



FPC PRESS RELEASE

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FPC WELCOMES GOVERNMENT'S PROMISE TO CUT RED TAPE FOR IMPORTERS

The UK Government must keep its promise to cut unnecessary red tape and burdensome bureaucracy and allow the fresh produce industry to trade efficiently. The Fresh Produce Consortium welcomes the Government's action plan 'Simplifying Trade Across UK Borders' which responds to lobbying by the FPC through SITPRO, the UK's trade facilitation body, as part of the UK Government's review into the cost of international trade regulation.

In its action plan the Government states: 'we will ensure the delivery of a fair and effective regulatory environment for those engaged in international trade, based on streamlined, efficient regulation and procedures for exports and imports – cutting out avoidable costs and delays for business'.

The UK is ranked 16th in the world, well below its key competitors, for ease of trading across borders, leaving UK businesses at a commercial disadvantage. According to SITPRO current documentary systems cost the UK perishable food supply chain more than £1 billion annually.

"We are pleased that a number of strategic issues and recommendations where Government departments could make efficiencies which we identified have been taken on board as part of this action plan. We shall continue to work with SITPRO to ensure that the Government fulfils its promise to improve regulation and removes unnecessary business costs," said Nigel Jenney, Chief Executive of the Fresh Produce Consortium.

FPC members identified a number of issues relating to the importation of fresh produce, including:

- unnecessary delays in holding produce at ports;
- lack of consistency between different ports authorities;
- failures with IT systems and delays in obtaining clearance for consignments;
- concerns regarding effective Integration of HMRC CHIEF with PEACH through the Automatic Licence Verification System (ALV).

"FPC has fought hard to secure benefits such as PEACH and reduced inspections for the industry and it would be too easy to accept some of these issues as just part of the day-to-day hassle of importing fresh produce. We need to avoid complacency and continue to challenge Government to simplify procedures through better integrating of electronic systems and shared data," added Nigel Jenney.

The Government's action plan includes:

- Transfer of all trade-related Government information to BusinessLink website;
- Progressive electronic enablement of further trade transactions;
- Extension of the Primary Authority Scheme to Port Health Authorities;
- Modernisation of processes for amending trade documents;
- Improvements to the Customs' Online Tariff;
- Reduction of EU regulatory burdens on traders.

Ends

Notes for editors:

1. The Fresh Produce Consortium (FPC) is the UK's fresh produce trade association and is based in Peterborough. The FPC has represented the fresh produce sector for many years and is recognised across the UK and EU as the voice of the industry.
2. Extensive membership covers the complete spectrum of industry businesses including growers, importers, wholesalers, retailers, distributors, processors, packers, food service companies and other allied organisations.
3. SITPRO Limited is recognised as the world's leading trade facilitation body and for more almost 40 years has been at the vanguard of efforts to make international trade easier. Its focus is the procedures and documentation associated with international trade. SITPRO's primary objectives are to reduce the costs of trading, particularly to business, and to help the UK meet the challenges of globalisation. Its activities range from 'grass roots' problem-solving on behalf of UK businesses to high-level policy input in support of broad government and business objectives in the worldwide trade facilitation domain.
4. A report by SITPRO, 'The cost of paper in the supply chain 2008', found that:
 - The cost of document-related administration in the supply chain sector is estimated to be around 11% of the UK perishable food supply chain value per annum, with the generation of paper-related documentation estimated at £126 million a year.

- Nearly 13 million estimated man hours were taken up with entering data, chasing late or missing documents or preparing claims for deferment monies deposited with HMRC, equating to over £354 million a year.
- A single consignment transaction, from grower to retailer, can comprise up to 150 documents (or up to 225 pieces of paper) which results in duplicate elements of information being entered up to 42 times.

There is enormous scope SITPRO estimates for the chilled food industry a saving of at least £700 million, around 70% of the costs. Based on this estimate the fresh produce industry could save around £175 million, with fewer inspections of consignments, and reduced clearance processing time.

5. For copies of 'Simplifying Trade Across UK Borders – A Plan of Action' and SITPRO's response visit: www.sitpro.org.uk/regreview

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