

## **Agenda – Climate Change, Environment and Rural Affairs Committee**

---

Meeting Venue:

**Committee Room 3 – Senedd**

Meeting date: 20 March 2019

Meeting time: 09.00

For further information contact:

**Marc Wyn Jones**

Committee Clerk

0300 200 6363

[SeneddCCERA@assembly.wales](mailto:SeneddCCERA@assembly.wales)

---

### **Oral briefing on decarbonisation from Filippos Proedrou, Research Fellow**

(09.00 – 09.15)

#### **1 Introductions, apologies, substitutions and declarations of interest**

(09.15)

#### **2 Rethinking food in Wales: food branding and food processing – evidence session with branding experts**

(09.15–10.15)

(Pages 1 – 39)

Dr Matthew O'Callaghan OBE, Chairman – UK Protected Food Names Association

Wynfford James, Director – Sgema Ltd

Dr Robert Bowen, Lecturer in International Entrepreneurship, School Lead on the Welsh Language Provision, School of Management – Swansea University

Attached Documents:

Research Brief

Paper – UK Protected Food Names Association

Paper – Sgema Ltd

Paper – Swansea University



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

**3 Rethinking food in Wales: food branding and food processing – evidence session with representatives of the hospitality sector**  
(10.15–11.15) (Pages 40 – 46)

David Chapman, Executive Director Wales, UK HospitalityCymru

Andrew Campbell, Chairman –Wales Tourism Alliance

Simon Wright, Director – Wright’s Independent Food Ltd

Attached Documents:

Paper – UK HospitalityCymru

Paper – Wright's Food Emporium

**Break**

(11.15–11.25)

**4 Rethinking food in Wales: food branding and food processing – evidence session with Professor Terry Marsden, Cardiff University**  
(11.25–12.25) (Pages 47 – 111)

Professor Terry Marsden, Professor of Environmental Policy and Planning,  
Director of Sustainable Places Research Institute – Cardiff University

Attached Documents:

Paper – Cardiff University

Paper – Draft working paper – Cardiff University

**5 Paper(s) to note**  
(12.25)

**5.1 Correspondence from the Minister for Economy and Transport to the Chair regarding the timing of the Minister's response to the Committee's report on the Welsh Government's Draft Budget 2019–20**

(Page 112)

Attached Documents:

Correspondence from the Minister for Economy and Transport – 5 March 2019

**5.2 Correspondence from the Minister for Environment, Energy and Rural Affairs to the Chair regarding the timing of the Minister's response to the Committee's report on the Welsh Government's Draft Budget 2019–20**

(Page 113)

Attached Documents:

Correspondence from the Minister for Environment, Energy and Rural Affairs – 5 March 2019

**5.3 Correspondence from the Chair to Natural Resources Wales following the annual scrutiny session on 13 February**

(Pages 114 – 118)

Attached Documents:

Correspondence from the Chair – 6 March 2019

**5.4 Correspondence from the Chair to the Minister for Environment, Energy and Rural Affairs regarding Marine Protected Area management in Wales**

(Pages 119 – 122)

Attached Documents:

Correspondence from the Chair – 12 March 2019

**5.5 Correspondence from the Minister for Environment, Energy and Rural Affairs to the Chair regarding Environmental Principles and Governance**

(Pages 123 – 127)

Attached Documents:

Correspondence from the Minister for Environment, Energy and Rural Affairs  
– 14 March 2019

**6 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from item 7 of today's meeting**

(12.25)

**7 Rethinking food in Wales: food branding and food processing – consideration of oral evidence**

(12.25–12.35)

Document is Restricted

Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig | Climate Change, Environment and Rural Affairs Committee  
Ailfeddwl am fwyd yng Nghymru: brandio a phrosesu bwyd | Rethinking food in Wales: food branding and food processing

## UK Protected Food Names Association

I am delighted to be able to give evidence before this committee here in Cardiff. My brother Kevin was born in this City and later he and I spent our early years in North Wales.

The food heritage of a country is as important as its art, architecture and other aspects of its cultural history. It also has a current economic value. On the continental mainland of Europe, countries such as France, Italy and Germany have been much more zealous in protecting their food heritage with the establishment of regional, national and craft groups which are recognised in law. The Appellation Controlee regime is a good example of a protection scheme for French wines.

Unfortunately in the UK we have done very little to protect our food heritage. The urbanisation of the population during the Industrial Revolution breaking the link between the population and the countryside is partially to blame but with the exception of a few guilds such as the Worshipful Company of Bakers, the lack of concern stems all the way back to the Middle Ages. It was only with the invention of the European Protected Food Name Status did food protection really traction in the UK. Sadly our record in registering PFN's is woefully behind our European partners. The UK has around 87; Italy has well over 200. Although the number of UK PFN's is relatively small, their value is significant. The UK Government estimates that UK GI's (Geographical Indications which include PFN's) are worth some £5billion per annum and account for 25% of all UK food and drink exports by value.

The Welsh Government has done exceptionally well in promoting the PFN scheme within the UK. This is the deliberate result of the Welsh Government putting resources behind the scheme to encourage registrations. No other part of the UK has done or is doing this. The result is that the majority of new registrations for UK PFN status have come from Wales.

PFN's have an economic value. Many producers charge a premium for a PFN product and customers are prepared to pay that premium for a product with provenance and heritage. One estimate is that PFN status increases the value of a product by 2.23 times. In the case of foods such as the Melton Mowbray Pork Pie, PFN status has meant the survival of the Pie which would have soon disappeared into a generic pie without the authentic recipe or proper means of production. Protection against copying has an economic value – Cornish Pasties are another case in point – They must be made in Cornwall preserving jobs in the County.

PFN's are not a cartel or anti-competition. In the case of the Melton Mowbray Pork Pie, the registration belongs to the area and the MMPP Association has encouraged new entrants by sharing the recipe with them and in at least one case seconding a pie maker to help a newcomer into the market.

The fact that a PFN is a recognised standard of production and heritage also benefits the producer when marketing the product to potential buyers. The PFN logo immediately opens doors and allows

the short-cutting of initial conversations as the value of the product is already confirmed due to its PFN status. It was this status, I believe, that helped Welsh Beef and Lamb win the contract to supply meat to the schools in Rome.

Increasingly the interest by the public in food and in Experience Tourism has led to the growth of food destinations; cheesemakers who open their dairies to the public, Brewery Tours and the like. In Melton Mowbray the two local PFN products Melton Mowbray Pork Pies and Stilton Cheese have led to a significant growth in food tourism to the extent of approximately £80million a year, which for one of the ten smallest boroughs in the country is a significant boost to the local economy. This is on top of the value of the local production of the products themselves. The value for Food Tourism is increased by the hospitality sector where the products are sold as part of a meal or similar.

1. Welsh Government strategy:

- Activity to promote Welsh food products within the UK and internationally

With the exception of one or two products, Wales does not enjoy a distinct reputation for distinctive foods or food brands. As the memory of coal mining recedes, the rural identity of Wales is coming to the fore and with it an opportunity to promote its food as wholesome and based on a long tradition of food heritage. A lot more could be done to promote Welsh food within the UK, particularly in the sectors of meat, cheese, other dairy products and drinks.

Internationally, with a few exceptions I don't believe the overseas consumer has much recognition of even where Wales lies never mind the identity of Welsh foods. Many regard it as just a subset of England. Promotion of Welsh food and Welsh identity should go hand in hand. The fact that there is a separate country with its own heritage and traditions and more remarkably its own language should be promoted along with its food heritage.

- Activity to support Welsh food producers to develop their branding

The work that the Welsh Government has done to register and promote PFN's is to be admired. Registering a PFN involves a whole process which at the start consists of bringing producer who are competing against each other to realise a mutual benefit in a PFN application and so cooperate instead of compete. Food producers are not the best at filling in forms and applications and so any support to bring them together and help with the application process, even writing the forms for them, is invaluable. The EU has funding to support the promotion of PFN products provided this is matched by a contribution from the host country. The UK Government has never supported the sector financially, something which I believe the Welsh Government should support for its own products.

2. UK Government activity to promote Welsh food products internationally

The UK Government does promote UK foods internationally, but these tend to be the much larger scale producers and Wales is little to the fore. In fact there is a danger that promotion of Welsh foods by the UK government merely reinforces the view that Wales and Welsh food is a sub-set and identical to English food rather than something distinctive.

3. The value of branding food as local, Welsh, British or otherwise

There is evidence that the public are persuaded to buy more branded food in respect of origin; local Welsh or British. Supermarkets are even inventing geographical names for products with no relation to the place in order to badge the product with a local identity; Marks & Spencer Oakham Chicken is a case in point where none of the chickens have been anywhere near the Rutland county town of Oakham.

#### 4. The value of Protected Food Names (Geographical Indicators), including the UK Government's proposals for a new post-Brexit UK scheme

UK GI's are worth some £5billion of which the food aspect is worth almost £1billion. As stated already GI's account for roughly 25% of the UK's total food and drink exports.

Once the UK leaves the EU all legislation that protects UK products lapses, since it was only the EU scheme that gave them protection in the first place. The Government has proposed a new post-Brexit scheme similar to the current EU scheme to replace it. The scheme will be useful to protect UK products that are vulnerable to copying within the UK such as Melton Mowbray Pork Pies and Cornish Pasties; it will not give any degree of protection to UK products sold in EU countries. The UK Government has stated that it is confident that the EU will continue to protect these products but at the same time it states that it is under no obligation to protect EU products in the UK. This is surely naïve. If the EU finds its products no longer protected in the UK then it is most likely that it will withdraw protection of UK products in retaliation.

The UK could register as a third country to agree mutual protection of products in the two areas. This is similar to Colombia which has registered Colombian Coffee in the EU and affords protection of EU products in Colombia. The Withdrawal Agreement negotiated by the Government does state the desire for the two sides to respect and protect each others PFN's.

What is of concern is the future of PFN's in future Trade Agreements. The EU Canada Agreement does not afford protection to UK PFN's. The UK Government failed to consult on or put forward any current UK protected food names (PFNs) for inclusion in the EU-Canada Comprehensive Economic and Trade Agreement with Canada, with the result that CETA protects many European PFNs but none at all from the UK. Nor did the UK consult the Scottish Government in the trade negotiations with Japan and Mexico with regard to PFNs for inclusion in those deals.

The US Government has always been hostile to PFN's. It took the EU to the World Trade Court over the EU scheme and arguing that the scheme was anti-competitive. The Court ruled that the scheme was lawful providing other countries outside the EU have access to the scheme to register their products as third countries which is what Colombia has done. It is unlikely given the UK Government's desire for a post-brexit trade deal with the US, that any protection will be afforded to UK PFN's.

#### 5. The value of food branding in the tourism and hospitality sector

In the past many tourism campaigns encouraged tourists to visit an area and 'while you're there try our tremendous food'. In other words the food was the secondary consideration. With the increasing popularity of food shows and food provenance, a number of areas and businesses have converted themselves into food tourism destinations. Melton Mowbray earns £78million a year from food tourism based on the Melton Mowbray Pork Pie and Stilton Cheese. It boasts 5 food and



drink festivals in the year as well as the British Pie Awards and Artisan Cheese Awards. Towns such as Bakewell have also capitalised on its food heritage. A number of areas have developed food trails. Angus County in Scotland boasts a host of local delicacies; Arbroath Smokeys, Forfar Brides, Kirriemuir Gingerbread, never mind Angus Beef, Scotch Whisky and Salmon. County Armagh has reinvented itself food-wise based on its gaining protected name status for the Armagh Bramley Apple, a rare example of a product being registered to an area where it did not originate. Apples, apple pie filling, cider and cider brandy are all products based on this protection. Autumn visits to the orchards are complimented by spring blossom visits, particularly favoured by Japanese and Oriental visitors.

A number of food and drink businesses have redesigned their premises to draw significant numbers of visitors, who not only pay to visit but spend significant amounts of money in the cafes and shops associated with the business. Example are the Wensleydale Creamery and Black Sheep Brewery. Scotch distilleries have long been welcoming the more affluent visitor.

There is much scope for the Welsh Government to support the development of food trails and food destinations and also to encourage food businesses to turn themselves into tourist attractions.

Another aspect of modern tourism is Experience Tourism where tourists may visit a place to learn a craft or a skill. A number of dairies now teach cheese making which if accommodation is provided keeps the visitor in the area and spending. The School of Artisan Food in Nottinghamshire is a good example of several of these courses being grouped together. A Welsh School of Rural Food might be a useful model.

The hospitality sector also has a role in promoting local food and drink by ensuring local delicacies are on the menu and identifying them as such. A Michelin rated pub in Rutland has a map on the back of its menu showing where all its food and drink comes from. The English Breakfast and Ulster Fry are famous examples of meals that associated with a country. The PFN scheme should also include meals such as the Birmingham Balti which has applied for registration as a PFN.

Finally the value of Food and Drink Festivals and Farmers Markets in promoting local food should not be underestimated. The Abergavenny Food Festival draws thousands of visitors from across the UK.

## Food processing

### 6. Welsh Government strategy and support for food processors

There ought to be a strategy for the Government to ensure that every producer of a primary product is encouraged to think how they might add value to their produce. For a dairy this would be cheese, yoghurt, clotted cream, butter, or the more esoteric bio drinks or Scandinavian style dairy products. For meat it might be branching out into charcuterie or beef jerky. Wagyu Beef is highly prized.

The Japanese Government after the War analysed all its imports through MITI (Ministry of International Trade and Industry) and developed a strategy to replace them one by one by growing home industries. There is no reason why the Welsh Government should not look at the value added food imports into the country and see which of these could be encouraged to be produced locally.

One should not forget the demands of the growing ethnic population for foods that are used in their cuisine. Melton Mowbray currently produces tofu for Japanese restaurants, halal lamb for the Muslim sector and paneer for the Indian trade. Meat, fish, dairy products, vegetables and herbs are all products that could be produced for the ethnic market by a diversified food and drink sector.

Given the effects of climate change, there ought to be a study of what new foods might benefit from the climate change. A good example of this is the production of sparkling wines in Southern England where the chalky soil is not dissimilar to that of the Champagne region of France. A number of French Vineyards are buying estates in England as climate change favours them for growing grapes for sparkling wine and perhaps affects adversely the land of their origin.

## 7. Trends in processing capacity in Wales and how Brexit might affect this

It is very possible that Brexit could be an opportunity for Welsh producers in that tariffs may make the import of some foods more expensive and so allow local producers to make similar products at a more affordable price. Continental charcuterie and cheese are the first products that come to mind.

### The Longer Term Future

Some 8-10 years ago the Scottish Government produced one of the best examples of a national food strategy that I have ever seen. The way that they developed the strategy was also innovative; forming small working groups across the country on a variety of topics eg sustainability and security of supply, with a leading figure in the sector to chair and report on progress.

Whilst it has done more than any of the other nations of the UK for PFN's. I believe the Welsh Government could do significantly more.

Firstly it could look at other products see about supporting producers to register these for PFN Status. I include a list of Welsh regional products for consideration. It may well be that there are products which in English might be considered generic but could be registered in Welsh as having a more unique identity.

Secondly it could 'invent' traditional products based on distinct terroirs in the country. The EU recognise products as 'Traditional' which have a single generation lifespan usually placed at 25 years. The Welsh Government should look at a scheme to invest in traditional products based on particular areas within the country. These could be meat based, dairy, spirits, wines, ciders, baked goods etc. Connemara Lamb is a product that has been developed similar to this scheme.

Thirdly it could develop its own scheme for registering and protecting its food and drink heritage. Buildings of architectural merit are listed according to their importance in the cultural history of the nation and their location. Grade 1, Grade II\*, Grade II are the different classes of the scheme. What if a similar scheme was developed for Welsh food and drink. Grade 1 products of International importance. Grade II of national significance, Grade III of regional merit and Grade IV of local interest. Just five miles down the road from Melton Mowbray, the village of Syston announces proudly on its village sign "Welcome to Syston – Home of the Syston Plum." The plum sustains a bakery making plum jam, tarts, pies and the like. A local nursery sells the trees so providing a small modicum of employment based on this humble fruit as well as generating some local pride perhaps on a plum festival.

There is the opportunity to take the GI or PFN scheme further to include other aspects of intellectual property linked to an area. For example the use of slate in some areas of Wales. In Sheffield this would be Sheffield Cutlery. Again in Japan, some products and skills are designated national treasures. There are also people; potters, calligraphers, tatami mat makers, kimono producers who are themselves designated national treasures. The Eisteddfod celebrates the best in Welsh music, why not similar for food and drink – and craft skills as well.

Product	Type	EU Class
Caws Beltane	cheese	Class 1.3. Cheeses
Caws Imbolc	cheese	Class 1.3. Cheeses
Caws Lammas	cheese	Class 1.3. Cheeses
Caws Samhain	cheese	Class 1.3. Cheeses
Elderflower Ice Cream	ice cream	Class 2.9. Ice-creams and sorbets.
Potato Cake	cake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Black Mountain Liqueur	Liqueur	Class 2.3. Beverages made from plant extracts
Danzyl Jones Liqueur	Liqueur	Class 2.3. Beverages made from plant extracts
Penclawdd Cockles	shellfish	Class 1.7. Fresh fish, molluscs, and crustaceans and products derived therefrom
Sewin (Sea Trout)	fish	Class 1.7. Fresh fish, molluscs, and crustaceans and products derived therefrom
Carmarthen Ham	Ham	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Clotted Cream	Cream	Class 1.5. Oils and fats (butter, margarine, oil, etc.)
Ffos-Y-Ffin	Beer	Class 2.8. Beverages made from plant extracts
Laverbread Sausage	seaweed	Class 1.8. Other products of Annex I of the Treaty
Rissoles	Meat	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Brecknock Lamb	Meat	Class 1.1. Fresh meat (and offal)
Cacen Boeth	Cakes	Class 2.3. Confectionery, bread, pastry, cakes, biscuits and other baker's wares
Cothi Blue Goats Cheese	goats cheese	Class 1.3. Cheeses
Crempog	Pancakes	Class 2.3. Confectionery, bread, pastry, cakes, biscuits and other baker's wares
Dolau Cothi Lamb	lamb	Class 1.1. Fresh meat (and offal)
Gwynnt Y Ddraig Cider	cider	Class 2.8. Beverages made from plant extracts
Katt Pie	Lamb	Class 1.1. Fresh meat (and offal)
Leek & Potato Soup	meal	Class 2.5. Pre-cooked meals
Leek Soup	soup	Class 2.7. Soups or broths
Mussel Broth (Wales)	soup	Class 2.7. Soups or broths
Pantmawr Cheese	cheese	Class 1.3. Cheeses
Princess Gate	Water	Class 2.8. Beverages made from plant extracts
Salt Marsh Lamb	Meat	Class 1.1. Fresh meat (and offal)
Snowdonia Lamb	Meat	Class 1.1. Fresh meat (and offal)
Teifi Salmon	Fish	Class 1.7. Fresh fish, molluscs and crustaceans and products derived therefrom
Ty Nant Water	water	Class 2.8. Beverages made from plant extracts
Welsh Char	fish	Class 1.7. Fresh fish, molluscs and crustaceans and products derived therefrom
Welsh Faggots	Processed Product	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Welsh Leek Pie	Pie	Class 2.5. Pre-cooked meals
Welsh Liqueurs	Liqueur	Class 2.8. Beverages made from plant extracts
Welsh Lovecake	Cakes	Class 2.3. Confectionery, bread, pastry, cakes, biscuits and other baker's wares
Welsh Rarebit	Bread	Class 2.5. Pre-cooked meals
Welsh Whisky	Whisky	Class 2.8. Beverages made from plant extracts
Elan Valley Mutton	Mutton	Class 1.1. Fresh meat (and offal)

Aberffraw Cake	shortbread type biscuit	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Bara Brith	Fruit bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Bara Planc	bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Bara Pyglyd	bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Caerphilly Cheese	cheese	Class 1.3. Cheeses
Cawl (Welsh Broth)	meal	Class 2.5. Pre-cooked meals
Cockle (Penclawdd)	shellfish	Class 1.7. Fresh fish, molluscs, and crustaceans and products derived therefrom
Crusty Swansea	bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Glamorgan Sausage	Savoury Rissole	Class 1.6. Fruit, vegetables and cereals fresh or processed
Laverbread	seaweed	Class 1.8. Other products of Annex I of the Treaty
Llanwenog	lamb	Class 1.1. Fresh meat (and offal)
Mussel (Wales)	shellfish	Class 1.7. Fresh fish, molluscs, and crustaceans and products derived therefrom
Shearing Cake	cake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Teisen Fel	cake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Teisen Lap	cake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Welsh Pot Bread	bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Welsh Bacon	bacon	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Welsh Beef	beef	Class 1.1. Fresh meat (and offal)
Welsh Black Cattle	Beef	Class 1.1. Fresh meat (and offal)
Welsh Cake	bread	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Welsh Ham	ham	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Welsh Lamb	lamb	Class 1.1. Fresh meat (and offal)
Welsh Mountain Sheep	lamb	Class 1.1. Fresh meat (and offal)
Welsh Pancake	pancake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Welsh Plate Cake	cake	Class 2.4. Bread, pastry, cakes, confectionery, biscuits and other baker's wares
Anglesey Eggs	meal	Class 2.5. Pre-cooked meals
Badger Face Welsh Mountain Lamb	lamb	Class 1.1. Fresh meat (and offal)
Lobsgows	meal	Class 2.5. Pre-cooked meals
Menai Oysters	shellfish	Class 1.7. Fresh fish, molluscs, and crustaceans and products derived therefrom
Swp Pys (Pea And Ham Soup)	meal	Class 2.5. Pre-cooked meals
Anglesey Sea Salt	Salt	Class 1.8. other products of Annex I of the Treaty (spices etc.)
Monmouth Pudding	Fruit pudding	Class 1.6. Fruit, vegetables and cereals fresh or processed
Salt Duck	prepared duck	Class 1.2. Meat products (cooked, salted, smoked, etc.)
Welsh Onion Cake	Vegetable dish accompaniment to meat	Class 1.6. Fruit, vegetables and cereals fresh or processed

## Sgema Ltd

1.1 If we take a definition of food culture to refer to the practices, attitudes, and beliefs as well as the networks and institutions surrounding the production, distribution, and consumption of food then we can reasonably attempt to assess where we are in Wales in relation to our food and drink sector. This should allow us to give some consideration to the development of our food culture in recent times and the impact of public and private sector intervention in the food and drink sector.

1.2 An overview of the present strategies and policies which impinge on the agriculture, food and drink sector is a useful starting point. Amongst these are **Food for Wales, Food from Wales 2010:2020; Food Strategy for Wales, Food and Drink Action Plan; Visit Wales Partnership for Growth Tourism Strategy 2013 – 2020; The Strategic Action Plan for the Welsh Red Meat Industry; Horticulture Wales Strategic Action Plan, Dairy Sector Strategy; The Food Tourism Action Plan for Wales 2015- 2020; and Wales Seafood Strategy**. One should also draw on the **Rural Development Plan Programme 2014-2020 and Well-being of Future Generations (Wales) Act 2015**.

[Food for Wales, Food from Wales 2010-2020 Bwyd i Gymru, Bwyd o ...](http://foodanddrinkskills.co.uk/.../Welsh%20Government%20Food%20&%20Drink%20Skill)  
*foodanddrinkskills.co.uk/.../Welsh%20Government%20Food%20&%20Drink%20Skill*  
S...

[Action Plan | Food and Drink - Business Wales](https://businesswales.gov.wales/foodanddrink/action-plan-0)  
*https://businesswales.gov.wales/foodanddrink/action-plan-0*

[Welsh Government | Partnership for Growth: strategy for tourism 2013 ...](http://gov.wales/topics/culture-tourism-sport/tourism/partnership-for-growth-strategy/?...)  
*gov.wales/topics/culture-tourism-sport/tourism/partnership-for-growth-strategy/?...*

[Welsh Red Meat Industry Strategic Action Plan 2015 – 2020](http://hccmpw.org.uk/index.php/tools/required/files/download?fID=5090)  
*hccmpw.org.uk/index.php/tools/required/files/download?fID=5090*

[Welsh Government | Horticulture industry](#)

[gov.wales/topics/environmentcountryside/.../foodpolicyandstrategy/horticultureen/?...](http://gov.wales/topics/environmentcountryside/.../foodpolicyandstrategy/horticultureen/?...)

[Welsh Government | Dairy industry](#)

[gov.wales/topics/environmentcountryside/.../foodpolicyandstrategy/dairyindustry/?la](http://gov.wales/topics/environmentcountryside/.../foodpolicyandstrategy/dairyindustry/?la)

[\]Food Tourism Action Plan for Wales 2015-2020 - Business Wales](#)

<https://businesswales.gov.wales/...wales/.../tourism/Food-Tourism-Action-Plan-2015-2...>

[\]Wales Seafood Strategy - Seafish](#)

[www.seafish.org/media/1659099/wales\\_seafood\\_strategy.pdf](http://www.seafish.org/media/1659099/wales_seafood_strategy.pdf)

[Rural Development Programme 2014-2020](#)

[gov.wales/.../ruraldevelopment/wales-rural-development-programme-2014-2020/?...](http://gov.wales/.../ruraldevelopment/wales-rural-development-programme-2014-2020/?...)

[Welsh Government | Well-being of Future Generations \(Wales\) Act 2015](#)

[gov.wales/topics/people-and-communities/people/future-generations-act/?lang=en](http://gov.wales/topics/people-and-communities/people/future-generations-act/?lang=en)

1.3 All these strategies and their action plans **set out different objectives and actions which often lack an alignment to provide a coherent national policy**. But it is worth noting one underlying consideration as set out in Food for Wales, Food from Wales 2010:2020 in rethinking food from Wales:

‘The environmental, health, and social impacts of our food system have become increasingly evident and concerns about the security of our food supply have grown. Resource pressures on land, water, energy, population, and biodiversity are further exacerbated by the enormous challenges of climate change adaption and mitigation, and competition for resources’.

Food for Wales, Food from Wales 2010:2020 sets out a wide-ranging vision of the place of food in Wales, outlining a clear direction for the Welsh food industry to grow in a sustainable and profitable manner by 2020.

1.4 It would not be unreasonable for the committee to consider strategies and policies prior to 2010 and to review earlier work on **Research and Monitoring Activities 1999-2009** which was submitted to the Rural Affairs sub-committee in February 2009. Since it is useful to understand where we have been so as to know where we are going! But for the purpose of this submission a review which was carried out by The Public Policy Institute for Wales - **Food Policy as Public Policy: A Review of the Welsh**

**Government's Food Strategy and Action Plan by Terry Marsden, Kevin Morgan and Adrian Morley Cardiff University** is worthy of attention. [Food Policy as Public Policy - Public Policy Institute for Wales](#)

[ppi.w.org.uk/files/2016/06/PPIW-Report-Food-Policy-as-Public-Policy.pdf](http://ppi.w.org.uk/files/2016/06/PPIW-Report-Food-Policy-as-Public-Policy.pdf)

1.5 The former Minister for Natural Resources and former Deputy Minister for Farming and Food asked the Public Policy Institute for Wales (PPIW) to provide advice on whether the Welsh Government's Food Strategy was sufficiently comprehensive and up to date. **The review made a number of recommendations which appear to have been largely ignored. Revisiting the recommendations is advised when rethinking food in Wales.** In their conclusions, they conclude that 'weaknesses and blockages in the governance of food policy in Wales since 2010, coupled now with a greater understanding on the interconnected vulnerabilities which underpin sustainable food systems, mean that **there is an urgent need to develop a fresh and clear vision and strategy for the food system in Wales.**'

1.6 In their conclusions they also note that 'sustainable food, farming and diet need to be integrated into an overall strategy at the centre of Welsh Government policy. This needs to be complemented and connected by a decentred partnership framework across the expanding policy and stakeholder food community which now inhabits this enlarged field.'

1.7 The Brexit discussion also inhabits this field and **Food Brexit: time to get real. Tim Lang, Erik Millstone & Terry Marsden July 2017 a Brexit briefing** reflects the implications clearly. The report is taken from a U.K perspective but their key message is that the implications of Brexit for food are potentially enormous. This applies whether there is a hard or soft Brexit.

[A Food Brexit: time to get real - University of Sussex](#)

<https://www.sussex.ac.uk/.../file.php?...foodbrexitreport-langmillstonemarsden-july20...>

They also argue an U.K. food policy framework should give special consideration to the devolved nations within a revamped regional policy. A discussion which has not surfaced so far. This discussion must be a priority if we are to enable continued public-sector investment in the sector.

1.8 This leads us on to the question of where the the networks and institutions surrounding the production, distribution, and consumption of food in Wales can meet the needs of this next decade and provides the infrastructure of the industry to grow and prosper. **The report published in 2016 by the Public Policy Institute for Wales (PPIW) would suggest that there are serious deficiencies in our policy approach and implementation.**

1.9 Let us consider if we have in place the essential building blocks which we need to build our food culture. There is at present no comprehensive engagement at a national and regional level with stakeholders from across the agri-food system. If we are to engage effectively with the industry and the networks and institutions within the agri-food industry we have to re-visit how industry sectors and other interests can engage in these discussions. **The current Food & Drink Wales Industry Board does not have the independence or the resources to effectively carry out that task.** Engagement is an important element of how policies are delivered and are key in the effective delivery of strategies actions and support programmes. There must be a shared agenda amongst institutions and networks if our food culture is to flourish. This can only be achieved if all the food chain is involved from farming to hospitality.

1.10 There is no space for this to flourish at this time and goes part of the way to explain the lack of alignment between policy and action. The decision to focus the Food and Drink Action Plan on post farm gate and economic impact to the detriment of the other drivers outlined in the 2010 strategy such as food culture, sustainability and well-being, and integration, has only exasperated the situation. **The present Food and Drink Action Plan is not fit for the future while trying to identify the**



**ground for our post Brexit agri-food industry to operate within.**

1.11 We also seem to lack a comprehensive brand architecture for food from Wales which allows us to position Welsh food in both home and international markets. The demise of the Wales the True Taste brand after significant public and private investment does appear now to have been a retrograde step. We need to decide if we are to position our food culture as distinct from other nations and regions within the U.K. reflecting sustainable forms and practices of agricultural production and environment which underpins the food chain. To achieve that we must have clear coherent brand management structures and credible messages which substantiates the brand position. This can be achieved and should reflect the whole food chain.

1.12 Welsh lamb and beef brands have successfully achieved this while Food and Drink Wales remains a descriptive statement and lacks the authority as a basis for a brand. Similarly, the adoption of the Great Taste Awards again positions our food culture further away from a distinct food culture. In contrast, the True Taste Awards celebrated those practices, attitudes, networks and institutions surrounding the production, distribution, and consumption of food in Wales and from Wales. The European protected designation achieved by many of our products have an uncertain future and if replaced by a British mark will again weaken the distinct position of our Welsh agri-food industry.

[Wales the True Taste Awards » Freshwater UK](http://www.freshwater-uk.com/services/events/case-studies/wales-the-true-taste-awards)

[www.freshwater-uk.com/services/events/case-studies/wales-the-true-taste-awards](http://www.freshwater-uk.com/services/events/case-studies/wales-the-true-taste-awards)

1.13 These issues raise key questions in rethinking food in Wales. These are structural issues which need attention in determining the capacity and the ability of the sector to meet the competing demands on our food culture in facing the challenges now and in the future, such as climate change, poverty, health inequalities and jobs and growth. Lack of clarity only leads to disjointed interventions and programmes by government and uncertainty

and lack of engagement by the food industry. What direction we want to take our food system post-Brexit needs to be understood and mapped out only then can we prioritise investment and focus on those areas where there is need for public sector intervention.

## Dr Robert Bowen – Prifysgol Abertawe | Swansea University

### Food branding

#### 1. Welsh Government strategy:

- Activity to promote Welsh food products within the UK and internationally
- Activity to support Welsh food producers to develop their branding

The Welsh Government plays an integral role in the development of the food and drink industry in Wales, as seen in the 2014-2020 Action plan. The development of Food and Drink Wales/Bwyd a Diod Cymru has been positive in helping to shape the identity of Welsh food, which has been seen at trade events in the UK and internationally. Through conversations with food producers, the feedback on the role of the Welsh Government in supporting producers is extremely positive, particularly in providing opportunities for producers to attend trade shows, but also in the way in which the Welsh food stands are presented, with the Food and Drink Wales/Bwyd a Diod Cymru branding clearly visible across the stand. Provenance is a significant part of food promotion and the Welsh identity of food is considered an important differentiating factor due to Wales' food heritage and increasing reputation for producing foods of high quality. The Welsh brand therefore plays a vital role in ensuring that the message of Welsh provenance is conveyed to consumers, and the visibility of the Welsh brand at domestic and international trade shows enhances the opportunities for buyers and consumers to engage with the Welsh brand. The imagery used in the Food and Drink Wales/Bwyd a Diod Cymru branding is consistent with branding across other industries, such as Tourism, which is necessary in providing a coherent message across Brand Wales. This could be enhanced to cover cultural and sporting industries, where Wales also has a strong reputation internationally. As an iconic symbol, the red dragon rightly plays a prominent role in this, however the visibility of this brand could be expanded by being placed on products. The 2017 Value of Welshness study indicated that 85% of shoppers considered Welsh produce to be of great quality, with 78% showing a preference for buying Welsh produce. This implies that there is an increasing recognition of quality among Welsh food products, therefore it is necessary to build on this success.

It is necessary that the principles of the Food and Drink Wales/Bwyd a Diod Cymru identity apply to all Welsh food and drink businesses, regardless of size and experience, to ensure consistency across the industry. Many food and drink companies are SMEs, particularly micro enterprises, therefore consistency is important for these businesses. The emphasis of the Welsh language also provides advantages to Welsh food companies as part of their identity. This was expressed in the 2014 Welsh Language Commissioner's report, where respondents pointed to the Welsh language as an important element in the company branding, providing a unique narrative for the products.

## 2. UK Government activity to promote Welsh food products internationally

Speaking with a number of Welsh food and drink SMEs, it is evident that the majority of Welsh food producers look more to the Welsh Government for support in promoting their products internationally. Although support is available on a UK level, the Welsh Government is seen as the main driver in promoting Welsh food products. This is seen through encouraging companies to attend international trade shows and providing funding for these trips. The majority of Welsh food companies take a more reactive approach to internationalisation, as this tends to occur through approaches from the Welsh Government to attend events, rather than companies themselves seeking to develop international opportunities. Since the strategies for the Welsh food and drink industry are developed by the Welsh Government, companies are more likely to be influenced by the Welsh Government in international promotion than the UK Government.

## 3. The value of branding food as local, Welsh, British or otherwise

There has been some debate in recent months over the branding of food as Welsh or British, however, as the strategies for the Welsh food and drink industry are developed and monitored in Wales, the use of Welsh branding would ensure consistency is achieved across the industry. The use of both Welsh and British branding could cause confusion among consumers and this would not achieve a clear message. The progress seen in the development of the Welsh food and drink industry through the 2014-2020 Action Plan has seen a considerable increase in the reputation of Welsh food and drink products, especially through the growing number of Protected Food Names, and awareness of Welsh food in general. The strategy for the development of the Welsh food and drink industry should be to build on this by enhancing the strength of the Welsh brand rather than creating confusion. It appears that Brexit has had a negative impact on the reputation of the UK in many countries, particularly in Europe, which is the biggest export market for Welsh food. The recent report by the Agricultural and Horticultural Development Board (AHDB) showed that a considerably more negative perception of British food was seen in Canada, France, Germany, Japan and the USA. As such, branding foods as Welsh would be more advantageous to build on the recent developments of the Welsh brand. This would be logical as the strategy for the Welsh food industry is developed and managed in Wales.

The development of an established Welsh brand, based on the red dragon logo of Food and Drink Wales/Bwyd a Diod Cymru, similar to ways in which brands are used in places such as Brittany, the Basque Country and New Zealand, could provide further advantages to the Welsh food and drink industry. These places have established a recognised provenance brand which has seen advantages both in the domestic market and internationally. The inclusion of such a brand on products helps to increase awareness of the identity of the brand and its provenance. Within the domestic market this is seen in increasing awareness of local products, such as in supermarkets, but in international markets this increases consumers' awareness of the provenance of the product and associates it with the reputation of the place of origin. Statistics on the Produit en Bretagne ('Made in Brittany') brand show that over 5500 products and 420 companies are represented by the brand, with brand recognition at 97% in Brittany and preference for purchasing Breton products at 74% in other parts of France. The Breton model could be a suitable approach for a possible future Welsh brand, as the cultural

values in Brittany are similar to those in Wales, and the brand is managed by an independent association that aims to promote Breton food, cultural products and the language.

Ultimately, companies can decide how they brand their products, whether they favour Welsh, British or another means of branding. Some companies favour the use of cultural branding or provenance markers, while others prefer not to use these. This depends on the type of product and the identity of the company. Companies that possess a protected food name would include this logo on the labelling of their product, and may not see the benefits of having an additional Welsh logo. However, the company would be able to decide whether or not to include such a logo, if this were available. A 2001 academic study by Kneafsey, Ilbery and Jenkins showed that demand existed at that time for a Welsh provenance brand among some Welsh food producers. The development of the industry since that time, particularly in the growing reputation for Welsh food, suggests that a Welsh provenance brand could be beneficial to the promotion of Welsh food products. If companies were able to use a defined national Welsh brand, they would benefit from the strength and brand identity of this brand, which could enhance sales both domestically and internationally.

#### 4. The value of Protected Food Names (Geographical Indicators), including the UK Government's proposals for a new post-Brexit UK scheme

Geographical indicators are an essential part of the quality and reputation of a place for food. The growth in protected food names in Wales in recent years is a clear indication of the quality of Welsh products and this has enhanced Wales' reputation for food internationally. The EU scheme of protected food names is recognised worldwide as both a marker of quality and a clear indication of provenance. The increase in the number of protected food names in Wales has been part of the strategy to grow the food and drink industry, therefore the increase to 16 protected food names can be considered a success. Indeed, Wales is a leading part of the UK in terms of geographical indications. It is hoped that this growth can be maintained and developed in the coming years, as there are other applications in progress. Brexit does put the future of geographical indications into question, however, it is clear that maintaining the existing EU scheme is vital in ensuring that the recent successes in the Welsh food and drink industry are upheld. Losing Welsh protected food names could potentially affect Wales' reputation for food in international markets, which could in turn impact on exports. Given that protected food names exist in non-EU countries, such as Colombian Coffee, albeit under an agreement with the EU, there is no need for Wales to lose its EU protected food names, however this is dependent on the manner of the UK departure from the EU. It has been proposed that the UK would develop its own system of geographical indication following Brexit, however it is evident that a new UK system would not have the same strength as the existing system, as recognition of this system would take a considerable amount of time to develop and the reputation of the system would not be as strong as the existing EU scheme. The UK is not recognised as a place of food quality in the eyes of many countries, as shown by a recent report by the Agricultural and Horticultural Development Board (AHDB), therefore a UK system would not bring the benefits to the reputation of Welsh foods as the EU system.

#### 5. The value of food branding in the tourism and hospitality sector

Food and tourism have a natural connection, as they are both an expression of place. Food can be considered as a significant part of Welsh identity and therefore offers an important distinctive feature that could be cultivated for tourism. The message of Welsh food is about the connection between food and the places that it comes from. This includes the distinctive features of place seen in the terroir – the unique characteristics of foods derived from the soil, topography, climate and heritage of a particular place, as well as the people whom are behind the production of many Welsh foods. As such, the branding of food can play a significant role in enhancing the tourism and hospitality sector. The use of imagery in the Food and Drink Wales/Bwyd a Diod Cymru identity is in line with that of Visit Wales, which is an important step in ensuring that Wales displays a consistent message to the outside. The connection between food and tourism in Wales can bring mutual benefits, as an increase in tourism can bring visitors to Wales who can discover the food, while food can also be used as a unique aspect of marketing Wales around the world. Consequently, the need for the two sectors to work together is of considerable importance. According to the Welsh Food Producers Survey of 2013, less than half of respondents were involved in supplying the tourism sector. Through collaboration there is scope for a unique Welsh offering to be provided in the tourism sector in Wales, with Welsh food at the heart of this, such as including Welsh food products on restaurant menus or offerings in hotel rooms, e.g. Welsh biscuits or teas. Food producers could also engage with tourists through opening visitor centres or a shop at their production sites. This is common in Brittany, with some respondents to my recent research pointing to international visitors purchasing products at their visitor centre as being a catalyst to internationalisation. There are a number of excellent food events in Wales throughout the year, from local farmers' markets to food festivals, such as the Cardigan Bay Seafood Festival. These events are significant ways in expressing the values of Welsh food, highlighting the local traditions and allowing for consumers to engage with the producers. This represents an important part of the Welsh offering to tourists, as a way in which they can discover more about Welsh heritage. Such events should therefore be an integral part of the tourism offering of Wales.

Despite these opportunities, it was disappointing to see that the 2018 Year of the Sea theme by Visit Wales had little emphasis on food and drink. The main marketing campaign contained little reference to Welsh seafood, and this was a missed opportunity in championing excellent Welsh seafood, most of which is exported. The consistency in the branding of Welsh food and Visit Wales is a positive step and this brings opportunities for more collaboration between the bodies responsible for these industries to work together to enhance Wales' message to the world. This should be achievable as they are both managed through the Welsh Government. Promoting Wales through tourism is a positive way to increase awareness of Wales and its food, therefore it would be necessary to see the development of a strategy for food tourism in Wales. This could be based on food trails, farmers' markets, food festivals, the Royal Welsh Show and other key food events. Additionally, the numerous protected food names offer another unique opportunity to link food and tourism, as this connects foods with their specific places of origin, expressing the uniqueness of these places. With this marketed under consistent branding, the benefits of this could be seen in both industries. The enhancement of branding across other cultural industries could also develop this, particularly in music, the arts and sport, where Wales also has a strong reputation worldwide. This could also be

combined with efforts to engage with the Welsh diaspora, as seen in the Global Welsh community, as Welsh expatriates could be seen as key assets in international markets and ambassadors that could promote the values of Welsh food, as well as other cultural sectors, in international markets. This is seen in Ireland, a country at the forefront of business development through its diaspora, which is estimated at 70 million people, compared to a domestic population of 4.5 million.

### Food processing

#### 6. Welsh Government strategy and support for food processors

The 2014-2020 Action Plan covers a range of issues relating to food production processes in the Welsh food supply chain. This includes education, skills and training, innovation, business development and food security and safety. As Welsh food places a strong emphasis on quality and high standards, there is a need to maintain this across all aspects of the supply chain. This involves ensuring that all aspects of food production in Wales meet the required standards as expected by the Welsh Government strategy. A reduction in standards could have a negative impact on the quality of the product offering and would also impact on the reputation of Welsh food. The strategy also recognises the need to align to the Wellbeing of Future Generations Act 2015, as all aspects of this act can be associated with the development of the Welsh food and drink industry. The Welsh Government strategy recognises the need for a commitment to training and development of the workforce, which is significant considering the possible impact of Brexit on the industry. The commitment to the Welsh language is also an important aspect of the strategy, as many workers in the Welsh food and drink industry use Welsh at work, and the Welsh language is a key aspect of the Welsh food and drink identity, as seen in the 2014 Welsh Language Commissioner's report. The focus on food security and safety is another significant aspect of the strategy as this underpins the standards of Welsh food, which is an integral part of the quality offering of Welsh food and how it is marketed. The 2014-2020 Action Plan pointed to a number of initiatives for developing food production and processing in Wales, such as the services of food centres, however, the 2013 Welsh Food Producers Survey showed that only a third of respondents were using these facilities. Therefore, more awareness is needed in highlighting the support that is available to food producers in Wales.

#### 7. Trends in processing capacity in Wales and how Brexit might affect this

Brexit has brought uncertainty to the food and drink industry, with many question marks over the future operations of the Welsh food and drink industry. This is particularly evident in access to European markets after Brexit, access to ingredients and products from abroad, access to the EU labour force and a possible increase in prices. Access to the EU labour force is of great concern to processors within the industry, particularly with many EU nationals working in processing roles. The 2017 Value of Welsh Food and Drink Mid-term Executive Report pointed to a skills gap in the industry, with the need for approximately 19,000 trainees in the supply chain by 2022, particularly food technical and engineering skills. With a possible reduction in the number of migrant workers employed in the Welsh food and drink industry, this could lead to an increased skills gap. As a result, the strategy should place more emphasis on encouraging more people to work in roles across the Welsh food and drink industry. The

potential increase in the costs of ingredients and products used in the production of food in Wales could also impact on Welsh producers' abilities to produce their products. There is a risk that, should companies need to seek ingredients from other sources, the standard of food produced could be compromised. Since many businesses are small in size, support would be necessary in helping businesses to overcome these challenges. Given the uncertainties in the industry due to Brexit, a more flexible strategy is needed to account for a range of possibilities depending on the way in which Britain leaves the European Union.



# Agenda Item 3

Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig | Climate Change, Environment and Rural Affairs Committee

Ailfeddwl am fwyd yng Nghymru: brandio a phrosesu bwyd | Rethinking food in Wales: food branding and food processing

## UK HospitalityCymru

### Introduction

Created in 2018 by the merger of the Association of Licensed Multiple Retailers (ALMR) and the British Hospitality Association (BHA), UKHospitality, and its Wales arm HospitalityCymru, provides a unified voice for hospitality; coffee shops, contract caterers, hotels, nightclubs, pubs, restaurants, stadia, visitor attractions and many more related businesses.

Engaging with government, the media and the public, UKHospitality and HospitalityCymru work to develop a robust case on how to unlock the industry's full potential as the biggest engine for growth in the economy and ensure that the industry's needs are effectively represented

In the UK, Hospitality is the 3<sup>rd</sup> largest private sector employer; double the size of financial services and bigger than automotive, pharmaceuticals and aerospace combined; it creates £130bn in economic activity and generates £38bn of tax for the Exchequer, funding vital services; Hospitality represents 10% of UK employment, 6% of businesses and 5% of GDP and provides 170,000 jobs in Wales.

### Food branding

**The value of food branding in the tourism and hospitality sector.**

**The value of branding food as local, Welsh, British or otherwise and the value of Protected Food Names (Geographical Indicators), including the UK Government's proposals for a new post-Brexit UK scheme**

**Welsh Government strategy: Activity to promote Welsh food products within the UK and internationally activity to support Welsh food producers to develop their branding**

The value of any food branding is to achieve premiumisation and enhance returns for a product. An example of the value of such a premium brand has been provided by Hybu Cig Cymru, the Welsh red meat authority. HCC's Chief Executive, has previously explained to the Committee that a key part of the export strategy for iconic brands Welsh Lamb and Welsh Beef, which both currently enjoy Protected Geographical Indication status, has been to aim at premium markets, which in turn help to protect and support prices and improve returns and incomes.

An independent report published by HCC, reviewing the success of the Welsh red meat brands between 2003 and 2013, found that premium and new market opportunities for the Welsh red meat supply chain grew by £115 million over the period and identifies Welsh Lamb in particular as enjoying a significant price premium at retail as compared to other types of lamb.

This research also indicated that in the domestic market, the brands achieved an increased British retail market share of £64 million over the 10 years, and an increased British retail premium of at least £1 million per year.

Our food offer, increasingly recognised and appreciated domestically and internationally, is led by Welsh Lamb, and its audited PGI status, which is internationally marketed and plays an important role as a major contributor to the "Wales Brand", the combination of promotional factors that project the economic, social, geographical, cultural and commercial benefits. That brand sells a holistic environment that is an encouragement to indigenous commercial activity as well as to inward investment, and our visitor economy.

As a nation it is important that we continue to enhance such holistic solutions. HospitalityCymru supports all of the good work that Welsh Government does to promote, support, reinforce and build the value of quality Welsh food brands such as Welsh Lamb and Welsh Beef and would support additional investment in this area as these food brands are a badge of identity, a vital enhancement to the visitor experience and the visitor sense of place.

In fact, HospitalityCymru is leading the way in the visitor economy by trying to help further develop rapport, synergies and commercial opportunities between the key participants in the accommodation, food and drink industries.

On March 6<sup>th</sup>, we organised and staged the first united industry promotional event in the House of Commons, which brought together the hotel industry and the accommodation sector with food and drink from Wales and the PGI brands. We have driven projects to bring PGI products onto hotel menus; we have helped try to develop cost effective supply lines that can help venues offer Welsh premium foods in areas where members have reported that commercial costs are high, margins low and price sensitivity a restriction on presenting foods of higher value.

We believe that more could be done to encourage mutual trade and link the industries and also believe that the new and exciting Welsh Government foundation economy status, along with the increased mutuality that a post Brexit trading environment offers, provides considerable opportunities for us to be able to explore taking things forward with Welsh Government and other affiliated players in the coming years.

Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig | Climate Change, Environment and Rural Affairs Committee  
Ailfeddwl am fwyd yng Nghymru: brandio a phrosesu bwyd | Rethinking food in Wales: food branding and food processing

### Danteithion Wright's | Wright's Food Emporium

Simon Wright is a restaurateur, a former editor of the AA Restaurant Guide, broadcaster and restaurant consultant on all UK episodes of Ramsay's Kitchen Nightmares. He was previously a partner in the award winning Y Polyn restaurant and currently runs Wright's Food Emporium in Llanarthne which attracts 75,000 customers a year and employs 15 full time staff. He is also a former Food Ambassador for Wales.

In advance of the opportunity to give evidence to the committee I submit the following comments which are a reflection of my experience of thirty years of working in the food industry in Wales and the context of my broader experience of the food industry in the UK, Europe and beyond.

#### Food Branding and Production in Wales

It's my belief that we need to be ever conscious that whilst the way we brand Welsh food and drink to the consumer is of great importance its success will always depend on the quality of the offering. In my view if we are to strengthen the brand we need to translate clearly stated policy aims (most notable embodied in the Health and Wellbeing Act)) into the "overarching, post-Brexit food strategy representing a whole-system approach" advocated by this committee in the conclusions of Rethinking Food in Wales.

As we are all aware, there is a titanic battle going on worldwide about the way we farm and produce our food and that battle is set to become ever more fierce as we confront the causes and effects of climate change, the acute crisis in biodiversity as a result of widespread modern farming practices, population growth, food sovereignty and security, and the public health implications of increasing obesity and other diet related diseases.

Of increasing relevance in the latter respect are the rapid advances being made in our understanding of the microbiome and the revolution that this is all ready beginning to engender in medical science. What we already know is that changes in the modern diet have led to ruptures in the human ecosystem that account for increases in a host of diet

related diseases including allergies, type 2 diabetes, heart disease, a string of cancers and research is starting to suggest, some forms of dementia.

The choice for us in Wales is whether we head in the direction of increasing industrialisation of farming where I believe we will find it impossible to compete and we will be destined to continue spending billions of pounds of public money on trying to mitigate the worst effects of a system that masquerades as providing cheap food whilst ignoring the consequent unseen costs.

I feel strongly that we have in Wales the opportunity to build a new robust food system in Wales that is fit to meet these challenges and places the nation at the forefront in developing a modern sustainable food system. These are some of the key policy areas that I think we need to address as part of an overarching strategy in Wales which would I believe revolutionise the way we eat in Wales with enormous benefits for us as a nation in terms of health, economy, and the environment. They also have the added advantage of establishing Wales as a leader in quality food production which will have enormous benefit to the perception of Welsh food through innovative, imaginative policies that demand attention and form a strong foundation on which to build the brand.

Here are 5 areas which I think should form the architecture for a an overarching food strategy in Wales.

1. Adopt a public plate procurement policy that underpins change in food and farming in Wales in accordance with wider objectives on sustainability, biodiversity, health and the revival of the rural economy. A carrot approach, underwriting the move to forms of agriculture that work with rather than against nature. Channelling support to farming and food production through contracts rather than subsidy and putting food grown and produced in Wales in the kitchens of our schools and hospitals.

2. Take the opportunity to make food education central in the translation of the Donaldson report into the school curriculum in Wales. Cooking is a perfect vehicle for the kind of cross-curriculum, learning through living approach that the Donaldson report champions. We need to see Wales leading the way in the UK by ensuring all children leave secondary education in Wales with a range of basic cooking skills and good knowledge of where their food comes from with an emphasis on the Welsh context. The benefits of this in respect of

long term health outcomes, individual self-reliance and self-esteem and long term consumer habits (in buying and cooking with fresh Welsh produce for instance) are firmly established.

3. Apply foundation economy principles to food production in Wales, encouraging grassroots creativity, new forms of entrepreneurship, bolstering rural communities and shortening the food chain through new routes to local markets.

4. Ensure the regulatory framework in Wales is tailored to the food and farming strategy we wish to pursue. It's my view that the current food safety regime is not fit for purpose, much of it is based on increasingly outdated thinking, it is not sufficiently flexible or well-informed to deal either with changes in food trends or in the most recent research and most fundamentally it fails to balance risk and benefits to the extent that it is a deterrent from producing the kind of natural, non-processed foods that we know are the best for our health and well-being. Any "whole-system" approach to a Welsh food and farming strategy has to encompass this. On a UK level our interpretation and application of EU law in this respect diverges from that of many countries in mainland Europe. We need a bespoke approach to this area in Wales that reflects our food culture and our policy ambitions.

5. Sell to the world yes, but prioritise Wales. The most important thing we can do in our branding in my view is use the flag. I don't believe that we need to spend huge amounts of money on establishing a distinct food brand for Wales as we did during the "True Taste" period. A lot of this will come naturally anyway, increasingly innovative small food businesses benefit from the talents of media-savvy young people who have a much better understanding of their market and how to reach it than has previously been the case. It's also my view that we have devoted too much in the way of public money to this in the past and the result to me appear to have been mixed at best. My assessment would be that we need to be very clear where our priorities are in branding and the effectiveness of some of the spending in these areas in respect of overseas markets in particular. It is an essential part of the overall strategy that we build the market for Welsh grown and reared food within Wales. We cannot achieve this without the kind of policies for education, procurement and business outlined above to simultaneously increase the variety and quality of our food offering and the Welsh public's demand for it. However, even in the short term, there is plenty of evidence to suggest that the people of Wales want to support the Welsh food

economy as a point of principle and every effort needs to be made to help them realise that desire.



Public Policy Institute for Wales  
Sefydliad Polisi Cyhoeddus i Gymru

## Food Policy as Public Policy

June 2016



# Food Policy as Public Policy: A Review of the Welsh Government's Food Strategy and Action Plan

Terry Marsden, Kevin Morgan and Adrian Morley

Cardiff University

This report and the information contained within it are the copyright of the Queen's Printer and Controller of HMSO, and are licensed under the terms of the Open Government Licence [<http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3>]. The views expressed are the author's and do not necessarily reflect those of members of the Institute's Executive Group or Board of Governors.

For further information, please contact:

Lauren Carter-Davies  
Public Policy Institute for Wales  
Tel: 029 2087 9640  
Email: [info@ppiw.org.uk](mailto:info@ppiw.org.uk)

# Contents

Summary .....	1
Introduction .....	2
Current Context: Government Policy and Sector Developments .....	2
Gaps in the Current Policy Framework.....	7
Towards a More Demand-Led Production Arena .....	12
Conclusions: Food Policy as Public Policy .....	23
References .....	25
Annex 1: The Food for Wales, Food from Wales 2010:2020 Vision Statement .....	28
Annex 2: List of 48 Actions from Towards Sustainable Growth: An action plan for the Food and Drink Industry 2014-2020 .....	30

## Summary

- The former Minister for Natural Resources and the former Deputy Minister for Farming and Food asked the Public Policy Institute for Wales (PPIW) to provide expert advice on the state of the Welsh Government's current Food Strategy (Welsh Government, 2010) and the subsequent Action Plan (Welsh Government, 2014) and make recommendations on how they could be refined in the future.
- The Welsh Government's Food Strategy set out a vision for the Welsh food sector which sought to reflect the interconnections between food and wider policy objectives. The subsequent Action Plan narrowed the food policy focus in Wales. At the same time the actual macro-food policy agenda and its relevance to the well-being of Welsh businesses, communities and people has got significantly wider and deeper.
- This deepening set of food vulnerability conditions since 2010, for example increasing food poverty, poor diet and the reduction in the number of independent farm businesses, make it now far more urgent for clear policy visions and actions for achieving healthy and sustainable diets for all, with targets that can be monitored.
- This report suggests three key areas of concern in the current policy framework: the overall style and mode of governance adopted (including for example a lack of engagement with stakeholders and use of available policy levers); inaction on demand led tools; and a lack of focus on food poverty.
- This report proposes 15 recommendations to address this including:
  - Placing sustainable diets at the heart of food and nutritional policy through adopting successful public health interventions such as Food for Life and bolstering public sector food procurement and catering provision;
  - Providing support for farmers to produce less intensive, more sustainable, and higher food quality products through more diversified sets of supply chains;
  - Increasing investment in 'the missing middle' infrastructure of the food supply chains;
  - Progressing research, development and extension in sustainable production and consumption systems;
  - Expanding horticulture;
  - Effective monitoring in line with the Well-being of Future Generation Act goals;
  - Creating a full Welsh Government Cabinet Minister for Food; and
  - Creating an active network of food sector Partnership Boards.



# Introduction

The former Minister for Natural Resources and the former Deputy Minister for Farming and Food in Wales asked the Public Policy Institute for Wales (PPIW) to provide expert advice on the state of the Welsh Government's current Food Strategy 'Food For Wales, Food From Wales 2010|2020' (Welsh Government, 2010) and the subsequent Action Plan 'Towards Sustainable Growth: Action Plan for the Food and Drink Industry 2014-2020' (Welsh Government, 2014). This is in light of earlier advice commissioned by the PPIW which suggested that the current Action Plan was too narrowly focussed on food production and that both policy statements should now to be seen in the context of the Well-being of Future Generations Act (2015). This work builds on this by exploring three areas:

1. the value of the current Welsh Food Strategy and Action Plan;
2. gaps in the current Welsh Food Strategy and Action Plan; and
3. proposals as to how the Welsh Food Strategy and Action Plan could be refined in the future.

This report begins by examining the context in Wales, reviewing the Welsh Government's Food Strategy and Action Plan and drawing out lessons to be learnt. It goes on to make recommendations for a revised food policy for Wales.

## Current Context: Government Policy and Sector Developments

### **Government policy over the last six years**

The Welsh Government's Food Strategy, 'Food for Wales, Food From Wales 2010|2020' (Welsh Government, 2010), was produced as an agreed strategy document by the then Food and Drink Advisory Partnership Chaired by Dr Haydn Edwards and including 19 stakeholders from the food and farming industry in Wales. The strategy was endorsed by the then Minister for Rural Affairs, Elin Jones. The authors of this report led the research consultancy consortium upon which the strategy was researched and subsequently written.

The strategy provided a common framework with a vision; and this was to be followed by a regularly updated delivery plan. The strategy called for and outlined an integrated approach across policy areas and was built upon the overriding theme of 'building connections and capacities'. It outlined four key principles and set out their main parameters. These were:

- sustainability;
- resilience;
- competitiveness; and
- profitability.

This provided the basis for five key policy drivers around which a series of actions were proposed. These were:

- market development;
- food culture;
- sustainability and well-being;
- supply chain efficiency; and
- integration.

A delivery plan was to be developed in partnership with the industry and actively involving the Food and Drink Advisory Partnership<sup>1</sup>, sectoral Strategic Action Plans and an annual review process supported by strategic indicator monitoring. A clear vision was presented as to where this would take the Welsh food sector by 2020 (this vision is contained in Annex 1). It envisaged the food sector as an integrating mechanism bringing together greater national and cultural identity for Welsh food, a partnership approach, and strong domestic links between food, economic development and regeneration, health improvements, tourism, community development, education and skills, and food procurement. In this sense it could be seen as a forerunner to the wider Well-being of Future Generations Act (2015) with its seven overarching major goals of: prosperity, resilience, health, equality, community cohesion, vibrant culture and global responsibilities.

However, it would appear that the Food Strategy was never implemented and that there was a hiatus from 2010 until the birth of the narrower and more focussed Action Plan (Welsh Government, 2014) in 2013-14. This Action Plan followed another lengthy consultation exercise, and the setting up of a revised Food and Drink Wales Industry Board<sup>2</sup> (dominated by food industry and industry specialists) to drive the Action Plan forward between 2014 and 2020. The focus of the plan was to advance the economic impact of the food industry, with the overall goal to grow sales of the Welsh food and drink sector by 30%, to £7 billion by 2020, with a corresponding 10% growth in Gross Value Added in the sector over the same time

---

<sup>1</sup>See

<http://gov.wales/topics/environmentcountryside/foodanddrink/foodpolicyandstrategy/fdap20102011/?lang=en>

<sup>2</sup>See <https://businesswales.gov.wales/foodanddrink/food-and-drink-wales-industry-board>

period. The Food and Drink Wales Industry Board were charged with playing “a key role to ensure (we) embed sustainability, competitiveness, efficiency, productivity, and profitability throughout the food and drink industry” (Welsh Government, 2014, p.5) (for a list of the 48 actions see Annex 2). The then endorsing Minister for Natural Resources and Food, Alun Davies AM, introduced the Action Plan as one which “focusses on what happens to food once it leaves the farm” (Welsh Government, 2014, p.2) thus proposing not only a narrower economically designed plan, but also one which divorced farm-based production from its down-stream sectors. The emphasis of the 48 actions (see Annex 2) was on branding, enhancing exports, streamlining and integrating downstream supply chains, developing skills, aspiring to lower carbon targets and stimulating community food initiatives. The main agents to achieve this were the Welsh Government, the Food and Drink Wales Industry Board and the Higher and Further Education sectors. There were no specific actions for different types of food sectors or types of production systems. The Welsh Government also made the decision to remove the Wales True Taste brand<sup>3</sup>, and replace them with a broader and more ‘trade-focussed’ ‘Wales’ umbrella- Food and Drink Wales<sup>4</sup> run through the Welsh Government.

Overall the Action Plan focussed upon post-farm food supply chain development, and as such it separates itself from addressing both primary production policy and actions and the wider food and consumption changes.

A recent Welsh Government annual progress report (WGFD, 2015) produced by the Food Division indicates some positive progress being made with regard to the Action Plan; although not all 48 actions are detailed. There has been a growth in annual turnover (reported £5.8 billion) giving an 11.5% growth since 2012-13, £10.8 million of new government business investments in 2014-15 safeguarding 1,365 jobs and creating 450 new jobs, and significant investment in export trade engagement. Trade events in 2014/15 resulted in Welsh food firms securing nearly £6 million additional business, with further opportunities identified of over (potentially £16 million).

In sum, it is clear that the Action Plan has provided a much narrower, and largely post-farm/downstream and supply side approach to Welsh food policy. This has also tended to be more top-down government and industry board-led, and it has focussed mainly, and then only partially upon two of the five original policy drivers and areas developed in the Food Strategy - namely market development and supply chain efficiency. It has largely excluded the farming

---

<sup>3</sup>See <http://www.bbc.co.uk/news/uk-wales-23342260>

<sup>4</sup>See <http://businesswales.gov.wales/foodanddrink/>

sector within this policy field, tending to retract it back into its EU Common Agricultural Policy (CAP) oriented policy silo.

## **Sector developments: Changes in the policy landscape**

A number of key emerging trends have gained far more significance since the publication of the Food Strategy (Welsh Government, 2010), which, in turn makes its' substantial revision and implementation all the more urgent. Since the development of the Strategy in 2010 the Welsh agri-food sector has, by and large, become less resilient and more vulnerable to a set of exogenous and endogenous factors (see Figures 1 and 2 below). In the main this is a consequence of the divergence between policy, which has got regressively narrower in Wales, and the macro-food policy agenda, which has become significantly wider and deeper, with relevance to the well-being of Welsh businesses, communities and people.

There are several key developments which have been the subject of recent UK policy and scientific concern (see for example Tait, 2015; APPG-HFP, 2014; 3Keel/ISU, 2015; Morgan, 2015; The Food Foundation, 2015).

- Since 2010, food poverty and food inequality has grown across the UK and in Wales especially for low income groups, such that it is increasing and compounding health and well-being inequalities more broadly and more spatially than in earlier periods (see Tait, 2015).
- There has been a further reduction in the number of independent farm businesses. Wales for instance lost over 250 dairy farms between 2009 and 2012. The Welsh farming and local processing sector has become even more dependent upon downstream corporately controlled food processors and retailers located outside its boundaries (see Adams, 2015).
- The effects of climate change, not least an apparent greater propensity for flooding, are having greater impacts on food production; and livestock producers in particular are coming under greater pressure to reduce carbon emissions (Transmango, 2014; The Scottish Government, 2014; Garnett, 2014).
- Carbon emissions and bio-diversity loss arising from the food sector need to be significantly reduced (Welsh National Assembly Environment and Sustainability Committee, 2014; European Commission, 2016). Food and farming need to play a central role in Wales' ambitions to reduce carbon emissions by 85% by 2050 (Environment Act, 2016).

- Several key initiatives related to local and more sustainable food sourcing (e.g. Wales True Taste), and procurement initiatives have been abandoned or reduced<sup>5</sup>.
- There has been a growth in urban-based multi sector food councils and cooperative initiatives and arrangements connecting food consumers with producers (e.g. Cardiff Food Council<sup>6</sup>).
- There are major funding opportunities so far untapped regarding the, among other programmes, the use of the new 2015-20 EU Rural Development Programme to stimulate sustainable adaptive change in the food and farming sectors (RELU, 2016; European Commission, 2016).
- There is a continued and increasing demand for locally grown, shorter and more diverse food supply chains by consumers (Welsh Government, 2010). This needs to be promoted.
- In Wales, there have, since 2010, been a raft of new policies (Well-being of Future Generations Act, Local Government Reform, Planning and Environment Acts, Green Growth) which all have implications for the agri-food sector and to which the sector needs to positively respond and now be aligned to.
- Globally, sustainable food had risen up the political agenda now forming a major part of the new UN Sustainable Development Goals and Sustainable Cities and Regions agenda. It is now no longer seen as a narrow sectoral issue, but a major vehicle for delivering low-carbon sustainable transitions more generally. This is challenging governments around the world at different levels (e.g. the Milan Urban Food Policy Pact<sup>7</sup>) to revise their food policies.
- A range of food nutritional research is showing that (i) the diets of typical British families now pose the greatest threat to their health and survival; (ii) healthier choices are limited, not understood and, more expensive and poorly promoted; and that (iii) good nutrition underpins strong economies (The Food Foundation, 2014).

These deepening set of food vulnerability conditions since 2010 make it now far more urgent for a clear policy vision and actions for achieving healthy and sustainable diets for all, with targets that can be monitored.

<sup>5</sup> See for example <http://www.bbc.co.uk/news/uk-wales-23342260>

<sup>6</sup> See <http://foodcardiff.com/about-food-cardiff/cardiff-food-council/>

<sup>7</sup> See <http://www.foodpolicymilano.org/en/urban-food-policy-pact-2/>



## Gaps in the Current Policy Framework

As noted above, over the last six years there has been a divergence between government policy, which has narrowed its focus, and the policy landscape, which has broadened its focus to encompass the interconnections between food production and consumption and a wide range of policy areas. This section considers the implications of this for the current policy framework, delineating three key areas of concern: the overall style and mode of governance adopted; inaction on demand led tools and lack of focus on food poverty.

### Questions of governance

A major issue to deal with in this analysis is the overall question of agri-food governance in the Welsh context. In this sense the ‘gaps’ are not just about substantive policy aims and objectives, but also the modus operandi of food governance itself. This is thus an important element of the eventual delivery of policies. Indeed, it can affect the very success or otherwise of the actual delivery of strategies.

Five areas in which the current governance arrangements (structures and foci) need to be broadened are discussed below:

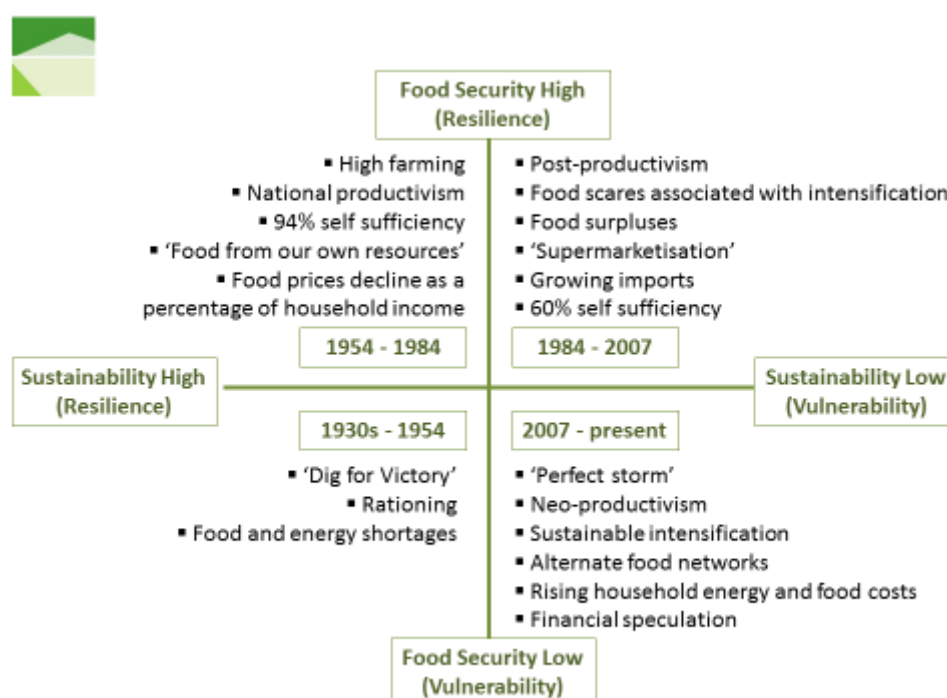
- engagement with stakeholders from across the agri-food system;
- use of available policy levers;
- driving innovation for systemic and adaptive change;
- creating space for challenge and reflection; and
- focusing on the key dimensions of vulnerability in the Welsh food system.

If these governance issues could be addressed, it would enable the development of a more de-centred governance framework for agri-food in Wales. One which, to echo the 2010 Strategy, involves really building connections and capacities. With up to 14,000 farming businesses and 23,300 food businesses, not to mention the associated and highly mutually dependent tourism and catering sector, the challenge is to create a more effective and distributed governance framework.

Firstly, given the growing wider public and civic interest in agri-food it is necessary to significantly widen the vector of bodies, NGOs, interest groups and civic organisations having a say in agri-food policy development, and especially implementation. This is now an EU wide phenomenon, and Wales needs to be at the forefront of promoting more inclusive food related engagement in policy development. Recent research (e.g. Transmango, 2015) and engagement activities have shown us that there is an explosion of organisations /stakeholders

in the agri-food sector which now need to be included in the dynamic governance and policy-making process. This is partly a response to the increasing vulnerability both in terms of sustainability and security being experienced in the current UK food system (see Figure 1). Leaving the responsibility for the enactment of food policy to a relatively small industry and executive-led board risks failing to meet the challenges Welsh agri-food now faces. Governance arrangements need to be bold, mature and reflexive enough to encapsulate this diversity, and progress towards a collective approach.

**Figure 1: Positioning food security and sustainability in the UK**



Source: Marsden, (in press).

In addition to the need to vastly increase the vector of effective and reflexive policy inclusion comes the issue of symmetry of policy direction and intentionality of purpose. Here we see that the extant strategies and action plans have been somewhat 'lopsided'. With the 2014 Action Plan in particular, with all its focussed and meaningful intentions, it is based upon the assumption that affecting change to the food supply chain to make it work more effectively will mean that more innovative Welsh products will begin to flow down those supply chains and be exported across the world. Hence the highlighting of value adding and skills. So the overall emphasis has been and is upon streamlining the 'supply' side of the food equation, with the connotation that governments are these days limited as to what they can do with regard to demand management and development. As set out below, evidence suggests that these need to be complemented by adept and smart forms of creative demand management. So another

widening vector issue relating to governance concerns the need to redress the balance of attention on demand as well as supply.

A third broadening principle concerns the issue of the reliance upon the stimulation of improvements in technical product innovation, over and above the wider and deeper systemic and adaptive change<sup>8</sup>. The resilience and sustainability literature is demonstrating that it is also necessary to foster social and organisational innovations which lead and stimulate the capacity to create adaptive change. One way of achieving this would be to attach conditions to any monies going into the agri-food sector (either from Welsh Government or from the EU) which leads to adaptive change in a systemic and enhancing resilience manner. As prerequisite for adaptive change, Wales needs to agree an overall revised vision and direction of travel for its food sector.

A fourth governance principle, beginning, but not developed in the 2010 Food Strategy, is the need to create more 'collision space' and interfaces, as well as structured mediation between the traditional vested interests in agri-food and food consumers and their institutional agencies, like hospitals, schools, firms, universities, farming unions, and to put agri-food innovation at the centre of this. Welsh universities need to be far better coordinated in this regard (see for example the Northern universities, N8 Agri-Food Resilience Programme<sup>9</sup>, and the South West Food and Agriculture Alliance work and programmes<sup>10</sup>). Wales as an effective and innovative agri-food research and development (R&D) region is becoming marginalised, and part of this is down to the regressive fragmentation and now competition between Welsh universities. These institutions need to start taking the collective and coordinated lead as a major public sector player.

Finally, there is now an urgent need for governance to address the multi-dimensional issues of vulnerability in the Welsh food system across its varied supply chains. Increasing vulnerabilities and declines in individual, household, firm and farm security have grown since 2010, and this is partly due to a lack of systemic thinking about its multidimensional and interlocking features (see Figure 2 below). It follows that in order to build and develop a more resilient system the key dimensions of vulnerability become the starting point to a revised agri-food strategy. Figure 1 above positions the period 2007- present as historically a combined period of food sustainability and security vulnerability (Marsden, in press). Figure 2 maps

---

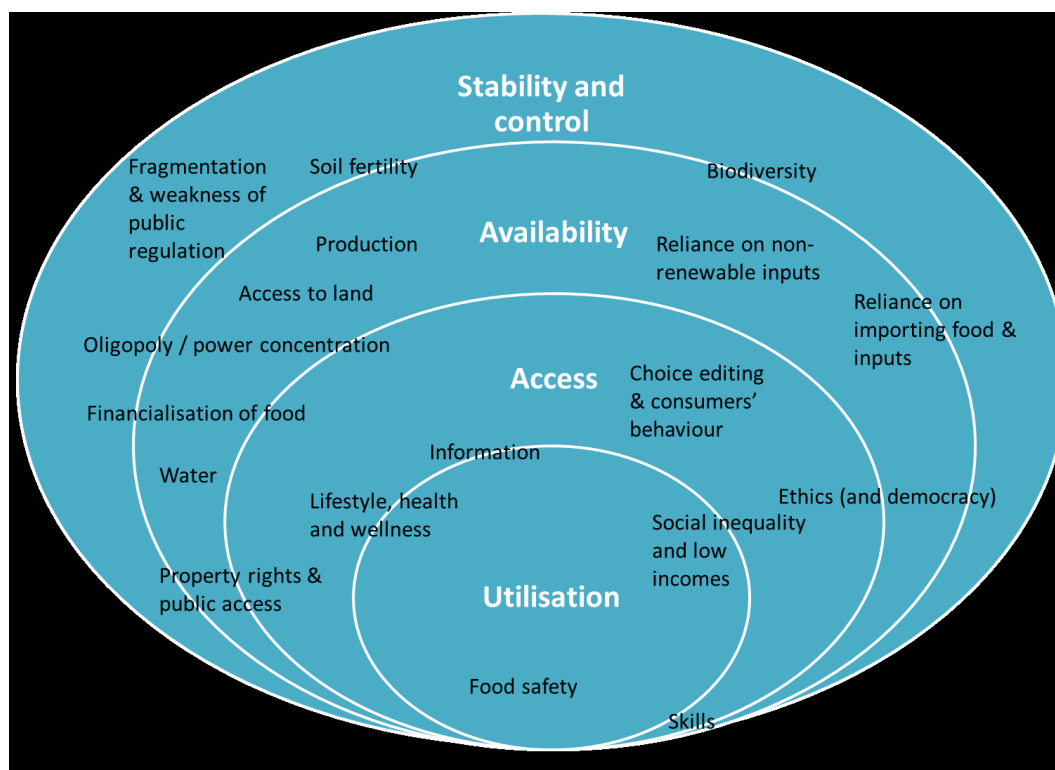
<sup>8</sup> See, for example, the recent Welsh Government investment in the NutriWales Cluster <http://www.mediwales.com/members/nutriwales/>

<sup>9</sup>See [www.n8agrifood.ac.uk/](http://www.n8agrifood.ac.uk/)

<sup>10</sup>See [www.fslra.ac.uk](http://www.fslra.ac.uk)

current vulnerabilities and their food and nutritional outcomes arising from a current pan EU research project (Transmango, 2014).

**Figure 2: Food vulnerabilities and outcomes**



Source: Transmango, (2014)

## Good food for all: Addressing demand as well as supply

Perhaps the largest deficit in Welsh food policy over this hiatus has been inaction on demand led tools to deliver a more sustainable and prosperous food system. Although efforts have been made, these appear largely piecemeal, particularly in comparison to the action on production and exports underpinned by the Action Plan (Welsh Government, 2014).

Consumption as a locus for food policy has come to the fore in recent years. Across the leading regions and localities effecting progressive food policy, the weight has clearly shifted towards issues such as public health, food poverty and sustainable diets. Much of the pioneering developments in food policy now spring from urban areas with a natural emphasis on how food is consumed and its impact on individuals as well as the wider environment and economy. This is not to discount the rural voice, or the importance of primary food production; rather it is to argue that a Welsh food policy that is fit for the future must be better aligned with food consumption trends – and these trends strongly suggest that consumers are becoming ever more conscious of the health and environmental impacts of their diet (Mintel, 2015a; Mintel,

2015b). It is also worth remembering the true economic shape of the food sector. Of the 222,400 people currently employed in the Welsh food and drink supply chain, 146,000 people (65%) are located at the consumer end, working in retail, wholesale and catering (Welsh Government, 2015).

The reasons for the relative side-lining of health and other consumption issues in food policy are understandable even if they are not sustainable. Food policy has its roots in agricultural policy and despite some positive rhetoric (such as that found in the Food Strategy document), silo thinking remains prevalent - particularly in complex and contested areas of governance such as food. In particular, health professionals and educators need to play a more prominent role in shaping public policy in the agri-food sector so that Welsh food policy helps to foster rather than frustrate the provisions of the Well-being of Future Generations (Wales) Act which came into force in April 2015.

One of the public policies with the greatest potential for promoting positive change through consumption remains public procurement. As outlined in the Senedd discussion paper *Good Food for All* (Morgan, 2015), Wales still has a long way to go to fully harness the potential of the public plate and it would do well to emulate the Scottish Government's *Good Food Nation* policy process (The Scottish Government, 2014).

In the health arena, strides are being made within the NHS, building on the All Wales Nutritional Standards<sup>11</sup>, and through the further incorporation of healthy food into the Corporate Health Standards<sup>12</sup>. Many challenges remain, even within health, for example, in how to balance the nutrient and energy rich needs of many inpatients with general healthy eating standards for other NHS users.

Food retail is an area traditionally overlooked by policymakers, partly due to EU state aid rules but also, no doubt, due to the imposing presence of the multiple retailers. Yet, high streets and suburban shop rows are vitally important for communities. Recent years have witnessed increased penetration of the supermarkets into suburban centres through their investment in the convenience store format. While supermarkets appeal to cost and convenience factors, the real impact of this pervasive trend for the social and economic fabric of the food sector and local communities is at best questionable.

---

<sup>11</sup> See <http://gov.wales/topics/health/publications/health/guidance/nutrition/?lang=en>

<sup>12</sup> See <http://www.wales.nhs.uk/governance-emanual/corporate-health-standards>

## Countering austerity

Food poverty clearly remains a pressing issue in Wales and one that has largely been tackled outside of the Food Strategy implementation process. The rise of food banks and the embedding of supermarket food redistribution schemes, whilst meeting the short term needs of the economically disadvantaged, risks the institutionalisation of food poverty without addressing its root causes. The rise in food poverty, perhaps more than any other arena of food policy, demonstrates the multidimensional nature of food and the challenges this creates for policy makers. The causes of food poverty are complex, encompassing household income, education and socio-cultural values as well as accessibility in its broadest sense which is inextricably linked to the form and function of the food industry itself. It therefore must be at the heart of any genuinely strategic approach to food policy in Wales.

## Towards a More Demand-Led Production Arena

In seeking to respond to the analysis above, the starting point should be the strategic need to make far stronger connections between the real sustainable consumption and production of Welsh food by creating a far more public demand-oriented food system which delivers diverse sustainability and nutritional health benefits both to the people of Wales and its consumers beyond. This means putting food at the centre of public policy making. This can and should contribute to reducing the interconnected sets of vulnerabilities outlined above. This will also mean that new coalitions and partnerships will need to be built between producers, processing and consumer interests in progressing a clear and engaging vision. Wales needs a new social contract between farming, the food industry and consumers, based upon a shared vision and an engaging set of mutually reinforcing policy levers.

The following package of interconnected recommendations are thus derived from both the current analysis outlined above about the emerging gaps - in both policy and governance - and the wider and deeper vulnerabilities. They are also derived from the authors' independent research and wide-ranging policy engagements over the period since 2010 which has involved both international and national research in the broad arena of food and nutritional policy.

The recommendations are also designed to be realistic and achievable whilst being ambitious and innovative in ways which will create overall economic, ecological and social efficiencies in the medium-to-long-term delivery of wider public policies more generally. In this way they should be embraced as a means of enhancing government performance at central and local levels. In this sense they are closely connected to and part of the goals and principles of the

Well-being of Future Generations legislation and implementation, not least in affecting all public authorities in developing well-being plans and public service boards. They will contribute significantly to building more economic and social resilience, lead to healthier communities, and foster ecological diversity and 'green growth'. They will require leadership and partnership in equal measure.

## Maximising the contribution of the public sector

The 'public plate' cannot reach its full potential until the function of public procurement is recognised as a vital part of a successful and sustainable public realm. Procurement professionals have to be afforded the status and provided with the skills necessary to maximise the states purchasing power, not just in terms of value for money but also 'values' for money; in other words, social, environmental and economic benefit. Effective sustainable procurement requires an openness to doing things differently, balancing often conflicting priorities and engaging with stakeholders that goes far beyond conventional purchasing skills.

The Welsh Government have some work underway to improve public sector procurement in this area. The National Procurement Service (NPS) are developing a bespoke Food Team, the structure of which has been agreed by the Food Category Forum<sup>13</sup>, and have developed the NPS Food Strategy which plans how the Wales Procurement Policy Statement<sup>14</sup> will be delivered upon in relation to food. Nonetheless, **sustained investment is needed, both in existing professionals and also in new specialist procurement officers across the public sector and not just focused on food**. Although Welsh Government has gone some way into tackling this skills gap through the *Home-Grown Talent* Project (GSR ,2015), the investment of £10.9 million over five years is not enough. **Specialist Sustainable Procurement Officers with remits that span the entire public sector in Wales would go a long way to raising the profile of this vital function of government**. They must, however, also be **supported by the strategic policy framework and, crucially the stakeholders and the organisational level they are ultimately purchasing on behalf of**. Too often, lone voices advocating greater sustainable procurement within organisations are frustrated by counterproductive institutional cultures, particularly from more senior levels of management. Indeed, consideration should be given to legislative tools in this area that could override these barriers. The uniqueness of food should be recognised at all levels of procurement within the Welsh public sector. Conventional 'category management' approaches, like that used by the

---

<sup>13</sup> For more information on the Food Category Forum, see <https://businesswales.gov.wales/foodanddrink/sites/fooddrink/files/Presentation%20-%20NPS.pdf>

<sup>14</sup> For more information on the Wales Procurement Policy Statement, see <http://gov.wales/docs/prp/toolkit/june15walesprocurementpolicystatement2015v1.pdf>



NPS's Food Team, and corporate retailers and risk perpetuating many of the failures of the food industry to address sustainability and the value-creating potential of food.

Maximising the impact of sustainable procurement is not just about buying the right products, it is about using it as part of a clear and consistent message that demonstrate the benefits of using these products to end users. In the area of food, this is obviously connected to providing messages about the benefits and trade-offs in terms of health, climate change, local economic development and enjoying good food. Welsh policy makers have the potential to harness one of the most innovative and successful health and sustainable food programmes in the world: Food for Life<sup>15</sup>.

Food for Life (FfL) has two elements which can directly contribute to raising the power of the public plate. Firstly, the FfL Catering Mark currently ensures the sustainability criteria of over a million meals a day across the UK. By employing a three level system (bronze, silver & gold), based on objective sustainability criteria, both private and public caterers are able to access a framework to deliver sustainable food and demonstrate this to their end users. Though Welsh Government's own catering contractor is required to satisfy a number of standards, and the number of Welsh suppliers and items of Welsh produce used on their catering contract have increased, Welsh Government has the opportunity to demonstrate its commitment to good food further by **adopting the FfL Catering Mark** across its catering service and, crucially, by promoting its uptake among its delivery partners across Wales<sup>16</sup>. Secondly, perhaps the most important arena in the public realm for promoting sustainable and healthy food, the education sector, could be specifically addressed through the **adoption of the FfL Partnership model**. This is a *whole school* approach to food that combines school food provision with a range of educational messages around growing, cooking and food choices. In the area of health, Welsh Government already have some work underway to promote good practice in schools via the Welsh Network of Healthy School Schemes, in which nearly all maintained schools are actively involved in, and provisions within the Healthy Eating in Schools (Wales) Measure 2009 and the Healthy Eating in Schools (Nutritional Standards & Requirements) (Wales) Regulations 2013. Nonetheless, there is an opportunity to build on the success of *Appetite for Life* (Welsh Government, 2008)<sup>17</sup> and the work of the *Welsh Network*

---

<sup>15</sup> See <http://www.foodforlife.org.uk/what-is-food-for-life>

<sup>16</sup> Welsh Government have been considering the FfL Catering Mark and whether it would fit in conjunction with the current NPS Food Strategy. The Scottish Government are currently evaluating the FfL Catering Mark which should result in valuable learning for Welsh Government.

<sup>17</sup> Which notably includes the development of the Healthy Eating in Schools (Nutritional Standards and Requirements) (Wales) Regulations implemented in 2013.



*of Health School Schemes*<sup>18</sup> and provide both a firm grounding to the next generation of Welsh food purchasers and provide market led support to food producers and intermediaries across Wales via the FfL Partnership model.

The recent successful pilot of the School Holiday Enrichment Scheme<sup>19</sup> (SHEP) in Cardiff demonstrates how existing infrastructure and resources can be better utilised to further the effectiveness of the public realm in this age of public sector austerity. The SHEP scheme provided healthy living resources during the Summer of 2015 in five sites where children were able to take part in physical activities and have access to a nutritious meal during the school holiday period. As well as directly tackling health related inequalities, the scheme provided employment for caterers and teaching assistants and has the potential to support supply chain development and training opportunities.

## Consumers and consumption

One of the key trends since the 2010 Food Strategy has been the mainstreaming of the concept of sustainable diets. Driven by a greater realisation of the food system's impact on environmental sustainability (chiefly through climate change) and human health (chiefly through the so called obesity epidemic), the concept of sustainable diets highlights the links between healthy eating and environmentally benign forms of food production. Although the relationship is contested and highly nuanced, not least due to the interplay between socio-cultural factors and human metabolism, a sustainable diet can be characterised as one that is low in animal protein, low in processed foods and high in fruit and vegetable consumption (Garnett, 2014).

From a Welsh food perspective, the growing weight of evidence against red meat consumption is something that has to be tackled head on, both from the human health perspective and in terms of mitigating its effects on the lamb and beef sector. **Farmers and intermediaries must be supported to produce less intensive, higher quality output. Moreover, this transition needs to start today, in order to foster the cultural shift needed across the sector, as well as among Welsh consumers** (Chatham House, 2015). Clearer and more coherent messages need developing which integrate and enhance existing schemes (such as Farming Connect, the Rural Development Programme (RDP) Sustainable Production Grant Scheme

---

<sup>18</sup> See <http://www.wales.nhs.uk/sitesplus/888/page/82249>

<sup>19</sup> See <http://foodcardiff.com/our-summer-school-programme-hailed-as-a-lifeline-in-bbc-coverage/>

and the development of a wider range of EU Protected Food Names) around the concept of Sustainable Extensification, Diversification and Productivity.<sup>20</sup>

In a bid to influence the population's consumption habits to more closely align with dietary recommendations, Welsh Government are already going some way to supporting behaviour change via the social marketing campaign, Change 4 Life Wales and contributing to the development of a UK front of pack nutrition labelling scheme. Commitments were also made in the Tackling Poverty Action Plan Annual Report 2015 to develop a better understanding of food poverty in Wales and how to tackle it. Some work has been done to understand how best to support Welsh food companies to produce healthier products, for example via the Food for the Future project and NutriWales, a collaborative forum for innovation, R & D and new product and trade development. Furthermore, Welsh Government have signed up as an Engagement Partner to Courtauld 2025 committing to help reduce resources needed to provide food and drink by one-fifth in ten years. In support of this aim, Welsh Government provide funding for WRAP Cymru, who support on the delivery of targets for waste prevention and resource minimisation, and have also contributed towards the development of the Sustainability Toolkit through the Rural Development Programme 2007-14 Supply Chain Efficiencies Scheme.

Nonetheless, it is estimated that over £5.5 billion is spent each year by consumers in Wales in food retail and a further £2.2 billion in food service. Although the scope for influencing this spend is far less than that of public sector food purchases, **there remains much more work that can be done to encourage and aid consumption habits that are in line with Welsh food policy goals as well as mitigating global food sustainability and security issues.** The health sector has a long record of public health campaigns designed to influence consumer behaviour. Over recent years, celebrity chefs have had notable success in delivering messages to the general public. The sustainable diet agenda calls for concerted efforts to influence consumer expectations and behaviour. In the future we are likely to see more and more emphasis placed on empowering consumers to make more informed decisions about their food choices – like the “activity equivalent” calorie labelling scheme designed by the Royal Society for Public Health, which aims to provide easily understood labels to show consumers how much activity would be required to burn off the calories contained in food and

---

<sup>20</sup> The concept of ‘sustainable extensification’ is a specifically different approach to the more widely termed ‘sustainable intensification’ which is characterised, as achieving ‘more for less’ through adapting agricultural practices which still increase intensification. We argue that in Wales less intensification of production is needed and should be encouraged, and that this process does not necessarily reduce productivity or ecological efficiency but can enhance sustainable practices and farm livelihoods by adopting a larger variety of production practices harmonised with increasing food quality. RDP funding and its range of schemes should be designed to foster these adaptations in production practices.

drink (for example, a person would have to walk for 26 minutes or run for 13 minutes to burn off a typical 330ml can of soft drink, which typically contains 138 calories) (RSPH, 2016). Empowering consumers along these lines is a trend that is set to continue in the years ahead as policy-makers seek to redress the noxious effects of the obesogenic environment, albeit within the confines of public sector austerity and growing food poverty. This agenda also needs to be embedded into the delivery and monitoring of the seven goals of the Well-being and Future Generations (Wales) Act<sup>21</sup>, and close liaison between the Food and Public Health Divisions of Welsh Government and the All Wales Food Poverty Alliance<sup>22</sup>.

## **Exports and branding: Putting sustainable farming at the centre**

Whilst considerable emphasis is now being placed upon increasing the export of Welsh food products (total of £302 million in 2014) (that is 'food from Wales'); the Action Plan has tended to give less attention to the changing needs of the Welsh Consumer (that is 'food for Wales'). Welsh dairy products (most of which are processed outside of Wales) account for 17% of total GB dairy exports. Much of Welsh milk is processed into cheddar cheese, a major global commodity market. The other three main export groups are cereals, meat and meat products (mainly lamb and beef), fish and shell fish, which combined make up a value of £112 million. Only 2% of total Welsh export value is derived from food, compared with 4% in the GB and 6% in Scotland (excluding Scottish whisky).

The Food Strategy placed more emphasis on branding the export of Welsh foods through **communicating the sustainable forms and practices of agricultural production**. This message has largely been lost<sup>23</sup>, and it is now a much larger issue, especially in the red meat sector, where consumer opposition to carbon emissions from upland livestock farming systems is growing (especially since the recent Paris summit<sup>24</sup>, and the promotion of alternative, vegetarian diets are being promoted by many authoritative health organisations (including the World Health Organisation). Hybu Cig Cymru (HCC), the main promotional and levy body for Welsh red meat, are clearly aware of these challenges (HCC, 2016). Limited work is already underway. The overarching identity which has been used at UK and

---

<sup>21</sup> Welsh Government's Internal Food Policy Group, which is working to join up the work being undertaken on food across departments to ensure work is linked to the 2014 Action Plan and the Well-being of Future Generations (Wales) Act 2015, goes some way to doing this but more can be done.

<sup>22</sup> For instance, the work initiated under the recent Food for the Future and All Wales Food Poverty Alliance initiatives, such as FareShare, needs to be continuously developed and put on a more established and funded basis with the full range of stakeholders (see <http://businesswales.gov.wales/foodanddrink/food-future>).

<sup>23</sup> Though the Agricultural and Horticulture Development Board (AHDB), a statutory levy board, do provide some advice and guidance to industry on sustainable practices.

<sup>24</sup> See [www.cop.21.gouv.fr/en/](http://www.cop.21.gouv.fr/en/)

international exhibitions, Bwyd a Diod Cymru, is currently being redefined to tell the story of Welsh food and drink, and the Food and Drink Wales website goes some way to improve communications with industry, promote business support, report on trade successes and provide information on policy developments and new opportunities. **However, more concerted effort is now needed both in market promotion, coherent and consistent branding and in progressing sustainable farming methods especially in the red meat sector.**

There is an urgent need for the Welsh Government to espouse more diverse sustainable production and processing and to specify how this is being progressed. This does not need to be one-dimensional, and we would suggest that the Welsh Government consider enhancing the diversity of sustainable production and processing methods – from agro-ecological, through organics, and to the further greening of the conventional sector. Recent research has shown that Wales has made more progress through producer group innovation, small scale ‘alternative and niche production’ systems over recent years but that this is not necessarily being recognised, promoted or mainstreamed (Adams, 2015). More emphasis needs to be placed upon badging the diverse and high quality production practices in Wales, and using these to create and retain larger market share both nationally and internationally. There is in many policy circles then, a perception that the Wales agri-food sector is still the provider of bulk conventional products, most of which become processed outside of Wales.

### **Multiplying the number and density of more sustainable ‘short supply chains’**

Welsh consumers should be able to have easier access to a wider variety of Welsh local and regional products. This requires both **the development of incentives for smaller producers of artisanal products and the development of processing and marketing channels to deliver these products in the existing range of retail outlets.** Recent schemes announced under the Rural Development Programme (2014-20) such as the Food Business Investment Scheme, Sustainable Management Scheme, Sustainable Production Grant Scheme, Co-operation and Supply Chain Development Scheme and Farming Connect Programme, should be targeted towards stimulating this transition and mainstreaming.

### **Progressing research and development in sustainable production and consumption systems**

There is a need, associated with the above, for a far stronger emphasis upon developing both funding and the diversity of R&D and its related extension and demonstration services in the

Wales agri-food sector. Whilst there are a series of start-up initiatives there is no coordinated strategy here and few connections with wider EU and UK R&D initiatives<sup>25</sup>. The withdrawal of funding for Organic Centre Wales<sup>26</sup> is a case in point. The UK food and drink manufacturers spent £425 million on R&D in 2013, with Wales spending only £4 million, down from £7 million in 2011. The figures suggest that the trends are running counter to the UK trend, suggesting Wales is underspending on R&D by over £17million. **We suggest this needs addressing by developing a collaborative and coordinated national infrastructure in Wales** on Agri-food R&D involving HEIs, existing centres of research excellence and the existing food centres (Food Innovation Wales). This should be independent from Welsh Government and establish a strong partnership between HEIs, the existing food centres and the food industry sectors, developing the business clusters programme and embracing the farm and food service sectors.

## Expanding horticulture

More concerted effort needs to be placed on enhancing and **developing the sustainable horticultural sector in Wales**<sup>27</sup>. The Strategic Framework for Agriculture contains the current vision for developing a sustainable horticulture identity for Wales, while some support is available to growers aiming to improve their practice through the RDP. Regardless, a new, revised sector partnership board needs setting up, building on the Horticulture Wales experience (which was allowed to fold after its funding ran out in 2015) and its grower-led successor Growers of Wales<sup>28</sup>. There has been an increase in horticultural holdings (to over 500) in recent years, but this has the potential to triple over the next five years, aided by more land release and the provision of incentives and support for new horticultural producers, including for training and skills development. Significantly more Welsh self-sufficiency could be achieved, by developing the horticultural land base (from its low level of 0.1% to around 2.8% of total agricultural land area, and in tandem developing short horticultural supply chains and retail outlets)<sup>29</sup>. Changes in the minimum thresholds of five hectares regarding eligibility

<sup>25</sup> The £20 million EU European Regional Development Fund (ERDF) funding at Gogerddan Aberystwyth is one example which needs to be connected to a wider and coordinated food innovation web and clusters across Wales.

<sup>26</sup> See <http://www.organiccentrewales.org.uk/about.php>

<sup>27</sup> The Wales Horticulture Strategy and the Community Growing Action Plan 2010 are soon to be reviewed and should take heed of this recommendation.

<sup>28</sup> See <http://growersofwales.cymru/>

<sup>29</sup> We acknowledge the valuable work of Amber Wheeler on the sector and the work done as part of the PLANED Pembrokeshire Horticultural study (see <http://foodmanifesto.wales/2015/09/25/beyond-5-a-day/>)

for CAP support could assist in providing incentives for small producers to develop horticultural enterprises.

## **Building infrastructure for the ‘missing middle’**

More emphasis needs to be placed on **investment in the ‘missing middle’ of the Wales food chains**. These are the **gaps in physical and digital infrastructure** which continue to expand food miles and create bottlenecks in retail food as local, regional and based upon shorter supply chains. If our local and regional procurement strategies are to be met, improved local infrastructures will be crucial, including the development of food distribution hubs. We need an investment programme specifically on this agenda. In the 2015 Food and Drink Producer Survey conducted by Strategic Marketing, 83% of businesses distribute their own products to market, whilst only 4% collaborate with other businesses (Strategic Marketing, 2015). We need to develop a clear strategy for developing local and regional collaborative food hub businesses across Wales. Urgent progress and its monitoring is needed relating to the provision of superfast broad band facilities across rural Wales, digital infrastructure in which Welsh Government is already investing

## **Rural development and food**

We need more **integration between an overall rural development strategy for Wales and a revised agri-food strategy** which expresses a clear vision. Currently we really do not have either, with rural development being seen as analogous with the CAP Rural Development Plan and the Strategic Framework for Agriculture still in its early phase of development. Funding from this stream needs targeting in a revised agri-food strategy, and linkages being made to delivering rural development and food developments which foster the other recommendations here.

## **Support for the community food sector**

Local authorities in particular have the potential to play a wider role in fostering **community food initiatives both in and, importantly, between urban and rural locations**. Community gardening, farming and retailing should be facilitated far more proactively through local policies, especially planning policies. The community food dimension should form a part of local authorities’ contributions to well-being plans and public service boards. Clearly LEADER and the wider RDP funding is also relevant here and the criteria for applying for these revenue streams needs to be broadened so as to encourage local (urban as well as rural) community



groups. Expanding significantly and continuously supporting Community Supported Agriculture and community food cooperatives across Wales is a priority here<sup>30</sup>.

## Renewed network of partnerships

Wales has several industry-led organisations including the Food and Drink Wales Industry Board, the Welsh Dairy Leadership Board, Hybu Cig Cymru and the Seafish Wales Advisory Committee. Nonetheless, there is an urgent need to **create a series of active Partnership Boards for the main producer sectors**, (dairy, beef, lamb, fish, horticulture, poultry, organics, mixed farming etc.) so as to build an effective 'guild-like' community of practice and innovation network around each of them. These need to advise but be independent of the Welsh Government, and be constituted by members across the supply chains they represent (including consumers). These partnerships need to include and actively encourage community groups, food councils and urban as well as rural interests in delivering sustainable diets, through sustainable food supply chains.

## Robust data and monitoring

**Effective data collection, food resilience and insecurity monitoring and appropriate indicators** are essential to monitoring both the evolution of the food system in Wales and the impact of food policy in Wales. The increasing penetration of technology and possibilities for cheap and intelligent communication systems built into everyday processes mean that the possibilities for data collection and the costs associated with it are less and less of an excuse. Welsh Government have established some industry baseline data, in line with objective 12 in the 2014 Action Plan, and have several research projects underway to complement the economic appraisal and support specific policy requirements (e.g. the Dairy Feasibility Study). However, more needs to be done. Strategic food policy must embrace the importance of data, as a tool to understand effective change. This needs to be coupled with principles of Open Data so that politicians and policy-makers can be held accountable, communities can identify their own priorities, advocates can make better arguments and businesses can make better commercial decisions. It is notable that this is one argument that was resisted during the development of the 2010 Food Strategy.

---

<sup>30</sup> The work of the Rural Regeneration Unit (RRU) in supporting over 326 Community food Co-ops, and the Federation of City Farms and Community Gardens (Tyfu Fyny) is innovative and instructive here and needs continuous support and scaling up.

## Cabinet Minister for Food

In order to insert and reflect strong and inclusive leadership, coordination and integration, and to tackle and take the national gravity of this policy area into the heart of government policy making, we would now recommend **the appointment of a full Cabinet Minister for Food**. This would explicitly incorporate farming and rural affairs, and centrally tackle Food and Nutritional Security; an innovative step change which is now being increasingly recognised as a necessary step in European and global policy, business and civic society fora. This would also provide more communicable and collective political leadership to complement the work of Welsh Government officials.

## Summary of recommendations: Towards proactive and reflexive food governance

Based on the above, the following recommendations are made. These are designed as a set of interconnected and mutually reinforcing policy priorities and areas of activity which together can constitute part of the refreshed and collective strategic vision needed. In doing this they also provide an improved means of developing a food governance model which mainstreams sustainable and more diversified production and consumption, and communicates and disseminates this to the Welsh public and the world beyond.

1. Invest in existing procurement professionals and also in new Specialist Procurement Officers across the public sector. These professionals must be supported by the strategic policy framework and, crucially the stakeholders and the organisational level they are ultimately purchasing on behalf of.
2. Demonstrate the Welsh Government's commitment to good food by adopting the Food for Life Catering Mark across Welsh Government catering services and by promoting its uptake among delivery partners across Wales.
3. Place sustainable diets at the heart of food and nutritional policy through adopting successful public health interventions such as Food for Life and bolstering public sector food procurement and catering provision.
4. Provide support for farmers to produce less intensive, more sustainable, and higher food quality products through more diversified sets of supply chains.
5. Encourage and aid consumption habits that are in line with Welsh food policy goals and the Well-being of Future Generations act.
6. Increase communication of the sustainable forms and practices of agricultural production through the branding of Welsh foods.



7. Multiply the number and density of more sustainable 'short supply chains' through the development of incentives for smaller producers of artisanal products and the development of processing and marketing channels to deliver these products.
8. Develop funding mechanisms for greater and more diverse R&D, and related extension and demonstration services, to support sustainable production and consumption systems in Wales. In particular, there is a need to develop a collaborative and coordinated national infrastructure in Wales.
9. Expand and develop the sustainable horticulture sector in Wales.
10. Increase investment in the 'missing middle' infrastructure of the Wales food supply chains, in particular gaps in the physical and digital infrastructure.
11. Develop an overall rural development strategy for Wales and a revised agri-food strategy. These should be integrated.
12. Increase support for the community food sector through community food initiatives;
13. Create and sustain food sector Partnership Boards for the main producer sectors to build community of practice and innovation networks.
14. Introduce effective data collection and monitoring of the Welsh Government's Food Policy in line with the Well-being of Future Generation Act goals and coupled with the principles of Open Data.
15. Appointment a full Welsh Government Cabinet Minister for Food.

## Conclusions: Food Policy as Public Policy

Weaknesses and blockages in the governance of food policy in Wales since 2010, coupled now with a greater understanding on the interconnected vulnerabilities which underpin sustainable food systems, mean that there is an urgent need to develop a fresh and clear vision and strategy for the food system in Wales.

This needs to build on the two policy documents we have reviewed here, but not become victims of them. While there is some good initial work already underway in Wales, more needs to be done. This work needs to be built upon, be seen as less fragmented and project-by-project focussed, and part of a communicated, coherent and strategic vision achievable over five, ten and fifteen year periods. Policy inertia and fragmentation is no longer an option, as the social, health, economic and environmental costs are too great. Evidence suggests that if these issues are not addressed urgently, then the wider range of risks and vulnerabilities will continue to significantly increase. This will further reduce national economic, social and environmental capacity. There is a need therefore for a refreshed vision for Welsh food and

farming which can be developed, back-casted and serve as a way of integrating and communicating the key dimensions and recommendations we propose here.

Sustainable food, farming and diet need to be integrated into an overall strategy at the centre of Welsh Government policy. This needs to be complemented and connected by a decentred partnership framework across the expanding policy and stakeholder food community which now inhabits this enlarged field. These elements need to play a leading part in delivering and contributing to *all* of the Well-being of Future Generations Act's well-being principles and goals, and be monitored as such. Food and nutritional policy should thus aim to deliver improvements on an annual reporting basis to the seven key Well-being goals<sup>31</sup>.

In this sense a revitalised and integrated food policy as central public policy – one which directly addresses the current widening gaps identified in this report – should aim to perform a central 'spinal cord' role for the delivery of a sustainable Wales for present and future generations.

---

<sup>31</sup> These are: a prosperous Wales, a resilient Wales, a healthier Wales, a more equal Wales, a Wales of cohesive communities, a Wales of vibrant culture and thriving Welsh language, and a globally responsible Wales.

## References

3Keel/ISU. (2015). **Food in an Urbanised World: The Role of City Region Food Systems in Resilience and Sustainable Development**. A report commission by the International Sustainability Unit, 3Keel. Oxford.

Adams, M. (2015). **Understanding regional agri- food regimes and their supply chains: a socio-technological approach PhD**. Cardiff University. Wales UK.

APPG-HFP. (2014). **Feeding Britain: A strategy for zero hunger in England, Wales, Scotland and Northern Ireland**. The report of the All-Party Parliamentary Inquiry into Hunger in the United Kingdom. Retrieved from:  
<https://foodpovertyinquiry.files.wordpress.com/2014/12/food-poverty-feeding-britain-final.pdf>

Chatham House. (2015). **Changing Climate, Changing Diets: Pathways to Lower Meat Consumption**. Chatham House, London.

European Commission. (2016). **A strategic approach to EU agricultural research and innovation**. Draft paper. Brussels 26-28th January Conference: Designing the path: a strategic approach to agricultural research and innovation.

Garnett, T. (2014). **What is a sustainable healthy diet? A discussion paper**. Food Climate Research Network, Oxford.

GSR. (2015). **Final Evaluation of Transforming Procurement through Home Grown Talent**. Social Research Number 61/2015. Government Social Research / Welsh Government, Cardiff.

HCC. (2016). **Chief Executives New Year speech: 'Farmers with consumers and retailers must strive to combat climate change'** reported Western Jan 2016.

Marsden, T. K (in press). **Agriculture and Rural Development: sustainable place-making**. Bloomsbury, London.

Mintel. (2015a). **Attitudes to Health Eating – February 2015**. Mintel, London.

Mintel. (2015b). **The Ethical Food Consumer – June 2015**. Mintel, London.

Morgan, K. (2015). **Good Food for All**. The Senedd Papers #3, Institute for Welsh Affairs, Cardiff.



RSPH. (2015). **Introducing ‘activity equivalent’ calorie labelling to tackle obesity. Position Paper.** January 2016. Royal Society for Public Health, London.

RELU. (2016). **Rural Economy and Land Use Newsletter: January.** Retrieved from: <http://cmscoms.com/?p=5896>

Strategic Marketing. (2015). **Publicsector food purchasing in Wales.** Welsh Government, Cardiff.

Tait, C. (2015). **Hungry for Change. The Final Report of the Fabian Commission on Food and Poverty.** Fabian Society. London.

The Food Foundation. (2015). **Force-Fed: does the food system constrict healthy choices for typical British families?** London. Retrieved from: <http://foodfoundation.org.uk/wp-content/uploads/2016/01/The-Food-Foundation-64pp-A4-Landscape-Brochure-AW-V32.pdf>

The Scottish Government. (2014). **Recipe for Success: Scotland’s National Food & Drink Policy – Becoming a Good Food Nation.** The Scottish Government, Edinburgh.

Transmango. (2014). **UK National Report** in Moragues Faus, A., Sonnino, R. and Marsden, T.K. Part of TRANSMANGO: Assessment of the impact of global drivers of change on Europe’s food and nutrition security (FNS) (2014-18) EU Research programme. See also [www. TRANSMANGO.EU](http://www.TRANSMANGO.EU)

Welsh National Assembly Environment and Sustainability Committee. (2014). **Report of Enquiry into Sustainable Land management.** Retrieved from: <http://www.assembly.wales/laid%20documents/cr-ld9760%20-%20environment%20and%20sustainability%20committee%20-%20inquiry%20into%20sustainable%20land%20management-19052014-256122/cr-ld9760-e-english.pdf>

Welsh Government. (2008). **Appetite for Life Action Plan.** Retrieved from: [http://www.physicalactivityandnutritionwales.org.uk/Documents/740/Appetite%20for%20life%20actionplan%20\(E\).pdf](http://www.physicalactivityandnutritionwales.org.uk/Documents/740/Appetite%20for%20life%20actionplan%20(E).pdf).

Welsh Government. (2010). **Food for Wales, Food from Wales 2010|2020.** Retrieved from: <http://www.physicalactivityandnutritionwales.org.uk/Documents/740/Food%20Strategy%202010-2020-eng.pdf>

Welsh Government. (2014). **Towards Sustainable Growth: Action Plan for the Food and Drink Industry 2014-2020**. Retrieved from:

<https://businesswales.gov.wales/foodanddrink/sites/fooddrink/files/Images/Action%20Plan%20-%20English.pdf>

Welsh Government. (2015). **The Value of Welsh Food and Drink, Executive Report**.

Retrieved from:

[https://businesswales.gov.wales/foodanddrink/sites/fooddrink/files/The%20Value%20of%20Welsh%20Food%20and%20Drink%20-%20Executive%20Report\\_ENG.pdf](https://businesswales.gov.wales/foodanddrink/sites/fooddrink/files/The%20Value%20of%20Welsh%20Food%20and%20Drink%20-%20Executive%20Report_ENG.pdf)

WGFD. (2015). **Key Achievements– Food Division**. Unpublished report. Welsh Government Food Division.

# Annex 1: The Food for Wales, Food from Wales 2010:2020

## Vision Statement

A vision of how the industry could look in 2020 following adoption of the direction set out in this Strategy.

In 2020 we can say clearly that over the last ten years we have witnessed a significant improvement in the reputation of, and value attached to Welsh food following the step change in our approach to food policy. Wales is now frequently identified by reference to its high quality, natural and wholesome food. Consumers increasingly look to source these products from a wide selection of outlets. We can see that the planned improvements in the quality and diversity of bulk foods has been achieved – making good healthy food more accessible and desirable for all. In international markets too, food produced here enjoys an increasingly high market share.

These improvements have been achieved through the efforts of farmers, fishermen, food processors, retailers, caterers, health professionals, educators and Government working together towards a shared goal with a clear understanding of what is needed. Government has facilitated the sharing of ideas and best practice to improve uptake of healthy food options. The consultation in 2010 opened up a wider debate which served to make policy more integrated across policy areas outside food production and processing. The decision to create and agree an overarching industry strategy from a wider food ‘system’ position was a key factor in that success. Through this collective effort, food is fully integrated into our thinking and our actions, on issues as diverse as culture, health, inequality, natural and built landscapes, waste, education, transport, energy, and the economy. Food is also embedded into our long-term approach to economic resilience and security.

Consumers are increasingly appreciative of our products, and our producers are far more focussed on their nutrition needs as part of a balanced diet. We have a strong food sector which trades to economic advantage on the global market and continues to add increasingly to the economy of Wales through increased export revenue and employment.

The tourism sector is stronger as a result of the attraction of such an agreeable food experience. Communities are benefiting as they contribute to meeting the need for more food for consumers. Food producers have significantly increased production and are proactive protectors of the environment. There is a clear recognition of the health benefits attached to greater food consciousness on the part of consumers, promoted by both educational and food

procurement initiatives. Food is a central part of education and there is strong evidence that many more people of all ages are attaining qualifications. All those working in the supply chain are benefiting from the enhanced skills sets now at our disposal. The Food Strategy continues to be relevant and flexible to change, taking advantage of the existing evidence base for evaluation and review as well as the genuine and close partnership working that has become central to the delivery of developments as circumstance and policy drivers change.



## Annex 2: List of 48 Actions from Towards Sustainable Growth: An action plan for the Food and Drink Industry 2014-2020

1. The Board which will have a food industry appointed Chairman and the group will:
  - a. (i) Provide leadership and direction to support industry growth.
  - b. (ii) Develop a detailed terms of reference in agreement with Welsh Government.
  - c. (iii) Take ownership of this Action Plan and further develop it appropriately in relation to industry consensus and need.
  - d. (iv) Advise Welsh Government on industry challenges opportunities, and government interventions.
  - e. (v) Advise on and develop knowledge transfer networks to communicate and develop the industry – may be sub-sector based or themed.
  - f. (vi) Periodically report to Welsh Government on its activities and the outputs and outcomes achieved.
2. Welsh Government will further develop the new trade identity building on, Food and Drink Wales/Bwyd a Diod Cymru, through a distinct set of provenance indicators that convey confidence in the qualities and traceability of Welsh Food.
3. Develop a new approach to food industry awards to encompass all Welsh Government's food policy priorities following full consideration of all existing Welsh Government awards to industry and all private sector recognised awards schemes.
4. Develop a skilled and capable workforce through developing key partnerships in the 'skills supply chain' by engagement with Secondary and Higher Education, manufacturing businesses and stakeholders' interests.
5. Address skills gaps across the Food Supply Chain through devising/ revising training and skills programme. The development of food industry competencies will also be taken forward.
6. Create awareness and promote careers in the food supply chain.
7. Support the implementation of the recommendations from the Food & Drink Skills Council produced by the Sector Skills Board.
8. Create innovative, novel approaches and incentives to encourage industry training for SME businesses.
9. Adopt the Knowledge Information Technology Exchange (Kite) approach of industry and academia collaboration where graduates are placed in industry to lead/ support advances in technology and innovation. Extend this to cover a wider range of tailored services,



including process engineering, packaging, marketing and distribution to food and drink businesses in Wales.

10. Encourage more food businesses to prioritise training and continued professional development.
11. Welsh Government will seek to ensure that all opportunities to promote the Welsh language, through food policy generally and trade through the action plan, are explored and taken up where appropriate. This will include opportunities at trade and cultural events.
12. Improve industry baseline data and fill knowledge gaps through commissioning research, purchasing relevant and credible market, industry and consumer data. This will provide insight and fine tune market development strategy and implementation.
13. Welsh Government to prioritise the largest (key) food/drink companies in Wales through key account management and applying anchor company principles.
14. Welsh Government to manage the development of the Small Medium Enterprise (SME) sector on a key sectoral management approach. The sub sectors are meat, dairy, fisheries, bakery, horticulture, poultry/eggs, drinks, animal feed and ready to heat/eat (packaged grocery).
15. Investigate the advantages and disadvantages to all sub sectors from developing a 'Levy Hub' for Wales in relation to using levy money collected from producers and processors to the Welsh food industry's best advantage.
16. Investigate the development of a single access gateway (business hub) for food businesses, via Business Wales, to communicate the business development and support services available. This will also identify the most appropriate service to meet their needs, and enable easy access to that service.
17. Ensure RDP 2014-2020 provides business and processing support schemes that are appropriate to the food sector. This will require close working and integration across all government departments.
18. Ensure that all sources of EU, Welsh Government and other financial support (grants, flexible loans and other) to food businesses is appropriate, coordinated, widely publicised and used to maximum advantage to grow the sector.
19. Extend and enhance the mentoring support to more SMEs and micro food businesses.
20. Support industry innovation through:
  - a. (i) Develop a new knowledge transfer network in the sector in Wales to promote dissemination and uptake of latest technologies.
  - b. (ii) Refine and procure services to provide support to the industry regarding product and process development, packaging, distribution, and waste management.

- c. (iii) Stimulate research where innovation is needed to address industry problems (e.g. management/disposal of contaminated plastic waste and metal based packaging waste).
- 21. Develop an ongoing programme of food chain networking events in Wales to bring together business representatives from the whole of the supply chain.
- 22. Refocus Supply Chain Efficiencies (SCE) provision under new RDP 2014-2020, to ensure more support towards supply chain integration.
- 23. Develop options for a food distribution/ operations plan for food businesses in Wales to overcome the problems and costs faced by small businesses accessing the marketplace.
- 24. Develop strong working links and a regular dialogue with the Wales Retail Consortium (WRC) and the British Retail Consortium (BRC).
- 25. Revise export trade supports to be more focused, pro-active, responsive and offer more flexibility to food businesses in Wales. Maximise the impact of a bold, strong and clear national identity under the Food and Drink Wales Identity banner and collaborate with UK Trade & Industry (UKTI) and DEFRA to maximise the impact of a UK presence at trade events, while retaining our distinctive national identity.
- 26. Provide new opportunities for export growth through:
  - a. (i) More planning and targeting of potential export markets, including the more challenging emerging markets.
  - b. (ii) Close working between Welsh Government, the UK Government and other devolved administrations, to improve collaboration, including to overcome market access issues.
  - c. (iii) Extend the range of methods/channels used in more established export markets.
  - d. (iv) Identify more Welsh businesses with export potential and provide enhanced support, including financial, to develop and extend their capabilities for international trade.
- 27. Work with businesses to fully exploit opportunities for more Protected Food Names (PFNs) for Welsh produce and their export development. Also to actively promote PFN products to customers.
- 28. Foreign Direct Investment (FDI):
  - a. (i) Refine the FDI offer package to encompass all of the advantages Wales has to offer, including a skilled workforce, proximity of raw materials and market, cost effective growth base, R&D support, and enabling government.
  - b. (ii) Using this package as a means to promote Wales as one of the best locations for inward investment, in the UK and internationally, and working closely across

Welsh Government departments, including UK and overseas offices, to encourage greater generation of 'leads' and attract increased rates of inward investment into Wales.

- c. (iii) Ensure aftercare support to inward investments is in place where appropriate, to support further growth and job creation.
29. Ensure adequate availability and access to property for processing of primary products and food manufacturing generally. The provision should include premises for incubation/ starter units, expansion and inward investment which will support new and developing food businesses.
30. Enable public sector market opportunities to be developed for the food industry and in particular SME and micro food businesses.
31. Welsh Government will develop a generic 'local toolkit' to support businesses that wish to target and develop local markets including local retail (direct/indirect), tourism and public sector.
32. Encourage Welsh caterers to use Welsh produce including increased use of logos and emblems (e.g. on menus, advertising). Food and Drink Wales Identity and other supporting identities.
33. Collaborate with sector partners on joint market development and promotional activities.
34. Work with Visit Wales and map out all of the 'tourism' partners that can contribute to the Food Tourism Action Plan.
35. Develop a joint plan of action with Visit Wales to deliver synergistic food and tourism benefits through both Visit Wales Strategy and Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014–2020 – Publish an annual action plan which will include joint marketing, skills development, and collaborative opportunities through partnering established players.
36. Provide grant assistance to a range of business and community led events, tourist attractions, in Wales capable of raising the profile of the Welsh food and drinks industry. Refine the process of identifying the most appropriate support for individual events which recognises the wider initiatives and added value of many events to local economic development, educational activity and market development (e.g. meet the buyer).
37. Establish a Food Policy Group to ensure food policy issues are considered across Welsh Government departments. The group's role would be to achieve improved policy join-up across government where food is a consideration in broader policy development. Linking with Education, Health and Economy/ Science/ Transport will be a priority.
38. The Welsh Government will work closely with food security and food safety stakeholders to achieve holistic approach to sustaining the food production base in Wales and to protect

consumers. The FSA, the Food Fraud Coordination Unit, Local Authorities, and the planned Centre of Excellence for Food Security/Food Safety at Swansea will be key players.

39. Consider the development of a National Food & Nutrition Strategy and/or a Public Health Bill for Wales.
40. Promote healthy eating and drinking in schools through the Healthy Eating in Schools (Wales) Measure 2009 and Healthy Eating in Schools (Nutritional Standards and Requirements) (Wales) Regulations 2013.
41. Consider all opportunities to develop a healthy lifestyle eating culture in schools including the teaching of growing, preparing, cooking, balancing diet and exercise. Continuing FSA engagement with schools in some of Wales' most deprived communities on food safety and standards.
42. Promote healthy eating and drinking in:
  - a. (i) Public sector settings, implementing Welsh Government Guidance for early years settings, leisure centres, youth centres, hospitals and care setting.
  - b. (ii) In workplaces and all catering outlets, including vending machines.
43. Promote and support the improvement of recognised food safety assurances/ accreditations of food and feed businesses to ensure food safety, improve market access which may also reduce the number of compliance inspections.
44. Develop a Welsh Government proposition on Green Growth for business which will promote Wales as the destination for establishing and growing compliant businesses that are environmentally and socially responsible.
45. Improve access and affordability of food for all, providing choices that contribute to a healthy balanced diet, particularly in deprived communities.
46. Welsh Government to promote Wales as a low carbon food production country through ensuring effective signposting and easy access to environmental service providers that work with businesses to improve resource efficiency and reduce their ecological footprint.
47. Further develop the sub-sector roadmaps extending to all the sub-sectors to assist food businesses to reduce their ecological footprint.
48. Develop and promote Corporate Social Responsibility (CSR) for food chain businesses.

# The Public Policy Institute for Wales

The Public Policy Institute for Wales improves policy making and delivery by commissioning and applying independent expert analysis and advice. Funded by the Welsh Government and co-funded by the Economic and Social Research Council, the Institute:

- Works directly with Welsh Ministers, helping them to identify the evidence they need and commissioning policy experts to undertake work on their behalf
- Is part of the What Works network and provides a strong link between the What Works Centres in England and policy makers in Wales
- Is leading a major programme of research on What Works in Tackling Poverty.

For further information, please visit our website at: [ppiw.org.uk/](http://ppiw.org.uk/)

## Author Details:

Terry Marsden is Professor of Environmental Policy and Planning in the School of Geography and Planning, and Director of PLACE, The Sustainable Places University Research Institute at Cardiff University. Terry has been special advisor for the Welsh Government's Sustainable Development and Environment Committees (2012-15), and a member of the Welsh Government's Food, Farming and Countryside Strategy Group (2008). He publishes and researches widely in the fields of food policy, agriculture, rural and sustainable development.

Kevin Morgan is Professor of Governance and Development in the School of Geography and Planning at Cardiff University. He has a keen interest in food and sustainability and has been a member of the Food Ethics Council, the Food and Farming Advisory Panel of the Welsh Government and the Bristol Food Policy Council. He is currently Special Adviser to the EU Commissioner for Regional and Urban Policy

Adrian Morley is a Research Fellow at Manchester Metropolitan University focusing on sustainable food policy. He previously coordinated food research at the Cardiff University Centre for Business Relationships, Accountability, Sustainability and Society and has worked on numerous projects focused on food in Wales.



This report is licensed under the terms of the Open Government Licence



## DRAFT WORKING PAPER

### BREXIT, Wales and AGRI-FOOD: Can we manage Disruptive Governance?

Terry Marsden\*, Tim Lang\*\*, Erik Millstone \*\*\*

## Contents

Introduction .....	3
Meeting the challenges of a post-Brexit policy landscape .....	6
The meaning of Disruptive Governance .....	8
The Disruptive Governance paradox: de-regulation or re-regulation? .....	10
The Wales case in Disruptive Governance .....	12
So, what should Wales be doing in the context of Disruptive Governance?.....	16
A Farming-Plus approach .....	16
Funding sources and means.....	17
Systems of devolved allocation: taking control .....	17
Systems of targeting and delivery.....	17
A Farming for the future: creating and producing for the public <i>and</i> the market .....	18
‘Brexit and our Land: securing the future of Welsh Farming’ : re-framing the case for Wales? .....	18
Meeting the challenge: Integrating Welsh farming for ecology, food, health and rural development	21
Conclusions: managing the Brexit transition and coping with disruptive governance .....	23

\* Terry Marsden is Director of the Sustainable Places Research Institute, Cardiff University, and A Fellow of the Learned Society of Wales (FLSW) e: [marsdentk@Cardiff.ac.uk](mailto:marsdentk@Cardiff.ac.uk)

\*\* Tim Lang is Professor of Food Policy, Centre for Food Policy, City, University of London e: [t.lang@city.ac.uk](mailto:t.lang@city.ac.uk)

\*\*\* Erik Millstone is Emeritus Professor of Science Policy, Science Policy Research Unit, University of Sussex e: [e.p.millstone@sussex.ac.uk](mailto:e.p.millstone@sussex.ac.uk)

## Summary

This paper explores the impact of Brexit on several significant aspects of the UK's food governance. It focusses, in particular, on Wales's agri-food and rural sector and argues that both possibilities and powers are being dramatically disrupted. Far from providing Wales with an opportunity to 'take back control', Brexit heralds a concentration of power in Whitehall.

The paper argues that we are witnessing the impact of an unfamiliar type of 'Disruptive Governance'. We are not arguing that there have been no previous historical occasions when radical governance disruptions occurred, but we are highlighting the relative novelty in the current circumstances— not seen in the UK since the end of the Second World War. Sometimes it seems as if the disrupters sought change as an end in itself. But we maintain that almost always those actively trying radically to disrupt governance regimes are doing so as a means to achieve a particular preferred outcome. Moreover, the plausibility of, and support for, narratives favouring disruptions depend in part on tactically concealing their intended outcome. While a few Brexiteers are explicit about their neo-liberal passions, and their aspirations to ignite bonfires of 'burdensome red tape and regulations', too many others provide little or no clarity about their aspirations post-Brexit. It is one thing to say: 'we will take back control', but another to explain who will be in control, or what the changed rules will be. The failure of the so-called European Research Group (or ERG) of radical Parliamentary Brexiteers to provide an alternative plan to that advocated by the Prime Minister demonstrated that they either had no plan, or had at least as many plans as the ERG has members. While other EU countries, eg Germany, have strong and consistent regimes of sub-national governance, the UK has established three devolved administrations; no two of which have the same powers. Ironically, London's economic and political powers are dominant, while the English regions are under-resourced even to exercise the few powers allocated to them.

We argue here that this process of *Disruptive Governance* is having serious adverse impacts on the agri-food sector, and the impacts in Wales are in several important respects distinct from those elsewhere in the UK. Brexit could well aggravate the vulnerabilities on what is already a highly unsustainable sector. For both UK consumers and the agri-food sector, and our EU agri-food trading partners, this *Disruptive Governance* is alarming enough. For Wales, the limitations on its powers and institutional capacities to adapt are being laid bare by the de-stabilising consequences of Westminster's chaos.

This paper argues that a paradox lies at the core of the idea this particular and new variant of *Disruptive Governance* that is afflicting the UK. On the one hand, there is an influential political narrative about taking back control, while the reality is that UK institutions are being weakened, in part because of short-termism and uncertainty. On the other hand, the weak and unstable fluidity actually opens up possibilities for radically changing the agri-food system in a direction towards a system that could provide substantially enhanced food security, and a system that would improve environmental and socio-economic sustainability, providing a food supply that is sufficient, safe, nutritious and equitable. Long before the Brexit referendum, it was clear that the UK food system cried out for radical change – to tackle climate change, biodiversity loss, massive diet-related ill health costs, and more. **The paper therefore discusses why the development of, or commitment to, such a rational and integrated agri-food policy for a post Brexit UK has not been on the agenda, and is so difficult to progress.**

Wales' position in the multi-level governance that has been slowly developed over the last half century is being disrupted. A new UK-wide and divisive process of governance re-settlement is underway. The multi-level settlement, in which a pattern of weak regions wanting more powers

from a strong centralised UK government, obtained support from being part of a federated EU. The EU counter-balanced its centralisation and harmonisation with its own regional policy, but Brexit disrupts that regime. The EU 'siphon' of support, which came to poorer UK regions, was strongly supported in the Referendum in Scotland and Northern Ireland but not Wales which voted to leave the EU, though by autumn 2018 signs of regret were evident. Since the Referendum, Wales has been negotiating with the UK government for increased powers, while Scotland also wants greater autonomy, but is also playing a grander policy game of seeking a special status for Scotland by remaining in the Customs Union and Single Market.

The paper concludes that in this context of disruption, the Wales Assembly Government should argue more forcefully and indeed insist on stronger two- and four-way channels of communication and coordination, to enhance Welsh autonomy, without disrupting the interdependencies between the agricultural and food systems of the four nations on which the UK is composed. Brexit is a profound challenge to Wales, yet it ought also to be an opportunity; the question is: can and will Wales re-design its agri-food, regional and rural development policy for the public good?

## Introduction

This paper addresses an issue barely discussed in the UK debates about Brexit – namely how does and will it affect Wales? The impact on Wales was raised in an earlier paper for the Food Research Collaboration, as part of a concern about an English-dominated political vote changing the status of the UK's devolved administrations – Scotland, Wales and Northern Ireland.<sup>1</sup> While in 2016 Scotland and N Ireland voted strongly to remain in the EU, Wales was more ambivalent, although by late 2018 voting preferences had shifted towards remain.

As the temperature of Brexit politics rose, Northern Ireland came to dominate the Brexit discourse in relation to the UK's devolved administrations. The EU, more than the UK, has been adamant that the provisions of the Good Friday / Belfast Agreement should not be breached. In no way denying the importance of that priority, the present paper addresses the significance of Brexit for Wales.

This paper argues that Brexit is a massive and potentially long-running experiment in what we call '**Disruptive Governance**'. This concept is used to recognise that some political activists, mostly but not all on the neo-liberal Right, see disruption as a desirable and positive thing. They did not like or accept the political settlement that had emerged within, and beyond, the UK over recent decades. From their perspective, disruption is a necessary step towards the UK becoming a more autonomous and powerful nation state. Brexiteers might thus want to characterise their movement as one that will achieve 'creative destruction'; though when in 1942 the economist Schumpeter introduced that term he was highlighting capitalism's unremitting technological dynamism as a driving force for global economic evolution, not referring to the political status of individual national states.<sup>2</sup> As we shall see, however, the implications of Brexit for the agri-food system in Wales are far more destructive than creative; and the implications for the rest of the UK are similarly problematic.

With a formal Brexit not yet in place but the March 29 2019 deadline fast approaching, this paper argues that Brexit is already disruptive. The food system's just-in-time logistics, which delivers food at short notice, with minimal storage, are underpinned by long-term plans and investments in land, farms and down-stream food processing and retail. Throughout the food system, Brexit-shaped decisions are already being taken, both because of and in spite of the uncertainties. Investments are

---

<sup>1</sup> Lang T, E Millstone & T Marsden (2017). A Food Brexit: time to get real – A Brexit Briefing. Brighton: SPRU, University of Sussex, Cardiff University and City University of London. July

<sup>2</sup> Schumpeter J (1942) Capitalism, Socialism and Democracy. London: Routledge



variously being relocated or delayed. Currencies are recalibrated, making food imports more expensive. Workers essential to the UK food system are moving back to mainland Europe. Some crops have not been picked. A new pattern of active, messy, contradictory Disruptive Management has emerged. And the impact on Wales' food and farming system has barely featured politically east of the Rivers Severn, Wye and Dee. Yet in Wales, the impact is immense.

---

Box1

## **Wales agri: food some key facts and flows: the anatomy of vulnerability**

### **1. People<sup>3</sup>**

**Total farmers: 39, 903 (2016)<sup>4</sup>**

**Full time: 18 564**

**Part-time 21,339**

**Total number of workers: 12,000 (2017)**

**Full time workers: 4000 (2016)**

**1038 Vets in Wales 25% EU nationals.**

**Farms: Large number of farms with low turnover: 21,200 farms (86%) produce 29% of agricultural output but use 57% of farmed land.**

**There are 500 farms with a high turnover that contribute 33% of output but only use 8% of the farmed area.**

**78% of farm land is classified as 'disadvantaged'**

**Total income from farming per hectare: England £331, Scotland £116, Northern Ireland £246, Wales £ 102.<sup>5</sup>**

### **2. Products**

**Sheep and lambs 10.0million (2017)**

**Cattle and calves 1.1million (2017)**

**180,000 Farmed hectares (excluding common land)**

**64% permanent grassland**

**15% Rough grazing**

**Arable 5%**

**Fisheries lands 25,300 tonnes of seafish per year worth £38.8 million, 851 employed**

**Other grassland 9%**

---

<sup>3</sup> The Farm Business Survey in Wales 2016/17.

<sup>4</sup>Welsh Agricultural Statistics, 2017. Welsh Government.

<sup>5</sup> Brexit and our Land: securing the future of Welsh farming (2018) Welsh Government.

**Land down to Horticulture: 0.1%**

**Other land 7%.**

**306,000 hectares of forest: 49% broadleaf: 51% commercial conifers (15% Of land area.) 2000 jobs.**

#### **4.Flows<sup>6</sup>**

**96% of sheep meat exports to EU27: a third of Welsh lamb 63,000 tonnes of sheep meat per year**

**47700 tonnes of beef produced a year some exports to EU (15-17 %) some 90% of beef exports to EU. Republic of Ireland represents 70 % of imports to UK (including Wales).**

**1.8 billion litres of Milk per year from 1700 dairy farms (50% processed in Wales, mainly for cheese) 50% of milk is exported to UK.(some EU)**

**There are only 389 (1%) horticultural farms in Wales; 54% vegetables, 43% orchards.**

**Tourism accounts annually for £2,870 million creating over 100,000 jobs**

**Agriculture generated £385 million.**

**Food and drink supply chain employs 240,000 people in 2016 in 27,575 business units, turnover 91.1 billion, GVA of 4.5 billion.**

**Rising food exports from Wales: 113% growth in value between 1999-2013, mainly (90%) to EU.**

**18% of all employment in food, 22% of all business units.**

**85% of food businesses are micro**

**, employing fewer than 10 people.<sup>7</sup>**

**15 Welsh products have EUPGI status.**

#### **4.Funding**

**Wales receives £760 million per annum from the EU<sup>8</sup>.**

**The annual overall 'Barnett' Welsh budget is £15.5 billion; 6 billion goes on health<sup>9</sup>**

**EU funding (for agriculture and regional development) is less than 10% of Welsh health budget.**

**Wales receives more per capita for these funding mechanisms than English regions**

**Support payments for agriculture (pillar 1 and 2) is the largest amount in Wales of EU funding amounting to 2.8 billion between 2014 and 2020.**

**Welsh government also 'match funds' EU funds (50% East Wales, 32.6 % Rural Development (Pillar 2) and 30.9% West Wales and the Valleys.**

---

<sup>6</sup> See Summary of EU Exit Scenario Planning Workshops. Welsh Government

<sup>7</sup> Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014-2020. Welsh Government.

<sup>8</sup> National Assembly Finance committee report: replacing EU funding for Wales. September, 2018.

<sup>9</sup> Bell, D (2018) Evidence for the Finance Committee of the National Assembly of Wales. June 2018.

**The average Welsh(dairy) farmer receives £32,300 per annum and each sheep farmer an average of £19.3thousand per annum.**

-----End of Box-----

The paper discusses the key food, farming and rural perspectives and vulnerabilities emerging from debates in the Wales Assembly Government, exploring whether these can adequately respond to the scale of Brexit-induced disruption. And we consider how developments in Wales exemplify the wider disruptions of the UK's devolved administrations.

In Box 1, some key summary statistics of the extant vulnerability of the Welsh Agri-food sector are provided, under the headings of people, products, flows and funding. In rural Wales, and in the upland areas of Scotland and Northern England, **the onset of Brexit significantly disrupts ALL four of those spheres in interconnected and potentially negative feedback linked ways.** Farms and farming families are likely to continue to go out of business; uncertainty over subsidies and blockages in markets (especially for red meat and fisheries) are likely both to constrain existing modes of production as well as the transitions needed to more sustainably agro-ecological farming practices. Welsh farmers are highly dependent on complex interconnected markets, not only with continental EU countries but also with Ireland, and Brexit could well disrupt those connections, and territorial quality standards (such as Protected Area status Welsh Beef and Lamb) challenged and potentially devalued. The future of funding mechanisms, not just for agriculture, but also for regional and rural development, are unpredictable. Welsh agri-food businesses are highly integrated with English processors and markets. Despite significant proportions of EU rural and regional development funding being invested in Welsh food businesses, there are real dangers of further spatial concentration of the processing and retailing sectors, as the 'friction of distance' becomes greater.<sup>10</sup> If processors relocate away from Wales, there is a risk that Welsh farmers would become uncompetitive, as sources of raw materials. These multiple and interconnected vulnerabilities are not of course peculiar to Wales alone. Similar challenges afflict much of Northern and Western England and most of Scotland.

### **Meeting the challenges of a post-Brexit policy landscape**

The Food Research Collaboration's (FRC) series of Food Brexit briefing papers have been challenging the UK Government to release the facts and evidence about the consequences of Brexit to the public, to consumers and producers. 18 months after the Referendum, this began to emerge, albeit under duress from the cross-party House of Commons Committee on Exiting the EU. On 21 December 2017, that Committee published 39 sector reports.<sup>11</sup> One was on agriculture, animal health and food and drink.<sup>12</sup> In January 2018, there was a cross-Whitehall briefing.<sup>13</sup> Those initial sector impact statements were vague and slight. The Agri-Food document just summarised the state of the UK food system, failing to spell out how any variants of Brexit might affect it; it was not an impact statement at all. Then, seemingly stung into action by the rising prospect of a no-deal Brexit

---

<sup>10</sup>See Prosperity for All: economic action plan. Welsh Government (2017). And Welsh Food Action Plan 2014-2020 op cit.

<sup>11</sup>Committee on Exiting the EU (2017). Department for Exiting the EU Sectoral Analyses Inquiry. London: House of Commons. <https://www.parliament.uk/business/committees/committees-a-z/commons-select/exiting-the-european-union-committee/inquiries/parliament-2017/department-sectoral-analyses-17-19/publications/>

<sup>12</sup> HM Government (2017). Agriculture, Animal Health, and Food and Drink Manufacturing (including Catering, Retail and Wholesale) Sector Report. London: House of Commons Exiting the EU Committee, December.

<https://www.parliament.uk/documents/commons-committees/Exiting-the-European-Union/17-19/Sectoral%20Analyses/2-Sectoral-Analyses-Agriculture-Report.pdf>

<sup>13</sup>Committee on Exiting the EU (2018). EU Exit Analysis: Cross Whitehall Briefing. London: House of Parliament Committee on Exiting the EU, March.

(which some in the Government party actively want but few others do), a series of Guidance Notes began to emerge in August 2018.<sup>14</sup> The choice of topics was strange, seemingly randomly chosen pin-points of light in a darkened policy space, but ones which did little to clarify what might happen to the UK's food sector. The public was left almost wholly in the dark.

In February 2018 England's Department for Environment, Food and Rural Affairs (Defra) produced a Consultation Paper optimistically titled 'Health and Harmony', which did not mention food or human health at all.<sup>15</sup> Defra then produced in September 2018 an Agriculture Bill,<sup>16</sup> which barely mentioned food, did say useful things about fair financial distribution across the food chain, but mostly promised limited ecosystems sensitive land management, and prepared for tapering subsidies two years after Brexit.

What was Wales to do in the face of these disjointed policies? One option, was to challenge the simplistic narrative that 'Brexit means Brexit'. Wales' political classes are acutely aware that Brexit is nothing less than a total restructuring of the UK's relationship with its neighbours, i.e. far more than the simplification implied by the tautological mantra. For food, this is immensely important, as the FRC Food Brexit briefing papers have shown. Far too little attention is being paid to the domestic (both UK wide and its devolved regions) post-Brexit food policy landscape; both in terms of opportunities and the considerable threats.

What is clear is that, in the key UK 'Europeanised' policy areas of environment, agri-food and trade, there will be a urgent need in Westminster and the devolved regions to develop new institutional capabilities and to implement new policies. Deals are being mooted by Westminster politicians with the USA, the former colonies, almost anywhere except Wales or Scotland. Yet clarity is urgently needed about new trans-boundary and UK cross-border co-operation for the devolved regions of the UK as well as for the very divided and unequal English regions. Surely, if Brexiteers were serious about allowing people to 'take back control', they would be proposing enhanced devolved powers and consulting on their proposals.

Such a prospect sits rather uncomfortably, of course, with the aspirations of some of the most enthusiastic Brexiteers, who advocate leaving the EU as a step towards dismantling regulations, which they portray as burdensome, to liberate entrepreneurship, commerce and trade. This is why the issues FRC's Brexit briefing papers have raised concerns about the risk from Brexit to UK food security, including the threat of declining standards, reduced access to decent diets, lack of affordability, and diminished animal welfare<sup>17</sup>— have resonated with the British public and media. The UK public did not vote for a 'race to the bottom' in trading and food standards; nor continued declines in rural and farm businesses; nor reductions in environmental protection. A socially just, and environment-protecting Brexit would necessitate smarter re-regulation not de-regulation. A rural Wales, which currently relies on animal exports to the EU, needs to know whether the promises from London to maintain high standards will really be sustained, when faced by demands

---

<sup>14</sup> HM Government (2018). How to prepare if the UK leaves the EU with no deal: Guidance on how to prepare for Brexit if there's no deal. London: HM Government <https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>

<sup>15</sup> Defra (2018). Health and Harmony: the future for food, farming and the environment in a Green Brexit. Cm 9577 London; Department for Environment, Food and Rural Affairs.

<sup>16</sup> HM Government (2018). Agriculture Bill 2017-2019 London: Dept for Environment, Food and Rural Affairs. <https://services.parliament.uk/bills/2017-19/agriculture.html> [accessed September 12 2018]

<sup>17</sup> see the FRC Briefing Papers on [www.foodresearch.org.uk](http://www.foodresearch.org.uk); also the overview provided in Lang T, E Millstone & T Marsden (2017). *A Food Brexit: time to get real – A Brexit Briefing*. Brighton: SPRU, University of Sussex, Cardiff University and City University of London. July

from the US Secretary of State for Commerce, Wilbur Ross, that the UK must break with the EU's high food and environment standards.<sup>18</sup>

Michael Gove, English Secretary of State at Defra, and even Liam Fox, Secretary of State for Trade have said that prevailing standards will not be weakened. Yet noticeably there are no such statutory assurance in the current draft of the Agriculture Bill that is being scrutinised in Parliament. George Eustace, Farming Minister, indeed rejected a call by the Parliamentary Select Committee for Environment, Food and Rural Affairs (EFRA) for inserting legal protection of food production standards in trade deals as part of the Bill. He argued: 'Our view is (this) type of measure would probably not be right, because it is sometimes possible to recognise equivalence and our standards do not have to be identical in drafting regulations'.<sup>19</sup> Cynical observers wonder if US trade power will trump a weakened UK outside the EU, desperate for trade deals. And it will remain to be seen if devolved authorities have any powers at all in future trade agreements, or in agreeing terms and conditions of trade.

### The meaning of Disruptive Governance

These challenges for Wales' agri-food sector are currently far from being resolved or even adequately debated. It is as though few can believe the damage or uncertainty or frustration (one chooses which it is, according to political predilection) that might follow. Rational policy options and developments (whether dealing with future trading, food and rural development policy) are being neglected in the febrile atmosphere of what we term '*Disruptive Governance*'.<sup>20</sup>

Disruptive governance is often advocated as if it were an end in itself. That is however almost always as mis-representation; except in relation to a handful of anarchists. Most frequently disruptive governance is intentionally pursued, with the aim of shifting the governance system to a radically different type of future, and in the context of Brexit, the hoped-for future is a radically neo-liberal one, with entrepreneurs unencumbered for example by EU regulatory restrictions, so that they can enjoy a regime allowing for the free movement of resources, goods, capital and services, but not labour. Another, not entirely distinct, variant of disruptive governance is a decidedly nationalistic, rather than globalist, perspective that insists of rules and regulations, just as long as they serve particular national, or at any rate nationalist, agendas. These aspirations are, of course, not confined to the UK or Brexit. It can be seen in varied forms in North America, with the election of Donald Trump. re-writing of NAFTA trade arrangements, the abolition of US environmental protections, and in Latin America with fiscal austerity and the corporatisation of government, not least agri-business, for example in Argentina and Brazil. Those disruption are leading to higher levels of food insecurity for consumers, and greater vulnerability for farming families.<sup>21</sup>

---

<sup>18</sup> Gordon S (2017). Wilbur Ross outlines US terms for post-Brexit trade deal, Financial Times, November 6. <https://www.ft.com/content/92ad2ee0-c309-11e7-a1d2-6786f39ef675>

<sup>19</sup> George Eustace, Farming Minister, EFRA Committee, December 5th, 2018

<sup>20</sup> It is important to point out that this concept is by no means restricted and indeed applicable well beyond the UK Brexit conditions. Most notably and built upon a rise of populist nationalism we can see wider geo-political variants of this disruptive governance in the ensuing NAFTA reorganisation of trade in North America; G20 resolutions on significantly reforming WTO and its rule-making powers; US-China trade re-organisation and disputes, and EU-Russian trade embargoes and especially Ukrainian relations. In this sense there are wider and multiple-layered levels of disruption to which a Brexit UK (and Wales) will be further exposed, post March 2019, whatever the actual shape of the Brexit 'deal'.

<sup>21</sup> For an analysis of this wider perspective, See Marsden, T.K, Moragas Faus, A and Sonnino, R (2018) Journal of Agrarian Change.

Given the historical centrality for the EU of the agri-food sector, which accounts for around 40% of all EU-wide expenditure and legislation, Brexit is hugely important to farmers and urban consumers and the entire UK food sector. In Wales, this is particularly so (see Box1). Should a food company stockpile? Yes or no? Should one invest, or delay, or re-locate? While farmers might continue their daily and annual practices, hoping (and/or praying) for the best; off the land the questions are more urgent and immediate. Labour flows, not just capital, have become uncertain. The Seasonal Agricultural Workers Scheme (SAWS) was ended by the UK government in 2014, maybe only to return for just two years from March 2019, and then only for 2,500 workers when the past SAWS recruited tens of thousands.<sup>22</sup> No wonder some horticulture firms are relocating their production to West Africa. This new Disruptive Governance exposes the extent to which UK agri-food system has been ordered by the EC/EU wide regime during the last half century. Europe provided a combination of agreed measures to stabilise agricultural markets, and establish practices that are all now being disrupted. This has affected, of course on markets, as well as institutions and their regulatory practices. As we argued elsewhere, to disrupt Just-In-Time (JIT) food supply chains is folly. Yet, at present, the systems stumble on, threatened by growing uncertainties. The new order is disorder; and it seriously affects future markets, investment and economic outcomes.

Critics have already commented that there is little clarity from the government about the way forward for the UK food system. The Guidance Notes on food only began to be published in late summer 2018.<sup>23</sup> The government has no Food Plan or Strategy, just a dawning recognition of the prospect of accelerating disruption with many unintended consequences and an inability to control anything. Rising concern from one corner is countered by 'it will be alright eventually' or 'they'll sort it' from another corner. These fissures rather than attempts to find a common good and ground have become the *leitmotiv* of both governance and policy.

For example, when the Food Research Collaboration published its *Feeding Britain* report in July 2018, drawing on the Government's own figures on UK reliance on food supplies from other EU Member States, its concerns were dismissed by Defra; then just 48 hours later, another Secretary of State admitted there was contingency planning underway, and a few weeks later, the astonishing leak that the Transport Secretary of State was planning to hire a flotilla of ships to bring in food supplies!<sup>24,25</sup> This in the 6<sup>th</sup> richest economy on the planet. No wonder food industries are alarmed. Disruptive Governance is underway, actively attempting to shatter the prevailing regulatory structures and processes, in the belief that eventually this will create wider opportunities for creative actions. But if that were to occur, it would only be for the few, not the many.

Disruptive Governance is thus a deliberate political strategy, the eventual goal of which is not always acknowledged by its advocates. The governance arrangements that have been in place in recent years are increasingly portrayed by enthusiasts for disrupting those arrangements as if they were outdated and illegitimate.<sup>26</sup> Old fashioned political narratives focussing on the primacy of nation states, the benefits of liberalised markets, and the burdens of regulatory 'red tape' are emerging in

---

<sup>22</sup>Defra& Home Office (2018). 'New pilot scheme to bring 2,500 seasonal workers to UK farms' London: Department for Environment, Food and Rural Affairs and Home Office

<https://www.gov.uk/government/news/new-pilot-scheme-to-bring-2500-seasonal-workers-to-uk-farms>

<sup>23</sup> HM Government (2018). How to prepare if the UK leaves the EU with no deal: Guidance on how to prepare for Brexit if there's no deal. London: HM Government <https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>

<sup>24</sup>Parker G, J Blitz (2018) 'UK readies flotilla plan for supplies in no-deal Brexit', *Financial Times*, October 24, p1

<sup>25</sup> Blitz J (2018) 'Why Chris Grayling's flotilla plan will sink', *Financial Times Daily Brexit Briefing*, October 1, [www.ft.com](http://www.ft.com)

<sup>26</sup>Marsden, T.K, Hebinck, P and Mathias, E (in press). Re-building food systems: embedding assemblages, infrastructures and reflexive governance for food systems transformation in Europe. *Journal of Food Security*

the rhetoric of ‘taking back control’; but without being explicit about what is to be controlled, how or by whom? In this context agri-food is being collaterally embroiled in a new politics- a politics which sits between rationalist and clearly worked through evidence-based perspectives on the one hand and populist ideological promotions on the other.<sup>27</sup> The former proposes more integrated and systems thinking about food security, the latter promotes more fragmentation and disruption which would seriously compromise food security in the UK.<sup>28</sup>

For Wales, a small country with limited powers, the Brexit crisis disrupts the established ways in which it can operate within the *multi-level* governance frameworks which apply in the UK and the EU.<sup>29</sup> In Disruptive Governance, the political and territorial tectonic plates perturb their locations and what can be done at different governance levels, from the local to the global. A decade from the financial, food and fuel crises of 2007-8, and while enduring financial austerity, Disruptive Governance is further destabilising weakened regimes.

The UK’s legislative approach to leaving the EU legislation ostensibly just rolls over EU rules into UK laws, but there is no clarity on how they will be interpreted or implemented. In July 2017 Lang et al explained that there are dozens of links with food-related institutions and regulatory frameworks that will be disrupted if and when the UK leaves the Single Market and Customs Union.<sup>30</sup> Ministers might profess commitments to high standards, but the UK’s compliance will no longer be monitored by the European Environment Agency, and devolved administration will receive no European Regional Funds to help finance them. The UK will no longer have access to EU-wide research networks to provide relevant data, nor support from the European Food Safety Authority, but also little or no bargaining power in trade negotiations or at international forums.

### **The Disruptive Governance paradox: de-regulation or re-regulation?**

Amidst these multiple disruptions and discontinuities, we also detect a *new Disruptive Governance paradox*: hope amidst the turmoil. On the one hand, the UK is creating uncertainty as a new norm, and nobody knows for how long it will last. Uncertainties are unavoidable when Ministers protest they are committed to retaining ‘high’ food standards, while beginning trying to pre-negotiate trade deals with countries, such as the USA, which have lower food standards. On the other hand, severance from the EU could offer new opportunities to all, or parts, of the UK to forge a radically better direction for our agri-food systems. Simultaneously, farmer and environmental interests argue for new subsidy and support-payment systems, and food consumer groups and some trade unions, are pressing for higher welfare and food quality standards. In the agri-food system therefore, **Disruptive governance may indeed unleash significant public counterforces which eventually undermines its plausibility.** This is a paradox of disruptive governance; **it could lead to the very**

---

<sup>27</sup> There is clearly a strong and scientifically sound set of arguments developed by many agri-food experts (not least embodied in the FRC series of Brexit Briefing papers for adopting a normative systems perspective for food, based upon a wealth of knowledge, and indeed linked to wider sustainability, and UN Sustainable Development Goals. The point is that disruptive governance needs to at least side-step, marginalise, fragment this science, very much as fossil energy supporters challenge and attack recent IPCC climate change evidence. This is, as history shows most recently with EXXON and earlier strategies in the Tobacco industry, a political strategy which attempts to question the status of overwhelming scientific evidence. This is another critical element of disruptive governance- to diminish public science.

<sup>28</sup> See for instance : ‘ Our Common Ground’ Report of the Food , Farming and Countryside Commission from the Royal Society of Arts (Oct 2018) as one of many reasoned accounts of food system integrated thinking.

<sup>29</sup> Sjoblom, S et al, (eds) (2012) Sustainability and Short-term Policies: improving governance in spatial policy interventions. Ashgate, UK.

<sup>30</sup> Lang T, E Millstone & T Marsden (2017). A Food Brexit: time to get real – A Brexit Briefing. Brighton: SPRU, University of Sussex, Cardiff University and City University of London. July

**opposite effects to those originally intended: more public and institutional regulation rather than less, as food producers and consumers recognise the harm that such disruption will cause.**

For years, evidence has emerged from civil society, academia and progressive agri-food sectors that radical change is needed in how the British are fed, and well as in official reports.<sup>31</sup> The scale of changes needed is considerable. If the recent IPCC warning was taken seriously, the government and the food industry would recognise that there are just 12 years to contain average temperature rises to within 1.5 degrees centigrade.<sup>32</sup> Given that Wales is a major animal and dairy producer, and that livestock farming is a major contributor to greenhouse gas emissions, Wales ought to be helped to change. Across all of the UK, from the scandal of food banks to the food system's adverse impacts on the environment and public health, the scale of changes now needed is considerable.

**A Great Food Transformation is needed**, on a par with what was accomplished in the post Second World War period of reconstruction. Now, the redesign should focus on, for example, lowering carbon dioxide and other greenhouse gas emissions, while diminishing dietary inequalities and health outcomes; substantially increasing consumption of fruit and vegetables, while producing more at home; shortening food supply chains where possible; shifting more of the £204 billion UK consumers spend annually on food and drink to primary producers under a 'fair returns' policy, rather than subsidising farmers; encouraging young people into decently-remunerated employment on the land. But no such vision has yet emerged from any of the three main Westminster political parties.

If Brexit was really about UK citizens 'taking back control', policy would be directed towards enhanced food security, in the sense of a system that more reliably provide a food supply that was sufficient, sustainable, safe, nutritious and equitable, but that is not the preferred direction of the most enthusiastic pro-Brexit disrupters. The signals from Defra's Agriculture Bill are weak and disturbing. It barely mentions health or devolution or indeed food. An Environment Bill is promised but unlikely to surface until well into 2019.<sup>33</sup> Creating 'hollow' statutory bills and Acts, seems to be a political tactic of disruptive governance, and it needs to be challenged in the wider public and consumer interest, for it will encourage wider political and ministerial latitude in a post- Brexit and transitional landscape.

In relation to food, the rhetoric of Brexit is laid bare. Food, like ecosystems services, cross borders; so 'taking back national control' is a recipe for detachment. If the UK chooses to set its own rules, it can do so, but that would disrupt the international trading on which our system relies. The UK could import any foodstuffs that satisfied our rules, but the UK is only able to export foodstuffs that satisfy the importers rules. The UK has to be a rule-taker, not a rule-maker; the only questions is which rules and whose rules? Those of the EU, the USA or the WTO; there are no other realistic options. The UK's food problems cannot be solved by parochial action. Even the EU needs to negotiate with other jurisdictions. Birds which winter on the farmland or shores of Wales often come from Scandinavia. Those which summer in Wales may have flown from southern Africa or further. Biological isolation is entirely unrealistic; avian flu for example readily crosses borders and even oceans. The cultural messages that entice people to eat junk foods and unhealthy diets are bought by giant corporations, not by the EU. Without the EU, Wales' capacity to transform its obesogenic environment will be weakened, and the same is true for all parts of the UK.

---

<sup>31</sup> Eg *Food Matters*, 2008; *The Global Future of Food & Farming*, 2011

<sup>32</sup> IPCC (2018) Global Warming of 1.5°C, an IPCC special report Summary for Policymakers of IPCC Special Report on Global Warming of 1.5°C approved by governments. October 8. Geneva: Intergovernmental Panel on Climate Change.  
[http://www.ipcc.ch/pdf/session48/pr\\_181008\\_P48\\_spm\\_en.pdf](http://www.ipcc.ch/pdf/session48/pr_181008_P48_spm_en.pdf)

<sup>33</sup> Environmental Protections and the EU Bill. May 2018, Department of Exiting the EU, Factsheet 8: Environmental Principles. UK Government.



## The Wales case in Disruptive Governance

Wales' options will be diminished by Brexit; and Wales now knows it. Pending being offered an opportunity to vote on any final deal, Wales must make the best of it. But it is unlikely to be able to do so, unless a new type of order replaces Disruptive Governance. Plans and structures are urgently needed. The current machinery for co-ordinating policy and practice across the UK and especially between the devolved governments (such as the Joint Ministerial Committees) is 'not fit for purpose'.<sup>34</sup>

One might have hoped that Whitehall would by now have developed new bespoke co-ordinating structures and frameworks, which are transparent and accountable to both legislatures and citizens. That has not happened. There is a distinct lack of trust between the devolved authorities and Westminster, and reduced levels of communication between different executives. It is difficult to avoid the conclusion that Brexit is fuelling constitutional fragmentation just when the UK ought to be displaying the pragmatic, clear and integrated thinking for which it is used to be celebrated.<sup>35</sup>

UK public sector funding has been far the largest provider of resources enabling the devolved administration in Wales over the 20 years since it was established. Levels of funding have been governed by the so-called 'Barnett formula'.<sup>36</sup> Rural policies have also relied heavily on ring-fenced EU funding associated with Regional Development ('Convergence funding') and Common Agricultural Policy (CAP) programmes.

Those programmes (representing something like annually 6% of all public funding in Wales) were based upon a 'needs-based' set of priorities built by reference to the EU's goal of reducing regional economic disparities. It has been used to build regional capacities and support farming families to deliver a combination of public and market goods. They have provided important ring-fenced EU funding for Wales in its first, relatively stable, first 20 years of devolution.

Wales' first decade of devolved powers occurred under Labour governments and the second decade has mostly been under Conservative-dominated coalitions in Westminster. Yet across those apparent politically different government periods, there was a general consensus between EU, Westminster and Cardiff governments that the distinctive features of Wales' post-industrial and post-productivist landscape and economy was in need of considerable state investment. That consensus is now being undermined by Brexit. Future commitments to the goal of attempting to reduce regional economic disparities in the UK is increasingly uncertain.

Let us pause to consider if there really is a rupture.

---

<sup>34</sup>Burns, C et al (2018) Environmental Policy in a devolved United Kingdom: challenges and opportunities after Brexit. ESRC Briefing Paper, October 2018.

<sup>35</sup>See Cowell, R et al (2018) Wales: Challenges and opportunities for post-Brexit environmental governance.

<sup>36</sup> The Barnett formula allocates UK government funding to the devolved regions as a block grant. The annual Welsh budget for 2018-9 was £15.5. billion. This is allocated with respect to population and some assessment of needs. It is largely upto the Welsh Government how it allocates its block grant. EU funding alternatively, for both regional development and agriculture is a ring fenced component. Because these are allocated on a needs basis as disadvantaged regions, and because Wales has qualified as the most disadvantaged region in the UK for these funds it has historically received higher proportions of these funds (see box1). Measured on a per capita basis, for instance, structural regional development funds have been more than double those of any other part of the UK. Again with agricultural EU funding, given Wales' Less favoured Area status it has received higher proportions of these funds as subsidies (see Box 1). Once these preferential allocation systems for Wales come to an end with Brexit, a key question is how the UK government will allocate public funds.

Many, on the intellectual left in Wales were taken aback by the overall UK Referendum result in June 2016. The Welsh electorate, unlike its Northern Irish and Scottish counterparts, also mirrored England and voted for majority leave. 52.5% of Wales voted to leave, compared to 53.8% in England, 44.2 % in Northern Ireland and only 38% in Scotland. Ironically it was the post-industrial valleys and the large and dispersed rural areas which had been both the major recipients of EU investments over the past 20 years. Like Cornwall, the largest UK recipient of EU funds, Wales apparently voted to bite the hand which had been helping to feed it. In fact, EU funds were more like compensation payments than core funding for Wales. The resources often came from EU regional funds, set up to act as counterweight to the centralisation and concentration trends unleashed by the completion of the Single Market, first championed and later denounced by Mrs Thatcher. Uncomfortably for the dominant Welsh Labour administration, which was and is strongly pro-Remain, it is difficult to deny that this was a major act of collective devolved 'self-harm' by the poorest and most vulnerable Welsh communities. But, as other analysts have argued, the Referendum coalesced many sentiments – deserved and undeserved – into one stark yes/no vote. Much of the societal marginalisation from de-industrialisation and fiscal austerity was the responsibility of policy-makers in London rather than in Brussels, of concentration and cost reductions for competitiveness in larger markets rather than just those of Europe. The inequalities in, and neglect of, the regions emerged despite, not because of, the efforts of the EU Committee of the Regions.

Whatever the benefits to Wales from the EU's continued support for Wales's agri-food and environmental economy, those benefits were overshadowed by the wider political rhetoric stressing immigration and Brussels 'red-tape'. While the European Commission is often derided in the UK as a 'bloated bureaucracy', few acknowledge that there are in fact more civic servants in Edinburgh running Scotland than there are in the entire European Commission. Agri-food and eco-economy concerns were thus ignored or discounted by (what Adorno called) in apolitical 'context of delusion', exhibiting 'false consciousness', (which in German he termed '*Verblendungszusammenhang*').<sup>37</sup>

Another macro-governance consequence of the way in which the pursuit of Brexit has disrupted relations of governance amongst the devolved administrations, and between those administrations and the Whitehall government stems from the uneven and compromised nature of devolved governance in the UK more generally. As Douglas-Scott (2018) aptly puts it, the prevailing arrangements were never actively or rationally designed. The problematic *status quo* has been reliant upon Westminster; and the current state of devolved regional politics has recently been described as a case of a policy 'without map or compass'.<sup>38</sup> England continues to be highly centralised, and arguably has become more centralised since 2010. The Regional Development Authorities and Regional Government Offices created since 1997 by the Labour have been replaced by smaller, less funded and weaker Local Enterprise Partnerships. A competition over which authorities can or cannot have a Mayor gives semblance to a concern for the regions. A short-lived burst of enthusiasm for a 'Northern Powerhouse' championed by George Osborne when Chancellor of the Exchequer (2010) was an attempt at big thinking but ineffective and ignored in other parts of England.

In Wales, England and Scotland the relationship of agri-food and rural policy to the regional development agendas has been marginalised by the dominant issue of Brexit. **If one good long-term development was to emerge from Brexit, it could well be a revitalised regionalisation and de-centralisation of the UK state.** The rigidity of Whitehall and its reluctance to re-distribute to the

---

<sup>37</sup>See, for instance, Dews, P (2018). 'The Idea of Hope', *New Left Review*, July/ August

<sup>38</sup>Douglas-Scott, A (2018). 'Without map or compass', *London Review of Books*, May 2-5.

devolved administrations any powers that might be repatriated from Brussels to London is not a fault that can be attributed to the EU or Brussels bureaucrats. Other EU member states are far more devolved internally – Germany was deliberately constructed to have relative strong regions and relatively weak central government by the victorious Allies after 1945.

Meanwhile Scotland, which voted strongly to remain, is enthusiastically manoeuvring for greater independence and contesting any suggestions of further centralisation to Westminster. The Scottish National party is trying to exploit the Disruptive Governance paradox more than Wales, and argues for competencies taking from Brussels should be transferred to Edinburgh not to London. Scotland is not covered by Defra's Agriculture Bill already presented to Westminster in October 2018.

All the while, it must be stressed, the Northern Ireland Assembly is currently suspended, yet on the border question Northern Irish politicians, especially the DUP MPs, receive the highest (and disproportionate) political attention of any section of the UK, even more than the City of London with all its financial clout. Northern Ireland perhaps best illustrates the risks of the new Disruptive Governance. A tiny DUP minority supporting the Conservative Government can exert leverage out of proportion to their numerical strength.

Unlike Scotland (and Northern Ireland for obvious reasons), Wales has nominally agreed new devolved arrangements with Westminster about the scope of 'devolved competences', though this is still contested as the Brexit process unfolds in ways that are exceptionally difficult to predict. For many parts of the devolved administrations Westminster seems ironically a far more (politically) remote and less trustworthy negotiating partners than Brussels ever did.<sup>39</sup> Several observers and committees have called for greater cooperation amongst civil servants and departments across the UK's governments, while also wanting to see greater autonomy for the devolved administrations. Inevitably Brexit has provoked calls for longer-term and more root-and-branch reforms to coordinating mechanism across, at least the 153 areas where EU law currently intersects with devolved competences. 41 of those are closely related to the environment, agriculture and fisheries.<sup>40</sup>

It should be noted that this unfolding and contested process of disruptive governance does not have its roots in the political arenas of agri-food or environment nor regional economic development. Because these policy fields have been, and are by far, the most Europeanised, they are the policy domains (together with trade) over which the UK government seeks to regain control. Consequently they are becoming a key policy fulcrum around which the new and more disrupted domestic UK devolved relations are most likely to be recast.

**Brexit is thus setting in train then a medium to long-term need for a domestic and UK-wide contested debate about revising the governance settlements for the devolved administrations.** A new governance regime, or set of regimes, is likely to emerge, default or by design; whether an accident or a tragedy remains to be seen. The outcome of those contested debates will alter policy goals, instruments and practices for many years.

---

<sup>39</sup> See 'Frameworks Analysis: Breakdown of areas of EU Law that intersect with devolved competences in Scotland, Wales and Northern Ireland. Cabinet Office, UK Government. July 2018. Also Institute for Government (April, 2018), Devolution after Brexit: managing the environment, agriculture and fisheries. Also House of Lords, July 2018: The Impact of Brexit on Devolved Competences, Chapter 6. House of Lords Westminster, UK.

<sup>40</sup> Institute of Government, op.cit.

Another feature of the present disruption concerns the politics of the London-based Department for the Environment, Food and Rural Affairs (Defra). Under Secretary of State Michael Gove, Defra has successfully courted the established environmental interest groups seeing a chance of wrenching agri-food policy away from the destruction of productionism, symbolised by the CAP and the entrenched interests of the National Farmers Union.

The CAP is easily demonised by those who question the ecological impacts of intensive industrial farming. There are good reasons for urgently re-engineering land use policies to provide improved environmental sustainability and enhanced biodiversity. This was the dominant narrative in the Defra *Health and Harmony* consultation paper.<sup>41</sup> It, and the Agriculture Bill which emerged in the autumn of 2018, stressed the future financing of environmental public goods, including soil, water, amenity and landscape. Meanwhile, traditional, farmer productivist concerns, and wider ecological concerns and interests are being sidelined. Any consideration of food, as the product of agriculture, is absent from the White Paper and the draft legislation.<sup>42</sup> **Brexit is therefore being used as an opportunity to re-orient and re-frame the power relations between public, private and civic sectors. And indeed to separate 'agriculture' (public) from 'food' (private).**<sup>43</sup> **The shift in Defra policy constitutes a re-orientation of neo-liberal assumptions about environmental protection and agri-food production. It partly means de-regulating, but also re-regulating, empowering some and disempowering others. These developments provide both opportunities and threats to the long-term ecological and social sustainability of the UK agri-food and rural development system.** This juncture is, as some of us have argued, a profound '1947' moment for agri-food and rural development policy and its long-term governance in the UK.

Currently this process of de-stabilisation, which precedes a future re-settlement, is highly contingent, and subject to macro political contests regarding the shape of the eventual Brexit 'deal'; as well as the future shape of new and revised domestic national and devolved policies. We can then only provide an academic commentary upon the heightened political process so far. However, this crisis is providing rich intellectual investigative terrain, and even battlefield on which to scrutinise the new environmental, economic and rural politics that will emerge.

This is thus an undoubtedly important moment and conjuncture. One which *could* lead to a new paradigm of sustainable rural and agri-food development. On the other hand, there are severe dangers that such opportunities could be lost. It *could* set different, potential-collaborating interest groups against each other, and lead to a nominally eco-focussed system propped up by a wave of imported food products from far beyond the EU. For Wales this is vital. Wales' rural heartland is about meat and dairy from relatively small, often upland farms.

This paper therefore turns to an outline of how Wales might best cope with this world of Disruptive Governance.

---

<sup>41</sup> Defra (2018). *Health and Harmony: the future for food, farming and the environment in a Green Brexit*. Cm 9577. London: Department for Environment, Food and Rural Affairs.

<sup>42</sup> Lang T (2018). The new Agriculture Bill has no vision for food, Inside Track (blog), London : Green Alliance, September 18, <https://greenallianceblog.org.uk/2018/09/18/the-new-agriculture-bill-has-no-vision-for-food/>

<sup>43</sup> Interestingly this is re-enforced by DEFRA categorising agriculture as providing public goods, and food as part of private goods provision. This of course is a convenient use of a narrow set of economic assumptions which allows farming and food to be unrealistically separated in policy terms. It creates a boundary where systems thinking and integration of the provision of both public and private goods is really needed.

## What should Wales be doing in the context of Disruptive Governance?

**Wales needs to develop a new and collective vision of its own sustainable rural and regional development.** This is the moment when it could set out to restructure agri-food to deliver the principles and values embodied in its own ambitious, inspiring Future Generations Act and Environment Act, and its statutory obligations.<sup>4445</sup> These provide a statutory framework that no other part of the UK has matched. Wales could recognise where it has highly integrated economic ties with the rest of the UK – in processing or services, and in many regulatory areas such as food standards, trade, and environmental protection – and could use these ambitious Acts as the basis to negotiate those UK links. Unlike England, where the Agriculture Bill barely mentions food and where an Environment Bill has not even been drafted, Wales can build on its commitment to develop an agri-food economy that takes future generations' need and interests as its core focus. **Wales has an opportunity both to participate in new UK-wide frameworks during and after the Brexit process, and to develop its own distinctive vision and strategy for agri-food, rural and regional economy based upon a strong ecological-economic approach.**<sup>46</sup>

This envisages a strategy and vision designed to facilitate the unfolding transition to a post-carbonised and more inclusive-growth oriented model of sustainable economic development, and in so doing to augment the distinctiveness and potentialities Wales holds in developing a world-leading innovative green economy. That is an economy and vision which will locate the needs of rural areas and their managed ecosystems (including varied combinations of stakeholders including landholders and foresters) at the heart of the Future Generations agenda over the rest of this century.<sup>47</sup> But solving those problems of the rural areas, will necessitate reconciling their requirements, and closely coupling them, with those of the urban areas.

### A Farming-Plus approach

One implication of creating and developing this vision and strategy is to examine ways in which it is possible to create more integrated policy making and delivery which both ameliorates spatial and social inequalities across Wales, whilst also celebrating and recognising the diversity of the ecological economy in Wales; not least by developing more bespoke place-based initiatives. This could provide opportunities to integrate regional, rural and agri-food policy as sustainable rural development policy- what we might call a 'Farming-Plus' approach. Farming becomes a central vehicle for delivering sustainable rural development along with a wider range of multi-functional rural economic activities- renewable energy, sustainable tourism, and rural enterprises. This is part- and -parcel of the OECD's vision of the 'new rural development paradigm' which is now being implemented in many regions of Europe.<sup>4849</sup> As a result, it is timely to place agriculture and farming firmly back into the rural economy and to develop support mechanisms which promote multi-functional local rural economies and businesses.

---

<sup>44</sup>Wales Government, Future Generations Act, 2015, Cardiff

<sup>45</sup> Wales Government, Environment (Wales) Act 2016, Cardiff

<sup>46</sup> See Marsden TK (2017). Agri-food and rural development: sustainable place making. London: Bloomsbury

<sup>47</sup> See Public Policy Institute for Wales (2018) The implications of brexit for Agriculture, rural areas and land use in Wales.

After Brexit: 10 key questions for rural policy in Wales. Aberystwyth University. October, 2018.

<sup>48</sup> See Horlings I & TK Marsden (2014). 'Exploring the 'new rural paradigm' in Europe: Eco-economic strategies as a counterforce to the global competitiveness agenda. *European Urban and Regional Studies*, 21, 1, 4-20

<sup>49</sup> Milone, P & F. Ventura (eds) (2010) *Networking the Rural: The future of Green Regions in Europe*. Van Gorcum, The Netherlands

There is no reason why such a Wales- shared vision and strategy could not complement the wider evolving UK approach, but be *both distinctive of it and 'owned' by the Welsh polity*, such that it retains control over Wales based allocation mechanisms (see below).

## Funding sources and means

Clearly the two major areas of potential support for a Farming-Plus approach are associated with the UK regional development objectives in its 'Shared Prosperity Fund' (so far unspecified the UK government); and 'transitional' and eventual post- Brexit UK agricultural support. Proactive discussions with Whitehall are urgently needed on these from the Welsh Government, to articulate and promote that vision and strategy, and to justify critical funding for Wales in both of these areas. The argument will need to be won that whatever the volume of funding made available for Wales under these schemes, it needs to be based upon (a) reducing GDP disparities across Wales; (ii) based on an assessment of needs, and (iii) allowing support to continue, at least on a tapering model for farm production support based upon a wider multifunctional approach outlined above.

There is a distinct danger here that whatever funding is made available and eventually allocated under these schemes it will be: (i) highly competitive, especially with other regions in England; (ii) linked to a conventional concept of productivity and growth which discriminates against rural and sparsely populated areas, favouring urban agglomerated economies; and (iii) focusses too much on non-marketised public goods instead of a combination of production and services.

This is why it is critical not just to get bogged down in 'transition' processes following Brexit but to declare a Welsh vision both during and beyond the transition. Serious considerations should be given to proposing that whatever Westminster funding that replaces CAP and Regional Development (convergence) funding should be *driven by a transparent formula* on a supplemented 'Barnett Plus' model. This could be over 5-7 year planning periods so as to give some certainty and review of investments over time.

## Systems of devolved allocation: taking control

The analysis and arguments above suggest a need for the establishment of a strategic Regional and Rural Development Agency or Board in Wales, which will have within its remit regional development, agri-food and rural economic development *for the whole of Wales* (urban and rural), and reports to cabinet and the National Assembly. It should deliver the promises in *Future Generations*, addressing the restoration of bio-diversity, family farming and local rural economies in Wales, and negotiating with Whitehall on funding allocations. The body should also take control of devolved allocation across all parts of Wales, including support to delivery agents (rural stakeholders). This approach should avoid the potential increases in transaction costs associated with narrow politically driven 'hand-me downs' from Whitehall. It would also give a stronger collective voice for Wales amongst the Devolved nations, and should forge positive and networked links with the EU (not least regarding FP9 R& D budget); and actively participate in debates about food and rural policies.

## Systems of targeting and delivery

Targeting and delivery of financial support within Wales during and after the Brexit transition should emphasise providing support for place-based partnerships on a variety of different spatial scales. These could be aligned to the Natural Resource Wales (NRW's) area statement sub-regions, and to catchment planning and partnerships. Farmers could remain major recipients of these funds as long as they were working in partnership and collaboration with the wider range of place-based stakeholders, and were demonstrating how they were achieving and reconciling sustainable

production of high quality foods with other environmental and social goods and services (including woodlands, water management, renewables and sustainable amenity and tourism). This is at the heart of the 'Farming plus' approach. The Designated landscapes of Wales (over 25% of its land surface), for instance, can become innovative beacons for fostering these partnership approaches. Wales holds many excellent and innovative experiments of place-based partnership working. And these now need to be made more mainstream if our visions are to be realised. [Please can we have an example or two of 'place-based' solutions?? We cannot assume that the readers will recognise that idea.]

### **A Farming for the future: creating and producing for the public *and* the market**

From a Welsh perspective the current DEFRA consultation *Health and Harmony* is framed by a far too narrow and binary interpretation of public and private goods, and fails to take into consideration the need to develop transitions to local and regionally diverse sustainable food production systems and localised forms of rural development.<sup>50</sup> Wales needs a more integrated and focussed approach to sustaining rural economies and helps small landholders and farmers to build their capacities to contribute to delivering for Future Generations. Wales should not accept the continued concentration of farm holdings and the displacement of family farms. Fewer large farms is neither inevitable or desirable.

Under the vision and strategy outlined here they become crucial businesses for delivering sustainable rural natures and economy. Developing a re-invigorated and branded quality agri-food strategy based on a more diverse set of farming practices, thus becomes a critical element of the Wales post-Brexit approach.

### **'Brexit and Land: securing the future of Welsh Farming' : re-framing the case for Wales?**

In July 2018, after a considerable amount of internal stakeholder discussion and scenario planning, as well as discussions between Welsh and Westminster policy officials, the Welsh Minister published a new consultation paper on post-BWrexit agricultural arrangements.<sup>51</sup> This was more narrowly framed than what is proposed above. In many ways it still falls into the trap of treating agricultural production very much as a separate and 'exceptional' sector, not least in failing to integrate it into a wider enriched food strategy.<sup>52</sup> The latter, currently under revision has at least placed some emphasis upon improving food for urban consumers and for public health priorities.

*Brexit and our Land: securing the future of Welsh farming*, nevertheless provides a welcome departure from its English equivalent ('Health and Harmony'). As a result it received considerable qualified support from Welsh food, farming and wider environmental interests, and indeed was seen by some (eg the UK CLA) as being a far more imaginative and innovative document than Defra's counterpart. The Welsh proposals have several important and positive characteristics.

**Firstly**, it builds and integrates its principles and policies directly on the existing and landmark statutory legislation which (fortunately) pre-dated Brexit: the *Future Generations* and *Environment Acts*. The *Sustainable Development Principle* and seven *Well-being goals* provide an integrated framework for future decision-making which, it is proposed, will establish a new approach to land

---

<sup>50</sup>Health and Harmony, DEFRA, June, 2018.

<sup>51</sup>*Brexit and our Land: securing the future of Welsh farming*. Welsh Government, July 2018, available at [https://beta.gov.wales/sites/default/files/consultations/2018-07/brexit-and-our-land-consultation-document\\_0.pdf](https://beta.gov.wales/sites/default/files/consultations/2018-07/brexit-and-our-land-consultation-document_0.pdf) accessed 28 Nov. 2018

<sup>52</sup>The Welsh Government are also in the process of revising the Welsh Food Strategy and Action Plan, which formerly was indeed heavily reliant upon regional development and rural development EU funding.

management in Wales. The central objective of the *Environment Act* is the Sustainable Management of Natural Resources (SMNR), to maintain and enhance the resilience of eco-systems and the benefits they provide to deliver lasting, sustainable economic, social, cultural and environmental benefits. The Act sets the legal framework for decarbonisation and adapting to the impacts of climate change and other environmental and social shocks and stresses.

The overall aim should be to enhance resilience in eco-systems, businesses and communities. Delivering on the ‘Sustainable Management of Natural Resources’ (SNMR) is the responsibility of a number of statutory bodies, not least the all Wales Natural Resources Wales Agency (NRW), which is responsible for delivering regular State of Natural Management of Resources Reports (SONNAR) to the Welsh Government. Section 6 of the Environment (Wales) Act also puts in place a Biodiversity and Resilience of Eco-systems Duty for public authorities (including Welsh Ministers and local authorities) who must seek to maintain and enhance bio-diversity, and in so doing promote the resilience of eco-systems. This recognises the underlying importance of biodiversity in its widest sense for healthy, functioning eco-systems, and the multiple benefits that are derived from them. As part of this framework, ‘area statements’ and ‘well-being plans’ are being prepared by local authorities and the NRW.

This legislative and policy framework for Wales is now actively being progressed with the setting up of the independent Future Generations Commission, the re-orientation of local authority public service boards and the development of area statements and well being plans. Environmental NGOs and the designated landscapes (National Parks and AONBs, covering 25% of Wales) are highly engaged and aligned with these processes (see. H Blethyn Ministerial Statement paper, July 2018)<sup>53</sup>.

**Secondly**, the definition (in ‘Brexit and our land’) of ‘land manager’ is significantly broader than that of ‘Farmer’, and therefore provides opportunities for greater flexibility about the incentives given to land managers operating in partnership and cooperation with each other to deliver SMNR objectives and to receive public funding, rather than targeting ‘farmers’ only with support. ‘Land Manager’ means farmers, foresters, and ‘any other activity drawing on non-urban land to produce goods and services’.<sup>54</sup> There is no ostensible reason therefore, why any future, post- transition funding for rural areas could not be directed to collections and partnerships of land managers, some of which might be farmers, as well as other land-based stakeholders. ‘Brexit and our Land’ provides 5 guiding principles for Sustainable land management: (i) keeping farmers and other land managers on the land; (ii) food production is vital-implying continued support for the economic activities of farmers; (iii) build a prosperous and resilient Welsh land management industry; (iv) provide future support which encompasses the provision of additional public goods from land: clean air, water and flood management, better habitats, public health and education; and (v) All land managers should be able to access new schemes. (Ref?)

**Thirdly**, and linked to the first two characteristics, the policy document proposes a dual or twin support system. Unlike the English proposals it stipulates two new ‘pillars’ of support: The Economic Resilience scheme and the Public Goods Scheme. The former focussing, though not exclusively, on the production of food and timber, will support the economic resilience of land-based businesses in the sub areas of (i) increasing market potential (ii) improving productivity (iii) diversification (iv) effective risk management and (v) knowledge exchange, skills and education. This incentivises

---

<sup>53</sup> Designated Landscapes Ministerial Statement, July 2018.

<sup>54</sup> Brexit and our Land. Op.cit.



rural multifunctionality and diversification, a circular economy and high quality products and processes.

We can see here then a far greater commitment on the part of Welsh Government to fund and support the rural land-based sector than the English 'Health and Harmony' consultation across both the provision of environmental public goods but also (multifunctional) economic resilience measures for rural, land-based business development. Such a provision was also inserted into the current Agriculture Bill going through Parliament, whereby Welsh Ministers (schedule 3, paragraph 1 (2)) will be allowed powers to provide 'financial assistance to support persons involved in the production, processing, marketing or distribution of products deriving from areas...'<sup>55</sup> This is currently outside the scope of the provisions in the Bill for England, and reflects the stronger and more innovative approach contained in the Welsh 'Brexiteer and our land' consultation paper.

A key source and motivation for these differences derive from the still-strong political and cultural significance of family farming in Wales compared to England. Wales has steadily lost farms as has England. Indeed this is a 'silent revolution' that is affecting our agri-food infrastructures across England and Wales. England lost 48% of its farms between 2005-13, whilst Wales lost 32%. Much of this loss went unnoticed because farms and land are often amalgamated, often with farm buildings remaining, but converted to residential use. Much more land is now leased to larger farm holding companies and larger farm businesses than has ever previously been the case since the end of the Middle Ages. In addition food processing, especially the smaller independent abattoir sector had been in secular decline.<sup>56</sup>

Both the Westminster and Welsh Governments recognise that Brexit, and especially with transition of support away from Pillar 1 payments in the CAP, will continue to undermine the economic resilience of the small and medium family farming sector. This is of much more political concern in Cardiff than in London. Despite the declines in farms and farm businesses, Wales is still dominated by small family-run businesses. There were in 2016, 21,200 farms in Wales which were classified as 'small' or 'very small' (with a turnover of less than 125K) out of a total of 24,500. (Ref?) Many of those were disproportionately reliant on CAP Pillar 1 funding. In particular extensive beef and sheep farm incomes are, on average, heavily reliant on Basic Payments schemes (BPS, Pillar 1) and the Glastir agri-environmental scheme (Pillar2). (Ref) Nonetheless research has shown that small farms have a positive local economic multiplier when it comes buying inputs to their businesses and in selling their products (WRO, 2013).<sup>57</sup> When average farm income is compared to total household family income on farms, however, this reliance upon farm subsidies is less clear. It is the large and very large farmers who have claimed the largest proportions of BPS subsidy, and which are most reliant upon it with regard to over household family income. Small, part time and even median sized (up to £30k per annum) businesses are just less than half reliant on farm income as a component of total household income (Farm Business Survey, 2017).<sup>58</sup>

In short many, if not most, small and medium sized Welsh family farmers have diversified family household incomes, much of which is both earned and spent in the local rural economy. Add to this the significance of the Welsh Language to family farming in many parts of rural Wales, and one can see how future policies to promote multi-functional land and smaller and diversified family-based businesses is and should remain a central plank of future Welsh rural and agricultural policy. In

---

<sup>55</sup>Agriculture Bill, Houses of Parliament. October, 2018.

<sup>56</sup><sup>56</sup> See Welsh agricultural statistics, op cit, and Food Action plan 2014-20 op.cit.

<sup>57</sup>Welsh Rural Observatory Report Impacts of CAP reform, 2013.

<sup>58</sup>Farm Business Survey, DEFRA, 2017.

addition, these policy directions tend to meet the wider 'Future generations' and SNMR principles. This is a very different model than that currently advocated in England, despite, similar conditions in much of its upland and mixed farming regions. Defra sees the Brexit transition as an opportunity to facilitate the prevailing and structural adjustments (i.e continuing farm exit), which Defra assumes is and will be needed in farming once the BPS has been tapered or terminated, by adding the option for 'lump sum' end-of-scheme payments. Some assume that this can be expected to boost aggregated and conventional measures of efficiency and farm productivity, as well as usher in a new round of farm- based mechanisation and automation.<sup>59</sup>

It should be stressed that such Welsh government scenarios for Welsh Farming would not imply maintaining the *status quo*. It is likely, given the market disruptions as well as cuts in subsidies, that Brexit would imply for farmers, that their numbers would continue to decline. A wider and more pro-active debate needs to be had in Wales, as in England, on what the remaining and hopefully more **resilient farmers should be practicing on their farms?** This connects to the wider 'Future generations' and SNMR goals. There are strong grounds for public investments in more diversified systems of agro-ecology, organic horticulture, permaculture and agri-forestry/woodland in Wales, which could sustainably deliver broader and wider 'productivity' gains and goals.<sup>60</sup> In order to address this wider agenda, it is necessary to integrate our 'agriculture' and farming policies with those wider ecological, health and rural development policies.

### **Meeting the challenge: Integrating Welsh farming for ecology, food, health and rural development**

'Brexit and our land' represents the first outline response of the Welsh Government to the realisation of BWrexit and the removal of CAP subsidies to its farmers and landholders. It differs from 'Health and Harmony', emphasising a stronger economic and cultural case for enhancing the resilience of Wales' relatively small-family-farm sector. It also creates opportunities for more place-based collaboration and partnerships to develop between a wider constituency of rural land-based stakeholders. A forerunner in this regard is the Black Mountains Land Use Partnership (Davies, 2018), which brings together farmers and graziers, land-owners, the Brecon Beacons National Park Authority, Natural Resources Wales and Welsh Water.<sup>61</sup> The partnership was awarded a three year Sustainable Management Scheme (SMS) grant of over £1 million, funded by the EU RDP (2018) and the Welsh Government. It covers 24,600 hectares of mountain and hill land much of which is SSI designated and involves over 100 farmers and graziers. The partnership is aimed at directly tackling rural depopulation of the young, poor infrastructure- not least broadband, lack of affordable homes for locals, a decline in the use of grazing rights, and income and product diversification. Such experimental partnerships, which conjoin the development of sustainable land management practices with building collaborative economic and social resilience in the sparsely populated locale, provides a valuable prototype for the goals articulated in 'Brexit and our Land'.

Critically there is a need to transform the land-based economy and practices because the portion of the population benefitting from it is low and declining. One experiment aims to transform the local marketing of mutton as well as wool from the hill sheep. The wider network established under the Pasture-Fed Livestock Association (PFLA) in the English borderlands is also a growing network where

---

<sup>59</sup>See Policy Exchange Report on the Future of farming, (2017) arguing that it is advantageous that the average age of the farming population is in the late 50s, as this will facilitate faster structural adjustment in the sector.

<sup>60</sup>See latest policy statement from the Woodland Trust, 2018.

<sup>61</sup>Davies, A (2018) The Black Mountains Land Use Partnership: skills for the future of upland farming. Evaluation Report. Resources for Change.

the results show that producing beef and sheep on 100% pasture and forage crops can be made profitable, improve animal and human nutrition and improve soils. (see Pasture for Life, 2016)<sup>62</sup> These expanding and often place-based collaborations and partnerships are adopting innovative agro-ecological practices, while finding new markets for their products and delivering enhanced ecological and social sustainability.

More debate is needed in the UK and in Wales about how new forms of support for landholders can deliver the multiplicity of sustainability goals and public goods needed. There debate on the sustainable use of land is needed urgently as, post-Brexit, the UK ends its reliance on CAP funding, and enters a period of transition. The new schemes, however they unfold are planned to begin in Wales by 2025, but much work and negotiation needs to occur before that date.

There are of course many contingencies opening up as a result of the Welsh policy aspirations for the post-Brexit landscape. Indeed they raise more questions than answers. One key factor will be, what both the level and allocation mechanisms of financial support will be made available by the UK Treasury to Wales and by the Welsh Government, and how this will be organised and allocated within Wales. No details of this are forthcoming in the current Agriculture Bill and no specific commitments have been made for the future during or after the Brexit transition period. There is a risk of a significant 'cliff-edge' scenario both in England and the devolved regions, especially were a No Deal Brexit to occur abruptly at the end of March 2019. TAs EU funding tapers away by 2025, little transitional or adaptive infrastructure is ready to be put in place during that period.

There will have to be a new arrangements made between Westminster and devolved authorities on these issues, concerning level of funding, the programming periods, the criteria for allocation and the degree of devolved autonomy, whilst remaining within the confines of some sort of UK framework. None of this has been resolved by the current Agriculture Bill, or indeed by trade or environment bills currently being prepared. The current UK government has not yet committed itself to new funding mechanisms or programming periods.

There is also a clear danger of policy fragmentation and competition driving out essential co-ordination and integration across the policy fields of agriculture, food, health, environmental and rural development policy. So far in Wales (and in England) governmental rural development ambitions are muted, and worryingly side-lined by competitive 'City deal' type solutions for some rural areas (like mid Wales). Wales risks losing the vast experiences many rural areas have gained running LEADER programmes for nearly 30 years, unless explicit policies are put in places for non-agricultural rural development in the post-Brexit era. The current framing of policy debates assumes a sharp dichotomy between rural and urban areas, to the neglect of rural development. This is all the more worrying when the rural contribution to conventional (and agglomerative, centralised) economic thinking is consistently undervalued (as in the case of narrowly defining city regions), even when more decentralised and foundational economic infrastructures, for which many rural areas are characterised may well become the norm (see Lang and Marsden, 2018)<sup>63</sup>.

Consequently, Wales desperately needs a parallel Sustainable Rural Development Policy, which compliments 'Brexit and our Land'. Planning policies in Wales are also being revised along sustainable place-making paradigms and being aligned to the principles and processes of the Future

---

<sup>62</sup> Pasture for Life: it can be done: the farm business case for feeding ruminants just on pasture. January 2016.

<sup>63</sup> Lang, M and Marsden, T.K (2018) Re-thinking growth: towards the well-being economy. Local Economy, 33, 5, 496-514.

Generations Act (Planning Consultation, July,2018)<sup>64</sup>. But even these initiatives tend to marginalise rural economic development.

If the onset of Brexit creates conditions and opportunities for radical and profound changes in the way Wales manages and governs its extensive rural areas, then an opportunity and challenge arises to integrate environmental, agricultural, food, rural economy and amenity interests and goals around a new paradigm of integrated rural development for all. However, the forces of fragmentation, of new boundary creation and sectoralisation are highly prevalent in the debates and policy statements; and in these highly politically-charged circumstances, when these policy fields are being fundamentally re-designed, approaches that integrate thinking –indispensable for sustainability- might continue to be actively marginalised.

### **Conclusions: managing the Brexit transition and coping with disruptive governance**

This paper contends that the remit of the current Agriculture Bill should at the very least be widened, to empower and require UK ministers to develop much needed integrated policies, linking farming with rural economic development and socio-economic as well as ecological sustainability. A revised Bill could in particular have as objectives to:

‘Enhance and adapt the UK agri-food system and its economy such that it delivers three interlinked domestic and international objectives: (i) to promote farming and food systems which ecologically restore and protect the UK environment under conditions of climate change; (ii) deliver resilient forms of food production and supply which enhances UK food security and self-sufficiency; and (iii) continually improve quality food access and consumer choices so as to deliver public health benefits.’<sup>65</sup>

At the time of writing (November 2018) the Bill is at Committee stage in the House of Commons, so its future is no more secure than that of Mrs May’s government. What will be important is the mobilisation of interested parties and UK and devolved stakeholders around a more strategic and integrated set of post-Brexit policies *both* in Wales and in England. That will also require that funding and allocation mechanisms are developed to ‘taper-in’ new support measures, programmes and institutional capacities over the transition to replace the EU policy instruments. This is the new macro-policy challenge facing both rural areas and the food sector for at least the next decade- a decade when we will need also to de-carbonise and deliver healthier food from our domestic resources. Consequently there is no room for short-term or narrowly segregated sectoral thinking. Moreover the foregoing analysis implies several conclusions and policy recommendations.

### **Recommendations:**

1. The UK will need, in transition and post-Brexit, a **new constitutional settlement**, for which a constitutional convention could serve to resolve how internal UK distribution mechanisms and devolved competences will be organised, especially given the new UK internal market, and the significant differences and needs of the four nations.
2. A fundamental question surrounding **regional powers in England needs to be addressed**, especially in regard to agri-food, regional and rural developments. There is a danger, for

---

<sup>64</sup> National Development framework consultation document. Welsh Government April 2018, and Draft Planning Policy Wales: Consultation Document Feb 2018. Consultations now being processed by officials for final drafting in mid 2019..

<sup>65</sup>Evidence and written amendments proposed by Marsden at the Parliamentary Scrutiny Committee for the Agriculture Bill, October 22<sup>nd</sup> 2018.

instance, that rural economic development would be separated from food and agricultural policy, by being located (indeed as a minor player) in the development of the regional shared prosperity fund. **This would be a mistake, and it would re-construct significant policy boundaries when more integrated approaches will be needed. There is a critical need to integrate agriculture, environment and rural development policy and align these to a UK food policy framework.**

3. A more sustainable and **long- term replacement for the ‘Barnett formula’** needs to be developed that allocates funding for the regions across the UK based upon their diverse needs. In the meantime the Welsh Government is currently taking forward the shorter term priority of pressing the UK government ‘to ensure that Wales is ‘not a penny worse off’ post Brexit,’ with regard to both the EU CAP and ERDF funding mechanisms.<sup>66</sup>
4. Wales, amongst the other devolved parties, currently faces heightened party-political-led compromises with regard to both the future re-gearing of agricultural, and especially regional and rural development policies. Welsh politicians will have to fight hard in Westminster to gain anything like the (largely preferential and historically ring-fenced) proportions of funding that came directly from Brussels. Notwithstanding the actual amounts coming now from the Treasury there are also many **unanswered questions about BOTH the programming periods for such funds, AND the subsequent allocation of such funds.**
5. **There are currently no guarantees or commitments being given by Whitehall Ministers to Wales or to the other devolved administrations.**<sup>67</sup>There are few details as to how the Shared Prosperity Fund would work, and no commitment has been given concerning the basis on which it will be allocated, and the same is true for agricultural funding. This is another worrying aspect of the current form of Disruptive Governance. It disrupts all forms of continuity in the programming and allocation of resources, making Brexit a leap into the unknown.
6. Much of the debate in Wales on these issues has surrounded the issue of whether new Westminster funding would be added to the ‘Barnett Formula’ or be ring-fenced outside of that ‘Block grant’ mechanism. Most Welsh commentators argued against it being tied to the Barnett formula, for very good reasons. That would significantly reduce current levels of EU funding for both agriculture and rural and regional development because it is not allocated upon the basis of need or gross deficits in GDP per head.<sup>68</sup>

These and other issues remain to be resolved; but there is an evident risk that new funding mechanisms would be ideologically-riven, and subject to party political wrangling over the medium and longer terms. For instance, if the Shared Prosperity scheme was to follow the current Conservative Governments’ city-deal approach, which may happen given its narrow focus on industrial strategy, the philosophy of further concentrating investments in urban-based agglomerations, and expecting ‘city regions’ to compete for scarcely allocated resources, then it is likely that Welsh regions (such as West Wales and the Valleys) would have to compete with their English counterparts for funding. This is already happening with the promised extension of the ‘city

---

<sup>66</sup>National Assembly for Wales (Sept.2018) Preparations for replacing EU Funding for Wales. P 20.

<sup>67</sup>See Michael Gove’s speech to the Countryside alliance meeting at the Conservative Party conference, Birmingham, September, 2018, where he argued he would not wish to tie future governments’ hands on these issues of longer programming funding, or indeed write this into statute in the drafting of the current Agriculture Bill.

<sup>68</sup>See National Assembly Finance Report op.cit; and Fothergill, S (2018) written evidence to the committee.

deal' programme to North-east Wales, and the promised opportunity for an equivalent 'deal' for part of mid- Wales.<sup>69</sup>

7. Such decisions, are highly politicised, not least between the Conservative controlled Welsh HM Government Office, and the Labour coalition government in Cardiff Bay. Recent Conservative government and HM Welsh Office decisions, for instance not to fund the innovative Swansea Bay Lagoon Project, nor the electrification of the rail line between Cardiff and Swansea, but to allow the removal of tolls of the now renamed 'Prince of Wales' Severn road bridge and to support the possible building of the Newport relief road, all demonstrate heightened politicisation and concentration of investment and borrowing decisions and powers (where??). This, unlike in the EU funding regimes, could mean that investment decisions and programming are far more geared to urban areas and to short-term political gains and the electoral and political cycles. This may become a stronger and longer term feature of 'disruptive governance' as it affects the different regions of the UK.
8. There is a further element associated with what we call **institutional inertia** both in Westminster and Cardiff. Both governments are currently in a quandary -which in many ways is part-and-parcel of disruptive governance, concerning what sort of UK and devolved institutional structures will be established in the post-Brexit landscape? This has to be urgently resolved for food and environmental regulation as well, as outlined in earlier FRC briefing papers. There are suggestions from??? that existing structures could be adapted, such as the Rural Payments agency in England and the Welsh Government Welsh European Funding Office (WEFO) and the Welsh Government's Agriculture Division, which is responsible for the detailed and highly bureaucratic surveillance of farms, to distribute post-CAP payments after Brexit. **There is no good reason for supposing that these organisations are capable of, or suitable for, delivering the post-Brexit regimes, given how poorly they have been performing.** We therefore recommend re-creating a rural development board in Wales, which could be a new entity tasked with delivering more distributed rural and regional development across Wales, to foster and fund new 'LEADER' type programmes. That body would be more likely to pay attention to the diversity of local and sub-regional needs than its predecessors have. This is a topic to be debated inside and outside both the Westminster and Cardiff administrations.
9. So far the challenges of institutional changes at the heart of government administration, on a new devolved basis have yet to be addressed. Rather, and worryingly, we have witnessed little more than attempts at 'muddling through'.<sup>70</sup>**Yet recent committee reports both in Cardiff and Westminster have stated that post-Brexit the UK government will need to foster close and reciprocal cooperation with the devolved authorities.** This is particularly, but not exclusively, important for the future of the agri-food food system, and therefore also for environment and regional development policies. As the Institute of Government report recently explained:

'Failure to cooperate could have an impact on the UK internal market and its ability to meet international obligations and trade objectives. For instance setting minimum environmental standards and rules for subsidising farming is likely to be necessary to create 'a level playing field' across the UK. Likewise, to minimise compliance costs there is a case for uniform chemicals and food labelling regulations. Concluding trade deals with third with third parties that include 'level

---

<sup>69</sup>See Hammond budget announcement, Oct 31<sup>st</sup> 2018

<sup>70</sup>See Burn, et al op.cit and Cowell et al op cit 2018.

playing' field provisions might also limit freedom to vary agricultural subsidy regimes or food standards regulations. Joint working will be necessary to meet the ambitious targets set by international obligations, such as the UN Framework Convention on Climate Change. Co-operation will also be required to manage common resources such as fisheries stocks and waterways, and mitigate against shared threats.' (p9).<sup>71</sup>

**There is therefore a profound governmental challenge both in UK and Welsh Governments to build sufficient capacities and new institutional arrangements which can build and then operate these devolved and UK framework structures.** So far there has been a conspicuous lack of attention to those fundamental challenges or the need for consultative two way interchanges, which will enable third parties (like NGOs) to have a voice on their developments.<sup>72</sup>

10. Wales has developed some of the leading integrating governance innovations in the fields of environmental and sustainability policy since the devolution settlement in 1997, and especially with the passing of the groundbreaking 'Future Generations' and Environment Acts of 2015 and 2016. These statutory frameworks provide a strong devolved basis to build policies for what we have termed here the 'great UK food transformation'. Post-Brexit **they will require a strong cooperative and consultative set institutional arrangements and practices to be developed between Cardiff and Whitehall, and with the other devolved countries, such that new UK wide frameworks can be dovetailed to the needs of all corners of the post Brexit UK.** This is indeed the paradoxical public policy challenge that this uncertain and disruptive period of governance creates.
11. One clear priority for collaboration and deliberation between the devolved authorities and Westminster, in the context of the 1-10 recommendations made here, is to create the institutional capacity for a new federal (UK) food strategy.<sup>73</sup> The danger as we see here is that this will be fragmented across a range of related agricultural, environmental, rural and regional policies, and at best not effectively balance UK with devolved and English regional needs for consumers as well as those working and running food businesses. Improving the nation's diet should be at the centre of this strategy, and it will require new synergies to be developed across the related policy sectors. We should be starting to forge this activity and goal now, and as we go into some (largely unknown) transitional period with the EU.
12. This paper has focussed particularly on Wales-UK relations as it enters a rather unique period of Disruptive Governance, with the uncertainties of Brexit. In this sense, whilst focussing only on the Welsh-UK context, it also speaks to many of the concerns and opportunities the onset of Brexit might bring to other UK regions, not least the English regions- so far denied any concerted regional autonomy. The analysis and recommendations have demonstrated the need to find collective hope and energy in exploring the real paradoxes that this disruptive governance also creates. That is, not least, opportunities to re-set and redesign former sectoral, fragmented and unevenly devolved policies and competences in ways which meet now the wider sustainable development and climate change goals our international as well as national public commitments demand. That's why we have to convince politicians, policy makers, amongst many other stakeholders, that this

---

<sup>71</sup>See Devolution After Brexit, Institute of Government op.cit.

<sup>72</sup>House of Lords Select Committee: The impact of Brexit on Devolved Competences. op.cit.

<sup>73</sup> As we first proposed in our first FRC Briefing paper Food Brexit: Time to get Real. Lang, T, Millstone, E and Marsden, T.K (July, 2017).

is indeed 'a 1947 moment' - when, as indeed more profoundly now a combination of severe austerity and food insecurity led to the assemblage of explicit state commitments to create national planning, food and farming policies for all. That is what present and future generations will expect of today's governments, and that is what is embedded in Wales's Future Generations Act.

13. So far the speed and direction of policy and governance in this realm is insufficient and we need to re-educate our politicians that with political will in the public interest many of the severe and interlinked problems in our food and farming systems can be corrected and ameliorated; and that, indeed, food systems play a critical and proactive role in delivering the wider macro-economic and sustainable development goals. Brexit and the onset of Disruptive governance has indeed, for good or ill, shone a new headbeam onto this policy arena- that of food and farming-which for too long has been taken for granted, and has been allowed to develop in largely unsustainable and uncontrolled and wasteful ways at great cost to the public and public financial support. **We now have the opportunity to structurally re-locate the food policy arena much more centrally into the body politic of the nation, across the whole of the UK, and in ways which celebrate its rich and more democratically devolved diversity.** This is what the onset of disruptive governance is in part telling us; and why its critical analysis both in the UK and beyond is of vital importance in harnessing and linking both food systems thinking with an enlivened debate about participative and devolved forms of effective democratic governance. This imagines a new 'resettlement' in the UK, one which places food systems thinking at the heart of its democratic ambitions.





Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref  
Ein cyf/Our ref

Mike Hedges AM  
Chair Climate Change, Environment  
and Rural Affairs Committee

[SeneddCCERA@assembly.wales](mailto:SeneddCCERA@assembly.wales)

5 March 2019

Dear

Thank you for your letter dated 07 February regarding the timing of my response to your report on the Welsh Government Draft Budget 2019-20.

Although our response met with the timescale set out in the commissioning email from Committee Business, I acknowledge that the response did not reach committee before the scheduled debate. Please accept my sincere apologies for the delay. As you highlight in your letter there are significant pressures in supporting the budget scrutiny. I am grateful for the insight that the Committee report provided on a number of important environmental issues. I also welcome the challenge we have at scrutiny committee to ensure that our financial decisions are robust. Above all I am mindful of ensuring that I provide a quality and considered response and on this occasion additional time was required for a full assessment of the recommendations in your report.

In the future to ensure that sufficient time is built in for full consideration of the budgetary issues I have asked my officials to ensure that they check with the Plenary Business team at the earliest opportunity.

Thank you for your continued support.

**Ken Skates AC/AM**  
Gweinidog yr Economi a Thrafnidiaeth  
Minister for Economy and Transport

Lesley Griffiths AC/AM  
Gweinidog yr Amgylchedd, Ynni a Materion Gwledig  
Minister for Environment, Energy and Rural Affairs

Agenda Item 5.2



Llywodraeth Cymru  
Welsh Government

Mike Hedges AM  
Chair of Climate Change, Rural Affairs and Environment Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff

5

March 2019

Dear Mike

**Welsh Government Draft Budget 2019-20**

Thank you for your letter dated 7th February 2018.

I apologise for the inconvenience caused over the timing of my response to the Committee with regards to the Environment, Energy and Rural Affairs draft budget 2019-20 report.

I am keen to ensure any responses to questions and recommendations from the Committee are completely fulfilled within stated timescales. I acknowledge in this instance, a number of pressures affected the timeframe for officials to consider the responses, which in turn affected the submission date and adequate consideration by the Committee.

Although this was a particularly difficult time period, I will ensure my officials review the process and learn lessons to provide assurance to the Committee any future reports will be responded to within the set timetable.

Regards  
Lesley

**Lesley Griffiths AC/AM**  
**Gweinidog yr Amgylchedd, Ynni a Materion Gwledig**  
**Minister for Environment, Energy and Rural Affairs**

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400  
[Gohebiaeth.Lesley.Griffiths@llyw.cymru](mailto:Gohebiaeth.Lesley.Griffiths@llyw.cymru)  
[Correspondence.Lesley.Griffiths@gov.wales](mailto:Correspondence.Lesley.Griffiths@gov.wales)

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.

**Pack Page 113**

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.

## Agenda Item 5.3

Clare Pillman  
Chief Executive  
Natural Resources Wales

6 March 2019

Dear Clare

### Annual scrutiny of Natural Resources Wales: follow up from 13 February meeting

Thank you for attending the Committee's meeting on 13 February to give evidence in connection with our annual scrutiny of Natural Resources Wales ('NRW'). The Committee was encouraged by your evidence and is keen to follow NRW's progress over the coming year under your leadership.

In light of your evidence, the Committee would like to make the following observations, and would welcome clarification and/or further details on the issues set out below.

#### Performance measures

According to NRW's Corporate Plan, medium-term measures to show how NRW performs over the lifespan of the Corporate Plan would be published alongside its 2018–19 Business Plan. In addition, it states that long-term measures are still being developed.

NRW told us that "the long-term measures and indicators are within the corporate plan" and "medium-term measures that should help [NRW] to deliver those longer term measures [are in the 2018–19 Business Plan]". Despite this, it does not appear as though the measures are contained within either of these documents. **We would therefore welcome further clarification on this issue. We would like you to provide details of NRW's long-term and medium-term measures, in particular, what they measure, how they interact, and when and where they will be published.**

#### Organisational redesign

In evidence to us, your predecessor suggested that NRW's organisational redesign could result in financial savings of £10 million per annum. However, you told us that NRW has



“not needed to make those savings” as a result of a “prudent but slightly more optimistic view of timber income” and the decision by the Welsh Government not to reduce your flood revenue budget. We question whether the organisational redesign represents a missed opportunity to make substantial, long-term financial savings. **We would like details of any financial savings arising from the organisational redesign, as well as your longer-term plans to make up the estimated savings of £10 million per annum.**

We note that NRW’s new structure following the organisational redesign should largely be in place by 1 April 2019 and that you intend to monitor and evaluate its effectiveness in due course. **We would like further details of how and when this monitoring work will be taken forward.**

The Committee was pleased to hear that NRW has undertaken work on equal pay as part of its Job Evaluation Scheme. **We would like details of the findings of this work, as well as the steps being taken to address pay differentials if any were found.**

### **Annual Report and Accounts**

During your evidence session we asked you about NRW’s accounts, which have been qualified by the Auditor General for Wales for three consecutive years, including the 2017–18 financial year. We note that the accounts were qualified on the grounds of irregularities rather than inaccuracies. However, it remains the case that you, as Accounting Officer, signed off the accounts for 2017–18, a period in which several issues relating to the award of timber sales contracts came to light. You emphasised that these “historic issues...may mean that qualification [of NRW’s accounts for 2018–19] is unavoidable”. This does not provide us with the level of assurance that we are seeking. **We would like you to expand on your assertion and to explain how you will satisfy yourself that you have obtained sufficient and appropriate assurance before signing off next year’s Annual Governance Statement and accounts, including the Governance Statement.**

### **Area Statements**

In your evidence, you explained that the three month delay in the publication of the Natural Resources Policy meant that the development of Area Statements has been delayed by the same time period. However, the Minister for Environment, Energy and Rural Affairs (‘the Minister’), has previously advised us that your anticipated timeframe for developing Area Statements has been delayed by almost a year (from April 2019 to



March 2020). **We would welcome clarification on when you anticipate Area Statements to be published and how this differs from your original timeframe. We would also like you to expand on the reasons for this delay.**

## **Funding**

The Committee has previously raised concerns with the Minister about the considerable reductions to NRW's budget in recent years. In our report on the Welsh Government's draft budget 2019–20, we asked the Minister to report back to us on the progress of discussions relating to NRW funding, including options to increase NRW's ability to generate income.

We are expecting an update from the Minister in early summer. In her interim response, however, the Minister pointed out that "NRW already has the ability to generate income". It appears there may be a difference of opinion on and/or interpretation of NRW's ability to generate income. In your evidence to us, you suggested that much of any income generated must be returned to the Welsh Government. **We seek further clarification on existing and potential sources of income generation, including how much of this income can be retained by NRW and how much is returned to the Welsh Government.**

In our draft budget 2019–2020 report, we raised concern that prioritising funding to ensure the delivery of NRW's statutory duties could impact on the delivery of non-statutory services. In commenting on recent budget reductions, you told us that "when cuts have fallen, they have fallen disproportionately on particular areas of the business", including "natural resource management and biodiversity". **We would like you to provide specific examples where services and/or activities within these areas, and any other areas, have been affected by budgetary cuts, and the implications of this.**

When questioned on funding required to undertake work on newly designated reservoirs in your ownership, you told us that you had an on-going programme of work, which was currently funded on a "year-by-year basis". We note that £3 million additional funding will be made available in 2019–2020 for this work. You also told us that no additional funding had been made available to meet the cost of regulating newly designated reservoirs.

In responding to our draft budget 2019–2020 report, the Minister told us that discussions are underway with the UK Government to secure additional funding arising from the implications under the Reservoir Act 1975. The Minister has given a



commitment to report back to us in June 2019, and, depending on the outcome of those discussions, we may wish to continue to pursue this matter with her.

In the meantime, and in order to further assist us, **we would like you to provide details on the total cost associated with NRW's programme of work for reservoirs, including timescales you are working towards. We would also like any assessment of the additional costs associated with regulating newly designated reservoirs that are not in your ownership, and how you intend to meet these.**

### **Implications for NRW of the UK's exit from the EU**

We note that NRW has been undertaking strategic contingency planning and business continuity management in case of a no deal Brexit. We would like further details on the following:

- **actions NRW is taking to respond to the potential stockpiling of products and waste at ports in the event of a no-deal Brexit,**
- **discussions NRW has had with ports and how you have fed into the Welsh Government's contingency plan for port traffic, and**
- **what the £3.7 million requested by NRW from the Welsh Government to support Brexit-related work would be spent on, and the implications if you are unable to secure this funding.**

### **Environmental permitting**

We note that NRW had “paused work” with the Future Generations Commissioner on the matrix showing how the Well-being of Future Generations (Wales) Act 2015 should apply to environmental permitting decisions. This was because you were awaiting the publication of statutory guidance from the Welsh Government on this issue. We note that the guidance has now been published. In evidence to us, you told us that you were “restarting discussions” and suggested that work on the matrix would be resuming. We would like further clarification on this issue, including the timeframe you will be working towards for completion of the matrix.

### **Community engagement**

The Committee was encouraged by the work NRW is undertaking to engage urban and semi-urban communities with the natural environment, in particular the ‘Greener



Grangetown' project and the Denbighshire project linked to 'green prescribing'. We would welcome further details on these projects, including the outcomes anticipated and how they will be measured.

Thank you again for attending the meeting. Our intention is to continue scrutiny of NRW on an annual basis. We do, however, reserve the right to invite you to give evidence at any time within the next 12 months, should the need arise.

It would be helpful if we could receive a response by 27 March.

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive, flowing style.

**Mike Hedges AM**

**Chair of Climate Change, Environment and Rural Affairs Committee**



Lesley Griffiths AM  
Minister for Environment, Energy and Rural Affairs

12 March 2019

Dear Lesley

## Marine Protected Area management in Wales

As you know, in August 2017, the Committee published its report, ***Turning the tide? Report of the inquiry into the Welsh Government's approach to Marine Protected Area management.***

Since our report, there have been a number of developments within this policy area, including the Welsh Government's Marine Protected Area Network Management Framework for Wales 2018-2023 and Action Plan for Wales 2018-19. More recently, you have reported to the Assembly on Marine Protected Areas in accordance with the requirements of the Marine and Coastal Access Act 2009.

The Committee has agreed that now would be an appropriate time to undertake follow-up work on Marine Protected Area ('MPA') management. In order to inform this work, we would like an update from you on progress made in taking forward the recommendations in our 2017 report. As part of your response, we would like you to address the specific questions attached in **Annexe 1** to this letter.

We would also like an update from you on progress in delivering each of the 21 actions in the MPA Network Management Action Plan 2018-19. If the





timescales for delivery of actions have not been met, please include an explanation along with any subsequent revisions to these timescales.

Finally, it would be helpful if you could confirm whether the Welsh Government will be in a position to formally adopt the Welsh National Marine Plan ('the Plan') later this spring, with a view to finalising and implementing the Plan in early summer, in accordance with your published timeline.

I should be grateful if you would respond by **12 April** at the latest.

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive, flowing style.

**Mike Hedges AM**

**Chair of Climate Change, Environment and Rural Affairs Committee**



1. Can you provide an update on the outcome of the Welsh Government's work to develop a consistent and evidence based approach to monitoring and surveillance of sites (due to conclude summer 2018)? How have the outcomes of this work shaped the Welsh Government's approach to site monitoring?
2. Since the publication of the Committee's report in August 2017, what progress has been made in identifying and addressing any gaps in the creation of an ecologically coherent network of MPAs in Welsh waters? Have any new MPAs been identified or designated to address the gaps highlighted by the 2014 assessment undertaken by JNCC and NRW? What timescales are you working towards for completion of this work?
3. NRW has developed a number of indicative site level feature condition reports, with a high proportion of site features found to be in unfavourable or unknown condition. What actions are being taken by the Welsh Government as a result of this assessment? What progress has been made towards developing a permanent, sustainable, site-level feature condition reporting process that can be undertaken on a regular basis?
4. Please could you provide details on any work Welsh Government is currently undertaking to assess the need for MPA designation for highly mobile species?
5. What work have you undertaken, since the publication of the Committee's report, to assess the impact of Brexit on Welsh MPAs? Please include details of any preparatory work to mitigate any risks you may have identified.
6. What specific action have you taken to ensure that appropriate arrangements are in place to maintain marine environmental protections post-Brexit?
7. What progress has been made between the UK Government and Devolved Administrations in agreeing a mechanism to continue the management of cross-border marine areas, post-Brexit?



8. What arrangements will be in place post-Brexit to assess and subsequently report on Welsh MPA site condition and status, beyond the six yearly reporting requirement in the Marine and Coastal Access Act 2009?
9. What discussions have you had with the UK Government about funding arrangements for marine management activities post-Brexit? What was the outcome of discussions?
10. Can you provide details of any MPA work that is currently financed by EU funds, such as the European Marine and Fisheries Fund and LIFE-Nature, which would be at risk if replacement funding is not made available post-Brexit?
11. Can you clarify whether additional funding has been made available for MPA work following the extension of the Welsh Ministers executive functions for marine conservation to the Welsh off-shore area in April 2018? If so, how much? If not, what are the reasons for this?



# Covering paper – PTN 5.5

March 2019

---

## Purpose

1. The purpose of this paper is to provide context for the attached letter from the Minister for Environment, Energy and Rural Affairs on environmental principles and governance.

## Background

2. Following the publication of its report, *Environmental governance arrangements and environmental principles post-Brexit* (June 2018), the Committee has taken a keen interest in developments within the UK Government and Welsh Government in this policy area.
3. In January, the Committee wrote to the Minister for Environment, Energy and Rural Affairs seeking her views on the UK Government's Draft Environment (Principles and Governance) Bill. A copy of the letter can be found [here](#).
4. At its meeting on 6 March, the Committee considered the Minister's response to its letter. A copy of the letter can be found [here](#).
5. Given that the response failed to address some of the issues raised by the Committee, Members agreed to write back to the Minister asking her to address these issues and to provide additional information and/or clarification on points made in her response. A copy of the letter can be found [here](#).
6. The Minister's most recent letter is attached to this paper.

## Action

7. The Committee is invited to note:
  - the attached letter from the Minister,



- that the Welsh Government will be publishing its consultation on environmental principles and governance on Monday 18 March,
- that it has agreed to undertake further work in this policy area early in the summer term to give stakeholders an opportunity to consider and respond to the Government's consultation.



Ein cyf/Our ref: MA/P/LG/0897/19

Mike Hedges AM  
Chair  
Climate Change, Environment, and Rural Affairs Committee  
National Assembly for Wales

14<sup>th</sup> March 2019

Dear Mike,

Thank you for your letter of 28 February seeking further information on my views on the UK Government's draft Environment Bill and more information on the Welsh Government's proposals for environmental governance following the UK's exit from the EU.

This is an important and complex issue which requires careful consideration and engagement. However, the continuing lack of any clarity over the future relationship between the UK and EU creates significant further complications to this work.

### **Analysis of the environmental governance gap in Wales**

In terms of the analysis of the environmental governance gap in Wales, we will be summarising our analysis of the governance gap within our consultation, which will be published on the 18<sup>th</sup> March. Fundamentally, the work underlines the significant difference in the governance gap in Wales to the rest of the UK. It also highlights the legislation passed by the Assembly through the Future Generations Act and the Environment Act has already put in place core elements of the governance, which exists at an EU level.

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

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

[Gohebiaeth.Lesley.Griffiths@llyw.cymru](mailto:Gohebiaeth.Lesley.Griffiths@llyw.cymru)  
[Correspondence.Lesley.Griffiths@gov.wales](mailto:Correspondence.Lesley.Griffiths@gov.wales)

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.

## **Contingency plans for a no deal Brexit**

First and foremost our approach has been to ensure there will be no gap in relation to the EU environmental legislation that is currently in place. We have, therefore, over the last six months, delivered the most extensive programme of legislation ever undertaken by the Welsh Government to achieve this aim. This will ensure the continuation of existing protections and in a no deal situation will mean existing environmental standards continue to apply from exit day.

With existing environmental standards and protections in place, what additional governance is required to oversee the continued implementation of that legislation is a key part of the consultation. As such, engagement with existing bodies will be a key part of the consultation. As a Government, we are also mindful the scrutiny of the Welsh Government's implementation of environmental legislation is ultimately a matter for the Assembly.

In relation to your questions on the reference in my letter to existing Welsh bodies and the governance role they already provide in Wales, I would like to clarify some misconceptions, which have arisen. In relation to the impacts of a no deal Brexit and the ability of citizens to raise complaints, there have been reports stating on exit day there will be no procedures for citizens to raise complaints. This is not an accurate account of the current provisions operating in Wales as citizens will not lose their right to challenge government. Citizens will, even in a no deal scenario, still be able to raise complaints, not only to bodies such as the Public Services Ombudsman but also to the National Assembly. However, they will no longer have access to the citizens' complaint procedure provided within the EU, which enables the EU Commission, where appropriate to act on their behalf, including the ability to refer cases to the European Court of Justice. This system of governance at the EU level was established to address the specific constitutional arrangements of the EU, for us to provide effective governance at a domestic level, we must therefore design a structure, which reflects our domestic constitutional arrangements.

This is why the existence of bodies such as the Future Generations Commissioner is an important consideration and another illustration of the difference in gaps in Wales to those in other parts of the UK. In my letter I was not proposing the solution was to place additional functions on the Commissioner or the other bodies in place, but their current role shapes the nature of the gap in Wales.

In terms of the nature of any transitional arrangement, which may be required, in some scenarios this could be addressed by the continuing role of arrangements provided under EU membership. The nature of the UK's exit therefore directly impacts upon the nature of any additional environmental governance required and the continued uncertainty brings a significant amount of added complexity to the work.

## **A new environmental governance body**

Fundamentally, the approach to new environmental governance arrangements post EU membership must align with international requirements and aligns with and compliments our existing governance arrangements. Central to this is sustainable development as legislated for by the National Assembly in the Well-being of Future Generations (Wales) Act and the role of the Assembly as the body which holds government and public bodies to account.

In contrast, the UK Government's proposed 'Office of Environmental Protection' addresses the specific gaps in England where there is no equivalent framework for either sustainable development or environmental policy currently in legislation. The role of the OEP is focused around the UK Government's 25 Year Environment Plan for England and the Secretary of State's policy statements, which in Wales is of course a devolved area of competence and where the Assembly has already passed primary legislation. There is, therefore, a risk of the Bill negatively impacting on our devolution settlement by cutting across devolved areas. For example, adopting the UK Government's proposals for England would, therefore, mean the Secretary of State would be setting the policy direction for the principles and policy delivery for Wales, which notwithstanding the constitutional issues would conflict with the legislation we already have in place, remembering, of course, this is an area where we have been internationally recognised for our good practice. In addition, it would mean the Assembly would need to agree oversight of Welsh legislation being undertaken by a body appointed and financed by the Secretary of State with responsibility for the environment in England.

Despite this, I have consistently stated my willingness to discuss UK-wide approaches and have had numerous discussions on this issue with my UK counterparts. I remain willing to work to co-design arrangements with the other Governments in the UK. However, for those arrangements to apply to the UK as a whole they must recognise the different starting point in Wales and allow for at least the same level of flexibility we have had within the EU as committed to by the Prime Minister.

Discussions with the UK Government regarding the Bill are on-going. Ultimately the timetable for their legislation is a matter for the UK Government, however, we have consistently highlighted the risk of a rushed timetable restricting the ability to work to properly co-design UK-wide proposals as opposed to the legislation looking solely at the gaps in one administration. We will continue discussions with the other Governments in the UK and the engagement associated with the consultation and stakeholder input to our consultation events will be key in informing our approach.

The consultation will run for twelve weeks from 18 March and we are planning for all potential outcomes including the potential need for Welsh primary legislation.

### **Legislative Programme**

We continue to keep the need for Brexit-related Bills under review and work is ongoing to develop such Bills. The consultation on Environmental Principles and Governance is an example of that ongoing programme of work. I am sure the Committee supports our working closely with stakeholders and giving proper consideration to their views to ensure legislation is fit for purpose.

Regards,

A handwritten signature in black ink, reading 'Lesley Griffiths'. The signature is fluid and cursive, with the first name 'Lesley' and the last name 'Griffiths' clearly distinguishable.

**Lesley Griffiths AC/AM**

Gweinidog yr Amgylchedd, Ynni a Materion Gwledig  
Minister for Environment, Energy and Rural Affairs