

FSA and FSS call for evidence**UK accession to the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP):****Sent by E-mail to:** ftascrutiny@food.gov.uk (Link: [FSA & FSS: CPTPP call for evidence](#))

To whom it may concern,

4th September 2023

The Scottish Grocers' Federation (SGF) is a trade association for the Scottish Convenience sector. There are 5,098 convenience stores in Scotland, which includes all the major symbol groups, co-ops and convenience multiples. SGF promotes responsible community retailing and works with key stakeholders to encourage a greater understanding of the contribution convenience retailers make to Scotland's communities. In addition, Convenience stores are known to be economic multipliers and an important source of local employment, providing over 49,000 jobs in Scotland.

Convenience stores trade across all locations in Scotland, providing a core grocery offer and expanding range of services in response to changing consumer demands close to where people live. According to our Scottish Local Shop Report 2022 (SLSR 2022), the valued services provided by local shops include post office services (27%), bill payment services (78%) and free-to-use cash machines (49%). With the UK convenience sector expected to grow to £48.6bn by 2025, the sector is more relevant than ever to every type of customer and has key social benefits and is of key economic value to the economy. Over the last year, the UK convenience sector contributed over £9.7bn in GVA and over £9bn in taxes.

In addition, SGF represents over one hundred corporate members, including a significant number of representatives from across the supply chain. Such as wholesalers, local and small producers, national and international producers, and key service providers.

SGF welcomes the opportunity to respond to the FSA and FSS call for evidence and is primarily concerned with the impact of the CPTPP trade agreement on the Food & Drink sector in Scotland.

SGF agrees with the principle of promoting and supporting the UK's, and in particular Scotland's, world class Food & Drink export sector. Limiting barriers to trade and wherever possible eliminating additional costs associated with exporting and importing produce. Allowing tariff-free trade for approximately 99% of current UK goods exports to CPTPP members will benefit a significant proportion of export producers. Likewise, ensuring regulation is kept to a minimum, through the establishment of a Technical Barriers to Trade committee is also a welcome step.

SGF also recognises the importance of engaging with new and rapidly growing global markets, and thriving supranational trade agreements. Particularly where this allows a strengthening of ties to historically connected countries, such as Australia and New Zealand. Likewise, we welcome the opportunity for inward and external investment into UK industries, from emerging and growing economies across the Trans-Pacific Partnership.

However, we also believe that, at least initially, the new opportunities from CPTPP for trade and the expected benefits are relatively minor. Importantly, the most significant gains for both Food & Drink and the import/export economy as a whole could be found by removing barriers to trade with our closest neighbours in Europe and around the Atlantic.

Furthermore, SGF believes that it greatly benefits Scottish producers, exporters and importers, to maintain a high level of quality and food standards. For that reason, we would welcome assurances from the UK Government and regulators that this will continue.

Likewise, we note concerns that very high demand for Scottish exports, or the requirement to import large amounts of our food from overseas, could potentially impact the cost of goods in the UK. This would put additional pressure on convenience retailers, customers and communities who are already experiencing high food inflation and a cost-of-living crisis. Therefore, SGF believe that the Ministers must ensure safeguards are in place to protect and support small businesses and producers. Making certain they are not priced out of the market by high demand from elsewhere.

SGF

Scottish Grocers' Federation

www.scottishshop.org.uk

Promoting Responsible Community Retailing Since 1918
to ensure a sustainable and prosperous convenience industry in Scotland



Lastly, SGF also notes that it is vital that UK internal trade seeks to maintain an equal playing field by reducing competitive disadvantages across the four nations and improving alignment wherever possible. This is critical to a thriving Food & Drinks sector in Scotland.

Yours sincerely,

Jamie Mackie – Policy & Public Affairs Officer (Scottish Grocers Federation)

JamieM@sgfscot.co.uk

(SGF gives permission to FSA and FSS to publish its consultation response and to share this response internally with other policy teams who may be addressing the issues discussed. SGF is also content to be contacted again in the future, in relation to this consultation exercise.)