

National Assembly for Wales Climate Change, Environment and Rural Affairs Committee Inquiry; Rethinking Food in Wales: NFU Cymru Submission

1. NFU Cymru welcomes the opportunity to provide a written submission to the Climate Change, Environment and Rural Affairs Committee inquiry titled 'Rethinking Food Policy in Wales.'
2. NFU Cymru champions Welsh farming and represents farmers throughout Wales and across all sectors. Our vision is for a productive, progressive and profitable Welsh agricultural industry and our aim is to establish the background conditions in which farm businesses can be profitable and develop.
3. Welsh Farmers provide the raw ingredients for the Welsh Food and Drink Sector, an industry that employs nearly a quarter of a million people in Wales and is worth over £6 billion to the economy of Wales. We are part of the UK food industry that generates £108 billion for the UK economy and employs 3.9 million people.
4. Alongside their role as food producers Welsh farmers also play a key role maintaining and enhancing our natural environment. Farming activity supports a diverse range of species, habitats and ecosystems, provides a range of ecosystem services including flood alleviation, carbon sequestration, climate change mitigation; and delivers the significant backdrop for Wales' tourism and recreation sector worth an estimated £2.5bn annually.
5. The decision made last June to leave the European Union has presented a unique opportunity to set out a clear vision for the future of Welsh Agriculture. It provides a once in a generation opportunity to shape and develop policies that will enable us to realise our ambition of a productive, progressive and profitable farming industry. If we achieve this aim then we will deliver jobs, growth and investment for Wales through a growing and dynamic multi-billion pound Welsh food and drink industry.
6. The future success of the food and drink sector is dependent on viable and profitable farming businesses and to help achieve this NFU Cymru has set out in some detail our key priorities for a post Brexit Wales based on a secure business environment, a fair deal on trade, fair and transparent supply chains and access to the modern technology needed to compete on the global stage.
7. Further details on our Vision for the future of farming is available [here](#).
8. In this submission we will set out briefly some of the key areas where we believe Welsh Government can provide support to help achieve our vision for the future of food in Wales.

Brand Wales

9. For any industry to be successful it requires positive and proactive marketing and promotion and a joined up and co-ordinated strategy involving all the key players in that sector. We believe that this can be achieved through the development of a 'Brand Wales' concept. Policies that support productive, progressive and profitable farm businesses will be central to underpinning 'Brand Wales'. This concept recognises and unifies the full range of goods and services provided by Wales under one brand that can be promoted on the world stage. The brand must focus on Wales' unique selling points and be a fully integrated strategy encompassing food, tourism and the full range of ecosystem and landscape services provided by Welsh farming. The development of Brand Wales requires the buy in of the food and farming industry, levy bodies, NGO's and the support and joint working of a number of Welsh Government departments.

The value of 'Welshness'

10. Recent research undertaken on behalf of Welsh Government has shown that promoting a clear Welsh identity on products often adds value to our fantastic brands. This [research](#) launched at the Royal Welsh Show in July has shown that Welsh food provenance resonates not only in Wales but also further afield. This research is backed up by retailers like the Co-op who earlier this year doubled the volume of PGI Welsh Lamb and Beef in more than 160 of its stores in Wales. This research alongside the commitments made by many retailers to Welsh produce provides good evidence as to the potential for the 'Welsh Brand – Brand Cymru'.

Public Procurement

11. Given the importance of the public sector to the Welsh economy and employment, Wales should take a leading role in encouraging the public sector, including local authorities, hospitals, the MOD and schools, to buy Welsh produce. NFU Cymru wishes to see contracts being awarded on the basis of best value rather than the cheapest option with greater consideration being given to use of quality and assurance indicators. The public sector should be making a stronger commitment towards the use of Welsh Food. This would have benefits in terms of reducing food miles, job creation and ensuring that value added further down the supply chain is kept in Wales. Accurate figures on the current usage of Welsh food in the public sector are hard to come by, we believe that Welsh Government should ensure that this information is regularly updated and the provenance of the food consumed within the public sector is known.

Country of Origin labelling

12. NFU Cymru believes that food manufacturers and retailers must provide clear and unambiguous country of origin labelling on food packaging, online and at the point of purchase. It is essential for the consumer to have this information when making a purchasing decision. The marketing and promotion of the Welsh Brand requires consumers to be able to clearly differentiate where the food they are purchasing has originated.

Protected Names

13. The Welsh identity is vital to the promotion of the Welsh food and drink industry on a domestic and international scale. The EU PGI status awarded to a number of Welsh products including Welsh Beef and Lamb and more recently Pembrokeshire Early Potatoes is a tool that has helped to market our produce. As we prepare to leave the EU it is important that we consider the future options available to us to maintain and build on the trust and confidence of our



produce and consider carefully the options available to us with regards to protected food names once we leave the EU.

An Action Plan for the Food and Drink Industry 2014-2020

14. NFU Cymru welcomed the publication of the food and drink action plan in 2014, in particular the setting of growth targets for the food and drink industry, we are pleased that the Welsh food and drink industry is making progress towards achieving that target. If we had a criticism it was that we would have liked to see a sector by sector breakdown of the 30% growth target. It is important that Welsh Government is able to measure 'real growth', we have some concern that the targets could be influenced by fluctuations in currency and therefore not provide a true picture of the success or otherwise of the action plan.
15. The current plan was implemented prior to the decision to leave the EU; arguably the Welsh food and drink industry will be impacted more than any other by Brexit. It is vital that the contribution of the food and drink industry is fully recognised in Brexit negotiations. With the majority of our food and drink exports going to the EU the UK Government must, as a priority, seek to maintain unfettered access to EU markets. It is imperative that we guard against a 'cliff edge' Brexit, a no deal scenario is not an option for the Welsh food industry. The implications of moving to the WTO default position of Most Favoured Nation trading status does not bear thinking about. It is hard to imagine how our farming and processing sector could cope with a 46% tariff on lamb, a 65% tariff on beef and a 53% tariff on wheat.
16. Food is a perishable product and on top of our concerns over tariffs, we cannot afford to see delays in our produce getting into export markets through disruptive border checks or any processes and procedures that slow down the movement of our produce. It is vital that frictionless trade between the EU and UK is maintained.
17. Whilst we believe there are opportunities to grow our domestic markets in terms of both value and consumption unfettered access to export markets is absolutely critical to the viability of Welsh food and farming to ensure that we have a wide range of markets for the quantity and diversity of our produce so that we have competition in the marketplace to ensure that our producers receive the best possible value for their products.
18. The UK Government must continue to value our high production standards and guard against any future trade deals that put our farmers at a competitive disadvantage as a result of imports entering the UK subject to different regulatory standards.
19. Within the UK we must guard against Wales being put at a competitive disadvantage, we must ensure that Welsh farms and food businesses are competitive within the UK and further afield. We must ensure that funding continues to be made available to support a growing and dynamic food and farming sector. A current concern to our members is the lack of support for farmers considering organic conversion, with support available in other parts of the UK this will put the organic sector in Wales at a disadvantage.

Grocery Code Adjudicator

20. There are some good examples where farmers, food processors and retailers have worked together to improve supply chains relationships. However such arrangements are the exception rather than the rule. The implementation of the Grocery Code Adjudicator and the excellent work that the Adjudicator has done in policing the Grocery Code is to be commended but the remit of the Adjudicator is limited. NFU Cymru believes that the time is now right to move forward to extend the remit of the Adjudicator to cover more elements of the supply



chain. We would ask that this Committee recommends that the UK Government should make the principles of the voluntary codes of practice operating in the agri-food sector mandatory and bring them under the remit of the Grocery Code Adjudicator.

21. We would ask that the incoming Government reduces the turnover bracket of the Grocery Suppliers Code of Practice (GSCOP) so that the Code will include more retailers, food service and food manufacturing businesses.

Welsh Food Production Indicator

22. NFU Cymru in our response to the 2015/16 Welsh Government consultation entitled 'How do you measure a nation's progress?' which set out proposals for forty national indicators to measure whether Wales is achieving the seven well-being goals established in the Well-being of Future Generations (Wales) Act 2015 was surprised to find that not one of the indicators related to food production.
23. Access to safe, high quality affordable food is the most basic of requirements for all people in society and therefore we are surprised that Welsh Ministers do not consider that national indicators should be introduced for the purpose of measuring progress. We currently produce only 60% of our own food and this figure is in long term decline. We must also recognise the global picture with increasing populations and the challenges faced by climate change. It is our view that Wales as a country that will become increasingly favoured for agricultural production in the future has a responsibility to produce. We believe it imperative that policies are implemented that support the production of high quality food produced to the highest welfare and environmental standards, as efficiently as possible. Welsh Government should introduce a food production indicator to be able to accurately measure progress.

Planning

24. Farming businesses are increasingly looking at ways to add value to their produce or to take advantage of opportunities to diversify into areas where there are improved market opportunities. A prime example of this being the investment made by Welsh farming businesses in free range egg production and more recently into pig production. Unfortunately all too often farmers' efforts to capitalize on these opportunities are stifled by bureaucracy around the planning regime and increasingly environmental permitting. Achieving the growth targets set by Government alongside making Welsh farming businesses as resilient as they can be in the face of future challenges will require all Government departments, NRW and Planning Authorities to act in a more supportive way than they have at times in the past.

Rural Connectivity

25. Growing the Welsh food and drink industry relies on access to as many different markets as possible; increasingly consumers are looking to the internet and social media for their purchasing. New technology needed by farming businesses to improve efficiencies requires a good broadband connection. NFU Cymru is calling on Government to ensure the rollout of superfast broadband to all rural communities, alongside universal mobile phone coverage. We need comprehensive solutions to deliver a reliable superfast broadband infrastructure to all farm premises at a cost they can afford.

Skills and Training

26. All too often a career in the food and farming industry is portrayed as offering limited opportunities, it is important that we work together to highlight the opportunities that exist within the sector for working with cutting edge technology and the latest science, whether that



be on farm or in the food processing sector. There is a need to highlight the different career paths available and to show that there is the opportunity for long term rewarding careers. We need to ensure that colleges, universities and training providers in Wales are building up the necessary skills base to help deliver continued growth, innovation and entrepreneurship in the Welsh food and drink industry.

Education

27. It is vital that our children are educated at an early stage with regards to where their food comes from and the fundamentals of a healthy and balanced diet. Accurate food and farming information supplied to schools and colleges is vital and should have a place in the national curriculum, highlighting the importance of provenance to future consumers. NFU Cymru and Farming and Countryside Education (FACE) have bilingual educational packs available designed to support teachers at Key Stage 2 level with ideas and activities to help foster children's interest in food and farming and healthy eating and lifestyles as well as encouraging children to think about where their food comes from. The English and Welsh language versions of the 'Why Farming Matters/Pam Fod Ffermio'n Bwysig' education packs can also be downloaded [here](#)

Conclusion

28. We are calling on Welsh Government to deliver policies that will support our vision for a productive, progressive and profitable food and farming sector in Wales. We need to ensure that Wales is seen as a country producing food of the highest quality whilst maintaining and enhancing our treasured landscape and environment. Productive, progressive and profitable businesses are essential to a thriving Welsh food and drink industry that can deliver jobs, growth and investment to Wales.
29. Given its climate and rainfall Wales is seen as an area of favoured production in the future and with global food production facing challenges from population growth, dietary changes and climate change, we have a great opportunity – indeed a responsibility- in feeding the people of Wales and contributing to global food security now and into the future.
30. This short submission has touched upon a few of the key areas that we believe must be focused upon, we would be delighted to meet with the Committee to discuss in more detail our vision for the future of food in Wales and what needs to be done to achieve this.

****ENDS****

