UK200Group news
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Agriculture

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New import model to be introduced in 2024

The introduction of border checks on food, animals and plant products imported into Great Britain from the EU have been delayed for the fifth time. The UK Government has confirmed that the first stage of the UK's Border Target Operating Model will now begin in January 2024 instead of October 2023. This is three years after the EU introduced full border controls on UK exports into the EU.

The model will simplify and improve the process for importing goods into Great Britain. However, it will not apply to goods moving from Great Britain into Northern Ireland, which will continue to be subject to the arrangements set out in the Windsor Framework.

The model sets out safety and security (S&S) controls and sanitary and phytosanitary (S&P) controls. S&S controls will apply to all imports, while S&P controls will apply to imports of live animals, animal products, plants and plant products.

For S&S controls, the model will minimise trader burden and maintain border security. The controls will make it easier to submit data though the Single Trade Window and remove duplication of data.

The S&P controls will simplify and digitise health certificates and introduce trusted trader schemes, which allow certain traders to import into Great Britain with fewer checks. The trusted trader schemes are expected to be piloted before the end of 2023.

The model will be introduced in stages throughout 2024. From 31 January 2024, imports of medium- and high-risk animal products, plant products and high-risk food and feed of non-animal origin will require health certificates. From 30 April, documentary and risk-based identity and physical checks will be introduced for medium-risk food, animal and plant products. Checks for live animals from the EU are due to start in late 2024.

From April 2024, imports of low-risk animal products, plants and plant products from non-EU countries will no longer require health certification and routine checks. Physical and identity checks will also be reduced for medium-risk animal products.

According to the NFU, most UK farm sectors will welcome the introduction of checks as a vital part of levelling up the trade playing field. However, in horticulture, the model will move checks away from business premises to border control posts. This could increase costs and plant handling and biosecurity concerns.

Read more about this story at:
https://bit.ly/46vuKyz
https://bit.ly/46croR7

Agriculture UK200group

NFU wants more farmers to become school ambassadors

The NFU is encouraging more farmers to become industry ambassadors as part of its Farmers for Schools programme, which was launched in 2022.

The programme educates secondary school pupils about British food and farming. In August 2023, more than 200 farmers were already visiting schools in England and Wales.

The Farmers for Schools programme builds on the success of the NFU's Farmvention challenge and STEMterprise project, which were both delivered in primary schools.

The Farmvention challenge encouraged pupils to think of new technologies that could aid climate-smart farming. The STEMterprise project taught science, technology, engineering and maths through agriculture in partnership with the Royal Academy of Engineering.

Farmers for Schools ambassadors will be required to deliver assemblies in local secondary schools about day-to-day life on a farm. According to the NFU, this provides an opportunity to showcase the value of farming, correct misconceptions and pass on knowledge and expertise to the next generation. Typically, ambassadors work in pairs and deliver two assemblies each year. Travel expenses and the cost of a Disclosure and Barring Service (DBS) check are covered by the NFU.

Farmers who are interested in becoming an ambassador can sign up for an NFU training course, which will help them prepare assemblies.

Read more about this story at:
https://bit.ly/3teFK54

Dairy farmers face difficult future

The Royal Association of British Dairy Farmers (RABDF) has warned that dairy farmers are facing a difficult future due to continuing financial pressures. According to the RABDF, poor farmgate milk prices and high input costs would mean a tough winter for dairy farmers.

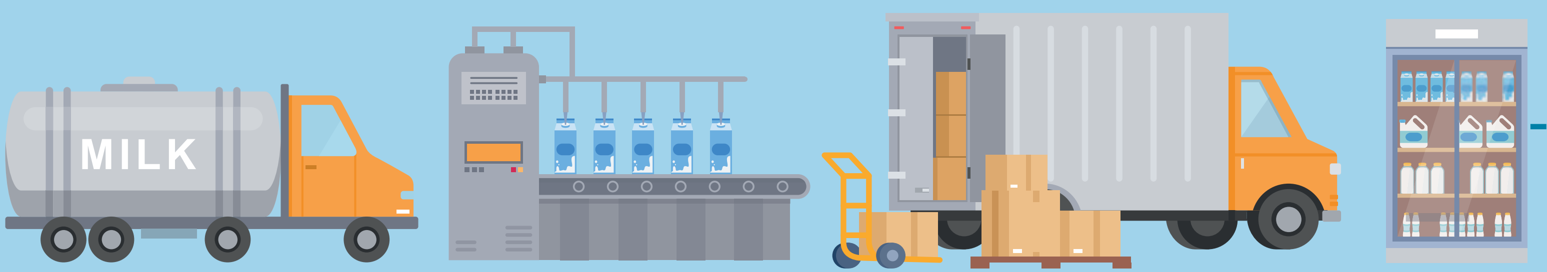
The cost of milk production is estimated at between 40p and 45p per litre, far surpassing Defra's average UK farmgate milk price for July 2023, which was 36.11p per litre. According to the RABDF, the difference between the farmgate milk price and retail price is a 'very live issue' for farmers who were 'caught in the crossfire' as input costs remained high, while consumer demand is being impacted by high retail prices.

The RABDF also recognised that UK processors faced ongoing high energy and labour costs, and that the situation showed little signs of improvement in the short term. Global market predictions for the next six months have provided little relief for the UK dairy industry. For example, Chinese demand for whole milk powder has fallen, while forward forecasting by New Zealand-based dairy co-operative Fonterra does not provide much optimism.

The RABDF believes the UK needs a dairy industry that operates efficiently from the farmgate to the supermarket and is profitable for those at every stage of the supply chain in order to be sustainable.

The RABDF warning follows a survey by the NFU which found that input prices such as feed, energy and fertiliser were all areas of concern for dairy farmers, with almost 90% of dairy producers saying that supply chain fairness was essential to support future milk production.

Read more about the difficulties facing farmers at:
https://bit.ly/45esGtM
and
https://bit.ly/45ggmsM



In brief...

Lower-than-expected wheat harvest

In England, the wheat area for harvest 2023 is estimated to be 1,580 Kha, down 5% year-on-year and the lowest level since 2013. This is according to provisional figures from Defra, which also reveal that the total oat area is expected to decrease by 4%. In comparison, the total oilseed rape and barley areas are estimated to increase year-on-year by 6% and 2% respectively in 2023.

Read more about the estimates at: https://bit.ly/3tjYUqf

Farmers must be consulted on energy infrastructure plans

The NFU has warned the Government that farmers must be fully consulted on plans to roll out new energy infrastructure as part of proposals to connect electricity generated from offshore wind and solar farms. According to the NFU, building the required energy transmission network could lead to cables and pylons being installed across thousands of acres of land, which will impact farm businesses and food production. The NFU has urged the Government to move the transmission network offshore as much as possible to minimise disruption, and to ensure farmers are fairly compensated for hosting new infrastructure on their land.

Read more about the warning at: https://bit.ly/3rtMiwi

Stronger demand boosts sheep meat exports

Figures from HMRC have revealed that the value of UK sheep meat exports reached £277 million in the first six months of 2023, up 12.9% compared with the same period in 2022. Higher demand from the EU and post-pandemic recovery of markets in the Middle East contributed to the increase. However, the figures have indicated that the value of beef exports fell by 10.4% in the first half of 2023, while pig exports were down 0.5%. The overall value of red meat exports increased marginally year-on-year in the first half of 2023 to reach £860 million.

Read more about the figures at: https://bit.ly/48FuTkM

Funding for rewilding and wild animal release

The Wildlife Trust has launched a £6 million fund to support nature recovery activities across the UK. Funding will be available for rewilding and wild animal release projects, as well as programmes that facilitate the reintroduction of wild herbivores such as tarpan, aurochs and bison. Specific projects include encouraging nature-friendly farming practices in Derbyshire, working with landowners on peatland restoration in Northern Ireland, and releasing free-living beavers to restore wetlands.

Read more about the funding at: https://bit.ly/3EZ6zwl

Fines for employing illegal workers to triple

Farm businesses that employ illegal workers will face tougher penalties under new rules announced by the Home Office. From early 2024, the fine for first-time offenders will triple to £45,000 per illegal worker, while the fine for repeat offenders will also triple, to £60,000. Fines for landlords who permit illegal immigrants to rent their properties will also increase. Farm businesses have been urged to ensure they carry out appropriate right-to-work checks and comply with Home Office rules to avoid facing penalties.

Read more about the penalties at: https://bit.ly/3ZMLyPp

Farmers face losses due to falling prices

Beef and sheep farmers have warned that falling finished prices are cutting into profit margins and could lead to losses. According to the AHDB, deadweight steer and heifer prices in Great Britain have fallen by almost 40p per kilogram since May 2023, while the price for deadweight lamb is down by almost 170p per kilogram. However, stronger demand for lamb from the EU could help offset falling prices. Adverse weather conditions and higher labour, veterinary and machinery costs are also expected to squeeze profit margins.

Read more about the falling prices at: https://bit.ly/48zADg3

Tree planting targets unlikely to be achieved

A report by the Environmental Audit Committee has found that it is extremely unlikely that the Government's target of planting 30,000 hectares of woodland in the UK by March 2025 will be achieved.

The 30,000 hectare total is the target for the whole of the UK, with England, Wales, Scotland and Northern Ireland each having their own target. In England, the target is to plant at least 7,500 hectares of woodland per year by 2024/25. However, only 3,627 hectares of new woodland, including on farmland, were established in 2022/23. The Committee also expressed disappointment that Forestry England has so far planted only 303 hectares against its own target of 2,000 hectares between 2021 and 2026.

The Committee recommended that overlapping initiatives and schemes should be integrated into a single, holistic strategy. The private sector will be responsible for the bulk of the planting, but needs a clearer vision from the Government.

The Infrastructure and Projects Authority, which assesses the progress of major government schemes, downgraded the rating of the Nature for Climate Fund (NCF) to red, which means that the successful delivery of the project appears to be unachievable. The NCF was established to increase tree planting, woodland creation and peatland restoration in England.

Defra insisted that it was seeing positive engagement from farmers, landowners and the private sector and that it was making good progress towards tree planting targets. It stressed that farmers had a vital role in increasing tree cover. Defra also highlighted that the Environmental Land Management scheme will include an offer for in-field agroforestry, which will be available from 2024.

Read more about the targets here:
https://bit.ly/3rqTkC0
and
https://bit.ly/3ZGVCcz

More dairy farmers unsure of their future

Almost a third of British dairy farmers are unsure of their future within the sector, according to a survey carried out by the NFU. The 'Dairy Intentions Survey' of 600 dairy farmers, which was carried out in July 2023, found that 9% believed they would stop producing milk by 2025, up from 7% in 2022. A further 23% said they were unsure if they would continue to produce milk beyond 2025. Smaller enterprises, producing less than 1 million litres of milk per year, are more likely to stop production than those producing higher volumes.

Of those ceasing production, a third (36%) are doing so due to retirement, while over half (52%) are unable to keep up with the scale of investment required to stay compliant with regulations, such as around slurry storage.

Dairy farmers are facing a number of pressures, including high inflation and soaring energy, input and labour costs, combined with low prices for milk. The survey found that specific concerns were the effect of government regulation, feed prices, energy prices and cash flow and profitability. Almost three-quarters (74%) saw access to labour as a barrier, with the NFU calling on the Government to add 'dairy technician' to the Shortage Occupation List to help address the issue.

The NFU claims that the sector is experiencing a 'crisis of confidence', with figures from the Agriculture and Horticulture Development Board (AHDB) indicating that in 2023, the number of dairy farmers in the UK has fallen to 7,500, a year-on-year decline of 4.8%. The NFU has called for the Government to support the sector with industry-wide regulation to ensure fairer and more transparent supply chains.

Read more about the report here:
https://bit.ly/3ZCTYJd
and
https://bit.ly/3ZHywCX

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