

Senedd Cymru
Pwyllgor yr Economi, Masnach a Materion Gwledig
Cytundeb Masnach Rydd rhwng y DU a Seland Newydd
NZFTA- 05
Ymateb gan: NFU Cymru

Welsh Parliament
Economy, Trade, and Rural Affairs Committee
UK-New Zealand Free Trade Agreement

Evidence from: NFU Wales

NFU Cymru response to the Economy, Trade and Rural Affairs Committee consultation on the UK –New Zealand Free Trade Agreement

1. NFU Cymru welcomes the opportunity to respond to the Economy, Trade and Rural Affairs Committee consultation on the recently concluded UK – New Zealand Free Trade Agreement (FTA).
2. NFU Cymru champions Welsh farming and represents farmers throughout Wales and across all sectors. NFU Cymru's vision is for a productive, profitable and progressive farming sector producing world renowned climate-friendly food in an environment and landscape that provides habitats for our nature to thrive. Welsh food and farming delivering economic, environmental, cultural and social benefits for all the people of Wales whilst meeting our ambition for net zero agriculture by 2040.
3. The importance of the farming industry in rural Wales cannot be over-stated. Welsh farming businesses are the backbone of the Welsh rural economy, the axis around which rural communities turn. The raw ingredients that we produce are the cornerstone of the multi million-pound Welsh food and drink industry which is Wales's largest employer employing over 239,000 people.
4. Welsh farmers also play a key role maintaining and enhancing our natural environment – Wales's key asset. Farming activity supports a diverse range of species, habitats and ecosystems, provides a range of ecosystem services including flood alleviation, carbon sequestration, climate change mitigation; and delivers the significant backdrop for Wales's tourism and recreation sector worth an estimated £2.5bn annually.

Summary

5. There is little in this deal with New Zealand to benefit Welsh farmers. When it comes to agriculture, it appears that New Zealand has achieved all it asked for and Welsh farmers are left wondering what meaningful benefits have been secured for them. This will just heap further pressure on farm businesses which are already facing serious challenges such as shortages of labour and rocketing input costs.
6. NFU Cymru is not opposed to free trade, but we do believe that deals must be balanced in respect of offering reciprocal benefit. They should also have adequate measures or safeguards in place to maintain domestic production standards and for those sectors deemed as sensitive. It is difficult to pinpoint in this trade deal where the reciprocal benefit lies for Welsh farmers.
7. Welsh farmers are being asked to go toe-to-toe with some of the most cost-effective food producers in the world. However, there is scant evidence that the UK and Welsh Governments have the vision to create the conditions to allow our farmers to compete. We have seen some welcome developments in recent months, including the announcement of additional agricultural attachés in our overseas embassies, and the commitment to establish a UK Export Council, but details remain sketchy, and much more is needed.

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8. NFU Cymru re-iterates its calls for a Wales-specific impact assessment for free trade agreements, including the UK New Zealand Free Trade Agreement. By conducting a Wales-specific impact assessment some of the adverse impacts could be anticipated and potentially mitigated. This was also a recommendation from the House of Commons Welsh Affairs Committee report into family farms which said that the UK government should publish a statement on the impact of free trade agreements (FTAs) on the agricultural sector in Wales. The committee's report credits the sector's distinctive characteristics and calls for the UK Government to publish its cumulative impact modelling data on FTAs.
9. We are incredibly disappointed to see that the UK Government only chose to protect Scotch Whisky in this agreement with no other Geographical Indicator (GI) protection. Welsh producers are proud of their products and the heritage which comes along with them. PGI Welsh lamb and beef are recognised around their world for their quality and provenance. NFU Cymru believes securing protection of UK GIs should be a priority in all trade deals.
10. With Welsh Government set to take the Agriculture (Wales) Bill through the Senedd this year, there is an urgent need to look again at how future agriculture policy can continue to underpin sustainably produced, climate-friendly Welsh food and support our rural communities, against the backdrop of the UK Government's trade policy, a pandemic and a post-Brexit environment which continues to challenge and re-shape our food supply chains.

What is the likely impact of the agreement on the economy and specific sectors in Wales?

11. There is very little in this deal to benefit Welsh farmers, it seems that once again a negotiating partner has achieved all they have asked for whilst our farmers are left wondering what's in it for them. This will only serve to increase pressure on domestic farmers who are already seeing huge increases in input prices, up 18.3% from last year to December 2021¹.
12. There are significant downside risks for the red meat and dairy sectors, both of which characterise traditional Welsh family farming. The deal with New Zealand closely mirrors the UK/Australia FTA confirming the precedent which we feared had been set, leading to full tariff liberalisation across a range of sectors over the next few years. This means that the UK will shortly be opening our doors to potentially significant extra volumes of imported food, whether or not produced to our own high standards, while securing very little in return for domestic producers.
13. Trade should be a reciprocal relationship between countries. However, New Zealand represents a market of less than 5 million people compared to the UK's 66 million and there are very limited export opportunities. This is not just because of population size, but also because New Zealand produces very similar things to us and is largely self-sufficient with the vast majority of its farmers producing for the export market. For example, New Zealand is 880% self-sufficient in liquid milk and exports over 90% of the beef and 95% of the lamb it produces. It is difficult to pinpoint where the reciprocal benefit lies for Welsh farmers.
14. NFU Cymru welcomes the ambition of UK and Welsh Government's to grow our exports of food and drink and recognise that part of this is negotiating new trade deals. However, we are deeply disappointed that the sectors predicted to be damaged in this trade deal with New Zealand are the agriculture, forestry, fishing, and semi processed food sectors. From the UK Government's own impact assessment, this deal is expected to see a reduction in gross value added of £48 million for agriculture and £97 million for the semi processed foods sectors. In terms of potential

¹ [API – Index of the prices of agricultural outputs and inputs – statistics notice \(data to December 2021\) - GOV.UK](https://www.gov.uk/government/statistics/api-index-of-the-prices-of-agricultural-outputs-and-inputs-statistics-notice-data-to-december-2021)
(www.gov.uk)

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costs, the UK Government predicts this deal could result in a reduction in gross output of 1% for beef alone or simply put, this deal this is expected to take £29 million off the bottom line of UK beef production. This combined with market liberalisation through other trade deals, such as the deal with Australia which has predicted a reduction in GVA for agriculture of £94 million and semi processed foods of £225 million², clearly demonstrates the costs of this Free Trade Agreement on Welsh farmers.

15. Owing to Welsh agriculture's reliance on one or two key sectors - namely livestock and dairy - and the typically smaller size of our average farming business, certain trade liberalisation scenarios will risk having a disproportionate impact on Wales compared to the rest of the UK. NFU Cymru therefore calls for a Wales-specific impact assessment for free trade agreements, including the UK-New Zealand Free Trade Agreement. By conducting a Wales-specific impact assessment some of these adverse impacts should be able to be anticipated and potentially mitigated. A proper understanding of the implications of future trade deals can only follow a deep and meaningful examination of their content. Without such an examination there is a serious risk of doing great damage to Wales's rural communities.
16. Welsh farmers are concerned that cumulative impacts of the deals with Australia and New Zealand will set a precedent for future trade deals with Canada, the USA, Mexico, India and others such as the major agricultural producers in South America. Fully liberalising the UK's sensitive agricultural sectors, even with "phase out" periods for tariffs, undermines the investments that our farmers have been making, both on farm to improve productivity and deliver environmental or animal welfare gains, and in increasing their market share at home and abroad. At a time when input prices continue to climb it adds to the uncertainty and ultimately creates an unlevel playing field for our farmers.
17. In signing this agreement, the UK Government is asking Welsh farmers to go toe-to-toe with some of the most competitive and export focused farmers in the world. Welsh farm businesses face significantly higher costs of production than farmers in New Zealand. For example, despite the UK being amongst the top milk producing nations in the world, the cost of producing milk in New Zealand is 25% lower. Moreover, the cost of New Zealand lamb production is 63% lower than in the UK. This is primarily because New Zealand farmers face different regulatory and climatic conditions that allow them to significantly reduce their fixed costs, for example less need for buildings, winter forage crops and storage of manures.
18. Having significantly lower costs of production gives New Zealand farmers a huge competitive advantage. Lower costs of production mean greater resilience and profit margins for producers who can supply a range of markets at different price points, meeting consumer demands in multiple markets around the world.
19. Once again Welsh growers and producers are being asked to compete directly with some of the foremost producers and agricultural exporters in the world without the necessary resources to compete effectively. Investment in research is a core element of New Zealand's agri-food export strategy, for example its industry has made vast strides towards increasing the shelf life of their products whilst in transit. It has invested heavily in 'super chilled' container ships to extend the shelf life of their lamb from 28 days to 60 days. By comparison Hybu Cig Cymru /Meat Promotion Wales has used similar innovative techniques to achieve an extended shelf life of Welsh Lamb of 33 days. Clearly if we are to compete on the global stage, there is a need to supercharge this investment.

² [Impact assessment of the Free Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and Australia \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

20. Currently, much of New Zealand's agri-food exports are destined for China, for example on average (2017-19) China consumes 46% of New Zealand's sheep meat exports³. This is not just because of the huge Chinese population but also it is in response to China seeking alternative sources of protein following the mass culling of China's pig population in response to an outbreak of African Swine Fever. Once China's protein needs switch back to being met from local sources New Zealand (and Australia) will inevitably look to re-direct product to new markets elsewhere in the world. Similarly, currency movements or geopolitical tensions can serve to make markets more or less attractive to exporting nations impacting trade flows.
21. The uncertainty over precisely how much New Zealand will capitalise on its newfound preferential access to the UK agri-food market is precisely why NFU Cymru has advocated the inclusion of more robust and meaningful safeguards than those available under the terms of the deal. If our concerns don't come to pass the inclusion of such measures would be academic as they would never be called upon.
22. As with the Australian trade deal, NFU Cymru welcomes the inclusion of a bilateral safeguard clause to protect domestic producers for up to five years after the phase out of quotas which would allow tariffs to be re-imposed. However, we are concerned about the limited application in which the safeguard may be imposed.
23. To use the bilateral safeguard clause there is a requirement to demonstrate serious injury or threat of serious injury to domestic production (Chapter 3, Article 3.6). The first and second "safeguards" identified above are product specific and can be triggered at an arbitrary and pre-defined volume of imported product (but not at a pre-defined value of imported product). However, the "bilateral" safeguard measure applies to all goods and is intended to provide protection if the sector faces injury as a consequence of increased trade with New Zealand. In this event, the UK Government could trigger an investigation and apply on a provisional basis (pending the outcome of the investigation) actions to reinstate tariffs or suspend further tariff liberalisation only to "the extent necessary to prevent or remedy the serious injury and to facilitate the adjustment of the domestic industry." If the UK government were to take such action, the length of time such action can remain in place is limited to two years, with a further two years possible under exceptional circumstances. The conditions of use are also subject to a range of caveats which would have to be considered in any potential actions taken by the government.
24. The bar to trigger action under the safeguard clause is set high. "Serious injury or threat of serious injury" is not the language of ordinary events in routine trade. Direct causal effect would have to be proven to be as a result of the increase in imports from New Zealand specifically (and not as a result of market conditions generally). In practice, this makes these types of clauses very difficult to apply. It is much more likely that market pressure will happen because of the cumulative impact of increasing imports from around the world at the same time. The safeguard clauses in the UK-New Zealand FTA offer no protection against this. We call on the UK governments to step up their market monitoring to ensure any warning signs are picked up and action is taken early.
25. Furthermore, the purpose of the safeguard is ultimately to facilitate the adjustment of the domestic industry to the new trading environment. It is not clear how the sector would be expected to adjust given the nature and somewhat limited options many farmers, especially livestock farmers in Wales uplands, would have.

³ https://ahdb.org.uk/news/future-trade-deals-new-zealand-production-and-trade#_ftnref1

26. Notwithstanding our concerns regarding the applicability and efficacy of the bilateral safeguards, it is disappointing that the UK Government's ability to potentially use them is also time limited. The agreement includes no safeguards that can be applied in respect of New Zealand imports five years after the corresponding tariff for that good is eliminated (i.e., this is from Year 11 onwards for beef and Year 16 onwards for sheep, which is the longest timeframe for any products under this deal on which these safeguards can be used). Therefore, whilst we welcome the inclusion of safeguards NFU Cymru have deep concerns over the usefulness of them in protecting domestic production.
27. From an agricultural perspective the UK Government has agreed to eliminate tariffs on New Zealand imports, although they will be phased out over a period of years on some products. Tariffs on beef will be eliminated after 10 years, with a further 5 years when a product specific safeguard for beef foresees the possibility of introducing a 20% tariff on volumes above a defined volume trigger. For lamb, tariffs are eliminated after 15 years. Tariffs on cheese and butter will be eliminated over a period of 5 years and tariffs on fresh apples will be eliminated over 3 years.
28. **Sheep meat** - New Zealand currently has access to the UK market through its country-specific duty-free WTO quota of 114,138T. The UK is self-sufficient in lamb but on average imports around 83,000T of sheep meat annually. New Zealand has not filled its generous WTO quota since 2008, for example in 2019 New Zealand supplied 38,675T which is 63% of the UK's total imports for sheep meat. As a result of this trade deal sheep meat will eventually be liberalised and unlimited quantities will be able to enter the UK duty free. New Zealand is an established supplier on the UK market and is a direct competitor for Welsh lamb. With that in mind, it is difficult to see the justification behind liberalising trade in this area.
29. Imports of New Zealand lamb have the potential to cause significant disruption on the UK market. It is therefore incredibly disappointing that the sheep meat quota will be managed on a first come first served arrangement and is not managed in tranches (e.g., quarterly allocations). This means there is the potential for New Zealand lamb to flood the UK market displacing domestic product not only at a time when British lamb is in season, but also at times surrounding key religious festivals such as Eid.
30. **Beef** – New Zealand exports over 90% of the beef it produces. Despite falling outside of the top 10 for global cattle numbers it is consistently in the top 5 beef exporters in the world.⁴ New Zealand predominately exports frozen boneless cuts of beef and based on a three-year average (2017 – 19), over 80% of beef the UK imported from New Zealand was frozen product. Although we cannot know for sure, this product was likely destined for food service and manufacturing sectors where there is a preference for frozen.
31. Pre-Covid, UK consumers spend on eating out was almost equal to that spent on food and drink in grocery retail. Although volumes are smaller, higher ticket prices add value and tight margins mean there is greater incentive to use cheaper raw materials in out of home settings. Whilst in the short term (given the high level of retailer commitment to British sourcing of proteins), New Zealand imports may not directly land on UK retail shelves, they are much more likely to be destined for the food service or manufacturing sectors where there is little to no transparency of sourcing or visibility of country of origin for consumers.
32. When considering the impact of the trade deal with New Zealand we cannot just consider the volume of imports – we must also consider value. A relatively small volume of imports (if high in value) has the potential to significantly disrupt domestic markets. For example, 7,000 tonnes of

⁴ https://ahdb.org.uk/news/future-trade-deals-new-zealand-production-and-trade#_ftnref1

striploins would require 20% of UK prime beef kill to produce. New Zealand currently sends cheaper cuts of meat to the US, but the majority of its expensive cuts come to European markets. UK beef production is only viable if the high value cuts are sold, creating “balance across the carcass”. If Welsh farmers are unable to sell these because they cannot compete with New Zealand (given the differences in costs of production), their businesses will struggle to remain viable only through selling the much cheaper meat cuts like mince and stewing steak.

33. **Dairy** - New Zealand currently has very limited access to the UK market through only WTO quotas and in 2019 it sent only 821T of butter and 3.5T of cheese. However, it should be noted that these WTO quotas have strict conditionality about the type of product and the way it must be packaged to qualify, which acts as a disincentive to trade. For example, for product to qualify under the existing WTO cheddar quota the cheese must be in complete wheels and have a net weight of not less than 33 kg but not more than 44 kg, must have a fat content of 50 % or more by weight in the dry matter, and must be matured for at least three months
34. New Zealand is 880% self-sufficient in dairy and is hugely competitive on the global market. Fonterra the main dairy co-op processes 80% of milk in New Zealand and controls 30% of the world market. Due to the scale of operation in New Zealand, natural climatic factors and the power of Fonterra, the cost of producing milk is 25% lower in New Zealand than in the UK. Given New Zealand’s powerhouse status on the global dairy market, there are likely to be few opportunities for Welsh dairy to be exported to New Zealand. This agreement creates much more opportunity for New Zealand than our own producers.
35. **GIs** - We are incredibly disappointed to see that the UK Government only chose to protect Scotch Whisky in this agreement with no other Geographical Indicator protection. We recognise that the UK and New Zealand will review this situation if New Zealand signs an international agreement that requires it to protect GIs or if New Zealand adopts any substantive change to its GIs regime (e.g., introduction of a scheme for the registration and protection of agri-food GIs). In those circumstances, this agreement will be amended to ensure similar levels of protection. If New Zealand does not introduce a scheme within two years after entry of force of the agreement, both sides will review the provisions related to GIs. However, there is no legal requirement to agree anything, just to revisit discussions. To be dependent on the outcome of other's endeavours to establish protection for GIs is galling and ironic given claims of taking "back control." NFU Cymru believes that ensuring GIs receive protection in all third countries must be a priority for UK negotiators.
36. Welsh producers are proud of their products and the heritage which comes along with them. PGI Welsh lamb and beef are recognised around their world for their quality and provenance. The use of Geographical Indicators would have allowed us to differentiate our product from the world market, access a premium and increase profitability. This is evidenced by the European Commission funded study by AND-International in 2012 which found that GI products sold for 1.55 times as much as non-GI products for the same volume. Given that 25% of UK food and drink exports (by value) are generated by GI, worth £5bn in exports in 2018⁵. It is incredibly disappointing that this opportunity has been missed.

What are the likely social and environmental impacts of the Agreement?

37. Agriculture, and family farms make a very significant contribution to Wales’s cultural life and sense of national identity. The average size of a farm in Wales is 48ha, compared to an 88ha average size in England. This means that the Welsh countryside is characterised by farms of a

⁵ https://gpfoods.inparliament.uk/sites/appg_gpfoods.inparliament.uk/files/2021-06/APPG_Minutes_-_GP_Food_03.03.2021_0.pdf

modest size, typically owned and/or occupied by farming families, who will often have farmed in that locality for many generations.

38. With around a third of agricultural land in Wales rented through formal and informal agreements the tenanted agricultural sector is very important in Wales. Tenants face a number of unique challenges, access to finance can be a problem and tenancy agreements can often hinder or prevent a tenant from diversifying or switching enterprises to meet changing market conditions. In that respect, tenants' ability to quickly adjust to changing market conditions as a result of the trade deal with New Zealand is dramatically reduced.
39. Research has shown that the proportion of Welsh speakers in the industry is 43%, a figure which is more than twice the level of Welsh speakers in the population as a whole (19%). With the extensive use of the language within the industry, both in the workplace and on a social level, there exists an undeniable connection between the future of Welsh agriculture and the future of the Welsh language.
40. In Wales, the Well-being of Future Generations Act 2015 which focuses on 'improving the social, economic, environmental and cultural well-being of Wales's confers a duty on public bodies to work to achieve the vision for Wales set out in the seven well-being goals. One of these seven well-being goals is 'A Wales of Vibrant Culture and Welsh Language'. NFU Cymru considers Welsh farmers to be key promoters and protectors of the culture, heritage and language of Wales, with the farming sector making an essential contribution to the preservation of the Welsh language.
41. As farmers in Wales maintain the Welsh landscape, they also continue to maintain its language and cultural traditions, and in so doing preserve our heritage and sense of place for future generations. Those in the agricultural industry are often at the heart of many rural communities across the country, as part of community groups, or in voluntary or leadership roles throughout rural Wales, and Welsh farmers make a key contribution towards the provision of attractive, viable, safe communities in rural areas. By their very nature, rural communities in Wales are small or in isolated locations. In these communities, it is often farmers and members of their families that support, sustain, and facilitate many aspects of community life.
42. Many farmers or individuals involved with the agricultural industry undertake leadership and voluntary roles in rural communities which contribute to community cohesion. There will often be members of the agricultural industry sitting on Community Councils, PTAs or on the board of school governors. Farmers are often closely involved with tasks which assist rural communities, from clearing roads when it has snowed to arranging local shows. Local Young Farmers' Clubs bring young people in rural communities together, providing key life skills and social opportunities for young people reducing any sense of rural isolation. A typical farm business contributes to the rural economy by sourcing numerous inputs and services from a wide range of rural businesses. Farm businesses therefore not only create employment on farm, but also in the wider rural economy, and in so doing help maintain the viability of our rural communities.
43. As demonstrated the way in which our patchwork of family farms contribute to cultural life cannot easily be represented quantitatively or assigned a monetary value. NFU Cymru is firmly of the view that Wales would be culturally impoverished if our family farming structure were to be harmed or in some way diminished. The UK – New Zealand FTA puts all this cultural heritage at risk.
44. We welcome the inclusion of a strong environmental chapter in this agreement which recognised the sovereign right of each party to establish its own environmental priorities and levels of environmental protection. We support the agreement to take measures and promote efforts to

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reduce greenhouse gas emissions from agricultural production and to achieve domestic net zero targets by 2050. NFU Cymru has been clear that, for the UK to truly deliver on its ambitions for a more sustainable future and the goals of COP26, all aspects of policy, from domestic environmental and agricultural policies to international trade policy, must be joined up in their delivery of these aims.

45. However, we remain concerned about the unintended consequences the UK – New Zealand FTA could have on our environment, biodiversity and landscape in Wales. Grazing livestock are key to the maintenance and ongoing management of several key habitats and species in Wales. As the UK Government's impact assessment shows, UK production in beef and lamb is expected to fall which implies a reduction in headcount. Without grazing ruminants on grassland, it would naturally revert to scrub, which would reduce biodiversity and habitats for a wide range of animal and plant life that contribute to the landscape.

What support will your business or organisation need from the Welsh and UK governments to respond to and prepare for the implementation of the Agreement?

46. Exports of agri-food products are important to Wales. Our farmers are very proud of the food they produce and are anxious not only to maintain and grow existing export markets but also to sell their produce into new markets. Trade agreements may offer opportunities to sell into new markets. However, realising these opportunities requires our Governments in Wales and Westminster to not only to invest in market development and promotion, but also support at home for companies wishing to export.
47. Investment in trade diplomacy is key if inroads are to be made in new and emerging markets. Whilst the development of an additional 8 dedicated agricultural attachés is welcome, bringing us up to 10 (New Zealand themselves have 18 agricultural attachés around the world) the rapid progression of Free Trade Agreement negotiations means that we risk too little action, too late. We would welcome further clarity from UK Government on the timings of the appointments of these agricultural attachés and would welcome assurances that they will be equipped with the skills and technical knowledge to allow them to excel in their roles. We would expect the UK and Welsh Governments food and trade divisions to work together to ensure that Welsh food and drink businesses are able to capitalise on new export market opportunities
48. NFU Cymru's ambition to be world leaders in the production of climate friendly food, against a backdrop where our nature and rural communities thrive requires long term investment. This requires the UK and Welsh Governments to, as a minimum, maintain current levels of funding to Welsh farming. NFU Cymru welcomed assurances given by 2016-2021 Welsh Government to the ring-fencing of funding for Welsh agriculture received from the UK Government in future. At this critical time, we would welcome a re-affirmation of this commitment by the current Welsh Government.
49. A commitment to deliver funding for agriculture on a long term multi-annual basis would be welcome and would offer farmers some stability and certainty beyond the arrangements currently in place, since our departure from the EU. We would therefore urge the UK and Welsh Governments to work together to look at options for making multi-annual commitments with regard funding for agriculture.
50. The trade deals with Australia and New Zealand mean potentially significant marketplace changes for Welsh agriculture. These trade deals, coupled with the impact of a pandemic and now the impacts of the Ukraine / Russia conflict, mean that things have changed drastically in a

short space of time. The world of late 2021 is very different to the one we knew when Welsh Government began to consider future farm policy for Wales.

51. With Welsh Government set to take the Agriculture (Wales) Bill through the Senedd this year, we were pleased to hear the Minister say in a recent ETRA committee meeting that she is looking again at the Agriculture Bill in light of the current crisis. We believe there is an urgent need to look again at how future agriculture policy can continue to underpin sustainably produced, climate-friendly Welsh food and support our rural communities, against the backdrop of the UK Government's trade policy, a pandemic and a post-Brexit environment which continues to challenge and re-shape our food supply chains.
52. Regulation and its impact is a crucial determinant of business confidence and the success of a farm business. The Welsh Government needs to recognise that the sector needs an enabling regulatory framework which encourages sustainable business growth and investment.
53. The public sector is a significant procurer of food, it is often the case that procurement decisions end up being made solely or largely on the basis of cost. We consider this approach to be short term and misguided and detrimental to domestic producers. We believe that following our departure from the EU, there are opportunities to look afresh at public sector procurement. We would expect the public sector to show leadership and make purchasing decisions on the basis of quality, standards and provenance.
54. With ever greater ranges of product set to come into the UK via trade deals reached with third countries NFU Cymru is of the view that our governments need to legislate for clear food labelling, including country of origin labelling in order to allow consumers to make an informed purchase. We believe that there is a pressing need to introduce stricter food labelling rules in relation to the foodservice and hospitality sectors where labelling has always been more opaque, and there has traditionally been a far greater use of imported product.