

Confédération Générale des Entreprises du Maroc (CGEM)

**Submission to the Environment, Food and Rural Affairs Committee
inquiry into fairness in the food supply chain**

Introduction

This document has been prepared to support the Environment, Food and Rural Affairs Committee's inquiry into fairness in the food supply chain.

It outlines the role of the Moroccan private sector in supporting the UK's food supply chain, with particular reference to how UK imports of Moroccan fresh produce strengthen food security and consumer access to good value and healthy food, in doing so complementing British production.

Indeed, Morocco is currently a key player in the UK's food security. Fresh and healthy agricultural goods are exported in significant quantities to the UK at a fair and affordable price for UK consumers as part of a well-functioning trading relationship.

CGEM representatives would be very pleased to meet with members of the Committee to discuss this subject in more depth.

About CGEM

Confédération Générale des Entreprises du Maroc (CGEM) is Morocco's leading business group representing 90,000 companies who are keen to do more business with the UK and strengthen the growing trade partnership between the two kingdoms.

Many CGEM members work closely with the UK, with some members being strategic suppliers of agricultural goods to the UK's largest supermarkets.

UK-Morocco Agricultural Trade

Between November 2023 and May 2024, the UK imported over £430 million of fruit and vegetables from Morocco, with over £78 million imported in February 2024 – a record high for a single month¹.

Trade between the UK and Morocco has grown steadily since the late 2000s, with a substantial increase in recent years. The two nations recorded an annual total of £3.6bn bilateral trade in 2024². Of this, £2.2bn were imports and recent data³ shows that in 2023,

¹ <https://assets.publishing.service.gov.uk/media/6762e877cdb5e64b69e307be/morocco-trade-and-investment-factsheet-2024-12-20.pdf>

² <https://assets.publishing.service.gov.uk/media/6762e877cdb5e64b69e307be/morocco-trade-and-investment-factsheet-2024-12-20.pdf>

³

<https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/datasets/uktradecountrybycommodityimports>

fruit and vegetables were the main import from Morocco, having increased by 173% in five years.

According to the recently published UK Food Security Report 2024⁴, Morocco is now the fourth largest exporter of fresh vegetables to the UK. The UK is highly dependent on imports to meet consumer demand for fruit and vegetables; most recent data from the report shows that domestic production of fresh fruit is 16% of total UK supply.

For tomatoes specifically, Morocco has surpassed Spain as the leading tomato supplier to the UK⁵; in 2021 Morocco sold 67% more tomatoes to the UK than Spain, in 2023 this increased to 85% more.

Why Morocco?

Morocco's positioning to the UK and stability means that it is a particularly suitable trading partner, especially in agricultural goods. The trade infrastructure in Morocco is robust and reliable, with the Morocco-UK supply chain being short, straightforward and efficient.

Morocco is renowned for producing green, climate friendly produce, which utilises sustainable farming practices. Morocco's temperate winter climate means that greenhouses require little to no heating, enabling fruit and vegetable production all year. Needless to say, this is also less energy-intensive than fresh produce grown in many other import markets.

Moroccan producers maintain the highest standards in their practices, ensuring that the food imported is both safe and of excellent quality. Strict compliance with UK standards is of major relevance for Moroccan exporters.

Moroccan agricultural imports reliably peak in the UK's winter months and so the Moroccan agricultural sector is crucial for allowing supermarket shelves to remain well-stocked with affordable, high-quality, fresh, year-round produce while complementing domestic production.

We believe however that there are even greater, mutually beneficial opportunities to explore. Deepening our cooperation would enhance UK food security by ensuring a consistent supply of high-quality Moroccan produce, crucial for keeping British supermarket shelves stocked.

The UK-Morocco Agriculture Tariff Review

The UK-Morocco agriculture tariff review was launched in November 2023 as part of the UK-Morocco Association Agreement originally signed in 2019, which delivered continuity in the trade relationship between the UK and Morocco following the UK's withdrawal from the EU.

Manifestly, the benefits of the trading relationship to the UK's food supply chain and UK consumers would be realised further through eliminating Tariff Rate Quotas (TRQs) on Moroccan fresh produce.

⁴ <https://www.gov.uk/government/statistics/united-kingdom-food-security-report-2024>

⁵ <https://www.tridge.com/stories/shifting-tides-moroccan-tomatoes-outpace-spanish-competitors-in-the-british-market#:~:text=Morocco%20has%20surpassed%20Spain%20as,in%202023%20to%2084.92%25%20more.>

The tariff review is led in the UK by the Department for Business and Trade. It is an ongoing working group within which both parties discuss respective interests in agriculture, including further liberalisation of agricultural products and removal of non-tariff barriers.

One of the key topics up for discussion must be the issue of Tariff Rate Quotas (TRQs), which are currently imposed on Moroccan fresh produce, in doing so artificially and unnecessarily limiting its supply. These tariffs are hangovers from the pre-Brexit era.

Preference utilisation rates (PURs) measure the extent to which businesses make use of the reduced tariff benefits available via trade agreements. The PUR on fresh produce exported from Morocco to the UK has historically been ~100%⁶, showcasing the level of demand for Moroccan fresh produce and extent to which the current agreement is being maximised.

It has previously been suggested in the House of Commons that eliminating tariffs on Moroccan tomatoes alone would save UK consumers £180m per year⁷. This would not come at the expense of UK producers, who do not supply the UK market in the same volume or product categories (tending to grow specialist varieties rather than high-volume crops), especially during the winter months.

Inquiry Considerations

In light of the information above, we propose the Committee considers the opportunity of **eliminating Tariff Rate Quotas (TRQs) on Moroccan agricultural products, particularly tomatoes.**

This would:

- 1. Strengthen food security.** Levels of agricultural production in the UK are not constant year-round, with a particular dip in the winter months. Eliminating tariffs would reduce barriers to Moroccan fresh produce imports, increasing resilience in this supply chain and supporting shelves to be well-stocked.
- 2. Improve access to good value and healthy food.** Fruit and vegetables are crucial components to a healthy diet. Not only would TRQ elimination support the supply of these from Morocco, it would also make these high-quality products cheaper for the benefit of UK consumers.
- 3. Complement British production.** The UK and Morocco have complementary growing seasons for fresh produce. Eliminating TRQs on Moroccan fresh produce at times of year when their production in the UK is low and Moroccan production is high (i.e., all year except for the British Summer) complements British farming.

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⁶ <https://questions-statements.parliament.uk/written-questions/detail/2022-02-28/131047>

⁷ <https://hansard.parliament.uk/Commons/2022-12-15/debates/41B6DDF2-5A49-4224-AC78-73CF3DD255A2/details#contribution-0C53098E-B58C-4081-9029-616D17D43F81>