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UK agriculture would be better off outside the UK

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Thank you for inviting me. It is always a pleasure to come to the Oxford Farming Conference. This is an extraordinarily important issue.

Why Leave?

The decision before the British public on the Leave or Remain referendum is arguably the biggest historic decision since the Reformation – what sort of a country is this and who will run it?

When we joined the Common Market in 1975 the British public were sold an economic project - one to increase trade between European nations, - and the belief that with free trade we would be more prosperous. But in reality, we had joined a political project – with a determined vision of a United States of Europe with its own Parliament, Courts, Currency, and Council of Ministers.

I believe that the United Kingdom has a great future beyond the political arrangements of the European Union – this particularly applies to our agriculture and our environment where the UK's priorities should be:

- Grow the rural economy
- Improve the environment
- Protect the country from animal diseases
- Protect the country from plant diseases

We are now at a fork in the road. Those European countries in the Eurozone need to form what is effectively a new country – a fully redistributive state that can transfer funds from wealth-creating parts of the Eurozone such as Southern Holland or Bavaria to the Mezzogiorno and Peloponnese. We can never join the Euro, nor Schengen, so will never qualify to join this new country. We will be offered some sort of Associate Status, but this would still have us under the jurisdiction of the ECJ, the Council that has overruled the current Prime Minister alone over 40 times, and the European Parliament where we have a permanent, small, minority representation.

The European Union and the European market are not one and the same. We can leave the political arrangements of the European Union, but still enjoy access to the European market, trading freely with European neighbours. They have a £70bn surplus with us, 5 million Europeans depend on sales to the UK; they have a vast strategic and selfish interest in being able to export to us. So those who trade with Europe have nothing to fear.

Rural Economy

The first priority in growing the rural economy should be to increase food production. The food chain contributes £85 billion per year to the UK economy, 3.5 million jobs and provides 62 per cent of the food we eat. Food and drink is the UK's largest manufacturing industry – bigger than cars and aerospace combined; it employs one in eight people. Many of these jobs are located in rural areas. A UK policy should encourage import substitution, the export of quality products, and the Government should direct public procurement, worth £2.4 billion, towards UK producers.

Common Agricultural Policy

Agriculture and food production is hampered by our membership of the Common Agricultural Policy. CAP negotiations between 28 countries inevitably mean that we have to accept compromises. These are at best deeply unsatisfactory and at worst actively damaging to UK farmers.

Farmers are often exasperated by the difficulties of implementing the CAP. To add insult to injury, the European Commission then fines the UK for incorrectly implementing the CAP measures. This is known in the EU as “disallowance” but brutally is a fine on member states. This amounted to £600 million for the failings of the last Labour Government in implementing the last CAP reform.

Yet today the CAP is morphing from a regime of subsidized food production, and employment protection, into one imposing common environmental outcomes across a vast and disparate geographic area encompassing 28 countries - from the olive groves of Andalucía with temperatures of +45, to the frozen forests of north Sweden with temperatures of -45.

Imposing a pan-European environment policy has proved impossible. Many aspects of “Greening” are intrusive, costly and difficult to administer - some are wholly unsuited to the UK environment, such as the three crop rule.

Outside the EU it will be essential to continue a significant level of support from the UK Exchequer and to reassure farmers that payments would be made by the UK Government in the same way that Switzerland, Norway, and Iceland currently do. In fact, the payments made by these countries are actually more generous than those paid by the EU to member states. The EU currently contributes £2.9billion to the UK via the CAP and related subsidies, accounting for 55 per cent of total income from farming. Yet, the UK’s estimated net

contribution to the EU budget is more than three times that figure at £9.8 billion.

By leaving the political structures of the EU, a UK policy could not only pay as much, if not more, than the CAP, but funds would be allocated in a much more effective and targeted manner by policy makers with a full understanding of the UK industry and environment.

Regulation could be massively simplified. For example, an independent UK could create a 'gold standard' for the best performing, most trusted farmers who would not be subject to regular inspection. However, like all of us who are trusted with our tax returns, they could be subject to random inspection.

And subsidies could be more specifically tailored to satisfy the UK's unique geography and climate. In lowland areas, decisions on which crops to grow and animals to raise should broadly be left to the market. However, there are areas where food production is simply inadequate as an income generator.

The landscapes of the Lake District, the Peak District, and mountainous areas of Wales and Scotland are the basis for a tourism industry worth an estimated £20-£30 billion per annum; there is currently no mechanism for the market to reward farmers and landowners for the public good, provided by the work they do maintaining and improving these environments.

Such a rural policy would recognize additional roles to producing food and agricultural goods: national food security, food safety, environmental benefits, cultural landscape, land conservation, flood control, biodiversity, recreation and cultural heritage are additional functions which can legitimately form part of an integrated rural policy.

Modern technologies

But we must look beyond just essential subsidies and at the bigger picture. British agriculture, brimming with potential, is held back by the European Union's prejudice against advanced technology and science.

The precautionary principle gives European regulators the cover to restrict or ban anything at whim or according to whomever is exerting the most pressure. So that we end up with a limit on the amount of pesticides allowed in tap water, set at 0.1 parts per billion - the equivalent of one paracetamol tablet in an Olympic-sized swimming pool.ⁱ

The precautionary principle was used in the battle over neonicotinoids, or neonics, which activists accused of causing a "bee-pocalypse," an imminent extinction of bees.

When I was at DEFRA I received 85,000 emails from environmental activists about this; very few of them were complimentary.

Even though bee populations are not falling at all, but rather growing both in the EU and around the world,ⁱⁱ The European Commission, as is its habit, caved in to the activists. They overrode their own scientists and banned neonics starting at the end of 2013.ⁱⁱⁱ

The result was predictable. By removing the best modern defence against insect pests and forcing farmers to use older, less effective pesticides – such as pyrethroids that damage the aquatic environment and are worse for bees, England's oil seed rape crop has diminished^{iv} by more than 13 per cent - from

2012, the year before the ban.^v With a projected 14% decline in harvests next year in 2016.^{vi}

The obstinate refusal to adopt advances in technology means that Europe is becoming the museum of world farming. Europe sits on some of the most fertile land on the planet and yet imports food from the equivalent of 35m hectares of someone else's farmland.

For example, US maize yields have overtaken those of France in the last 20 years.^{vii} France is missing out on 0.9 tons per hectare of maize yield across their whole production area of 1.5 million hectares. That's a missed yield of 1.4 million tons of maize that could be worth \$225M to French agriculture. Or, if France had kept pace with modern technologies - like better seed breeding, the rapid adoption of data driven support tools or the use of GM-technology – yields would have kept pace with those in the USA. France could be growing the same total maize harvest on 150,000 less hectares; land that could be used for wildlife, recreation, or forestry.

Innovation principle

Instead of the precautionary principle, I would like to see the UK adopt the "innovation principle", which the Commission, to date, have shied away from. A definition is, and I quote "The principle requires that whenever policy or regulatory decisions are under consideration, the impact on innovation should be fully assessed and addressed."^{viii} European governments would have to weigh both the risks and benefits of any proposed new technology against the risks and harms of existing technology: neonics against pyrethroids; electronic cigarettes against cigarettes; Bt corn against chemical pesticide treatment of corn.

It would force European policy makers to face up to the potential benefits of any innovation rather than just strike them down. And the innovation principle would have to assess whether any regulation was likely to stifle innovation.

Here in the UK, we sit on some of the best scientific innovation on the planet. With incredible institutions like Rothamsted Research or the John Innes Centre on our doorstep, amazing progress in genetically modified research is hampered by EU-scepticism of the science. We could have blight resistant potatoes being developed already, but for EU policy. A successful farming friend of mine, during the first wet summer when I was at DEFRA, pleaded with me to campaign publicly for blight free potatoes as he was spraying his potato crop for the 15th time to save it from disease.

I had hoped that European countries would be excited about using their cutting edge science for innovative new GM products to sell to each other and to foreign markets. However, advances after rigorous scientific analysis were consistently blocked politically by different countries within the European Union.

I worked with a number of countries in order to produce an 'opt-out' proposal. This would allow countries like the UK and Spain, who were keen to let private industry develop GM products to do so, while allowing biotech industries to offer an opt out to member states who did not want to adopt GM. This opt out mechanism, allows some companies to trade with other countries in third markets without incurring any legal challenge. The opt out proposal has since passed but, I am sad to say, that it has been greatly abused. A number of countries have simply taken the opportunity to ban the growing of any GM products, despite Europe importing vast amounts of GM product as animal feed.

Outside the EU the United Kingdom could adopt the Innovation Principle and be the leading centre of world agricultural research and practice.

Trade and World Bodies

The UK, freed from the encumbrance of the EU will be able develop bi-lateral trade deals. We wouldn't be waiting for lengthy complex all-encompassing treaties such as TTIP that are held up by the Greek definition of Feta. We could trade with like-minded countries that wanted our products.

But also, outside the EU, we would be able to take a full seat on the world bodies that determine global regulation. The UK is currently represented by just 1/28th of a seat by the EU at the WTO, the OIE, the world organisation for animal disease, and Codex Alimentarius, the body which regulates guidelines relating to foods, food production and food safety.

I was particularly struck on a visit to New Zealand how my counterparts saw how vital it was to build alliances and work with like-minded nations to promote legislation or amend other countries' proposals. At that time they were particularly exercised about a New Zealand amendment at an upcoming OIE meeting in Geneva affecting the sheep industry and crucial to NZ farmers. They were pleased that having got the Australians on side they would gain the support of key south American states which would bring Canada and the US on board.

When I asked why they had not discussed this with the UK, they said that our position was entirely represented by the EU: even though we have one of the largest sheep flocks in the world. I left feeling stung by these comments and totally disheartened by our lack of influence but also galvanised by the belief

that we could serve our own industries so much better if we, as a sovereign nation, retook our rightful place on these global regulatory bodies.

Having a full seat would give us a chance to work with allies from the Anglosphere and the Commonwealth to ensure that regulations are compatible with UK needs. Similarly, taking a full seat on the International Plant Protection Convention would give us a much stronger voice in combating diseases which are becoming more prevalent as globalisation encourages the international trade in plant products. By taking control of our borders we can learn the clear lessons from Australia and New Zealand and establish the UK as a safe haven for healthy plants, which can then be re-exported.

In conclusion, UK agriculture is heavily constrained by the EU. Subsidies are delivered through an immensely complex mechanism that could be radically simplified. Membership prevents us from working with like-minded countries to combat plant disease and animal disease. It prevents us from doing trade deals with countries that would buy our products. It restricts us from leadership in setting global regulation that would make sense for us and our allies.

In short, a UK agriculture policy outside of the EU would

Grow the rural economy

Improve the environment

Protect the country from animal diseases

And protect the country from plant diseases

I am proud to have helped set up Vote Leave. I look forward to working with those of you who want to boost British agriculture and improve the UK environment by campaigning with me to leave the European Union.

Thank you very much.

ⁱ Anderson (Report), The effect of The Loss of Plant Protection Products on UK Agriculture and Horticulture and the Wider Economy, <http://www.nfuonline.com/andersons-final-report/>

ⁱⁱ <http://www.agprofessional.com/news/bee-population-rising-around-world>

ⁱⁱⁱ <http://www.eureferendum.com/blogview.aspx?blogno=84472>

^{iv} <http://www.thetimes.co.uk/tto/opinion/article4227789.ece>

<http://www.rationaloptimist.com/blog/bees-and-pesticides.aspx>

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/469400/structure-june-ukcerealoilseed-statsnotice-20oct15.pdf

^{vi} <https://www.fginsight.com/news/oilseeds-to-see-significant-shrinking-as-restrictions-and-low-prices-bite-7913>

^{vii} <http://faostat3.fao.org/browse/Q/QC/E>

^{viii} http://www.riskforum.eu/uploads/2/5/7/1/25710097/innovation_principle_letter_4_nov.pdf