Westminster Hall debate: Food security and farming

April 2023



Background

- UK Supermarkets experienced fruit and vegetable shortages in early 2023. Farms in England
 are seeing phase out of the direct payments they receive under the EU style Basic Payment
 Scheme between now and 2027. The same budget will instead be paid out through the
 Environmental Land Management Scheme in return for farms delivering public goods, though
 rollout has been criticised for being slow.
- The Basic Payment Scheme disproportionately rewarded the largest farms: 10% of farms received half the money, with the bottom 50% of farms receiving as much as the top 1%. Most farms under a system that rewards public goods could see their financial return increase under a system that rewards public goods. The phase out of direct payments is not responsible for fruit and vegetable shortages earlier this year since horticultural farms largely do not receive payments under the Basic Payment Scheme.

Why are food prices rising?

- Food and drink price inflation has hit its <u>highest level since April 1980</u>, with prices rising by 19.8% over the past year, up from 13.1% last August. The war on Ukraine has resulted in significant price hikes for fuel and grain globally, with wheat, maize, and fertiliser price particularly affected.
- Food and drink prices have also been affected by the weakness in the pound, which has made imported products and ingredients more expensive.
- The <u>National Farmers Union</u> have been calling for increased availability of migrant labour, following the UK's exit from the European Union, citing workforce supply constraints which have had a knock-on effect on food prices.

What is food security?

- Even the precise meaning of "food security" is disputed. One study on the topic identified over <u>200 definitions</u> of the term in academic literature.
- In the <u>National Food Strategy</u>, self-sufficiency was defined as the ability to feed a nation from
 its own produce, rather than from imports. "Food security" is defined as being able to feed
 the population at a reasonable cost, even in the face of future shocks such as a global
 pandemic, massive harvest failure, or a general crisis of agricultural productivity caused by
 climate change.
- We have not been self-sufficient in Britain since 1846. On the eve of the second world war, it
 was 30%, and afterwards 75%, rising to 80% in the 1980's under the EU Common Agricultural
 Policy. In the UK, we now produce around 65% of the total value of food we eat.

Is food shortage really the issue?

- Despite Russia and Ukraine growing around a sixth of global grain, global stockpiles of grains are healthy, around 15% higher than a decade ago. As a proportion of demand, stockpiles have increased from 25% in 2012 to 30% in 2023 i.e. an increase of 20%.
- Global food production in 2022 was higher than in 2021, and globally per capita food supply is over 2,800 kcal per person per day.

- England's 2019 wheat crop, if it had been fed to people, could have provided 2,500kcal per person per day for 63 million people, using a little under 20 per cent of English farmland.
- Recent fruit and vegetable shortages were attributable to poor weather driving shortages in countries the UK imports from, combined with <u>Brexit</u> and supermarkets not increasing the <u>prices they offer</u> in times of shortage meaning available food is sold elsewhere.

Is all UK land best suited for food production?

- Not all land in the UK is suited to producing food, the lowest yielding 20% of farmland produces less than 3% of the food grown in England. In contrast, the top performing 25% of farms are profitable from food production alone, and 40% of land in England produces two thirds of the food.
- Increasing yields on the most productive farmland through investment in technological advancements will do more for self-sufficiency than farming more land.
- The NFS points out government subsidies amount to 91% of farm incomes on the least productive 20% of land. It would be more efficient to use the most productive land, which is profitable without subsidy, to meet the bulk of food demand, and instead use subsidies to pay farmers on the least productive land to restore habitats rich in nature and carbon.
- <u>3.5million people</u> could be fed each year with the grain currently going towards biofuels used in the UK alone.
- The NFS proposed a £125million fund and facility to support British start-ups in the meat alternative industry, but the white paper offers only a promise to develop a proposal.

Are we globally using land efficiently to grow food?

- Globally, a large share of crops is used to fuel cars and feed livestock. For example, a third of
 the <u>US maize crop</u> is turned into biofuels, in a process that is <u>worse</u> for the climate than
 burning fossil fuels. Grain isn't expensive because of scarcity, but because we feed most of it
 to livestock and to produce biofuel.
- There is <u>strong evidence</u> to show that global biofuel demand is a factor in the rising prices of many food crops.
- Animals consume a lot of food to turn into a small amount of meat, with <u>70% of farmland</u> producing just 10% of the calories produced in the UK each year.

How can we deliver food security and meet our environmental targets?

- The Environmental Land Management (ELM) scheme is already replacing the EU's subsidy regime. ELM involves using the least productive land for nature and carbon removal, the most productive for food and the majority of farmland to produce a mix of food, nature, and carbon removal.
- Defra's <u>'three compartment'</u> model of land use under the government's proposed ELM scheme would meet many of the demands whilst <u>increasing the income of most farms</u>, despite the withdrawal of the Basic Payment Scheme.
- Environmental policies need not come at the expense of food security. According to the NFS, if by 2035, 9% of the least productive farmland were managed mainly for carbon capture and nature, less than 1% of England's food production would be lost.
- Rewarding habitat restoration on the least productive land would help <u>level rural areas up</u> as many farmers on poor quality land struggle to make a profit from producing food. At present, livestock farmers in 'Less Favoured Areas' effectively earn below minimum age, but their income could increase 20% if they were supported to create woodland instead.

The need for a Land Use Framework

• The UK has many potential uses for its land, from farming to energy production, nature restoration and housing.

- The UK government committed to creating a 2023 *Land Use Framework* for England in its Food Strategy white paper, expected to be published in June.
- The UK Government <u>recently committed</u> to not restrict the land grades that solar can be built on. This makes sense since solar barely uses any land (1400ha, 0.04% of BMV farmland) and only <u>reduces yields 7% when combining farming with solar.</u>
- Golf courses are 270,000ha in England, 193x more land than solar.

What do voters think?

- Two thirds of the public and <u>blue wall voters</u> particularly, want to see environmental regulations maintained or increased, with the majority saying they would vote for the party with the most ambitious environmental plans.
- In a poll of UK adults, 53% said the environment motivated their food choices.
- 93% of the public want the UK's high food standards to be maintained in all post-EU Exit trade deals.
- Only 11% of Conservative voters oppose <u>replacing the EU subsidy system with payments for</u>
 <u>environment and animal welfare improvements</u>. All regions of the UK support rather than
 oppose these reforms, including 4x as many 2016 Leave voters.