

Vaughan Gething MS
Minister for Economy

6 July 2023

Manufacturing in Wales – one-day inquiry

Dear Vaughan,

Thank you for attending Committee on 8 June to discuss Welsh Government's support for the manufacturing sector and the refreshed Manufacturing Action Plan.

Following three exploratory panel sessions, Members agreed that I would write to you to seek further information.

Firstly, thank you for offering to provide the Committee with more information on each of the action points within the refreshed manufacturing action plan, setting out a clear timescale for delivery for each one, along with a 'lead owner'.

It was also agreed I would write seeking answers to questions not reached during the session. Members had a question for all witnesses relating to monitoring the impact of the plan, noting that the refreshed action plan states "Going forward, the contribution of the manufacturing sector [...] will be tracked through our National Well-being Indicators. But this is not enough". Witnesses in later panel sessions were asked what further work they thought the Welsh Government should be doing to develop a more detailed approach to monitoring the impact of the plan.

Witnesses highlighted the importance of seeing clear read-across between the manufacturing plan and other related plans, such as the Net Zero Skills Plan, the Innovation Strategy and the Welsh Government's overarching economic strategy for Wales. Make UK noted that, when viewed together, some apparent gaps in the Manufacturing Action Plan could be seen to be filled by actions in those other plans. FSB Wales also noted that there was no reference in the manufacturing plan to the Welsh Government's strategy for roads, freight and logistics, and infrastructure more generally, which

several witnesses highlighted as critical to the future of the manufacturing sector in Wales. David Hoare of GE Aerospace recognised that, as indicated in the plan, well-being indicators rather than purely economic targets are likely to be important measures of success for the Welsh Government. Therefore, it is even more important to have a clear shared understanding of how success will be measured.

I would therefore be grateful if you could please respond to these points by outlining how you will ensure clarity about how the actions in the Manufacturing Action Plan read-across to other related plans and strategies; and by providing more detail on how you will measure, monitor and evaluate the impact for the manufacturing sector.

The Committee would also be grateful if you could please set out what work has been done since 2021 in relation to the action point in the initial manufacturing action plan to “understand the type of business support needed by Welsh manufacturing” and what changes have been made as a result. This was identified in 2021 as being an immediate priority.

The update on this action point, provided at point 58 in your paper for the meeting, refers to support provided by Business Wales since 2016 and the launch of the Economy Futures Fund in 2018 – both of which pre-date the publication of the 2021 action plan.

Finally, one of the actions in the refreshed plan states that the Welsh Government will “Mobilise our business support for manufacturing around a targeted number of critical products that have strategic significance to the long-term prosperity of Wales”. The Committee would appreciate it if you could please provide a detailed explanation of how these “critical products” will be identified and how this approach is likely to affect the support provided to the manufacturing sector.

Thank you again for joining Members for this exploratory one-day inquiry. The [transcript](#) and link to [Senedd.TV](#) are available on our website for you and your officials to see what other witnesses had to say.

I look forward to your response, and to an ongoing dialogue about the future of manufacturing in Wales.

Kind regards,



Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee