

Q3 2023

EXPORTS

- UK exports fell by 5.5% compared to Q3 last year, valuing £6.2bn. Both sales in the EU and non-EU markets fell by 5.0% and 6.0%, respectively.
- Ireland remains our biggest overseas market with year-to-date sales rising 6.9% to reach £3.0bn. Mandatory 'Not for EU' labelling risks a disproportionate impact on exports to our largest partner.
- Sales to non-EU markets were down overall. However, growth trends continued in Singapore (+48.3%) and Taiwan (+20.1%).
- Milk and cream exports saw value (+10.1%) and volume (+6.3%) growth, with notable increases on exports to Peru, Belgium, and Bangladesh.
- Exports to [South Korea](#) have held firm, increasing almost 1%. The [launch of negotiations](#) between the UK and South Korea, will help us build on the existing FTA to increase market access.

Data Sources: His Majesty's Customs & Excise

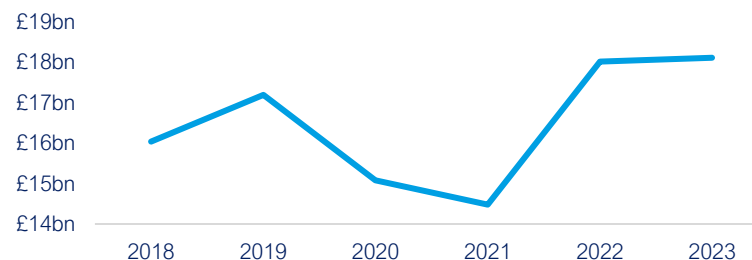
KEY INDICATORS

	Q3 2022	Q3 2023	Change 2022-23
All food and drink	£6.6bn	£6.2bn	-5.5%
EU	£3.6bn	£3.4bn	-5.0%
Non-EU	£3.0bn	£2.8bn	-6.0%
EU share	54.4%	54.6%	0.2pp
Non-EU share	45.6%	45.4%	-0.2pp

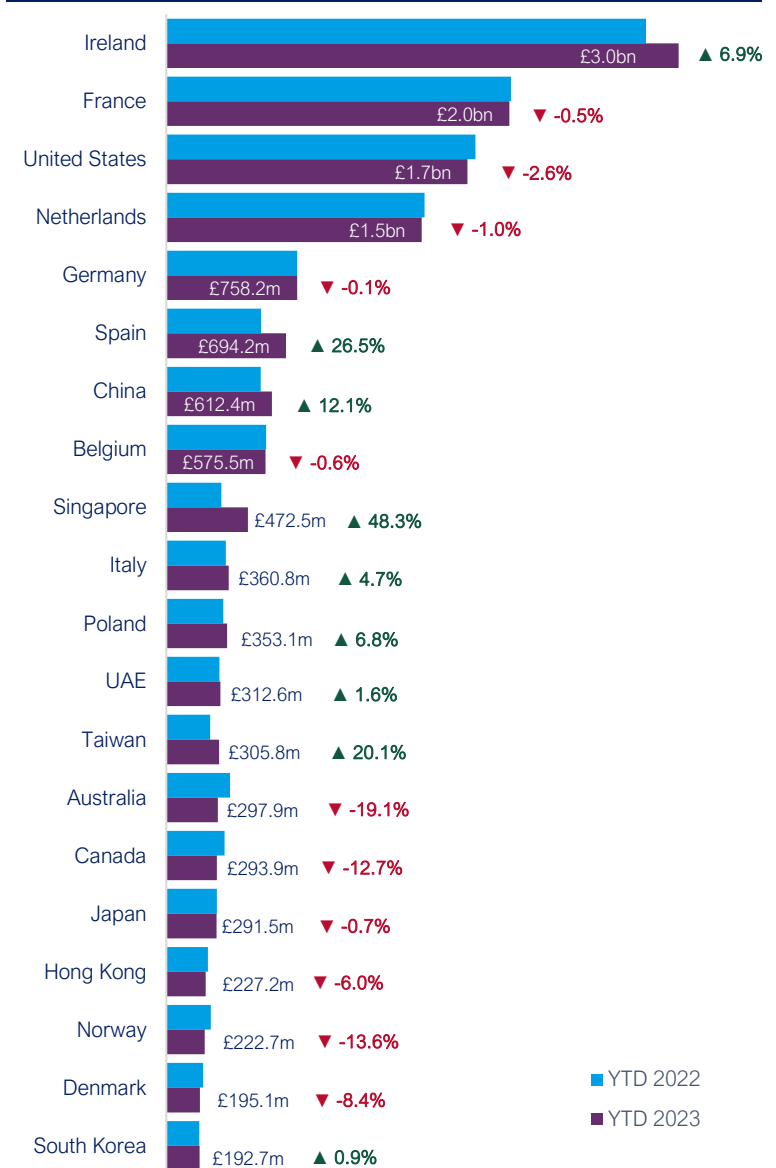
TOP 10 EXPORTS

	YTD 2023	Value change 2022-23	Volume change 2022-23
Whisky	£4.3bn	-4.0%	-16.8%
Milk and cream	£791.9m	10.1%	6.3%
Chocolate	£620.3m	3.6%	-15.8%
Cheese	£600.2m	6.7%	-0.9%
Salmon	£544.0m	1.2%	-9.0%
Breakfast cereals	£518.9m	5.8%	-13.4%
Soft drinks	£456.3m	9.0%	N/A
Gin	£451.2m	-17.2%	-17.3%
Beef	£427.9m	-12.4%	-20.0%
Pork	£410.0m	-7.1%	-21.2%

EXPORTS (YTD)



TOP 20 MARKETS



Q3 2023

IMPORTS

- Imports have held firm (+3.6%), led by growth from European markets (+6.8%). Denmark (+17.6%) saw impressive growth.
- Fruit remains our largest import categories despite a 7% volume driven by decreasing imports of apples (-16.8%), oranges (-18.2%) and melons (-18.6%).
- We await the outcome and implementation timetable for the second round of business duty suspensions. This process needs to be faster and more predictable.
- Non-EU imports fell slightly (-3.6%). From April 2024, non-EU imports will begin to benefit from the BTOM with the removal of certification and inspection requirements for certain products.
- At the same time, the Border Target Operating Model will introduce new requirements for EU imports.

Data Sources: His Majesty's Customs & Excise

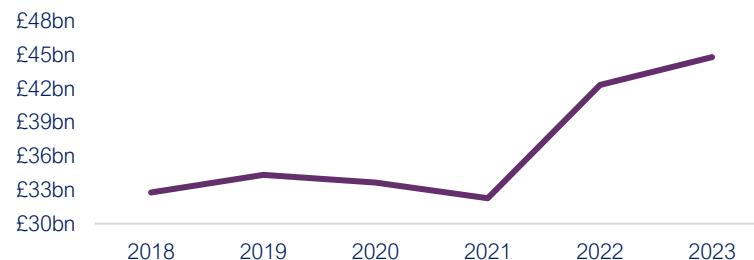
KEY INDICATORS

	Q3 2022	Q3 2023	Change 2022-23
All food and drink	£14.2bn	£14.7bn	3.6%
EU	£9.8bn	£10.5bn	6.8%
Non-EU	£4.3bn	£4.2bn	-3.6%
EU share	69.4%	71.6%	2.2pp
Non-EU share	30.6%	28.4%	-2.2pp

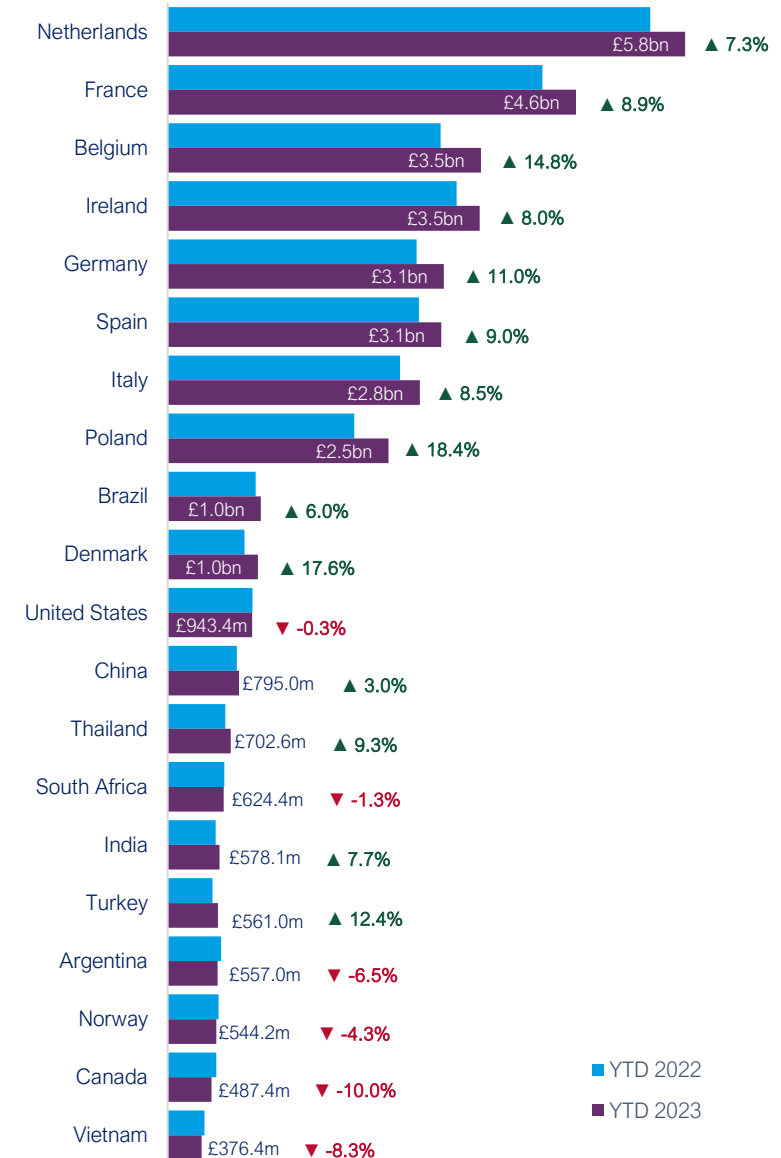
TOP 10 IMPORTS

	YTD 2023	Value change 2022-23	Volume change 2022-23
Fruit	£3.4bn	-0.8%	-7.3%
Wine	£2.9bn	0.9%	-6.4%
Vegetables	£2.6bn	12.2%	N/A
Poultry	£2.4bn	7.5%	3.8%
Chocolate	£1.8bn	15.5%	-5.7%
Savoury snacks	£1.6bn	21.0%	0.7%
Pork	£1.6bn	17.5%	-4.1%
Fish	£1.5bn	-0.6%	-4.6%
Cheese	£1.5bn	14.1%	7.7%
Soft drinks	£1.4bn	10.1%	N/A

IMPORTS (YTD)



TOP 20 MARKETS



Q3 2023



GULF COOPERATION COUNCIL

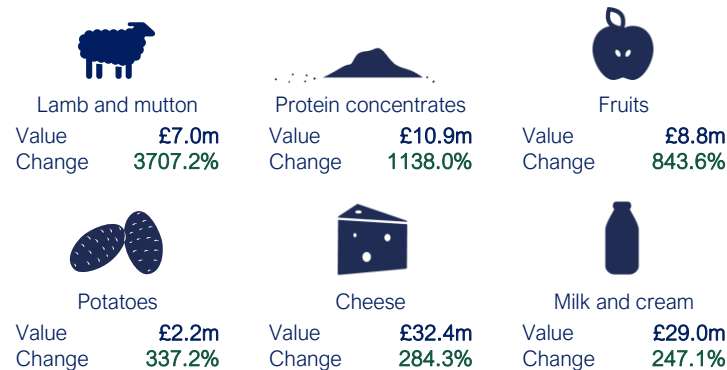
- The GCC is the UK's ninth-largest export market, and third largest non-EU partner with exports valuing almost £600m.
- The UAE is our largest export market in the region, with exports of breakfast cereals worth £31.9m and up 11.6%.
- Saudi Arabia is the GCC's largest importer of food and drink, but only the second largest destination for UK exports. Reducing higher Saudi Arabian tariffs can boost the competitiveness of UK products.
- In a [new FTA](#), a harmonised and simplified approach to labelling, certification and border requirements should be prioritised.
- Global exports of coffee from the GCC have increased 236.7% over the last five years. The UK should be mindful of the impact extensive tariff reduction will have on the UK coffee industry - worth £11.2 billion to the UK economy, contributing to 152,000 jobs, according to the British Coffee Association.

Data Sources: His Majesty's Customs & Excise
UN COMTRADE

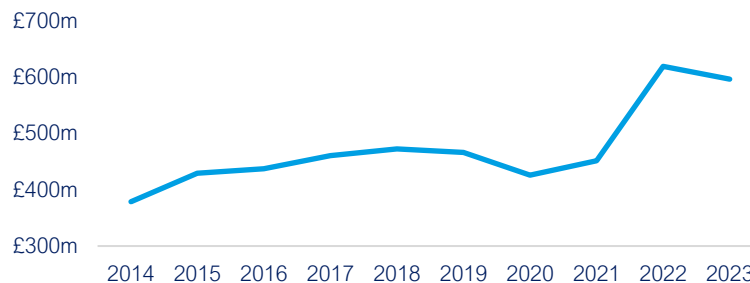
EXPORTS TO THE GCC

	YTD 2022	YTD 2023	Change 2022-23
Total	£618.9m	£596.2m	-3.7%
UAE	£307.7m	£312.6m	1.6%
Saudi Arabia	£172.0m	£156.6m	-9.0%
Kuwait	£46.2m	£52.6m	13.8%
Qatar	£57.2m	£34.1m	-40.3%
Bahrain	£20.5m	£23.2m	13.0%
Oman	£15.2m	£17.0m	12.2%

FASTEST GROWING EXPORTS (2014-23) (over £1m)



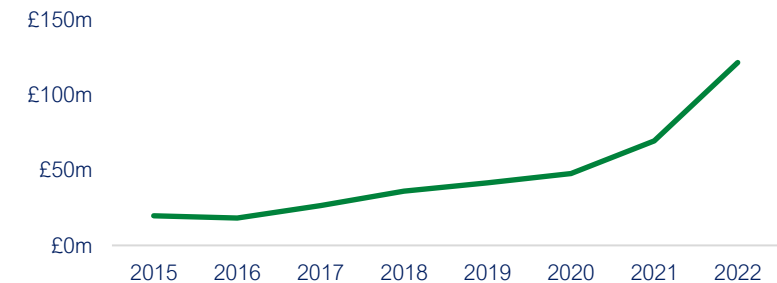
EXPORTS TO THE GCC (YTD)



TOP FOOD AND NON-ALCOHOLIC DRINK EXPORTS

Market	Product	YTD 2023 Value	Change 2022-23	Average MFN tariff	
Value Change	Breakfast cereals	UAE	£31.9m	11.6%	5%
		Saudi Arabia	£28.6m	-2.5%	15%
		Kuwait	£10.6m	4.3%	5%
Value Change	Chocolate	Saudi Arabia	£31.1m	-35.6%	15%
		UAE	£20.3m	0.8%	5%
		Kuwait	£8.3m	23.0%	5%
Value Change	Cheese	Saudi Arabia	£13.8m	68.3%	6%
		UAE	£12.1m	25.9%	5%
		Bahrain	£2.0m	448.1%	5%
Value Change	Milk and cream	UAE	£19.8m	128.2%	5%
		Saudi Arabia	£5.1m	-55.0%	15%-25%
		Bahrain	£2.1m	6.4%	5%
Value Change	Sweet biscuits	UAE	£8.2m	6.3%	5%
		Saudi Arabia	£8.0m	-15.9%	10%
		Qatar	£4.5m	-10.4%	5%
Value Change	Coffee	UAE	£6.3m	35.6%	0%
		Saudi Arabia	£5.1m	19.0%	0%
		Kuwait	£2.5m	18.3%	0%

GCC GLOBAL EXPORTS OF COFFEE (ANNUAL)



Q3 2023

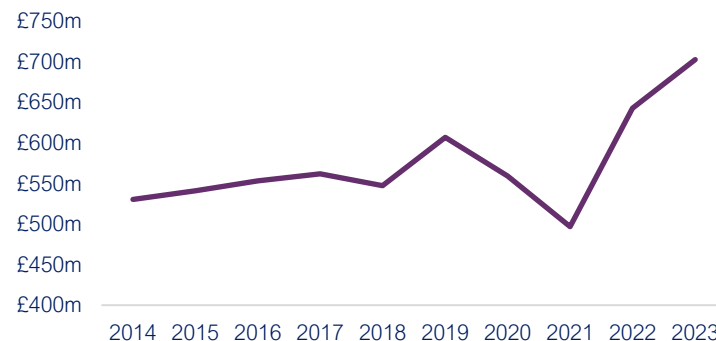
THAILAND

- Thailand is our 4th largest non-EU supplier, with imports totalling £700m so far this year.
- The UK and Thailand trade on MFN rates, where there are prohibitive tariffs on both imports and exports e.g. 30% on UK malt extracts, and 18% on Thai shrimp.
- Sweet biscuits is experiencing impressive export growth despite a 20% tariff. Increased market access, could benefit our well-established trade, whether that is through a targeted bilateral, or through future expansion of CPTPP.
- Thailand is a significant supplier of fresh meat and fish to UK manufacturing, providing 40% of the UK's shrimp imports.
- Exports have been falling to Thailand since 2015, but have started to recover, with impressive growth in recent years. Growth has been particularly strong in malt extracts (+26.5%) and cheese (+72.7%).

TRADE WITH THAILAND			
	YTD 2022	YTD 2023	Change 2021-22
Exports	£78.7m	£97.1m	23.3%
Imports	£642.6m	£702.6m	9.3%
Trade balance	-£563.9m	-605.5m	-7.4%

TOP 10 IMPORTS			
	YTD 2022	YTD 2023	Change 2022-23
Chicken	£400.7m	£476.1m	18.8%
Sauces & condiments	£33.2m	£29.4m	-11.6%
Other meat	£10.4m	£21.6m	108.2%
Rice	£20.7m	£20.0m	-3.4%
Pasta	£16.6m	£14.1m	-14.9%
Fish	£7.5m	£13.6m	79.8%
Savoury snacks	£10.7m	£13.5m	25.8%
Soft drinks	£6.8m	£12.5m	83.2%
Prepared fruit & nuts	£12.4m	£8.2m	-34.0%
Prepared vegetables	£8.6m	£7.4m	-14.2%

IMPORTS FROM THAILAND (YTD)



UK AND THAI HIGH TARIFFS			
UK MFN TARIFFS	Average rate	HIGH THAI TARIFFS	Average rate
Pineapples	4%	Malt extracts	30%
Shrimp	18%	Sweet biscuits	20%
Squid	8%	Chocolate	10%

TOP 10 EXPORTS			
	YTD 2022	YTD 2023	Change 2022-23
Whisky	£14.6m	£27.3m	86.7%
Malt extracts	£8.8m	£11.2m	26.5%
Cereal flours	£3.4m	£3.4m	1.1%
Sweet biscuits	£1.7m	£2.4m	45.1%
Wine	£1.3m	£1.7m	27.1%
Salmon	£1.7m	£1.5m	-11.2%
Cheese	£0.8m	£1.4m	72.7%
Other spirits	£0.4m	£1.3m	197.9%
Fish	£1.9m	£1.3m	-32.8%
Chocolate	£1.2m	£1.2m	2.6%

EXPORTS TO THAILAND (YTD)

