



# Food and Farming in the UK

Adam Briggs  
Senior Policy Advisor  
NFU North West Region





# What is a typical farm?







# Rough overview of farming in the UK....

**Mostly grass and  
Livestock/Dairy in  
the West of the  
country**



**Mostly arable  
in the east of  
the country**





## Land, crops & livestock

Average 2007 2008  
1997-99 prov.

[Tables 3.1 & 3.2 Agriculture in the United Kingdom 2008](#)

Land use	Thousand hectares		
Crops	<b>4 890</b>	<b>4 439</b>	<b>4 740</b>
Bare fallow	<b>32</b>	<b>165</b>	<b>195</b>
All grass under 5 years old	<b>1 311</b>	<b>1 176</b>	<b>1 141</b>
All grasses over 5 years old	<b>5 365</b>	<b>5 965</b>	<b>6 036</b>
Sole right rough grazing	<b>4 618</b>	<b>4 313</b>	<b>4 359</b>
Set aside	<b>397</b>	<b>440</b>	<b>-</b>
Other land and woodland	<b>775</b>	<b>954</b>	<b>993</b>
Total area on agricultural holdings	<b>17 387</b>	<b>17 452</b>	<b>17 464</b>
Common rough grazing	<b>1 225</b>	<b>1 238</b>	<b>1 238</b>
Crop areas	Thousand hectares		
Cereal crops	<b>3 358</b>	<b>2 885</b>	<b>3 274</b>
Other arable crops	<b>1 182</b>	<b>1 170</b>	<b>1 152</b>
Potatoes	<b>169</b>	<b>140</b>	<b>144</b>
Horticulture	<b>181</b>	<b>169</b>	<b>170</b>
Livestock	Thousand head		
Total cattle & calves	<b>11 526</b>	<b>10 304</b>	<b>10 107</b>
Total sheep and lambs	<b>43 983</b>	<b>33 946</b>	<b>33 131</b>
Total pigs	<b>7 834</b>	<b>4 834</b>	<b>4 714</b>
Total fowl	<b>169 901</b>	<b>167 667</b>	<b>166 200</b>





# Importance of farming to the UK.....

- Currently 5.5 million people are employed by the rural economy, which is worth £300 billion per year
- Over half (51%), of English farms have diversified beyond their core farming activities
- The agri-food industry accounts for 6.5% of the total UK economic output
- Domestic food and drink manufacturing contributes 22 billion to the UK economy and there is a real risk it could be eroded without a healthy farming base
- Agriculture underpins the rural tourism sector which generates an estimated £14 billion and supports 25,000 businesses every year
- Farmers have taken up agri-environmental challenge

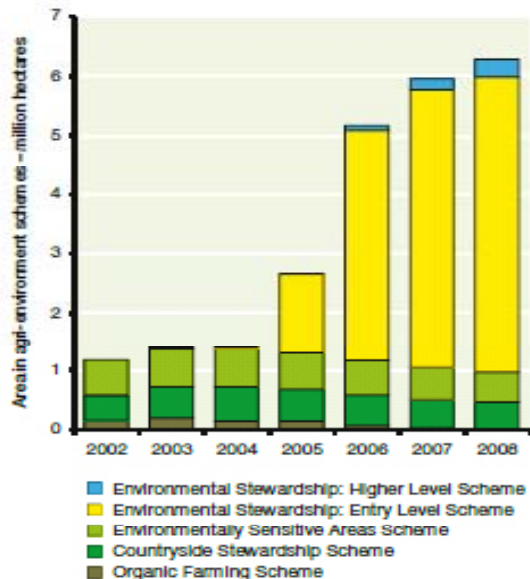






# Uptake of agri-environmental schemes

Area under agri-environment schemes in England 2002-2008



Source: Defra, March 2009

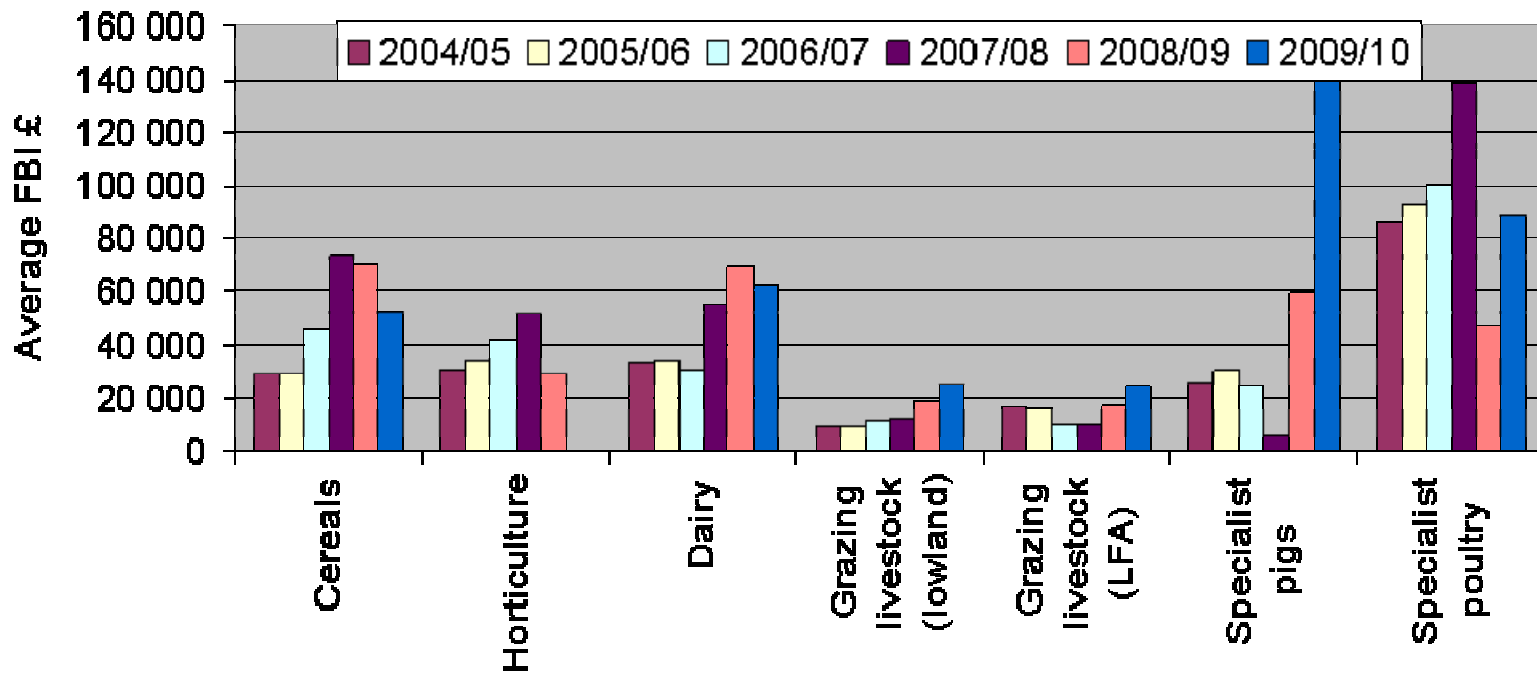
But we need to see sustainability in an economic sense as well as an environmental one





# Farm Income according to system

**Farm Business Income 2003-2009**





## Factors affecting profitability....

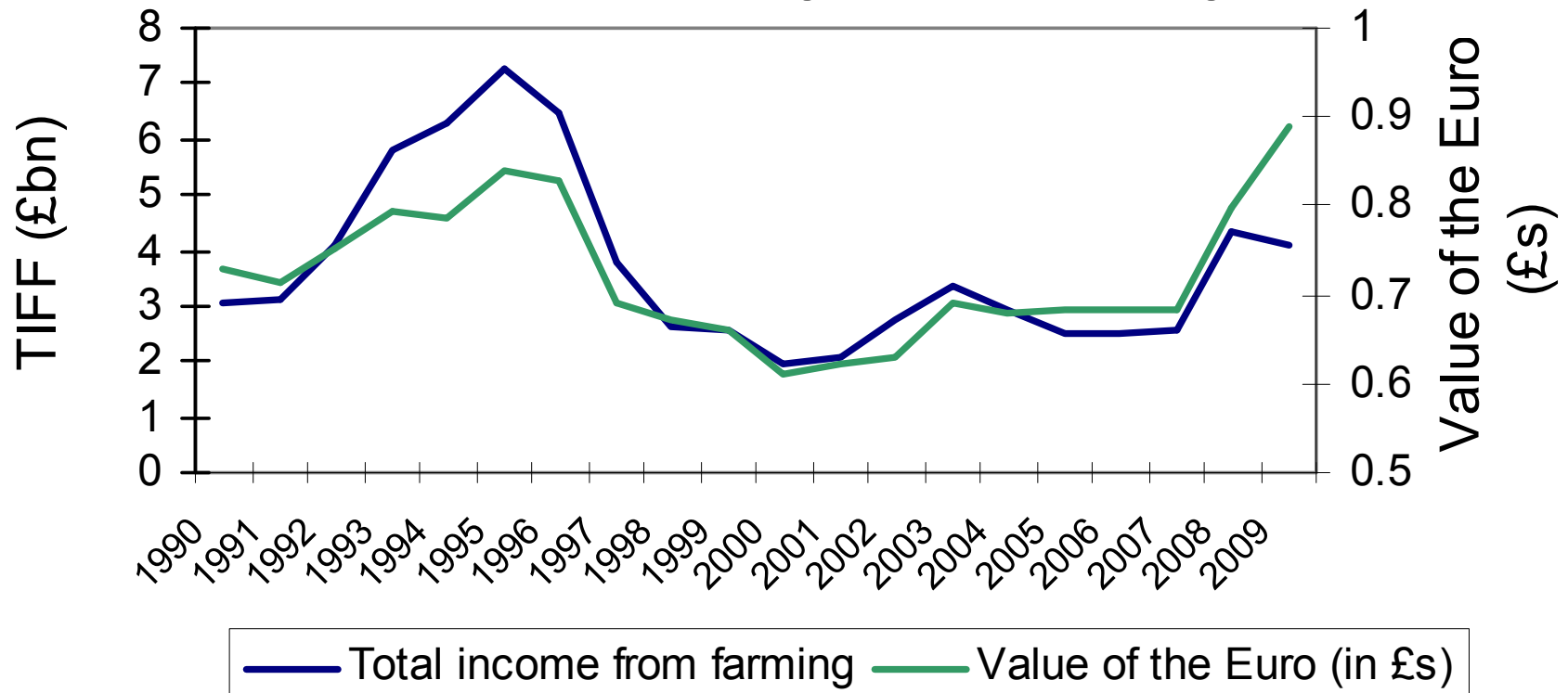
- Exchange rate
- Legislation & regulation (NVZ, sheep EiD, pesticides directive)
- Recovering economy
- Climate change
- CAP reform







### Total Income from Farming and the Exchange Rate





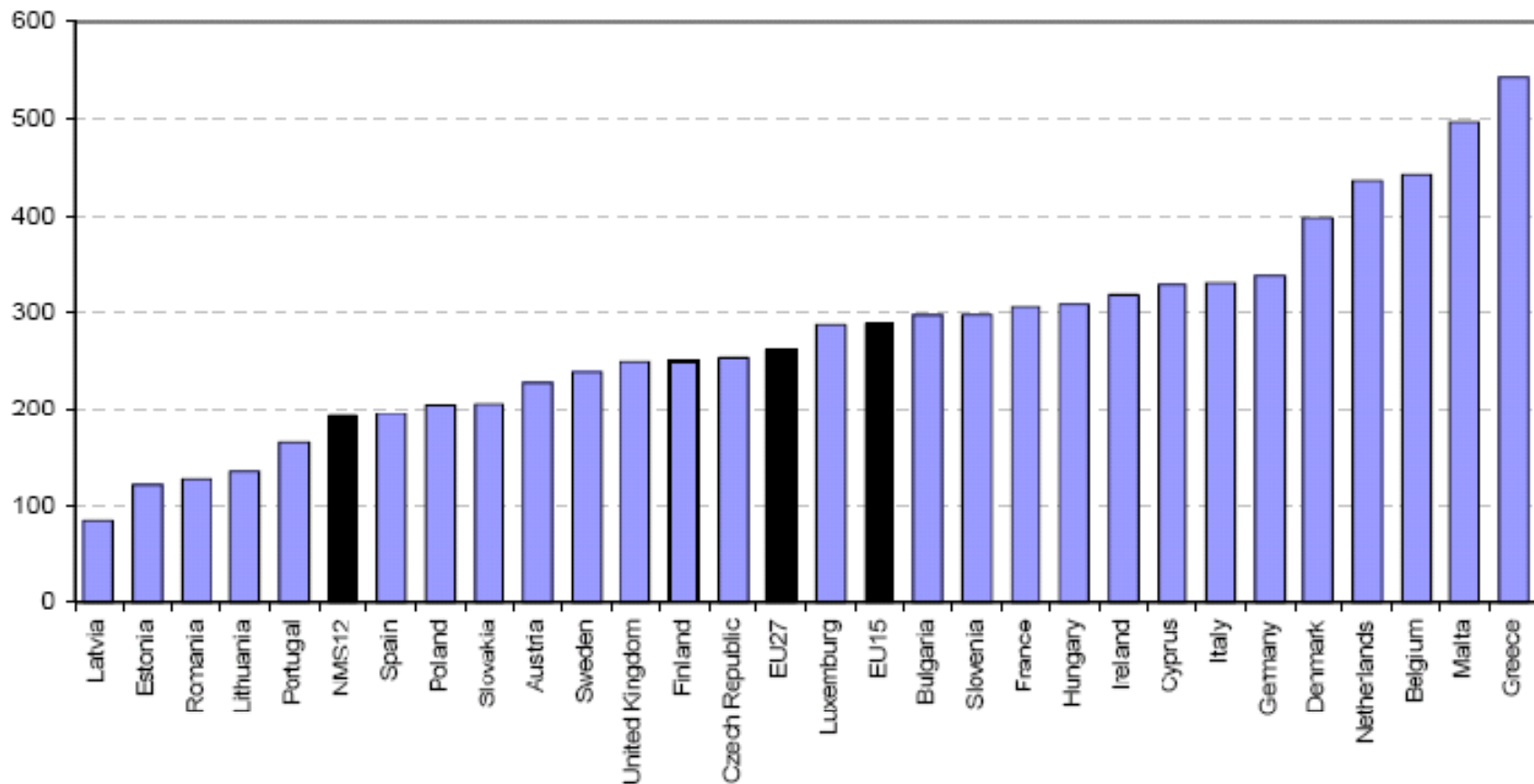
## Factors affecting profitability....

- Exchange rate
- Legislation & regulation (NVZ, sheep EiD, pesticides directive)
- Recovering economy
- Climate change
- CAP reform





**Figure 3: Average direct payment per MS (in € per hectare)**



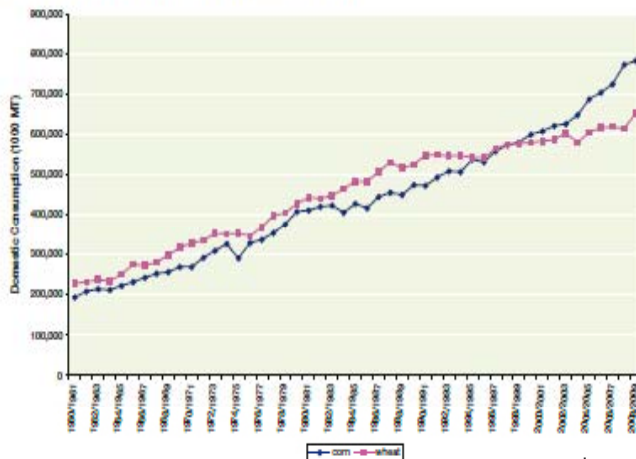




# Challenges.....

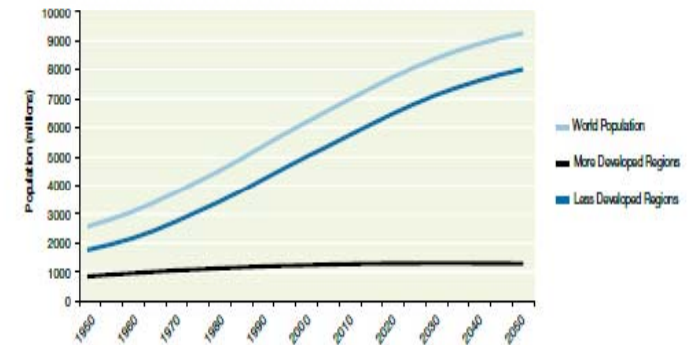
- Increasing population globally = increasing demand for food

Domestic consumption of corn and wheat, 1960-2009



Source: Data from [www.fas.usda.gov](http://www.fas.usda.gov) presented by NFU

World population (medium variant), 1950-2050



Source: Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2006 Revision and World Urbanization Prospects: The 2006 Revision, <http://esa.un.org/lumpp> (accessed 22 April 2008).

Source: Chatham House Royal Institute for International Affairs, Food Futures report 2009





## Challenges.....

- Increasing population globally = increasing demand for food
- Climate change will mean production under increasing pressure in terms of the land area
- Commodity prices forecast to be higher over the next decade
- A lot will depend on the oil price – higher oil prices typically translates to higher food costs.

***In a nutshell, how do we produce more and impact less?***





## Opportunities.....

- Supply and demand (Supply Chain initiatives)
- Environmental opportunities
- Alternative energy (AD, Biofuels, Biomass)
- Modern technology (Precision farming, GM)
- Farm Assurance
- Public good (including food production!)







# Food and Farming in the UK

Adam Briggs  
Senior Policy Advisor  
NFU North West Region

