



# Meat Imports + Exports + Production

## = Benefits to the UK

*In order to tackle the issue of food security we need to move away from the overly simplistic argument that 'British is good' and 'imports are bad'. A more nuanced view which allows for flexibility of supply, where imports compliment domestic production is required in order to ensure UK food security, consumer choice and healthy global trade relationships which foster UK exports. - IMTA 2013*

*This is a short version of the report.  
The full version can be found [here](#).*

# UK Meat Imports: Benefits to the UK

*“It’s vital that we take a global perspective if we are to secure the UK’s food interests. ‘Our food security is ensured through strong UK agriculture and food sectors and international links with EU and global partners, which support developing economies”* **Chris Durham, Assistant Economist to Chief Economist, Defra, 2013.**<sup>1</sup>

## INTRODUCTION

The UK first imported meat in the latter part of the 1800s and it continues to provide an important contribution to the UK meat market. For the purposes of this paper imports will be considered as products coming from Non-EU countries. A rigorous system is in place to ensure that all imported meat complies with EU legislation on animal health and public health.

There are significant economic barriers to importing meat into the EU. Import tariffs for meat are so high and quotas widespread. This means effectively there are physical limits to the amount imports currently can contribute to domestic meat consumption. The quota administration systems can also make it difficult to respond to changes in market requirements.

## CONTRIBUTION TO THE UK ECONOMY

***Meat imports provide a valuable contribution to the UK economy in both value and employment terms***

In 2012 meat produced from outside the UK accounted for 43.5% of total UK meat consumption. UK meat exports in 2012 accounted for 21.4% of UK production. Pushes to increase meat exports could leave less available for domestic consumption, thereby reducing UK food security.

Total Meat (Poultry, sheep meat, pig meat, beef & veal)			
'000 tonnes	2010	2011	2012
Production	3,483	3,588	3,595
Imports	2,131	2,183	2,180
Exports	715	811	768
Total meat consumption	4,858	4,943	5,006
Source: Defra, HMRC, AHDB Market Intelligence (a) Includes processed meat.			

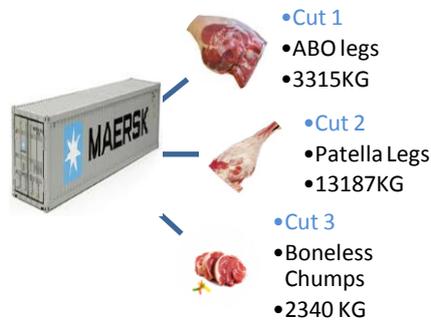
Last year £625 million of chilled and frozen meat was imported from outside the EU and a further £604 million of processed products. Whilst to some this might seem a call to replace imported with British product there are a number of reasons why this would not necessarily be desirable.

Unfortunately no official output statistics exist for the sector, but taking the difference between the value of duty paid imports and the value of these products at retail and food service level, it is estimated that the contribution of this sector to the UK economy is at least £1.8 to 2.0 billion.

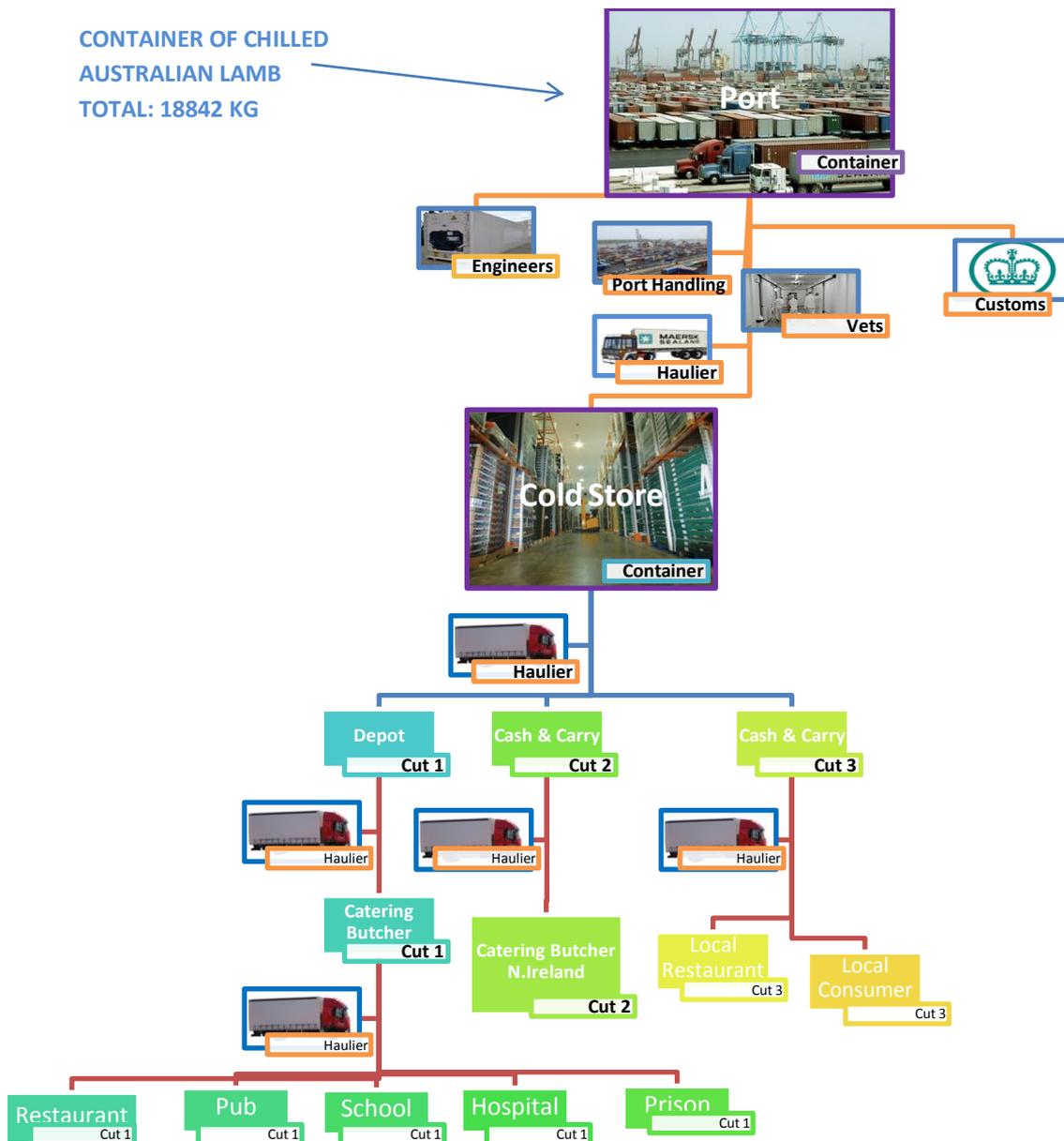
<sup>1</sup> 2030 Defra Strategy, January 2010

Imported meat provides an important supply of product used by the catering, manufacturing and retail sectors. It supports employment throughout the food chain from plants cutting and packing for the retail sector, down to small cafes. In addition along the way it provides employment for the service industries such as the ports, cold storage and freight sectors. A container of Australian lamb illustrates this point:

**Cross-Section of a container:**



CONTAINER OF CHILLED AUSTRALIAN LAMB  
TOTAL: 18842 KG



## FOOD SECURITY

*The unpredictability of potential risks to food supply suggest that maintaining food security involves a variety of approaches and cannot be reduced to a choice between domestic and imported production.<sup>2</sup>*

The Department of Health (England) recognises food poverty as ‘the inability to afford, or to have access to, food to make up a healthy diet’. In 2012-13 around 347,000 people used food banks, a 170% rise since April 2012.

Lower income families spend a greater percentage of their income on food and therefore higher prices have a greater impact on this sector of society. Meat is a valuable source of protein, vitamins and minerals and therefore all parts of society should have affordable access.

### *Self Sufficiency*

Self-sufficiency is not synonymous with food security as it fails to insulate a country against disruptions to national supplies from animal disease etc. International trade has an important role to play in spreading and sharing risk and volatility. The key to food security is flexibility of supply.

### *Global Demand for Protein*

On the global market the dynamics are changing with rising affluence in countries such as China, India and Brazil where there is increasing demand for meat. Such developments provide opportunities for the UK to export parts of the carcass less popular with British consumers, but may also reduce availability of other cuts for the UK consumer.

### *Seasonality of Supply*

Seasonal factors mean that ruminant production can not necessarily be produced efficiently and sustainably all year round, so that imported product can complement domestic production and keep a consistent year round supply, as in the case of lamb.

### *Animal Diseases*

Animal diseases can break out anywhere in the world and at any time, meaning reduced or decimated stocks of meat. In the 2001 UK FMD outbreak widespread culling was used to contain the disease. UK red meat production was cut by 8 per cent for beef, 28 per cent (lamb) and 17 per cent (pork).

### *Weather/Climate Change*

The impact of weather on meat production means that domestic supplies cannot always be guaranteed and therefore demonstrates why we cannot depend solely on one source of supply.

### *UK Production*

The UK produces a substantial share of its meat requirements and in many areas has a reputation for good quality product. It has increasing opportunities to export to other markets, but this should not be done to the detriment of the British consumer who will always be looked to to support British farming in any time of crisis that might appear. Therefore at all times it is important to maintain supplies on the domestic market. Imports provide the mechanism to keep the British consumer supplied whilst British supplies may be exported elsewhere achieving a better return.

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<sup>2</sup> The Rural Information Network, Food Security and the UK, Briefing 445. p.3

## **MATCHING SUPPLY AND DEMAND**

***Different markets around the world have different preferences which is why a thriving global trade is essential and imports cannot be ignored when pushing for increased exports.***

### ***Carcase Balance***

Meat is perhaps a unique sector of the food market as meat production is a process of deconstruction rather than manufacturing from a mix of raw materials. Imports thus play an important part in matching supply and demand. The UK market does not consume all parts of the carcass in the same proportions. Exports provide an opportunity to gain a better return for offal etc., whilst British consumers have a high demand for lamb legs, mince and chicken breast. This demonstrates how trade is two way and why imports cannot be ignored when pushing for increased exports.

### ***Providing Appropriate Supplies to all in the Food Chain***

Within the industry, the supermarkets tend to dominate, leaving the catering sector, which traditionally needs large volumes of a smaller group of cuts, more dependent on imports. The supply to the catering sector needs to be consistent over a sustained period of time. The specification requires that steaks for example be uniform in size, shape, colour, fat cover etc.

Because of the numbers of cattle slaughtered in any one abattoir in the UK, to collect a consignment like this would be extremely difficult, but with the larger throughput of animals in South America the quantity could be packed in a matter of days by one plant.

## **BENEFITS TO THE CONSUMER**

***Imports help to provide the wide choice of products that consumers now demand all year round.***

### ***Increased Competition***

Whilst some producers may wish to see the competition excluded, in reality domestic production which competes with imported product provides the impetus for efficient production, with the consequent knock on benefits to the consumer in terms of price, quality and value for money.

### ***Consumer Choice***

Having access to imported meat increases the choice of products for consumers and in some cases enables all year round access. The meat sector is no different to any other consumer good. For example cars where a mini may suit one person, a Rolls Royce another, similar choices should be available for consumers of meat. Imports also provide access to specialities produced in other countries e.g. Kobe beef, jerky, US/Australian grainfed marbled beef.

### ***EU product cannot meet demands***

In the poultry sector there has been substantial innovation in relation to processed products. Some of these are extremely intricate and to date UK suppliers to the catering sector have found it difficult to source these products from EU based plants with any degree of reliability.

Brazilian beef can produce a very lean product ideal for the manufacture of ready meals etc. Australian plants can produce consistent primal cuts which allow catering butchers to produce consumer portioned steaks with very little waste.

## POSITIVE IMPACTS ON TRADE

*Trade cannot be a one way flow. Exposing domestic production to international competition encourages efficiency and innovation.*

### *Exports*

Trade cannot be a one way flow of exports. This is particularly true when UK meat exports are dependent on agreeing export certification with potential markets. If we wish to export we must equally be prepared to accept imports where the market requires it.

### *Free Trade Negotiations*

Free trade negotiations have just begun between Japan and the EU where the EU is interested in opening up the Japanese market to beef imports and the Japanese are interested in access to EU import quotas for its high quality Kobe beef. This demonstrates the importance of two way trade rather than focussing solely on exports.

## CONCLUSION

The United Kingdom has the resources to produce good quality meat, but it is clear that meat imports form an essential part of the picture in ensuring British consumers have sufficient and affordable supplies of meat protein. Imports provide diverse benefits to the UK economy in terms of a raw material source, business and employment for related sectors. Imports undergo rigorous systems of checks to ensure that their safety and traceability meets EU requirements. As stated by Chris Durham of Defra 'It's vital that we take a global perspective if we are to secure the UK's food interests. Our food security is ensured through strong UK agriculture and food sectors and international links with EU and global partners, which support developing economies'.<sup>3</sup>

**In order to tackle the issue of food security we need to move away from the overly simplistic argument that 'British is good' and 'imports are bad'. A more nuanced view which allows for flexibility of supply, where imports compliment domestic production is required in order to ensure UK food security, consumer choice and healthy global trade relationships which foster UK exports.**

**What we really need is robust import, domestic production and export markets fit for the 21<sup>st</sup> Century.**

The full version of this report may be found [here](#):

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<sup>3</sup> 2030 Defra Strategy, January 2010