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**FARMERS' UNION OF WALES**  
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Ein Cyf/Our ref: RNP/GD/M/10  
Dyddiad/Date: 1<sup>st</sup> October 2010

Ms Lisa Penny  
Food Policy & Strategy Unit  
Welsh Assembly Government  
Rhodfa Padarn  
Llanbadarn Fawr  
ABERYSTWYTH  
SY23 3UR

Dear Lisa

**FOOD FOR WALES, FOOD FROM WALES, 2010-2020**

Thank you for inviting the Union's contribution to the development of the proposed food strategy for Wales. Following consultation with its membership, the Union submits the following comments, for your information.

**1. The Strategy sets out a vision for food in Wales in 10 years time. Do you share this vision and how will you help deliver it? How would you or your organisation be involved?**

The FUW believes that many of the aspirations set out within the strategy are fully in line with the Union's goals for the agricultural industry: that is, a profitable, sustainable agricultural sector, within a thriving rural economy. Retaining primary producers and a critical mass of quality farm products is paramount to delivering the aspirations of this strategy. Other drivers, such as sustainability, efficiency, and market development are also important for the success of the strategy, as is encouraging entrepreneurship amongst primary producers to add value.

In the Unions' view, it is support and help for encouraging innovation at a micro business level which will inevitably make a greater contribution to local economic development than inward investment alone.

From the Union's perspective, delivering the vision for food in Wales is reliant on a profitable primary production sector. The FUW believes that it is vital to ensure that farming is fairly represented in the strategy and that value should be added as close to the source of production as possible.

The FUW represents primary producers in Wales and it will continue to work with the various sector groups and the Assembly Government to ensure that primary producers are fully supported along the supply chain, so that their contribution to the production to quality Welsh food is retained and enhanced.

## **2. Do you think the 10 year time span is appropriate?**

The FUW believes that the length of the strategy is less important than its flexibility to respond to changing economic and political drivers, and believes that the need for regular reviews and evaluation opportunities should be embedded into the process to ensure that the strategy remains fit for purpose.

The FUW believes that the strategy needs to be a living document. The strategy is being produced at a time of great uncertainty both for domestic funding and wider European support. Whilst the vision provides a good basis for the development of the food sector over the next ten years, its actual success will be determined by performance.

The current spending review will inevitably result in less public investment in the food industry, at least over the short term. The advantage of a ten year strategy is that it allows time for the economy to stabilise and hopefully improve. The strategy is also being introduced prior to the reform of the CAP and therefore needs to be flexible enough to adapt to the likely changes emanating post 2013.

## **3. Do you agree with the Food Strategy's direction to make food a more central element in the wider economic and social agenda?**

The FUW recognises that food and food production inevitably impact on a wide range of policy areas, particularly health, economic development, and the environment, for example. However, it does have some concerns that by trying to place food in a wider context, the strategy itself may lose its primary focus as an overarching driver for food production and wider food security.

The Union does acknowledge, however, that this approach can provide positive opportunities to improve the links between food production and the consumer, providing the overall vision is not watered down in order to 'fit in' with a disparate range of policy objectives and strategic aims.

## **4. In relation to your answer to Question 3, if you agree, to what extent should our existing food industry action and delivery plans, e.g. red meat, local sourcing, food tourism, horticulture, organic, dairy, fisheries, be changed to reflect this wider agenda?**

The Union believes that the existing food industry action and delivery plans already reflect a wider agenda than food production.

The promotion of the environment in Wales is fundamental to the marketing image of many Welsh products. Health and education are also incorporated into many of the strategies and none is developed in isolation.

The FUW believes that the sector action/delivery plans already reflect relevant wider policy areas, but the imposition of a check list of policy areas to be addressed by all documents is unlikely to have any real advantage and, indeed, the homogenisation of the sector group action/delivery plans could be a retrograde step, as these groups are there to reflect the needs and aspirations of particular sectors or policy areas, all of which have unique needs and development requirements.

Given that many of the action and development plans have recently been reviewed, the Union believes that it would be more relevant to consider any possible gaps in these before undertaking a wholesale review of all plans, which would be time consuming and largely

unnecessary.

**5. This strategy includes supply chain elements of production, processing and market development. Do you think we have said enough on processing and market development? Does this have sufficient capacity to engage with primary producers looking to add value to their products?**

As outlined above, the FUW believes that there is insufficient consideration of how the strategy aims to engage primary producers to consider moving into added value enterprises.

Whilst the FUW recognises the important role the Food Centres play in helping micro-businesses develop and innovate, it is concerned that more emphasis should be given to encouraging primary producers to consider added value as a means of shortening the supply chain, increasing profitability and improving the sustainability of their businesses into the future.

There is also a need to ensure that there is relevant training capacity and mentoring available for small scale producers and that targeted sales and marketing advice are made available to help these micro businesses.

Processing facilities can be a major barrier to the adoption of added value opportunities by primary producers, and the lack of smaller abattoirs, or difficulties in accessing larger slaughtering facilities for one or two animals, is a genuine problem in many areas of Wales and does reduce the opportunities for developing this sector.

The FUW believes that the strategy needs to reflect the importance of encouraging primary producers into the wider supply chain and the need for recognition to be given to the investment required to adopt new capacity.

**6. in your view, what is the best way to integrate the different parts of the food sector to work toward a common vision? What could you or your organisation gain from engaging with this common direction, and how will you /could you contribute to its delivery? Please say if you have particular bodies or organisations in mind that should be more involved in this debate.**

The FUW believes that the integration of various parts of the food sector has to be through the supply chain. Each individual part of that chain, from primary producer to consumer, will only buy into the vision if their own objectives and aspirations are addressed.

From the Union's perspective, ensuring that the primary producer is supported and given access to relevant market intelligence, guidance and advice, is vital for the long term sustainability of farming in Wales. Producers also have to be confident of their long term viability and thus need a clear policy framework in which to forward plan.

The work of the various sector groups has an important role in helping to integrate the different parts of the food sector, as their traditional bottom-up approach to identifying problems and issues along the supply chain could be revisited to incorporate a wider range of interests, thus negating the need to reinvent the wheel.

The Union represents a wide range of primary producers in Wales and could contribute to the delivery of integration through communication and dissemination of advice and guidance to primary producers, coupled with working with other areas of the supply chain to ensure that the views of primary producers are reflected at all levels.

**7. From the issues raised, what do you see as the immediate priority for the food sector? What issues do you think could be more crucial in the longer term? Who do you see as having the capacity to (a) enable and (b) deliver the actions that will be needed?**

Given the current financial climate and impending review of the CAP, the FUW believes that these are the immediate priority areas for the food sector as there will be implications for the entire economy as a result of the UK spending review, the EU budget settlement and the CAP reform proposals.

The CAP review is also an important issue for the food sector, not only the implications this will have for farmers and the longer term effects any changes to support will have on the availability of primary products, but also any changes made to the Rural Development Programme which provides a great deal of support for food related businesses in Wales.

The FUW believes that the Assembly needs to consider the likely impact of the CAP reforms, coupled with a reduction in public support for the food sector and ensure that there are clear priorities for action.

Over the longer term, food security and climate change are likely to have an increasing impact on the food sector, and the need to produce sustainable food for an expanding population is likely to be crucial over the medium to longer term.

Whilst the farming industry is currently looking at ways in which it can mitigate climate change through adaptation and/or adoption of new management systems, at this point in time there is very little data available to properly assess the impacts it will have on food production and consumption in Wales.

**8. This strategy identifies the need for sustainability in the food sector – economically, environmentally and socially. Do you consider you have enough information on market performance, on health messages, on recycling and environmental needs of the food system? Are you clear enough on what is required of you from your part of the supply chain? Is this information appropriate and accessible in your view?**

Whilst acknowledging the need for the strategy to adopt sustainability in its wider sense, it is important to ensure that this is translated into clear, uncomplicated messages, which do not result in increased red tape and unwieldy policy instruments.

The union is also concerned that over complicating the number of messages that the Assembly perceive need to be delivered to all parts of the supply chain will result in confusion and inevitably a total shut down of communications.

The FUW represents primary producers who are generally small businesses, already subject to a great deal of regulation, bureaucracy and red tape. If the Assembly wishes to ensure the integration of all parts of the food sector, it must ensure that any information is not duplicated from existing sources and is disseminated in such a way as to demonstrate positive advantages of adoption to the farming industry.

**9. Are the five key drivers outlined in the Strategy sufficient to develop the goals that have been set out?**

The FUW believes that encouraging entrepreneurship and innovation should be

incorporated into the strategy as they are vital components for the long term viability and success of the food sector in Wales.

The strategy needs to reflect the need for innovation and should specifically address ways to nurture new ventures, efficiency measures, and new entrants, so that the industry can continue to grow and prosper.

The FUW also strongly believes that the strategy should be flexible enough to adapt to new drivers based on the economic climate or changes to policy frameworks emanating from the UK, Europe, or indeed the global market.

**10. This Strategy acknowledges the wider role of food. Given the focus on developing the food sector, would it have been appropriate to have gone further in addressing the wider issues of health and nutrition, climate change, rising energy prices, addressing the needs of those on low incomes?**

As outlined above, the FUW believes that the various sector plans do address wider issues applicable to the relevant areas of the supply chain.

There is concern that, if the food strategy aims to incorporate every policy area relevant to food, the strategy would become unwieldy, and the basic messages and policy direction would be lost.

The FUW does believe that there is merit in considering wider policy areas, where relevant, within the action and development plans, as this would allow greater scope for targets and outputs to be monitored and relevant actions developed.

**11. What are the short term and long term priority areas for skills and training in the food sector? What are the short term and long term priority areas for Research & Development in the food sector?**

Recent reports indicate that there is a significant shortfall in skills training for farm staff, due in part to the age profile of the industry and the low profitability of the sector over a prolonged period of low incomes.

The FUW believes that there is an urgent need to improve the skills level within the industry and this, coupled with support for those considering the move to added value of primary products, should be priority areas for skills training.

Research and development is also considered to be a primary focus for the long term sustainability and success of the food sector, and there is a constant need for innovative ideas and technological advancements within the primary production sector, if it is to meet the demands of increased food production in light of climate change mitigation measures.

The FUW also believes that research and development must be closely allied with innovative and efficient technology transfer and communication mechanisms to ensure that those new innovations, market intelligence, and other developments, are quickly and efficiently made available for adoption by producers.

**12. the food sector as an employer has a potential role in breaking down cultural, age, ethnic, and gender barriers. Do you see a role for yourself in working with policy makers to deliver this?**

The FUW represents farmers and growers in Wales irrespective of cultural, age, ethnic or

gender backgrounds.

**13. The strategy uses the theme of ‘Building Connections; Building Capacities to underline the importance of co-operative working and integration. How can we best change the system of policy making and consultation to make it more streamlined? Would you be prepared to enter in partnership with colleagues and the government on the issues that matter most to you?’**

The FUW welcomes any opportunity which would improve co-operative working and integration.

The FUW believes it important to ensure that primary producers feel involved in the policy making process and that their views are at least acknowledged at the end of a consultation process.

Whilst the FUW has frequent stakeholders’ meetings with Assembly officials, there is scope to improve stakeholder engagement through communications channels such as focus groups, innovative use of social networking sites, or attendance at Union meetings to gauge opinions.

The Union would welcome the opportunity to meet with Assembly and others to consider how this could be taken forward.

I trust that due consideration will be given to the preceding comments and the FUW will continue to work closely with the Welsh Assembly Government and others in developing a strategy that delivers a thriving food sector in Wales.

Yours sincerely

**R A NOWELL-PHLLIPS** (Ms)  
Deputy Director of Agriculture