

ACHIEVING SUCCESS FOR WELSH FOOD AND DRINK

The Welsh food and drink manufacturing industry is an exceptional success story, with nearly 600 businesses employing over 24,000 people. Our success is largely due to the hard-working and passionate people that make up our vibrant sector. As the sector faces up to the challenge of recovery, we are committed to working with the next Welsh Government to realise the potential of the sector.

The next Welsh Government can support us in making this aim a reality during the course of the next Welsh Parliament:

- ✓ Support the growth of our vital food and drink industry
- ✓ Work with the sector to implement meaningful and practical measures to reduce obesity
- ✓ Embrace green recovery challenges and opportunities

Support the growth of our vital food and drink industry



- ✓ **Place economic sustainability at the heart of Welsh policy making.** When considering new regulations for businesses, the next Welsh Government must consider what impact they might have on the sector's economic sustainability. This principle would require a holistic look at other policies being introduced by other Departments (both in the Welsh Government and UK Government) now and in the future to ensure that it is not to the detriment of business.
- ✓ **Promote careers and apprenticeships in the food and drink manufacturing sector.** Over the last year, the sector has shown its incredible resilience in keeping the nation fed while ensuring that our manufacturing sites are safe. This appeal can be proactively marketed to the next generation resulting in the young people in Wales seeking out the fantastic opportunities that the sector has to offer. This will ensure a stronger talent pool in the future which will be critical for the long-term viability of the sector.
- ✓ **Support food and drink businesses to seize upon new export opportunities.** Food and drink exports will be key to the recovery of the sector. Given the new export opportunities that the end of the transition period presents, the next Welsh Government should provide bespoke support to businesses so they can maximise their potential for profitable growth and look to combine efforts in UK counterparts to maximise the support offered to Welsh manufacturers.
- ✓ **Strengthen the resilience of the sector by encouraging businesses to invest in technology.** As the Covid-19 pandemic has demonstrated, introducing and harnessing the future of automation, digitisation and data is key to manufacturers' resilience and will create a higher skilled sector with a greater potential to improve productivity and add value to its products.

Work with the sector to implement meaningful and practical measures to reduce obesity



- ✓ **Encourage healthier diets through positive government intervention.** Increasing fibre, fruits and vegetables in peoples diets is essential to preventing chronic disease and is also where we see the biggest disparities between the diets of the rich and the poor. The next Welsh Government should work with the food industry to put this approach in practice.
- ✓ **Rule out further taxation on food and drink.** The successful reduction of salt, sugar and calories in food is a result of years of innovative reformulation and investment. The sector continues to seek solutions to meet this challenge, however, it is often technically challenging to reformulate recipes. The imposition of

taxes and levies would only lead to increased costs for consumers.

- ✓ **Support Welsh businesses to reformulate and promote their products.** Funding and increasing access to technical support will inspire healthier products appearing on shelves in Wales and confirm Wales' reputation for high quality, nutritious food options. To support this, the next Welsh Government should provide our industry with the financial certainty to facilitate investment in new and existing product reformulation by ensuring that no further marketing restrictions or nutrient taxes are introduced, which would limit choices for Welsh consumers and undermine reformulation efforts.

Embrace green recovery challenges and opportunities



- ✓ **Enhance recycling infrastructure to capture materials including cartons and flexible plastics derived from households and businesses.** These materials are currently not wholly recycled in Wales and offer an opportunity for the next Welsh Government to take further steps towards becoming a zero-waste nation.
- ✓ **Introduce a deposit return scheme in Wales.** The next Welsh Government should work with industry to learn from its international experience in implementing a deposit return scheme to boost recycling rates of drinks containers. Any deposit return scheme in Wales must be efficient, simple and workable for both consumers and industry.
- ✓ **Support the food and drink supply chain to become more environmentally sustainable.** There are a number of options that food and drink business can take forward to become more environmentally

friendly. Clear and consistent policy choices must be made by the next Welsh Government alongside longer-term support mechanisms and guidance to enable businesses to have the confidence to invest.

- ✓ **Focus on product specific solutions for alternatives to difficult to recycle packaging.** When researching new, more environmentally sustainable packaging design alternatives, the product that is contained should be front of mind. Research must identify the packaging needs that a product has to ensure the viability of any alternative solution.
- ✓ **Create a dedicated decarbonisation fund for the Welsh food and drink sector.** It is essential that the sector has funding for key demonstration projects on step-change technologies, including hydrogen, options to electrify heart, or processes which avoid heat generation. This would address concerns around potential impacts on product quality and cost.

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