveness in British agriculture. He highlighted the risk of encouraging exports of agricultural technologies to other parts of the world which could potentially be used by UK farmers but which because of regulatory barriers were not available. He noted EU regulatory legacy concerns in areas such as plant breeding and agrochemicals where this could potentially be the case, and emphasised the need to ensure a joined up policy agenda so British farmers are able to benefit from agri-tech advances developed in the UK as much as farmers overseas.

GH asked whether there were examples of where this was currently happening, to which Viscount Ridley (MR) gave the example of Oxford University spin-out Oxitec, which developed a successful way of genetically modifying insect pests to spread sterility into the wild population, now being used to control mosquitoes in Brazil. MR explained that the technology had originally been conceived to control the diamondback moth, a major pest of brassica crops in this country, but could not be applied because of the UK's restrictive rules. MR asked whether there was a dialogue between DIT and Defra to ensure that if UK rules diverged from the EU to become

more progressive and aligned with other parts of the world, for example in the regulation of technologies such as genome editing, that this would be seen as an opportunity and not a threat to our trade relations.

GH indicated that he would pick this issue up with Defra via Liz Truss.

3. Questions and discussion

The following key points arose during questions and discussion.

DIT confirmed that the four planned regional trade hubs to support exporters gain access to overseas markets – in Darlington, Cardiff, Edinburgh and Northern Ireland – would include dedicated staff dealing with the agri-food sector, and would also have close links to DIT's UK-wide agri-tech teams.

GH confirmed that the new statutory Trade and Agriculture Commission (TAC) would have a remit to review and pronounce on new trade agreements in terms of any impact on UK farm standards.

In terms of export support, GH noted that DIT has around 350 trade advisors to help SMEs export, as well as an international commercial diplomacy network of around 800 people globally to help build Britain's presence in international trade. DIT officials offered to help direct any specific questions from the agri-food sector to the right team.

Industry uncertainty was raised regarding future UK regulations dealing with the significant trade in GM crop and animal feed imports, and the potentially negative impacts of the Food Standards Agency in particular continuing to follow the EU regulatory model. GH recognised the potential opportunities of regulatory autonomy, indicating that this was an area 'deep in Defra' rather than DIT, but indicated that the UK should set its own regulatory regime in the national interest.

In relation to the existing rollover agreements, GH identified six countries which offered promise to go further than the existing EU deals – Canada, Mexico, Turkey, Israel, Switzerland, South Korea – all with slightly different features, all in the short to near term, and with arrangements with Canada, Mexico and Switzerland likely to be concluded by the end of this year.

Concluding the meeting, JS thanked the Minister and attendees for their contribution to a timely and informative session exploring some of the post-Brexit challenges and opportunities for the UK agri-tech sector.