

Final Report from the Chair of the Exports Working Group to the Food and Drink Sector Council

Introduction

The Exports Working Group (EWG) has been meeting since 2019 under my leadership with the support of the Food and Drink Federation (FDF), with committed engagement from across industry and Government. We aimed to help the UK become a world-leading exporter of high-quality food and drink products, encouraging more SMEs to export, including both existing and new exporters, and delivering accelerated growth in UK export sales.

Our work plans were severely disrupted by the impacts of both Brexit and COVID-19 and in 2020-21, the EWG's focus shifted towards short-term measures to support industry during an unprecedented supply chain crisis. We focused on addressing immediate challenges facing our exports largely caused by the closure of global hospitality industries and disruption facing international trade and shipping routes more broadly.

We quickly set out an action plan to support our industry and this was subsequently taken forward successfully by the Government through DIT and Defra's 'Bounce Back Plan' for food and drink, which delivered additional practical support for exporters that were struggling to get products into markets overseas and to make essential connections with buyers.

Having delivered this new support, our focus reverted to the group's core objectives, but with a new context of helping to drive a post-COVID-19 return to export growth. EWG aimed to drive a step-change in food and drink exports by delivering a more coherent focus on food and drink that could maximise the impact of government and industry efforts.

The four core objectives taken forwards by sub-groups of the EWG focussed on:

- 1. Driving forward proposals agreed by industry members** of the Food and Drink Sector Council to support long-term export growth which will deliver improved specialist export support for UK food and drink businesses.
- 2. Seeking opportunities to ensure a more coordinated and effective approach** between UK, national/regional campaigns and brands to deliver the best outcomes for exporting businesses.
- 3. Driving a collaborative approach to inspire and enable industry to export** through business-to-business engagement, including networking, export mentoring and partnership opportunities between non-competing businesses in overseas markets.
- 4. Developing and publishing an ambitious new International Action Plan**, that sets new long-term export targets that industry can deliver in partnership with government. This will include targets around: overall value, volume and share of exporting businesses, as well as tangible actions and delivery mechanisms for sectoral and country-specific targets.

In this report, I have summarised the EWG's progress, including a series of recommendations to be taken forwards by the new Food and Drink Export Council which will take on the baton of driving UK-wide collaboration and a future UK export growth.

Graham Hutcheon
Chair, Exports Working Group

Drive forward proposals to support long-term export growth

The EWG produced a set of proposals titled “Driving Post-COVID-19 Export Growth in UK Agri-food and Drink” that was presented to and discussed by the Food and Drink Sector Council, agreed by industry members and welcomed by Government members. These proposals were subsequently backed by the Trade and Agriculture Commission (TAC).

The group proceeded to prioritise two actions from these proposals and in September 2021 we welcomed Government plans to take forward these two elements:

- a. creating a new Food and Drink Export Council to foster collaboration and a more joined-up approach across the UK.
- b. putting in place new Food and Agriculture Counsellors to support exports growth in key markets, building on existing models of success in China and the Gulf.

Recommendations:

1. The Food and Drink Export Council should drive a new model of UK-wide collaboration and partnership that brings together export leads from Governments and industry across the UK, led by joint Government and industry co-chairs from the four nations.
2. The Food and Drink Council should facilitate more effective pooling of knowledge and resources between the four nations and drive a most cost-effective approach to deliver improved value for taxpayer and industry investments.
3. The Food and Drink Export Council should direct the Food is GREAT campaign, ensuring it complements national campaigns and fulfils its untapped potential to drive export growth.
4. As proposed by Defra and DIT Ministers, the Food and Drink Export Council should be closely integrated with the Food and Drink Sector Council.
5. The Food and Drink Export Council should pursue a data-led approach and should develop and agree ambitious new export growth targets for industry that complement existing industry ambitions.
6. The Food and Drink Export Council should ensure the Food and Agriculture Counsellors are complemented by strong practical commercial support, encouraging close links between the Counsellors and industry to support their activities.

Deliver a more coordinated approach between UK & national campaigns

Industry representatives from Wales, Scotland and Northern Ireland led a workstream that aimed to deliver a more coordinated and effective approach between UK, national/regional campaigns and brands to deliver the best outcomes for exporting businesses.

Successfully achieving this can drive UK Government’s policy of “levelling up” and, if done correctly, will enable outcomes greater than those achievable by the individual four UK nations working in isolation. However, if it is done incorrectly, it risks driving collaborative endeavours of the four nations apart and undermining our efforts on the global market.

Key to delivering success will be leveraging the power of the GREAT brand while respecting the brands of the devolved nations. There has been good and progressive work to support the integration of DIT’s new Trade Hubs with devolved administrations.

Recommendations:

7. The Food and Drink Export Council should facilitate agreement between industry and both the UK and devolved Governments of a structure that allows the four UK nations to collaborate effectively on market prioritisation, brands and campaign activities.
8. The Food and Drink Export Council should agree priority country targets where the UK has a competitive advantage and where the four UK nations have aligned and common interests.
9. Industry should clearly articulate to Government through the Food and Drink Export Council where tangible export opportunities exist with recommendations to focus overseas promotional activity.
10. The Food and Drink Export Council should work with UK and devolved Governments to understand where the interaction of “GREAT” and “devolved” food and drink brands support and undermine UK company overseas export success.
11. UK Government should collaborate with devolved Governments to understand how the GREAT brand interacts and provides mutual support to the devolved food and drink brands. This includes understanding where there is alignment and conflict.
12. The Food and Drink Export Council should coordinate overseas promotional activities between UK Government and devolved Governments.
13. The Food and Drink Export Council should act as a critical mechanism to bring key industry and Government representatives together across the four nations, to progress these recommendations and wider collaborative export activity.

Inspire and enable industry to export

The most challenging and potentially wide-ranging workstream of the EWG looked at what is required to drive a more collaborative approach to inspire and enable industry to export through business-to-business engagement, including networking, export mentoring and partnership opportunities between non-competing businesses in overseas markets.

If the Export Champion Network could include 24 ‘Champions’ across the regions, all offering one hour per week of support, that would offer over 1,200 hours of virtual export management. At today’s rates, that could equate to c.£20k worth of advice – a model that could easily be scaled up.

Recommendations:

14. The Export Champions should offer an agreed amount of ‘pro-bono’ time per month to support non-competing companies, to ensure the Export Champion network enables access to and engagement from non-exporting SMEs.
15. Regional gaps in the availability of industry experienced International Trade Adviser (ITAs) should be addressed to ensure that businesses are able to access the Export Champion network.
16. The Food and Drink Export Council should commission a working group to develop a communications plan to engage businesses using new and different content, podcasts, virtual get-togethers and focused events with Export Champion support.

17. The Food and Drink Export Council should seek to engage new and different partners, to help lighten the load on already busy and over-used export case studies and offer new brands a platform that can be shared globally.
18. The Food and Drink Council should aim to deliver a CEO-to-CEO approach whereby existing industry leaders can help encourage exports as a key part of strategic business planning, from the top down.
19. The Food and Drink Export Council should develop a plan to target overseas parent companies of UK firms to ensure their awareness of available support and encourage continued export development, rather than using UK firms as a route to UK grocery multiples.

Develop and publish an ambitious new International Action Plan

Initial discussions took place on the development of a new International Action Plan during 2020 but this was heavily impacted by the COVID-19 pandemic and a new Action Plan was not drafted in full or agreed.

Recommendation:

20. The Food and Drink Export Council should continue to develop Defra's outline plans for a new shared Government/industry International Action Plan for Food and Drink to provide a medium-term plan that can drive renewed export growth.