

UK supply chain, pressure points, fairness, ethics and transparency

Thank you for inviting me here today, I came to the Turriff show 2 years ago and am glad to be back at a true agricultural show in the heart of a magnificent growing area.

Whether it was Lenin or Lewis that said it in the early 20th century, the fact that society is only three meals away from chaos, or nine meals way from anarchy rings true.

Food security is our ability to feed ourselves whether grown here or imported, but it is also important to monitor our self-sufficiency, the extent to what we grow in the UK.

That is now standing at about 60% from a high of 78% in 1984 of all dates! We are only 74% sufficient in foods that could be grown here, so there is considerable potential to increase production in the UK.

Fresh produce is the area where we are least self-sufficient, with fresh veg at 53%, fresh fruit 16%, not helped by an ever-increasing demand for the exotic: avocados pineapples and mangoes have gone up 43% in 5 years, but all come from areas under water stress.

But the certainty of being able to get the £10bn of imports we get each year is an issue. 64% of fruit and veg imports are from just 10 countries where temp expected to rise 16% by 2050.

Spain is main source, expected to go from 9 hot days (>35C, a temp which is a threshold for viability for many crops) a year to 20; Peru from 1 to 11 hot days. 2023 hottest year on record and 2024 had hottest day on record in the UK. And Turkey hit 50C last week.

Global heating is reducing places to grow crops and adding uncertainty. We can't just focus on security of supply but resilience, the ability to recover from acute shock: droughts, floods, failed harvests, yield drops and price surges and we are seeing more and more of these.

I got most of my figures from a new piece of research for the Fresh produce consortium and the solutions offered for growers included water storage, finding ways to moderate the impact of extreme temps (such as shading for fruit crops and cattle), strengthen flood defences, planting climate resistant varieties.

I came across a new word, Climateflation, inflation driven by climate change, which is predicted to drive consumer prices up 33% by 2050

But all parts of the supply chain need to integrate climate risks into their strategic decision making

So what are Co-op doing in the context of this. Clearly businesses are facing higher levels of risk as the global policy response weakens, eg in USA, and have to take responsibility for themselves.

Coop are engaged in understanding not only food security and sustainability but also long-term resilience of infrastructure and supply chains. The approach is to continue to assure their current credible sourcing standards (everything from human rights to reducing emissions, sustainable land use etc) in all food they source and then have additional programmes for key ingredients, geographies and landscapes.

The focus will be on

- Fairtrade ingredients where Co-op is committed to own brand being 100% Fairtrade...bananas, coffee tea sugar wine
- Animal protein where co-op is committed to 100% British:dairy, beef, chicken, pork ,eggs
- Forest and peatland, soy, peat, palm oil, wood and paper, Co-op is 100% sustainable palm oil in so far as it can be accurately traced.
- Other key ingredients such as fresh produce and wheat

They have already started to

- Map risks and strengthen approach on sourcing
- Move to long term view of sourcing and relationships
- Share best practice with supply base and build capacity
- Find opportunities to work at landscape or jurisdiction scale
- Long term supply agreements and explore new growing territories
- End to end supply chain focus

I look forward to working with them to see how they flesh out the details of the plans and prioritise actions but I suspect all retailers will be following similar strategies. Maybe this is why some are already de-committing from 100% British sourcing.

I hope this has set some context on the subject of supply chains and I hope we can go on to explore in the Q&A what opportunities this challenge has for farmers and growers across the UK but particularly in the area we are today. Thank you