

Quarterly Report on Debt Management for the Quarter Oct-Dec 2016 (Q 3 FY 17) Released; Net Market Borrowings from April-December of FY17 Were at Rs. 362,012 Crore, 85.1 Per Cent of B.E.

Since April-June (Q1) 2010-11, Public Debt Management Office (PDMC) (earlier Middle Office), Budget Division, Department of Economic Affairs, Ministry of Finance, is bringing-out a Quarterly Report on Debt Management on regular basis. The Current Report pertains to the Quarter October-December 2016 (Q 3 FY 17).

Ministry of Road Transport's New Format for Reporting Accidents

An expert committee was constituted by Ministry of Road Transport and Highways to review the format for reporting of road accidents.

Speech: Environment Secretary speaks at NFU conference

As you rightly say, Meurig, food and farming faces some of the biggest changes of any sector as we leave the EU.

But with change comes great opportunities for what also is by far the UK's largest manufacturing sector.

This morning, you have highlighted a number of those opportunities and challenges.

So I do appreciate that your members are looking for clarity on specific issues – such as the future of direct payments, the prospects for seasonal

agricultural workers, and access to the single market to name just a few.

And I don't for one minute underestimate the importance of these. Meeting with farmers in Somerset, Glamorgan, Sussex, Herefordshire and in my own constituency of South Northamptonshire, I've heard the concerns of your members first hand.

And I want to be clear that as a major contributor to the UK economy – contributing close to £110 billion each year – there is no doubt that there will be support for our vital food and farming industry after we leave the EU.

But I'm not going to stand here today and pre-empt the work the Government is doing to get the best possible deal for the UK.

Those negotiations will take time, and change is, of course, inevitable.

But I want you to know that I will fight your corner at every opportunity – and fight for the huge contribution you make to our communities, to our environment, and to our economy.

So, I don't have final answers today – but I do want, this morning, to outline my ambition for a future, more prosperous farming industry, and the five principles we must follow if we are to achieve this.

But first, I want to start by addressing CAP.

CAP and continuity

For more than 40 years, British farming has operated within the EU.

It's provided you with a guaranteed income, and an element of certainty in an otherwise unpredictable world. In turn, you've provided us with food produced to the highest of standards.

Nearly 86 thousand farmers are eligible for BPS payments – and for some of you, I know it makes up as much as 70% of your bottom line.

I understand how important these payments are to you. But we also know how flawed CAP is – how it ties you up in red tape, offers poor value for money and fails to address the key issues you face.

It's a blunt tool that offers little reward or recognition for the services you provide to this country. And it's desperately complicated.

In 2015, too many farmers experienced delays and problems with their BPS payments.

Lessons have been learnt, and I am pleased that the RPA have made good progress with this year's claims.

As of today, 95.5% of farmers have received their 2016 basic payment, but I do recognise that if you're one of the 4,000 still waiting, you need to know

when you will get paid.

So this week I secured agreement from the Treasury to offer a 75% bridging payment to anyone with outstanding claims at the end of March.

I am determined that we will do so much better for farmers when we leave the EU – with a system based on simpler, more effective rules, we'll be free to grow more, sell more, and export more of our Great British food.

Now, my first priority on coming into this job was to guarantee Pillar 1 income to 2020 – and Pillar 2 payments signed before we leave the EU for their lifetime.

This was to provide continuity during this period of transition.

But, as the Prime Minister made clear, leaving the EU requires us to take a step back and ask ourselves 'what kind of country do we want to be?'

And we must in turn ask the same question of farming: 'what kind of industry do we want to be?'

And how do we devise a system of support that properly takes into account the diverse types of farming, and the challenges unique to each?

So, for example, how can we ensure a more tailored approach – one that recognises the needs of hill farmers alongside those of arable farmers and protects our precious uplands as well as our productive fenland?

These are the kind of questions the current system can't even pose, let alone answer. With 80% of Defra's work currently framed by EU activity we now have a great opportunity, guided by our 5 principles, to strike the right balance.

Global demand

The first principle is trade.

As a global trading nation with so much to offer the world, we are looking to build new partnerships and strike the best free trade deals for Britain.

This year, exports of British food and drink topped £20 billion for the first time – a tremendous endorsement of our world class products and the importance placed on British provenance.

I've witnessed for myself the growing appetite for primary commodities like lamb, beef and dairy – products we've built our name on and that increasingly attract worldwide demand.

Without you, there would be no Great British brand.

In spite of growing success, we know that only 1 in 5 British food and drink producers are currently exporting. So how can we encourage farmers, exporters, and newcomers to access new markets?

I recognise that around 60% of exports go direct to the EU, and that 4 of our 5 biggest markets are there. The EU is our most important trading partner, a fact that won't change when we leave, and a relationship we are determined to uphold.

As the Prime Minister outlined last month, we want tariff-free and frictionless cross-border trade with Europe.

So with zero tariffs and zero non-tariff barriers as our starting point, we are striving for the best possible access for our farmers and food exporters.

In 2016, exports grew by 9%, with growth in a number of key markets – including a 49% increase to China, 30% to Poland and 17% to Spain.

To get more companies taking advantage of export opportunities, such as the UK-China barley agreement, we have a dedicated government team working with potential exporters in the Great British Food Unit.

They are helping to identify and open new markets for our award-winning produce, as well as providing the skills, knowledge and contacts to take British businesses even further.

Our International Action Plan for Food and Drink has identified a number of priority markets, including the US, China and India, which offer the greatest potential to grow our exports.

Farmers work hard to maintain our reputation for superb tasting, high quality food, produced to high welfare and traceability standards – so let's spread that reputation further around the world.

Productive and competitive

A sector that exports more will rely on a more productive workforce, using the latest technology and data.

However, the current CAP arrangements offer little investment or incentive, so I want to make productivity and innovation the second principle of a new farming system.

Productivity is the major challenge for our economy as a whole – and the Government's Industrial Strategy outlines the need to raise skills, leadership and business management.

We need to build on excellent initiatives like McDonalds' Progressive Young Farmers and Bright Crop to demonstrate to talented young people that farming offers a great career.

We've made some progress towards increasing the number of apprentices on farms.

But how can we encourage a greater understanding of the food chain?

And how can we help more people with the right skills into food and farming?

As for seasonal agricultural workers, I have heard loud and clear the vital role they play in many farm businesses, not least the horticultural sector.

But at the same time, we mustn't forget that a key factor behind the vote to leave the EU was to control immigration.

So I want to find out what kind of labour you need, in food processing as well as farming, whilst exploring the role innovation can play in support of this.

As I've travelled the UK, I've seen a whole raft of new technologies that complement the workforce.

This Government has invested £450 million in agri-food research and development – and I was pleased to see that under the leadership of Peter Kendall and Jane King, AHDB have placed innovation, productivity and knowledge exchange at the heart of their new strategy.

And today's Feeding the Future report sets out the research and development required to modernise farming over the next 20 years.

But I know there are also large numbers of farms that are yet to seize these opportunities.

So how, in the future, can we help farmers secure the capital they need to enhance innovation, and how can we help them combine together to improve their power and influence in the supply chain?

I want to use this opportunity to allow innovation to flourish – not just for the sake of productivity, but also as a means of improving the landscape around us.

Sustainable

And this leads me to our third principle; the environment.

British farmers don't only produce world-class food, but as part of that process, they care for and shape some of our most iconic landscapes.

Yet, whilst 70% of our land is farmed, just a small percentage of funding is directed towards the provision of these environmental services.

So, alongside a fair return from the market, farmers must feel incentivised and rewarded for caring for the environment.

The current CAP has improved over recent years, but in trying to do more for the environment, farmers have found themselves confronted with unnecessary bureaucracy.

So as we leave the EU, we have an opportunity to take a fresh look at these schemes and think about what mechanisms are needed to promote the twin goals of productive farming and environmental improvement.

I want to consider, for example, how we will strike the right balance between national frameworks for support measures whilst tailoring them to local landscapes and catchments.

And how can we incentivise as many farmers as possible to undertake environmental improvements on their land?

The Farmer Cluster concept, pioneered by the Game and Wildlife Conservation Trust and Natural England is a great example of how farmers can come together, at a landscape scale, to farm productively whilst delivering greater outcomes for soil, water and wildlife – such as boosting the number of grey partridge in Lincolnshire or harvest mice in Hampshire.

We all know that good farmers produce excellent food at the same time as improving the environment – and by increasing the use of technology alongside traditional farm husbandry, more farmers will be able to achieve both of these things.

Trusted

The fourth principle underpinning a new agricultural support policy must be the promotion of animal and plant health and welfare.

British food is renowned and respected for its high standards of animal welfare, food safety, and food traceability.

It's one of the most compelling reasons for consumers to buy British.

We've gone further and faster than many in the EU when it comes to improving welfare standards.

We were in the vanguard of banning veal crates, sow stalls and battery cages.

And our 2015 manifesto states that 'high animal welfare standards will be incorporated into international trade agreements...'

I am committed to honouring this pledge – and working with industry to improve our welfare standards, whilst ensuring that we are not put at a competitive disadvantage.

The Union flag represents all that's great about our food – we are in the top four in the world for animal welfare – and leaving the EU will not change that.

We must also respond to the global threat of anti-microbial resistance.

This Government wants to see a reduction in the unnecessary use of antibiotics in animals, without putting health and welfare at risk.

Last month I went to meet Abi Reader, Wales' Woman Farmer of the Year, on her dairy farm, where she's been able to reduce antibiotic use by as much as 40% – and improved milk productivity as a result of careful investment in a better equipped dairy parlour.

So in the same way we led from the front on animal health and welfare, I want us to do the same on AMR.

Resilient

The fifth and final principle for our future policy thinking is that of resilience.

Farming is often tough because it faces a unique combination of risks, ranging from the price of oil and commodities, to the threat of flood and storm damage.

One of the biggest risks facing the industry though is the continuing threat of bovine TB – a disease that last year led to the slaughter of 28 thousand cattle in England – and I'm sure that many of you in this hall will have had personal experience in your own herds.

It's a disease that can devastate a rural economy, and the families and individuals dependent on it. I know from my constituents farming in the 'Edge Area' the stress and anxiety of testing day – and the physical risks they, their workers and vets face when trying to get cattle through the crush.

No farmer should have to go through this.

That's why I am committed to our 25 year eradication strategy.

Last summer we rolled out the cull to seven additional areas – all of which were successful.

And this year, I want to extend that even further.

It's thanks to you and the efforts of farmers on the ground that our strategy is working – and that we are now close to declaring half of England officially TB-free, two years ahead of schedule.

But that's no reason to take a step back. In fact, if anything, we must increase our efforts.

This Government will continue to work with you to use every tool at our disposal to beat this disease – and ultimately, end the blight of bovine TB for good.

The past few months have also been very worrying for the poultry sector.

The housing order we have implemented to reduce the spread of Avian Influenza remains in place until 28th February – but if the veterinary assessment stays the same, we hope to be able to take a more targeted approach to controls in England and will be making further announcements shortly.

But disease isn't the only challenge you face, as your recent Flood Manifesto identified.

The Morpeth flood alleviation scheme is just one example of how farmers can

provide crucial storage to reduce the risk of flooding.

And we're not just protecting homes and villages – our six year capital floods programme will better protect an extra one million acres of prime farmland by 2021.

So from flooding, to market volatility and disease – as we leave the EU, what policies do we need to help and support farmers to manage risk?

Conclusion

So, to conclude, these are the five principles that will frame the future of food and farming policy.

Since last summer, we've been having regular discussions with organisations from across the sector and beyond.

But today, based on these principles, we are stepping up this engagement to ensure we hear as many views, from as many different perspectives, as possible.

On Thursday I will be meeting Ministers from each of the Devolved Administrations in Edinburgh – and throughout March and April we will be holding a network of events right across the country where ministers and officials will be able to hear your views first hand.

We have a once in a generation opportunity to transform our food and farming policies and it's vital you are a key part of this process

It is only with the the hard work of farmers that we can put quality food on our tables, that we can drive our valuable exports, and that we can improve our environment.

That's why I am determined we should follow these five principles to guide us through a period of change, and provide a foundation for the sort of industry we want to build over the coming years.

I want farmers to thrive outside of the EU, and I will fight to get you the best deal – at home, in Brussels and around the world.

By working together, I am confident a stronger industry and a bright and prosperous future awaits British farming.

Thank you.

Chinese health and nurtraceutical

group to open European HQ, R&D and manufacturing centre in Wales

The news was announced today by Economy Secretary Ken Skates who is in China on a trade mission and meeting Acerchem International Chairman Frank Chen, Strategic Director Ms Nancy Wu and Global Vice President Ken Li at a business reception in Shanghai this evening.

Mr Skates said:

“It’s great news that Acerchem International has chosen to set up its European Headquarters in Wales and is to open a manufacturing and Research and Development centre here, creating a significant number of skilled jobs.

“The company has a long standing Research collaboration with Swansea University which clearly illustrates the importance of building international academic links with business and industry.

“This investment, which is supported by the Welsh Government, can only serve to strengthen the ties between our two countries. China is an extremely important market for Wales and our trade mission this week builds on the strong economic and cultural links that have been developed over a number of years.”

The investment by Acerchem International is backed by £600,000 from the Welsh Government and will create 38 highly skilled, well paid jobs, primarily working in R&D. The company plans to establish its R&D facility in the Institute of Life Science at Swansea University.

Acerchem International Chairman Frank Chen said:

“We very much look forward to building up the business in Wales and developing even closer links with Swansea University.

“Support from the Welsh Government helped fast track this project and was vital in bringing it to Wales and we value the support we have had from Welsh Government officials in Shanghai and in Cardiff.

“Opening this new HQ and R&D centre in Wales marks an exciting new development for the group and a great opportunity to develop and grow the business.”

CEO Jeff Jiang founded Acerchem International in Shanghai in 2007 which has grown into a multi million pound business and a leading group in the health

and nutraceutical sectors. The company exports to over 40 countries with sales offices in Wales – at the Institute of Life Science, Swansea University – in Japan, the Netherlands and Spain.

Its product range includes nutritional supplements, functional foods and beverages, beauty care and animal nutrition supplements.

The company provides a diversified portfolio of fermented ingredients and has developed a sophisticated extraction and purification business unit using natural ingredients, giving products better absorption and stability.

With an R&D centre in Shanghai, and working alongside Swansea University, it has developed its own formulations which include premix, blends, tablets, soft-gels, and others. It plans to invest significantly in R&D working with Welsh Universities and increase its business with existing customers in Wales that could also lead to additional jobs being created.

Press release: Network established to encourage diversity in apprenticeships

The Department for Education (DfE) has today (21 February 2017) announced that a group of employers have come together to help promote diversity within apprenticeships.

The Apprenticeship Diversity Champions Network (ADCN) is comprised of 23 employers, including Rolls Royce, BBC, BAE Systems and a number of small- and medium-sized employers.

The network has been established to champion apprenticeships and diversity amongst employers and encourage more people from underrepresented groups, including those with disabilities, women and members of the black, Asian and minority ethnic (BAME) communities, to consider apprenticeships.

It will support the government's commitment, as part of its ['2020 vision'](#), to increase the proportion of apprenticeship starts by people from BAME backgrounds by 20% by 2020.

Nus Ghani MP has been appointed as chair of the network, and will be responsible for setting and shaping the network's objectives as well as working alongside the National Apprenticeship Service (NAS), who played a key role in recruiting the 23 employers to the ADCN.

Skills and Apprenticeships Minister Robert Halfon said:

I am passionate about ensuring that everyone, no matter their background or age, can use apprenticeships to get on the ladder of

opportunity to a successful career.

Although last year saw record numbers of people with a disability or from disadvantaged backgrounds start on a high-quality apprenticeship, we need to do much more. That is why it is vital that so many diverse employers have come together to pledge to do more to ensure apprenticeships are truly open to everyone.

I am also extremely pleased that we are announcing Nus Ghani as the chair – with her knowledge, commitment and expertise, I am sure she will do a brilliant job in making sure apprenticeships can work for as many people as possible.

Chair of the Apprenticeships Diversity Championships Network, Nus Ghani MP said:

An apprenticeship can be the first step to a life-enhancing career. It can open up opportunities, provide inspiration and allow someone to develop skills which will carry them through life. In a competitive and challenging labour market, apprenticeships can be the way in for many people who might otherwise not have dared to dream that there was a fulfilling career path for them.

I am honoured to have been appointed by the Prime Minister as chair of the government's Apprenticeships Diversity Champions Network. I am determined that anyone from anywhere, whatever their background and whatever their story, is able to access the life-changing opportunities that apprenticeships can offer.

The benefits of earning whilst you are learning, coupled with professional certification, will help enable apprentices to achieve a competitive edge in the labour market. Our whole society benefits when aspiration and opportunity is extended to all, and those benefits encompass the economy, community cohesiveness and national pride.

I will be ambitious for apprentices and challenge all industries, public and private, to deliver quality apprenticeships across the country. As the economy goes from strength to strength we need to ensure that opportunities are available to all. I will be scrupulous in ensuring that the Apprenticeships Diversity Champions Network opens up career options and delivers much needed skills for our traditional and emerging industries.

Beyond the network, the government is working to ensure social mobility for all with a range of measures including implementing recommendations from a task force, led by Paul Maynard, which has focused on issues faced by people with disabilities.

The network will build on this to ensure more people with disabilities,

people from BAME backgrounds and women in sectors where they are under-represented can take up apprenticeships.

Notes to editors

1) Nus Ghani

- was elected to Parliament in 2015 as the MP for Wealden in East Sussex
- chairs two all-party parliamentary groups (APPG): the APPG for Ageing and Older People and for Eye Health and Visual Impairment
- parliamentary representative for the Conservative Rural Affairs Group
- sits on the Home Affairs Select Committee
- Vice Chair of the APPGs on Thalidomide and on Women in Parliament and an Officer of the Domestic Violence and Counter-Extremism Groups
- selected to sit on the Armed Forces Bill Committee
- worked at the BBC World Service and for 2 charities

23 members of the network

- Bristol city council
- DiVA
- United Utilities
- Hampshire Hospitals NHS Foundation Trust
- Enterprise rentals Business Support
- Telematics Business Solutions Ltd
- Minority Business Engagement HUB
- BAE Systems
- Rolls Royce
- Ilyas Patel Accountancy Services
- The Atomic Weapons Establishment
- NG Bailey
- BBC
- Brighton & Hove city council
- Compass Group UK & Ireland Ltd
- Offer Moments
- Sunmark
- Balfour Beatty
- ISG
- Yorkshire Water
- Asda
- Kier Group
- Barclays

2) Figures show that in 2015 to 2016, 10.5% of those starting an apprenticeship were from a BAME background, that 52.8% of all apprenticeship starts were females and that 9.9% of the total starts were by people who declared a disability or learning difficulty (LDD).

3) Read the [Maynard Review recommendations](#).

4) The Get In Go Far campaign is designed to inform and inspire young people to consider apprenticeships as valid and credible routes to a rewarding

career. It also aims to increase interest and demand from employers in running apprenticeship programmes. For more information visit [Get In Go Far](#).

Case study

Chris Achiampong, apprentice, IBM

Currently based in London, Chris works in the system sales team at IBM.

Chris sits on the board of trustees for the EYFoundation – a charity who inspire and engage young people across the UK who are disadvantaged in the labour market and to support entrepreneurs, from social entrepreneurs to start-ups, to develop and grow their businesses.

He is also one of the faces of the [Get In Go Far](#) campaign.

Blossom Hill, apprentice, BAE Systems

Blossom is an apprentice from BAE Systems' Military Air and Information business at Brough, Humberside.

She recently won the title of BAE Systems' UK Apprentice of the Year 2016.

She was originally planning to go to university, but changed her mind after she heard about the opportunities available through apprenticeships at BAE.