Twitter Thread by Shane Brennan

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End of week 2 thread on post Brexit food trade

There is continued growing unease. The main picture remains one of depressed/tentative trade (c50% down y-o-y) and some high profile logistics business have taken the rational step to stop and regroup.

The big worry here is that ‘not-trading’becomes a habit. We can’t/won’t carry on at half the volumes of before, but as volumes claw back we may only reach something like 80% of previous volumes and that is a disaster for a food industry already battered by a recession.

Lots of focus has been on the idea of EU businesses stopping serving the UK. Worries about how we feed ourselves has trumped worry about our exporters at every stage. Even though it is the collapse of our export businesses that is (and has always been) the greater threat.

To reassure the mainland British shopper that feels like less of a risk. UK is a large market of wealthy consumers, and UK gov has shown it will do anything (however unfair) to ensure stuff gets in - even letting supermarkets have access to the fast track lane to Dover. https://t.co/KbqS799qwd

> NEW. \U0001f6a8\U0001f6a8\U0001f69b\U0001f1ec\U0001f1e7\U0001f644\U0001f69b\U0001f69a\U0001f6a8\U0001f6a8 clear signs govt is preparing for coming #brexit turbulence - consulting on new fast-track scheme for food lorries returning to Europe /1
>
> https://t.co/QqDKxBUu3f
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> — Peter Foster (@pmdfoster) January 13, 2021

I am not as close to this but it feels like shortage on the shelves is more of a genuine immediate threat for the island of Ireland. The types of innovative solutions we have discussed this week can help but will they come in quick enough? https://t.co/eG251uHcTO

It’s been 17 days and we’re still in the middle of it, so not really the time for hot takes on how we got here and what happens now, but this is Twitter so I’ll give it a go.

A couple of thoughts on the immediate issues and a few more on the medium and long term.

Operationally, the first thing we have to do is stop seeing our new trading reality through the eyes of the Brexit row. Watching my twitter echo chamber since new year, it feels like we are working our way through the stages of grief. There is certainly a lot of DENIAL and ANGER



Also with all the urgent meetings talking about the need for easements (me included) and talk of things like cancelling the NI Protocol (not me on that one) - a fair bit of BARGAINING.

Unfortunately changes to the ‘deal’ are a pipe dream - UK won’t ask, EU won’t allow.

Those businesses that are doing best have skipped to ACCEPTANCE. The cost, stress and inefficiency is really bad for them too, but they are facing in to it and they have bought the best people, IT, and agents.

Of course that means it’s even harder for others to catch up

I am sure that Ministers have convinced themselves that these ‘teething issues’ are not their fault. That they said these new rules were coming and that anyone who didn’t listen it is on them.

I bet @michaelgove even genuinely believes the patronising ‘get matchfit’ thing.

What I don’t see any evidence of is THE PLAN. Statements like ‘happy British fish’ @Jacob_Rees_Mogg and ‘no border in NI’ @BrandonLewis might please one political base and troll another - but what they also do is undermine business confidence that Ministers have a grip.

I mean some of us have even read the trade deal ■@VictoriaPrentis https://t.co/d0e3tEafoy

Those in power won the argument. They got their way 100%. Now its time to show us what they want to do with it. The thing that drives me nuts is not just how ‘thin’ the EU deal is, its how ‘thin’ the whole UK post-Brexit trade strategy seems to be.

@liztruss’ made a soundbite infused speech in the House this week. But it’s lacking substance. Managing our trade is now a core job of our government. How will UK Gov support UK food business to trade outside of the comfort zone of a massive trading block? https://t.co/7FulifOJtq

Being confident about ‘brand Britain’ is important - but having bulldog spirit won’t carry us that far. Re-signing existing deals we already had when in the EU and naming English speaking places in the world that we plan to get a new trade deal with is not a complete strategy.

We kind of get that we need massive increased investment in our trade outreach (it’s been pretty good up to now, but we now need to do it in EU too)and every department has to realise that helping Britain trade is a key part of their job. Especially departments like DEFRA.

For all the prep, we have all been rabbits in the headlights so far. Our regulatorory agencies in particular still seem to believe that they will get back to what they did before soon. That’s not how it is going to work, at least not if we are serious about global Britain.

We must also get out of the mindset that all that matters is what we buy - our meat industry is a great example - we consume a lot of what we produce, but for our producers to be profitable selling the cuts we don’t eat to other markets is a key to being sustainable

As a representative of #coldchain businesses - the part of the chain that do the storing and the moving of goods - we can do whatever. You want to bring more food in from the US, China or Brazil great, it can go into the same sort of warehouses as stuff that comes from Belgium.

If anything the more it goes that way the more lucrative (for us). If more of our food comes from further away, we will need more warehouses. It’s also a lot simpler to fill and run the admin for shipping containers, than manage the fast integrated trade we do with our neighbours

I’m not sure how good that will be for the planet, or what that will mean for the quality and variety of goods we have on our shelves. But it is a clear choice we can now make - and one that is signalled by us extracting ourselves from the EU’s regulatory sphere for food.

Yet, anytime a minister is near a microphone, they are at pains to reassure that they intend to lead the world in higher/tougher standards. They have touted that things like pulse fishing can now be banned because we are outside the EU (France did in 2019) https://t.co/lMtNGN367s

For every market that gets added to the FTA target list we hit a new set of contradictions and tensions. We have to assume that a key reason we did not include a pretty obvious reciprocal deal on equivalence of food standards with the EU was linked to hopes of US deal.

But Ministers are also categoric we will not accept chlorinated chicken..etc. Feels optimistic to me, but do you know what would have helped in convincing US we couldn’t move on food standards in a tough negotiation? - if we were bound by a set of standards we shared with the EU.

That to me would have been evidence of a trade game plan - that married the rhetoric of higher standards with a plan for entering the next set of tough trade negotiations. Instead we are in the dark as to what the hope is, let alone what is achievable

I hope that soon in 2021 we will be into a ‘building back better’ phase. Having survived the worst, riding the confidence of a bounce back economic recovery. If Ministers want food industry investment to follow, then they need to both have a robust plan and tell us what it is.