

Agenda – Economy, Trade, and Rural Affairs Committee

Meeting Venue:	For further information contact:
Committee room 2 – Senedd and video conference via Zoom	Robert Donovan Committee Clerk
Meeting date: 9 July 2025	0300 200 6565
Meeting time: 09.30	SeneddEconomy@senedd.wales

Hybrid

Private pre-meeting

09.15 – 09.30

Public session

09.30 – 11.20

1 Introductions, apologies, substitutions, and declarations of interest

09.30

2 Food Processing: Panel 3

09.30 – 10.30

(Pages 1 – 31)

Dr Robert Bowen, Senior Lecturer in International Entrepreneurship, Cardiff
Business School, Cardiff University

Jon Parker, Wales Director, Food, Farming and Countryside Commission

Attached Documents:

Research brief



Evidence paper – Food, Farming and Countryside Commission

Evidence paper – Dr Robert Bowen

Break

10.30 – 10.40

3 Food Processing: Panel 4

10.40 – 11.20

Julie Bishop, Director of Health Improvement, Public Health Wales

Councillor Mary Ann Brocklesby, Leader of Monmouthshire County Council
and Rural Affairs Spokesperson, Welsh Local Government Association (WLGA)

4 Papers to note

11.20

4.1 Employment Rights Bill

(Pages 32 – 33)

Attached Documents:

Letter from the Minister for Culture, Skills and Social Partnership to the
Llywydd, and Chair of the Senedd Commission – 26 June 2025

4.2 Review of Business Support

(Pages 34 – 35)

Attached Documents:

Letter from the Cabinet Secretary for Economy, Energy and Planning – 27
June 2025

4.3 Inter-Institutional Relations Agreement: Meeting of the Inter-Ministerial Group for Business and Industry

(Page 36)

Attached Documents:

Letter from the Cabinet Secretary for Economy, Energy and Planning to the Chair of the Legislation, Justice and Constitution Committee – 1 July 2025

4.4 UK-EU SPS agreement and the Common Understanding agreement

(Pages 37 – 40)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – 1 July 2025

4.5 Petition P-06-1488: Establish a 'Care Society' to Tackle the Long Covid Crisis in Wales

(Pages 41 – 43)

Attached Documents:

Letter from the Chair to the Chair of the Petitions Committee – 2 July 2025

Letter from the Chair to the Cabinet Secretary for Economy, Energy and Planning – 2 July 2025

4.6 Holyhead Port storm damage and closure: Initial findings report

(Pages 44 – 45)

Attached Documents:

Letter from the Chair to the Cabinet Secretary for Transport and North Wales – 3 July 2025

4.7 Committee visit to Community Support Centre, Port Talbot

(Pages 46 – 47)

Attached Documents:

Letter from the Chair to Community Trade Union – 4 July 2025

5 Motion under Standing Order 17.42(ix) to resolve to exclude the public from the remainder of the meeting

11.20

Private session

11.20 – 12.15

6 Food Processing: Consideration of evidence

11.20 – 11.30

7 Legislative Consent: Dogs (Protection of Livestock) (Amendment) Bill (2024 – 2025)

11.30 – 11.40

(Pages 48 – 52)

Attached Documents:

Legal advice note

8 Hybu Cig Cymru: Consideration of draft report

11.40 – 12.10

(Pages 53 – 99)

Attached Documents:

Draft report

9 Legislative Consent: Animal Welfare (Import of Dogs, Cats and Ferrets) Bill: Consideration of draft report

12.10 – 12.15

(Pages 100 – 106)

Attached Documents:

Draft report

Agenda Item 2

Document is Restricted

Evidence Paper: Welsh Food Processing and Food Strategy - Response to the Economy, Trade, and Rural Affairs Committee Inquiry by Jon Parker FFCC, with input from Food Policy Alliance Cymru members

Introduction

FFCC with input from Food Policy Alliance Cymru (FPAC) is delighted to submit this evidence examining Wales's Food & Drink Industry Vision, its delivery to date, and recommendations for future strategy. FPAC is a coalition of organizations and stakeholders working to shape a sustainable food system in Wales. Its core aim is to “co-produce a vision for a food system in Wales that connects production, supply and consumption, giving equal consideration to the health and wellbeing of people and nature.” In line with this aim, our evidence addresses the Committee's key questions set out within the terms of reference for the inquiry.

The Welsh food and drink industry has demonstrated remarkable growth, with total turnover reaching £24.6bn in 2023, representing a 10% increase from 2022¹. However, this growth must be evaluated against mounting challenges including declining livestock numbers, climate change impacts, food insecurity affecting one in five people in Wales², and the urgent need for system transformation to meet net zero commitments and the Well-being of Future Generations Act.

Assessment of Welsh Government Performance Against Vision Objectives

Achievements in Growth and Economic Targets

The Welsh Government has exceeded several key targets outlined in its Vision for the Food and Drink Industry. The 'food foundation' sector reached £9.3bn turnover in 2023, achieving the £8.5bn target set for 2025 two years early. The broader food and drink supply chain employed 228,500 people in 2023, equivalent to 17% of Wales's total workforce^[3]. Food and drink manufacturing contributed £1.7bn to

¹ <https://www.gov.wales/welsh-food-and-drink-industry-grows-10>

² <https://cms.trussell.org.uk/sites/default/files/wp-assets/EYS-Wales-Factsheet-2023-24.pdf>

the Welsh economy and provided 26,500 jobs across 575 businesses, representing 45.3% growth over a decade^[5].

Welsh food and drink exports reached £640m in 2021, an increase from £552m in 2020³ and to £797m in 2022⁴. The sector successfully expanded from 16 to 24 Protected Food Name (PFN) products⁵, although the introduction of the new UK scheme post Brexit has lacked the investment to place it on par with the EU PFN schemes in terms of global reach and brand awareness.

Shortcomings in Social and Environmental Objectives

Despite economic successes, performance against environmental and social sustainability objectives remains inadequate. The Welsh Living Wage target of 80% coverage by 2025 lacks transparent reporting⁶. Food insecurity has reached crisis levels, with food banks in the Trussell Trust network distributing 187,400 emergency food parcels in Wales during 2023/24, the highest number ever recorded (op cit). This represents a fundamental failure to address the 753,000 people estimated to experience food insecurity in Wales (op cit). We would note however that FPAC's vision explicitly calls for a food system that "eliminates the need for food banks by 2025" and ensures good jobs – reflecting the belief that the food system should be socially just. While that timeline is imminent, the underlying principle remains crucial: no one in Wales should go hungry or be unable to afford healthy food.

Environmental performance shows mixed results. While the Vision commits to "one of the most environmentally and socially responsible supply chains in the world", agricultural greenhouse gas emissions remain concerning. Agriculture contributes approximately 12% of Wales' total

³ <https://businesswales.gov.wales/foodanddrink/sites/foodanddrink/files/documents/2022-09-30 - 2021 Food and Drink Economic Appraisal - FINAL - ENGLISH.pdf>

⁴ <https://www.gov.wales/new-record-high-welsh-food-and-drink-exports>

⁵ <https://www.wales.com/visit/food-and-drink/welsh-products-protected-status>

⁶ <https://www.wired-gov.net/wg/news.nsf/articles/new+food+and+drink+vision+launched+as+winter+fair+returns+29112021140500?open>

greenhouse gas emissions, with food manufacture, transport and retail accounting for another 5.5%⁷.

Shortcomings in Evaluative Approaches

Aside from the core metrics of growth, holistic evaluation of food programmes has found notable limitations in obtaining sufficient materials relevant for review. This has included some of Welsh Government's flagship schemes such as Cywain and Project Helix.

Wavehill's high level review of Welsh Government's food sector schemes⁸ highlighted a number of constraints placed on the evaluation, including disparity in evaluative approaches to individual projects and schemes. Of concern in terms of economic performance, the evaluator was forced to assess performance on the 'lowest common denominator', meaning that only gross impacts, including turnover were available for review as opposed to the net impacts of Welsh Government funded projects and initiatives.

Fitness for Purpose of Current Vision Objectives

Misalignment with Climate and Ecological Emergency

The current Vision objectives require fundamental revision to align with Wales' net zero commitments and the climate emergency. Food Policy Alliance Cymru calls for Wales to achieve a net zero food system by 2040. The existing Vision lacks specific, measurable targets for emission reductions across the food system. Research indicates that a full agroecological shift could cut Welsh territorial greenhouse gas emissions from agriculture by 67% compared to 2018 levels by 2050⁹. This is set alongside NFU Cymru's pathways to net zero by 2040¹⁰ that has evolved further through the development of critical pathways to net zero as advocated by Prof. Michael Lee of Harper Adams University.

⁷ <https://www.gov.wales/sites/default/files/publications/2019-06/agriculture-sector-emission-pathway-factsheet.pdf>

⁸ <https://www.gov.wales/sites/default/files/statistics-and-research/2025-01/high-level-review-of-welsh-government-food-sector-schemes-delivered-under-the-rural-development-programme.pdf>

⁹ <https://eunomia.eco/our-clients/wwf-cymru/>

¹⁰ <https://www.nfu-cymru.org.uk/media/130pbfm2/explainer-net-zero.pdf>

Inadequate Integration with Well-being Goals

Current objectives fail to adequately integrate with the Well-being of Future Generations Act's seven well-being goals¹¹. The Vision requires strengthening around social justice, cultural preservation, and environmental restoration. Citizens across Wales have called for cross-government leadership through a National Food Plan that protects the interests of future generations.

Missing Public Health Integration

The Vision lacks robust integration with public health objectives. With 60% of Welsh adults overweight or obese and around one-third of children overweight or obese by age five¹², the food system's role in addressing diet-related disease requires explicit recognition. Citizens support government action, with 81% believing healthy drink options should be default choices for children's meals and 70% supporting bans on unhealthy food advertising to children.

Impact of Declining Livestock Numbers on Processing Capacity

Livestock Population Trends

FPAC recognises that Wales faces livestock decline across multiple species, with population numbers influenced by several factors including market requirements, productivity issues, agricultural regulation and support and the impacts of climate change. Sheep numbers fell to 8.75 million in 2024 from nearly 12 million in the 1990s, representing the lowest levels since 2011¹³. Welsh cattle numbers decreased by 2.4% between 2023 and 2024, with 1,089,800 total cattle and calves recorded in June 2024. The beef breeding herd experienced a 4.5% decline, the greatest annual reduction in at least 20 years¹⁴. 75% of the livestock sector throughput in Wales is processed

¹¹ <https://futuregenerations.wales/news/food-system-unfair/>

¹² <https://phw.nhs.wales/news/strong-public-support-for-government-action-against-obesity/>

¹³ <https://www.bbc.co.uk/news/articles/c206y40gke50>

¹⁴ <https://ahdb.org.uk/news/beef-lamb-market-update-defra-s-june-survey-shows-uk-beef-and-sheep-populations-at-historic-lows>

by just 3 abattoirs. This consolidation in processing capacity is increasingly a constraint on the future of local supply chains.

Strategic Response Requirements

The need to realise and retain value within Wales and its communities is a pressing issue. Increasingly access to processing in meat (especially abattoirs) and dairy is a barrier to establishing local supply chains, creativity and enterprise in local food production with control of this part of the food chain resting in fewer and fewer hands. The solution to this lies in cooperation and community owned infrastructure with Welsh Government playing a key role in facilitation and economic support.

The Welsh Government must develop transition support for both livestock farmers and processing businesses. This includes investment in processing diversification, support for alternative protein processing capacity, and infrastructure development for horticultural processing to compensate for livestock sector contraction.

A [recent joint open letter to Welsh Government](#) relating to small abattoir support in Wales sets out some of the policy solutions required:

1. Welsh Government support to help small abattoirs deal with increased regulation, running costs and veterinary capacity issues.
2. Welsh Government recognition that the abattoir network is 'critical infrastructure for Wales', and work with industry to explore solutions such as capital grant schemes
3. Continuation of the Food Standards Agency small abattoir discount

Supporting Processing Sector Value Addition

Red Meat Sector Interventions

The red meat sector requires targeted support to maintain processing capacity during livestock transition. Welsh Government and indeed Hybu Cig Cymru (HCC) should establish a Red Meat Transition Programme supporting processing modernisation, efficiency improvements, and higher-value product development^[18]. Investment in regional abattoir infrastructure could reduce transport costs and improve animal welfare while supporting local supply chains.

HCC is currently consulting on the development of its Red Meat Vision 2030¹⁵ and this needs to be considered alongside the changes and challenges of the post Brexit funding landscape that has supported previous HCC strategic initiatives.

Horticulture Sector Expansion

Horticulture presents the greatest opportunity for processing sector growth, addressing both climate objectives and food security. Current barriers include planning system complexity, limited processing infrastructure, and market access challenges¹⁶. Wales has potential to increase domestic vegetable production dramatically, with Food Policy Alliance Cymru targeting 75% of recommended vegetable consumption produced sustainably in Wales by 2030.

The Welsh Government should establish regional food processing hubs supporting the horticultural supply chain. Investment in freezing, dehydrating, and fresh-cut processing facilities could capture value from increased domestic production while extending shelf-life and market reach.

¹⁵ <https://meatpromotion.wales/en/about/corporate-information-2/vision-2030/>

¹⁶ <https://meatpromotion.wales/en/newsroom/put-hundreds-of-livestock-facts-at-your-fingertips/>

Barriers to Public Procurement of Welsh Processed Food

Procurement System Challenges

Public procurement represents over £90 million annual food expenditure in Wales^[20], yet remains underutilised for supporting Welsh processing. The National Procurement Service (NPS) frameworks in the past have been criticised for overestimating potential usage, with projections for Framework 1 considerably lower than tender estimates¹⁷. Concerns continue to exist about framework structure adequately supporting a diverse range of Welsh suppliers.

Cost Assessment Limitations

Procurement practices have historically prioritised lowest cost without incorporating broader social, environmental, and economic benefits. The Well-being of Future Generations Act provides foundation for developing sophisticated cost assessment tools incorporating local employment, environmental impact, and community benefits. Welsh Government and WLGA should collaborate on assessment methodologies reflecting Welsh priorities and the continuing change in procurement law such as the new Procurement Act 2023, enacted in February 2025.

Structural Recommendations

Food Policy Alliance Cymru recommends establishing dedicated food procurement expertise within local authorities, supported by Welsh Government training and guidance. Regional procurement collaboration could achieve economies of scale while supporting local suppliers. Investment in procurement workforce skills and status is essential for maximising purchasing power for social, environmental, and economic benefit.

Food System Transformation for Public Health and Environmental Recovery

Addressing Food Insecurity and Health Inequalities

Wales faces a food insecurity crisis with 753,000 people experiencing food insecurity, yet 74% of food insecure individuals receive no food aid (op cit). Food Policy Alliance Cymru calls for Wales to

¹⁷ https://senedd.wales/laid_documents/cr-ld11576/cr-ld11576-e.pdf

become the first nation eliminating food bank necessity requiring remedy to root causes through fair work, adequate social security, and accessible healthy food systems.

The food system contributes to rising obesity rates costing the Welsh NHS £73 million annually¹⁸. Diet-related chronic non-communicable diseases threaten NHS sustainability while wages fail to keep pace with food costs, creating widespread food poverty.

Climate and Environmental Integration

Agriculture represents the main driver of biodiversity loss in Wales¹⁹. The UK's first Food Security Report identified climate change, biodiversity loss, and natural resource exploitation as the greatest threats to long-term food security²⁰. Wales experiences increasing extreme weather events impacting agricultural productivity and requiring system resilience building.

Food Policy Alliance Cymru advocates for 100% agroecological transition to halt and reverse nature loss while increasing climate resilience. This transition requires comprehensive support for farmers adopting regenerative practices, investment in nature-based solutions, and strong regulatory baselines with improved auditing of farm emissions and sequestration.

Circular Economy Development

The Welsh Government's Beyond Recycling Strategy commits to eradicating avoidable food waste, with targets to halve avoidable food waste by 2025 and achieve 60% reduction by 2030²¹. Food waste reduction across the supply chain requires coordinated action from producers, processors, retailers, and consumers, supported by infrastructure investment and behaviour change programmes.

¹⁸ https://www.wwf.org.uk/sites/default/files/2020-03/WWF_Full%20Report_Food_Final_3.pdf

¹⁹ <https://www.iwa.wales/agenda/2023/11/food-system-wales/>

²⁰ https://www.wwf.org.uk/sites/default/files/2024-03/5126 - FARMING IN WALES_REPORT_v3.pdf

²¹ <https://www.gov.wales/sites/default/files/publications/2024-07/food-matters-wales.pdf>

Recommendations

Immediate Actions (2025-2026)

1. **Establish Food System Commission:** Welsh Government should appoint an independent, cross-sector Food Commission developing a roadmap for a 'Food System Fit for Future Generations' aligned with agroecological principles.
2. **Livestock Transition Support:** Create emergency support fund for processing businesses affected by livestock reduction, including diversification grants and infrastructure investment.
3. **Procurement Reform:** Implement sophisticated cost assessment tools in public procurement incorporating social, environmental, and economic benefits beyond price.
4. **Food Poverty Action:** Increase social security adequacy and implement emergency food poverty reduction measures while building longer-term food security infrastructure.

Medium-term Transformation (2026-2030)

1. **Agroecological Transition:** Support 100% agroecological farming by 2030 through farmer education, financial incentives, and regulatory reform.
2. **Regional Food Hubs:** Establish processing infrastructure supporting local food systems, particularly for horticulture value addition.
3. **Fair Work Implementation:** Achieve living wage coverage across food system employment while improving working conditions and career pathways.
4. **Public Health Integration:** Implement comprehensive food environment reforms addressing obesity, diabetes, and diet-related disease.

Long-term Vision (2030-2040)

1. **Net Zero Food System:** Achieve Wales's target of net zero food system by 2040 through comprehensive decarbonisation across production, processing, distribution, and consumption.

2. **Food Security:** Achieve 75% domestic production of recommended vegetable consumption through sustainable Welsh production.
3. **Social Justice:** Eliminate food bank necessity and ensure dignified access to healthy, sustainable food for all Welsh residents.
4. **Ecosystem Restoration:** Integrate food system development with biodiversity recovery and landscape restoration supporting climate resilience.

Conclusion

Wales stands at a critical juncture requiring fundamental food system transformation. While economic growth achievements merit recognition, current approaches fail to address interconnected crises of climate change, biodiversity loss, food insecurity, and public health. The declining livestock sector presents both challenges and opportunities for processing sector evolution toward more sustainable, resilient food systems.

We urge the Committee to recommend comprehensive food system reform prioritising social justice, environmental restoration, and public health alongside economic development. Wales has the opportunity to lead global food system transformation, but only through integrated, systems-thinking approaches addressing root causes rather than symptoms of current food system failures.

The path forward requires courage to challenge existing paradigms, investment in transition support, and commitment to the Well-being of Future Generations Act's transformative potential. Wales can build a food system truly fit for future generations, but the window for action is rapidly closing.

Written Response to the Consultation on Food Processing for the Senedd Economy, Trade and Rural Affairs Committee

Dr Robert Bowen, Senior Lecturer in International Entrepreneurship, Cardiff Business School

The food and drink industry plays an important role in Wales. While it may not be the largest sector in the Welsh economy, many food and drink businesses and people involved in the food and drink supply chain rely on the success of the food and drink sector, especially in rural communities, often in Welsh-speaking communities.

There is a feeling that the sector, like many others, is currently at a crossroads as many actors across the food and drink sector experience periods of uncertainty and change. Recent years have seen a period of economic difficulty with various challenges, particularly the effects of Covid-19 from business closures and lockdowns, impacts to Global supply chains through different conflicts in Ukraine and the Middle East, a cost of living crisis, economic effects of persistent high inflation and high costs of goods, energy, and daily essentials, as well as climate change effects (such as grass fires or flooding), natural disasters, or changing global geopolitics (such as tariffs). It is important to add that Brexit has been particularly bad for businesses across the UK, bringing negative effects to the economy, creating barriers to export and increasing costs and paperwork for businesses when importing goods. This has created a period of perpetual uncertainty for businesses and called upon them to develop resilience. Based on recent research work that I have been conducting through a partnership between Cardiff University and the University of Waikato in New Zealand, we compared the resilience of rural-based small and medium-sized enterprises (SMEs) in Wales and New Zealand and found that businesses in both countries were able to develop resilience to these challenges, but this resilience was largely aimed at surviving the challenges, and few businesses looked to develop more advanced levels of innovative practice at this time. Comparing both countries, we observed that businesses in Wales were provided with greater support, across both the UK and Welsh governments, as well as local support, through the furlough scheme, relief to VAT and business rates, grants, loans and advice. Financial support was less accessible in New Zealand, which was provided through grants and advice. This leads us to conclusions that the resilience of SMEs in New Zealand was more a result of management decisions within the business and the reconstitution of the business' resources, while in Wales, businesses were more dependent on support, which aligns with previous research findings from research that I have undertaken with Dr Wyn Morris of Aberystwyth University, that rural SMEs in Wales show more passive attitudes to growth. The lessons from the resilience research underline that support structures need to be in place to ensure that Welsh SMEs operate in the right environment to enable them to survive and look to thrive beyond this. While this period of perpetual uncertainty continues, this support environment needs to be maintained and reviewed according to the types of crises or challenges that businesses face.

A second reason why the food and drink sector appears to be at a crossroads is due to climate change effects. There has been much discussion over the last two years about the Sustainable Farming Scheme and I believe that this has divided opinion across the sector. While there have been many protests against this policy, there are some who have supported the policy for allocating parts of the land to sustainable practice. However, a significant challenge with this policy is ensuring that the right policy is achieved that meets the needs of the sector. Farming in Wales is varied due to the nature of the land, with differences between upland and lowland farming, different types of land (including marsh land), ownership and tenancy of farms, and the size of farms, which tend to be smaller than many other areas of the UK. There is a need to ensure that Sustainable Farming policies meet the needs of all, therefore a general policy would be challenging. There is a need to aim to develop policy that could be tailored towards different types of farms. If this could be achieved, it can ensure that the sector works collectively towards sustainable aims. However, having a strategy for the sector would be useful in meeting this aim.

Climate change means that there is a need to embrace sustainability in a way that supports the development of the sector. While there have been many discussions about negative impacts of agriculture on climate change, the nature of the industry in Wales with small scale farms and localised sales of animals and food products means that the impact would be considerably less than in other counties where farming and food production is seen on much larger scales. However, there is a need to acknowledge a shift towards more sustainable practice, which needs to be maintained in future. The small scale nature of the sector in Wales means that local food miles can be promoted, with local foods being used to supply local customers. There are some initiatives in Wales such as in Monmouthshire, where local procurement is seen positively to support the local economy by having local food producers get their products to local buyers, including schools, hospitals and other local institutions. The work of organisations like Food Sense Wales has also been very good at supporting local supply chains, however a major issue is seeing how these initiatives could be scaled up onto a regional or national level. Given the economic difficulties outlined above, local procurement would be dependent on the right price, as many buyers are facing squeezed budgets, therefore they may place a stronger focus on the price of goods rather than looking to support local producers or businesses due to budget constraints. Another issue in developing local supply chains is the limited infrastructure in food processing and skills to align with what the sector needs. There is a lack of food processing sites in Wales, including abattoirs or food processing sites, and many Welsh food products need to leave Wales to be processed before returning to Wales to be sold. This does not support a sustainable process and arguably constraints the abilities of the sector to grow as it is dependent on external factors. There are some examples of small scale production sites, such as local abattoirs, but these are not widespread across all areas of Wales and capacity is often limited. This echoes issues of the 'gap in the middle' in many parts of Wales, as there are a number of micro (less than 10 employees) or small businesses (10-49 employees) across the sector, as well as larger (250+ employees) businesses, however there are not

as many medium-sized businesses (50-249), meaning that we do not see the growth of micro or small businesses in employing more people in the places where they are located. Having a vision for where certain infrastructure could be located and how they could be used to support the development of the industry would be important, especially in ensuring that levels of innovation could be explored in the development of technology or new business ideas.

Finally, an important aspect for consideration is the Wellbeing of Future Generations Act, which plays an important role in promoting more sustainable practice, and drawing attention to the wider issues of cultural vibrancy, cohesive communities, the Welsh language and culture, health, resilience and prosperity. While the act does not apply to all businesses, particularly not in the private sector, there is some suggestions from my existing research on resilience that businesses are aware of the focus on wellbeing and how it inspires more values-driven businesses, as I have spoken to businesses who have decided to close the business as their existing business model was not sustainable, or something that aligned with their values.

Evaluating Performance against the Objectives in the Vision for the Food and Drink Industry

The aims for the sector are appropriate and align well with the nature of the food and drink industry in Wales. There is a need to create and support a strong and vibrant sector with a global reputation for excellence, and promote environmentally and socially responsible supply chains, as climate change and social responsibility are important issues of our time. The last 15-20 years has seen the sector grow in Wales with an increasing reputation and good export market. This has been seen in the significant increase in foods from Wales that have a protected food status (either from the European PGI, PDO and TSG awards, or the more recent UK geographical indications status). This is a vital part of the reputation for quality food from Wales and support for different organisations and food producers in receiving these statuses has been very welcomed by those who have achieved this. Value added actions like this are so important for the Welsh food and drink industry because it has developed a reputation for quality in recent years, which needs to be maintained to attract increased interest in Welsh businesses. I have also spoken to a number of food businesses who lauded the role of the Welsh government in supporting export activity, particularly the support for attending international trade shows on the Welsh food stand, which allows businesses to have a presence with international buyers, and allows Welsh businesses to develop connections with international buyers, agents and distributors. This was something that was very prominent before Brexit, but the exporting activities of many Welsh food businesses had now been constrained because of this. Therefore, it is more important than ever that support for Welsh businesses to engage in export is available, not only access to trade shows, but advice on managing paperwork in specific countries and knowledge about specific markets around the world.

In terms of environmental and social responsibility in supply chains, this is an important aim but this is a challenge that has been discussed above, particularly in view of the limited infrastructure across the food and drink supply chain, which impacts on food miles and how the sector could be sustainable. The aim for more localised supply chains is important in ensuring a sustainable sector in Wales but more localised initiatives need to be developed and scaled up across Wales through better collaboration between various stakeholders, which should be encouraged by local government and local actors.

An important aspect in relation to the work of the Welsh government in the sector is a lack of food strategy for Wales, which is something that has been missing for many years, and this would give the industry a clearer direction and can bring various stakeholders on board to address many of the challenges in the sector and ensure that there is a strategy for growing the sector, supporting the development of skills and resources required to achieve this growth, promote internationalisation, and also to ensure that the food and drink sector works alongside other relevant sectors in Wales, such as Tourism and Hospitality, as there is a need to ensure that Welsh food products can play an important part in the tourism and hospitality offering of Wales. While the lack of a Welsh food and drink strategy is an issue, a bigger issue would be a lack of economic development strategy in Wales, as there is a need to set out how the food and drink sector fits into the Welsh economy more strategically. This could support cooperation across sectors and ensure that there is a common goal.



Eich cyf/Your ref
Ein cyf/Our ref

26 June 2025

Dear Llywydd

I am writing to you in your capacity as Llywydd and Chair of the Senedd Commission in relation to the Employment Rights Bill.

The Employment Rights Bill is designed to deliver the key legislative reforms set out in the UK Government's 'Plan to Make Work Pay'. At the time of writing, the Welsh Government has laid three legislative consent memoranda in relation to the Bill.

As set out in the first legislative consent memorandum, Clause 26 of the Bill at introduction (now Clause 31, in the version of the Bill brought from the Commons to the Lords) inserts new Section 78A into the Equality Act 2010. This clause enables the making of regulations requiring certain employers and public bodies to prepare and publish an "equality action plan" dealing with matters of gender equality.

Unlike other devolved public bodies in Wales, the Senedd Commission is within scope of this clause. This is because the Senedd Commission is listed under Part 1 of Schedule 19 to the Equality Act 2010. This is consistent with the listing of the Scottish Parliamentary Corporate Body under Part 1.

It should be noted that Welsh Ministers cannot place equalities-related duties on the Senedd Commission via section 153(2) of the Equalities Act 2010. This is because the Senedd Commission is not listed in Part 2 of Schedule 19 to that Act.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Consequently, and as set out in my letter of 30 April to the Economy, Trade and Rural Affairs Committee to which you were copied, the Welsh Government considers it appropriate for the Senedd Commission to be within scope of this provision within the Bill. The UK Government can already make regulations on equalities matters that apply to the Senedd Commission under section 153(1) of the Equality Act 2010.

In your letter of 13 February to the Legislation, Justice and Constitution Committee, you noted the Senedd Commission had not received any contact from the UK Government about this provision within the Bill. You expressed a preference for the Bill to be amended to designate the Senedd Commission as a statutory consultee.

While I appreciate your view, designating the Senedd Commission in this way on the face of the Bill would be inconsistent with the approach taken in relation to other bodies listed under Part 1 of Schedule 19 to the Equality Act 2010. However, we are in regular contact with the UK Government about the Bill and I have asked my officials to emphasise the importance of engaging the Senedd Commission in any future work relating to equality action plans.

I am copying this correspondence to the Chairs of the Legislation, Justice and Constitution Committee and the Economy, Trade and Rural Affairs Committee.

Yours sincerely,

A handwritten signature in black ink that reads "JACK SARGEANT". The signature is written in a cursive style with a long horizontal line underneath it.

Jack Sargeant AS/MS

Minister for Culture, Skills and Social Partnership

Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Andrew RT Davies MS
Chair - Economy, Trade and Rural Affairs Committee

27 June 2025

Dear Andrew,

Review of Business Support

I am pleased to hear of the ETRA Committee's plans and I can confirm that I have asked my officials to undertake a review of Business Support arrangements, to include:

- analysis of what Wales gets for our current Business Support activities, and whether those results are aligned to areas of the economy that offer the best opportunities and the greatest needs;
- recommendations on the relative weight of resources that we put into various sectors;
- the impact of UK Government intervention in Business Support in Wales, and how our respective offerings should complement each other;
- signposting and co-ordination of the overall Business Support offering in Wales, including all branches of the Welsh Government and its arm's length bodies and its delivery partners; and
- opportunities for efficiencies that can be ploughed back into support for the Welsh economy.

Everyone wants to see sustainable businesses creating more growth and investment, but that of itself is not evidence that a fundamental reconstruction of how Business Support is delivered is necessary. I am not persuaded that there is strong evidence that moving to any one substantially different model could confidently be expected to bring about an improved service for an equivalent cost, and whatever gains can be made by closer alignment of service delivery need to be balanced against the potential cost, delay and disruption, not to mention regulatory issues.

I will therefore be looking for opportunities for practical change that can be brought about quickly. The review will be led by the Economy group operations team, and they will look for independent expertise to help in that, probably from a Welsh Government non-executive director. I am looking for Ministerial advice by September, so that any options I agree to can be implemented within the current Senedd term.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

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Correspondence.Rebecca.Evans@gov.wales
Gohebiaeth.Rebecca.Evans@llyw.cymru

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

This review is not limited to just Welsh Government and DBW services but includes the things we committed to in our response to your Committee's recommendation, namely consideration of where further strengthening of the interface between the services is required and opportunities for service integration.

In the meantime, I have had a very helpful meeting with the Federation of Small Businesses, whose own report is due shortly, and I will of course be considering other evidence. I will also be interested in the outcome of your Committee's work on the City and Regional Growth Deals and look forward to seeing that in due course.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive style with a large initial 'R' and a distinct 'E'.

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Agenda Item 4.3

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio



Llywodraeth Cymru
Welsh Government

Our ref: DC-RE-00412-25

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru

SeneddLJC@senedd.wales

01 July 2025

Dear Mike,

Further to my letter of 30 April, I have issued a [Written Statement: Inter-Ministerial Group for Business and Industry \(1 July 2025\) | GOV.WALES](#) summarising discussions at the most recent meeting of the Inter-Ministerial Group for Business and Industry, held on 6 May 2025. A communique regarding this meeting will be published on the [UK Government website](#).

The next Business and Industries IMG is due to take place in September and I will write to the Committee confirming the date once it has been agreed.

I am copying this letter to the Chairs of the Finance Committee and the Economy, Trade and Rural Affairs Committee.

Yours sincerely,

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet
dros Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for
Climate Change and Rural Affairs

Agenda Item 4.4

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref – PO/HIDCC/0270/25

Andrew RT Davies MS
Chair
Economy, Trade and Rural Affairs Committee
Senedd Cymru
SeneddEconomy@senedd.wales

1 July 2025

Dear Andrew,

Thank you for your letter dated 3 June. I can confirm that you are correct in your observations that, in the context of ongoing negotiations on a UK-EU SPS agreement, there will be a need to consider the future implementation of the Border Target Operating Model (BTOM), and we will also need to minimise any further divergence from the EU.

This work is already underway: the Committee may have noted, for example, that Defra and the devolved governments have announced that checks on fruit and vegetable imports will not be introduced, in anticipation of an agreement with the EU.

Whilst any future UK/EU SPS agreement is likely to roll back BTOM rules in respect of imports from the EU, there is still a need to review biosecurity and food safety measures for areas that may endure within such an agreement. This work and the ongoing negotiations with the EU will determine the need for further trade controls during the remainder of the sixth Senedd. Once a timetable is in place I will be happy to provide you with an update.

I anticipate significant legislative changes being required, but the full detail will not be clear until agreement is reached. Nevertheless, it is important officials in both UK and Welsh Governments begin to consider how to make any required changes. Good co-ordination will be essential, and there will be resource implications, bearing in mind the significant workload that comparable Brexit changes caused in terms of SPS regulations.

I have provided a response to your remaining questions below:

To what extent, if any, the Common Understanding agreement requires a change of approach to the BTOM's implementation, including changes to the timetable mentioned above:

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

It is important to note that the existing requirements continue to apply until any agreement is finalised and implemented.

It is likely that the BTOM will be rolled back in respect of SPS imports from the EU, however, the Common Understanding agreement itself does not change the BTOM directly but rather suggests a pragmatic approach to its implementation, to minimise nugatory expenditure, liability and further divergence from EU rules which would need to be re-aligned following any agreement with the EU.

As timescales for negotiations and subsequent implementation become clearer, we will be able to determine appropriate biosecurity and food safety arrangements for the interim. I am committed to ensuring an acceptable level of biosecurity protection.

How the governments are working together on the change in approach, if any, required by the Common Understanding agreement:

The UK Government has stated its intention to work collaboratively with the devolved governments in preparation for negotiations with the EU. Ministers and officials are engaged through established intergovernmental mechanisms, including the Interministerial Group for EU Relations, the EFRA Interministerial Group and the Interministerial Group for Trade and we have supplemented this with specific quadrilateral discussions on the implications for the BTOM. This cooperation is vital to ensure that negotiating positions reflect Welsh interests and devolved competences, particularly in the areas of public and animal health.

At an official level there is a formal EU Exit Group that meets to discuss the SPS agreement. Officials also meet Defra officials weekly on a more informal basis to discuss progress and engagement between governments of the UK.

What implications there are, if any, for the readiness of Border Control Posts currently under construction:

You will be aware that Holyhead Border Control Post (BCP) is very near completion, so the Common Understanding does not alter its construction programme, but I am keeping the implications for our readiness preparations under review. I covered this in my recent statement to the Senedd and will be happy to discuss this further when I appear before the Committee on 17 July. However, until we have final details of any SPS agreement, it will be impossible to be definitive about our future need for BCPs, so we will need to keep this under review.

The Welsh Government's view on the SPS provisions in the Common Understanding:

The EU is our most important agri-food export market by sales value so I welcome measures that reduce friction for agrifood movements and safeguard trade. It will also remove the complexities for imports into Wales brought about by the distinction between, and different treatment of, Irish or EU goods and Northern Ireland Qualifying Goods when there is no transparent way to identify the latter.

Wales has a strong interest in upholding high sanitary and phytosanitary (SPS) standards, both for public health and trade continuity. I will continue to work with the UK Government on how the SPS provisions in the Common Understanding will be negotiated, especially in areas falling within devolved competency.

We support the removal of barriers to trade but must continue to guard against disease and ensure we have measures in place which provide an acceptable level of biosecurity protection. All GB Chief Veterinary Officers and Chief Plant Health Officers are in agreement that the pest and disease risk within Europe has increased since we left the EU. There is a rising tide of notifiable animal disease outbreaks in Europe, including Foot and Mouth Disease, African swine fever (ASF), peste des petits ruminants (PPR) and the spread of plant pests such as Xylella. Canine rabies remains endemic in a number of EU countries.

I remain committed to ensuring that any changes arising from the Common Understanding are managed in a way that protects biosecurity and public health, upholds devolved competence, safeguards Welsh economic interests, and supports an efficient and operable border framework.

The Welsh Government's view on the specific provisions requiring the Great Britain to dynamically align to EU SPS standards

We support the UK Government in seeking an SPS agreement with the EU, on behalf of the whole of the United Kingdom.

However, given the devolved nature of sanitary and phytosanitary matters, collaboration between the UK Government and devolved governments will be crucial and our support is contingent on meaningful engagement in planning, negotiating and implementing an agreement.

We have always anticipated that any agreement would likely need to be based on some form of dynamic alignment. In principle we support that model, subject to other provisions that still need to be secured in future negotiations, for example around specific exemptions to the agreement and access to EU systems and databases.

I and my colleagues have consistently supported closer alignment with EU SPS standards, viewing it as a practical step to maintain seamless trade in critical sectors and minimise regulatory divergence.

The Welsh Government's initial analysis of the Common Understanding in relation to movements between Wales and the island of Ireland, including NI-Ireland-Wales movements and vice versa

Until we have a final agreement, we cannot confirm the requirements for movements between Wales and the island of Ireland. Nevertheless, we anticipate significantly fewer checks being required. Provided biosecurity is maintained, any simplification of checks on imports from the island of Ireland, plus improved clarity on movements of NI goods through Ireland and into Great Britain, will benefit Wales, and particularly the Port of Holyhead.

I look forward to discussing this further on 17 July.

Yours sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping loops and lines, positioned below the text 'Yours sincerely,'.

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Carolyn Thomas MS
Chair
Petitions Committee

2 July 2025

Dear Carolyn,

Petition P-06-1488: Establish a 'Care Society' to Tackle the Long Covid Crisis in Wales

Thank you for your letter regarding Petition P-06-1488: Establish a 'Care Society' to Tackle the Long Covid Crisis in Wales. The Committee currently has a full work programme, so unfortunately we will not be able to hold an inquiry into long covid and the associated impact on workers and the economy.

However, I agree this is an issue that should be looked at. I have written to the Rebecca Evans MS, Cabinet Secretary for Economy, Energy and Planning raising the issues relevant to our Committee in the petition. I have copied you into the letter.

Yours Sincerely,



Andrew RT Davies MS
Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

Rebecca Evans MS

Cabinet Secretary for Economy, Energy and Planning

2 July 2025

Dear Rebecca,

Petition P-06-1488: Establish a 'Care Society' to Tackle the Long Covid Crisis in Wales

I am writing following a letter we received from the Petitions Committee regarding [Petition P-06-1488 Establish a 'Care Society' to Tackle the Long COVID Crisis in Wales](#). The petition urges action on long covid and specifically, with relation to our remit, calls for support for those with long covid. Namely it calls for:

- "Workplace adjustments such as flexible hours, remote work, and discrimination protections"; and
- "A Universal Basic Income pilot, examining how financial support could empower people to contribute to society, regardless of health status."

Please can you set out what the Welsh Government is doing to support people with long covid to play their role in the Welsh economy and access work?

I have copied this letter to Carolyn Thomas MS, chair of the Petitions Committee.

Yours sincerely,

Andrew RT Davies

Andrew RT Davies MS

Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

CC: Carolyn Thomas MS, Chair, Petitions Committee



**Economy, Trade, and
Rural Affairs Committee**

Ken Skates MS
Cabinet Secretary for Transport and North Wales

3 July 2025

Dear Ken,

Holyhead Port storm damage and closure: Initial findings report

I am writing to follow up on a point that was not addressed during Wednesday's debate on the Committee's Holyhead Port storm damage and closure: Initial findings report. During the debate, I raised the fortnight delay in the Port's full reopening and asked what discussions you have had with Stena Line Ports around the delay and if you have confidence in them meeting the revised deadline? These questions were not addressed in your contribution.

As we discussed in the debate, the Port plays a significant role in the Welsh economy. As such I would appreciate if you could clarify your position and answer the above questions.

Due to the time bound nature of the questions, I would appreciate your response to this letter by Friday 11 July, ahead of the scheduled full reopening of the Port.

I also requested you write to the Committee regarding Hannah Blythyn MS's question around the Seafarers Charter, the Employment Rights Bill and Irish Ferries. You did not respond to this in the debate but I hope the Committee will receive this in due course.

Yours sincerely,

Andrew RT Davies

Andrew RT Davies MS

Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

**Economy, Trade, and
Rural Affairs Committee**

Jack Harper

Community Trade Union

4 July 2025

Dear Jack

Economy, Trade and Rural Affairs Committee visit to Community Support Centre, Port Talbot

On behalf of the Economy, Trade and Rural Affairs Committee, I would like to thank you and your colleagues for taking the time to meet Members during the Committee's recent visit to the Community Support Hub in Port Talbot on 19 June. I would also like to extend my thanks to you and your colleagues for your assistance in arranging this visit.

Members found the insights gained during the visit to be very useful, and welcomed the opportunity to speak with individuals from across the community as part of the trade fair. Members appreciated the frank discussions on the range of support available to those impacted by the Tata redundancies, including the chance to understand the difficulties in engaging with some individuals affected for a variety of reasons.

The valuable discussions will form a crucial part of the Committee's work going forward on these matters. We are intending to bring issues raised in the visit up with the relevant authorities, including the Welsh and UK Governments and the Transition Board.

We will also continue to monitor the support for people affected by the blast furnace closures and would welcome any updates or input you may see fit to send in the future.

Once again, thank you for taking the time to meet with the Committee, and facilitating the insightful conversations which took place.



Yours sincerely,

Andrew RT Davies

Andrew RT Davies MS

Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

Agenda Item 7

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Agenda Item 8

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Agenda Item 9

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