

**Llywodraeth Cymru a Bwrdd Diwydiant Bwyd a Diod Cymru: Cefnogi adferiad
busnesau a chadwyni cyflenwi ar ôl Covid-19**

**The Welsh Government and the Food and Drink Wales Industry Board:
Supporting recovery of businesses and supply chains from Covid-19**

4.30pm Wednesday 5th August

Hosts:

Andy Richardson, Chair of the Food and Drink Wales Industry Board
David Morris, Deputy Head of Food Division, Welsh Government

Panel:

FDWIB members:

Alison Lea-Wilson
David Lloyd
Huw Thomas
Justine Fosh
Katie Palmer
Norma Barry

Apologies:

Minister for Environment, Energy and Rural Affairs, Lesley Griffiths MS/AS.

Housekeeping:

- Please ensure that your mic and camera are switched off.
- You may type questions into the Q&A function and we will try to answer question themes.
- The webinar is in relation to Covid-19 recovery plan. We will not be able to comment on other matters.
- Unfortunately we're not able to offer a Welsh translation service.
- The webinar is being recorded in order to make it available following the event.

Introduction – Andy Richardson

As a Post-War generation, the last 5 months are not something which we have seen before. We know that it has been disruptive, it has been stressful and it has been incredibly unsettling for all involved. We also know that we are not over it yet. We recognize that whilst some Food and Drink businesses have thrived during the crisis, the vast majority have suffered badly and we should recognize that many of us have lost loved ones and friends to this callous virus.

However, during the crisis, the Food and Drink Board has been meeting regularly, sometimes daily and more recently weekly. We are working with the Welsh Government with the aim of designing solutions to the problems we have encountered and are still seeing. The Board is also in the process of recruiting more Board members and would welcome applications from members of the Food and Drink industry.

We have spent a lot of time with Welsh Food and Drink businesses over the last few weeks, and have been running various webinars, in order to give the businesses support and assistance to re-open their businesses and allow them to function fully again.

The purpose of the webinar today is to present the Recovery Strategy to you all and the industry stakeholders. The outcome we need to achieve is one where we want all of you to understand and engage in this strategy. We all know that it is a completely new and challenging situation, but that there will be opportunities presented to us. No plan is perfect, but neither is it of any worth if it is just sitting on a shelf. We need your help to turn this strategy into something which will benefit the Welsh Food and Drink sector.

In today's webinar, we will hear from Dave Morris regarding the Welsh Government perspective regarding the strategy and how seriously the Welsh Government intend to take this strategy forward working with the industry. We will then go through each of the eleven action points which will be covered by the board members in turn. This will enable you to understand the strategy, the purpose, and the proposed outcome for each objective.

The objectives of the plan are as follows:

- To maximise the number of food and drink businesses who survive the immediate Covid-19 disruption and sustain supply chain networks within the sector and allied areas;
- Minimise job losses in the sector;
- Support the sector to recover as fast as possible and return to sales growth;
- Focus support on market aligned solutions which take account of a changing trading landscape where there is also the additional risk of Brexit disruption; and
- Remain on a path to our long-term strategic aims.

There remains a difficult period at the end of the year, where businesses will be challenged with Brexit, but also the possibility of a second wave of the virus.

As you are aware, we had an action plan in place which took us from 2014 to 2020, with several objectives. One of these objectives was to grow from £5 to £7 billion which has been achieved collectively. This strategy is something which the Board was working on to take the industry forward over the next 5 to 10 years. However, this is now a 12-18 month strategy which will hopefully pull us through the Corona virus pandemic crisis. It is not a replacement for the new long-term strategy, but a stop-gap to cover this period.

Welsh Government Perspective – David Morris

Good afternoon everyone. The Minister would like to extend her apologies and would really have liked to be on this webinar today. She has asked me to pass on her thoughts to you all. Firstly she would like to thank you all for joining the webinar, that it is great to have so many businesses actively engaged in the conversation and that this will be a way of communicating effectively going forward. The Minister would also like to reiterate the point that despite the unexpected events of Covid-19 and the challenges which Brexit and leaving the EU will present at the end of this year, the Minister, Welsh Government and the Food and Drink division are there to support the sector which is really important in Wales.

The Food chain, as a whole, employs nearly 230,000 people and the Minister also appreciates that there are a number of jobs at risk. This is mainly because of all the problems which Covid-19 has thrown at the different parts of the chain. The previous objective of achieving £7 billion was exceeded by the sector, which achieved £7.4 billion at the end of 2019 compared with the target of £7 billion by 2020, which was no mean feat. This was down to the businesses themselves as well as the broad support being provided.

The EU Referendum in 2016 led to a degree of uncertainty within the sector, but yet the businesses with their optimism, determination and innovation have carried on and exceeded the target set. Our support has evolved hugely over that period, and we have introduced innovative programmes of support, such as Project Helix, to stimulate and encourage more innovation within the sector. Other initiatives have also been introduced such as the Food Clusters Groups. Because of this initiative, most of the Food and Drinks businesses in Wales are engaged in the Clusters networks. This gives a great opportunity for government officials to work closely with business to understand the issues which matter to business, and to help them come up with solutions to take advantage of the opportunities identified.

Another interesting and novel programme is the Cywain programme which helps start-ups and small micro businesses to grow and succeed, whilst giving them the support to acquire the skills they need to achieve that success. All of these programmes will continue going forward. As Andy has already said, the current strategy is due to end this year, and a huge amount of work has been carried out on the new strategy. However due to the current crisis, the Welsh Government and the Board have been working really closely together have come up with the Covid-19 recovery plan which you will hear more about today.

It is important to state that when Covid-19 occurred in Wales in March of this year, we didn't stop any of the programmes currently running. Instead, the momentum was increased on those programmes, which carry on. However, we are also re-configuring a number of those programmes, both to address the Covid-19 challenges to make sure that we take full advantage of new and developing opportunities, and also so that we can support businesses through the changes brought about by Brexit.

Priority Actions

We are now going to present a strategy plan in order to ensure that we are not just talking about this but doing something, and ask for your help and the industry's help to bring this to life and make sure that we do something as a result of the plan. The priority actions and objectives will now be presented.

Market Intelligence – Norma Barry

Good afternoon everyone, as stated by the Chair, the primary purpose of this webinar is to ensure that the Recovery Plan is fully understood and that you engage in its delivery.

I am covering the first action which is about monitoring market intelligence and ensuring the Welsh Government's support is based on this intelligence.

The importance of scanning continually the external environment continually by monitoring marketing intelligence amongst other major economic, environmental, social and political issues is fundamental to the survival of all businesses. This is why the Board and the Welsh Government have prioritized this action and are including it for the longer term.

Whilst there will always be a need for food and drink, we have actually seen demand drop in recent months by about 27%. Experience has shown that external factors can have an immediate effect on the operation of any business and we need to be prepared. The tourism and hospitality businesses have been particularly hard hit which has, in turn, impacted on some of our Welsh food and drink businesses, in particular of food service companies. Although there has been an opening up of these sectors over recent weeks, it is likely that it will be some years, if ever, before we see a return to previous levels of business.

The Board, in partnership with Welsh Government, is supporting the sector to become more responsive to economic and other changes at the macro and micro levels. Apart from Covid-19, we are facing significant strategic challenges in respect of Brexit, Climate Change and changing consumer habits and behaviours. A lot of these are arising as a result of the pandemic and its economic consequences. These have implications for your businesses in terms of supplies, manufacturing products and response to change in consumer demands, organising your operational arrangements, logistics and distribution channels, your cash flows and access to capital, and the health and welfare of your staff which is becoming more important.

Recent market intelligence indicates that product ranges are now being rationalised. More consumers of all ages, including the elderly, are buying online and more people are likely to be looking to buy value ranges and, subject to disposable income, the occasional treats for eating in. There appears to be less reliance on ready meals and more on home cooking with concerns about healthy eating and an inclination to eat outside the home on fewer occasions as well as the preference for buying locally.

At a micro (company) level, what does this mean for our producers and what actions do you need to take to survive and prosper in the current and future challenging times? In the light of current market intelligence, you might want to consider the following:

- Don't overlook the importance of scanning the external environment trends and being prepared for the unexpected;
- Reconfiguring your operations to help the welfare of the workforce;
- Training of staff of the "new normal";
- Taking advantage of technological developments to improve projects and productivity;
- Ensure product ranges meet consumer trends and market demands; and
- Review your logistics and sales channels.

Finally, just to remind you, that there are other strategic objectives impacting on this sector apart from Covid and Brexit. These are going to impact on your business going forward. These factors include:

- an ageing population;
- slow economic growth, which is going to be inevitable;
- continual environmental pressures;
- continual political polarisation;
- health and well-being being high on Government's agendas; and
- digital and technological advances.

Welsh Government will be doing what it can to support you in addressing these issues through its monitoring activities and its various support mechanisms will be based on this market intelligence. As business owners, it is fundamentally down to you to engage through the Clusters and various networks in order to understand this market intelligence and to act in order to continue to develop your companies.

Practical business advice – Huw Thomas

Good afternoon, to introduce myself, my name is Huw Thomas, I'm the Managing Director of Puffin Produce and I'm a member of the Board. There are some great programmes already delivered by Welsh Government and we're trying to do is further enhance and support the current programmes in light of Covid-19. Practical advice is already available on the subject of Leadership, Marketing, Business Planning, Innovation, Product Reformulation through the programmes which are already offered by the Welsh Government.

If you aren't aware of the programmes available, I would recommend everyone to look at the Food and Drink Wales website, the Food Innovation website to gain an insight into the programmes which are available. Projects such as Project Helix can be found on the Food Innovation website, the Cluster Groups which is a great conduit for everybody to communicate and has a large range of consultants available to core businesses in Wales, Cywain which helps micro businesses with various trade incentives such as Meet the Buyer.

Online Sales – Andy Richardson

During the crisis, online sales took off stratospherically and it's important that we understand what those trends are and that in Welsh food and drink the supply chain is completely connected to that. There are opportunities, though I know that it is very difficult saying that there are opportunities at the moment when most of us are in crisis mode, but I think that it is important for us to try to understand what the trends are at the moment and what are those which are going to stick. Online is one of those. What is this going to look like in 6, 12 months, 2, 3 or even 4 years' time in order that we can address our offering accordingly in Wales.

There are two parts to this. One is that developing online is not about helping people to develop really good websites, although that is part of it, and part of it is understanding what is engaging about the Welsh food and drink brands, but more importantly it is about how we access those online. Are there ways we can do it smartly?, Can we do it collectively or in a collaborative way?, Do we need to work together with distributors to get Welsh produce to the markets and then delivered to homes? There are a number of things which need to be done in terms of accessing this online behaviour, and it also ties in very neatly with what Norma was saying.

We have to understand how it forms part of the trends of what the consumer is doing, going forward. It is really just to make a flag that the third point of our strategy is about capturing the opportunity which we believe online presents.

Productivity improvement, business resilience and risk management – Andy Richardson

What we are trying to do is to say that we need to target the investment in people, technology and premises as well to make sure that we actually produce added value products which the market, of course, wants. The way we want to do this, as we said, is that productivity is essential. We need to look at tools such as lean principles, as I'm sure that most of you or many of you actually use those already, and we have to enable that.

I know, as a side, I've been showing some work in the UK dairy sector looking at productivity. I know that this is a very sensitive subject because as an aside, our evidence shows that 80% of producers think that they're in the top 25%. We also have to recognize that what is holding back businesses varies between different businesses. It is not, therefore, one or two solutions which fit all. Productivity is not a cliché, it is definitely something which we need to work on collectively, and it is not something which the Board or the Welsh Government are going to solve on our own.

I'm also involved in the UK Food and Drink Sector Council, and there was a work stream there looking at productivity, so it is very important that we are part of that and understand what our opportunities are in Wales.

The second point is about resilience. I don't think anybody saw Corona virus coming and I don't know anybody who had Corona virus on their Risk Register.

It is very difficult, because a lot of businesses have done extremely well out of taking advantage of key markets. We all know that those which focussed brilliantly on hospitality have unfortunately been hit very badly and that is certainly no criticism of their business at all. I don't think anyone foresaw the situation where hospitality was shut down overnight. What we have to do is try to understand what equals a resilience business model, can we help businesses develop their strategies to ensure that they are more resilient business model? and, partly, can we help them with their risk mitigation and management and really understand what the risks are. It's not that we are underwriting them, but can we find ways and solutions to do that.

The fourth point is really about developing a more productive, resilient, less risky business models and we hope that we can look at things such as automation, technical excellence, lean principles, certainly the benefits of working in collaboration and many of you have been involved in the Cluster concept, and fundamentally looking at efficiencies gained through saleable practices. The fourth point of the plan is quite a big one and it's going to need a lot of unpacking, but is so fundamental to our success.

Add Value – Alison Lea-Wilson

My point is about supporting businesses and supply chains to add value based on research, market opportunities and through working with research innovation and product development departments.

Wales is known throughout the world for its primary products and we need to make more of those and get them better known. Everything I'm going to mention needs industry buy-in and enthusiasm to work and it has to be a partnership between the Welsh Government, producers and delivery partners. All the actions and all the people who will deliver them are designed to help businesses be more sustainable and spread the risk between different markets. This is because a lot of us found in Covid, especially at the beginning and at its peak, that we had all our eggs in one basket and we need to guard against that in the future.

As a producer, I know how lucky we are to have the resources to draw on and I know how much we've appreciated the support in the last few months. A lot of work is done through the Clusters and those businesses who work together are open to helping each other and the really important point is that they can influence what's on offer. If they want something different, they can ask for it.

Research reports are available from the likes of Kantar, IGD and Brookdale Consulting and they are available freely on the Welsh Government Food and Drink website, and also through the Cluster leads, so I would encourage you to have a look at those. We also have the three Food Technology Centres, who will support businesses to achieve SALSA and BRC accreditations which are essential now for working with large retailers and manufacturers. As Andy said, Cywain is working with Micro businesses on a one-to-one basis and I'm happy to say that there's a flow of new business enquiries coming forward, even in these troubled times.

The Clusters also hold free to enter virtual and physical events, so this year we had virtual Tuck In which was a marketing conference organised by the Fine Food Cluster under the umbrella of the Food and Drink Industry Board and that was showcasing best practice in marketing and product development and it also acts as a B2B platform. The Clusters also run on-line courses as part of the Food and Drink trade programme on selling skills, e-commerce, setting up Amazon accounts, LinkedIn for Business, Data Management, etc. There was a whole slew of webinars around maximising social media and looking at mental health and HR issues to name but a few.

Another initiative from the Trade Development Programme is CaruCymruCaruBlas – Love Wales Love Food, the virtual marketing campaign which all producers are welcome to join. There's a downloadable tool kit to use on the celebration days of set dates to target. It's on the Business Wales website. The next one is this Friday and it's heralded by a film with Rhod Gilbert. The next one is on September the 3rd. Visit Wales is also working closely with the Food division to promote it. It is mainly businesses to consumer and it encourages consumers to support the hospitality industry, Welsh retailers and producers by buying Welsh food and drink.

Finally, as part of this, I just want to talk briefly about the sustainable brand values programme. Domestic and Overseas consumers want high quality standards in terms of food production, animal welfare, and sustaining our natural environment. Different markets want different attributes. I read a piece by Brookdale Consulting telling me, for example, that the UK is concerned about single use plastics, whilst South Americans are worried about the use of water, not something we suffer from a lack of in Wales, and Asians are more focussed on health which mentions of salt, sugar, fat and calories in the food which they consume.

This programme will drive continuous improvement by being inclusive and by sharing and evidencing good practice against the robust quality standards framework. It's being taken forward by special interest cluster groups with members drawn from across the clusters plus academic partners to add value. It's a bit of tricky one because healthy products are quite hard to achieve if you're making something like pies or, indeed, harvesting sea salt. Manufacturers can work towards using clean ingredients and so would be healthy from this perspective. This cluster will also tie into special interest groups such as Sustainable red meat and dairy, and carry out supply chain work to substitute Welsh ingredients for imported ones which is obviously very useful as we finally sever our ties with Europe and better understand the areas of sustainable work which will make a real difference to the bottom line in every day business.

Affordable Finance – Huw Thomas

If we go back a couple of years to when the Board was formed, I think we all agreed that there was a gap in the support for young smaller businesses to improve their financial skills. We've managed to develop a programme over the last couple of years which has helped us bridge that gap. The action is based on the understanding that our businesses need to have strong financial skills. Obviously, all that has come under much more pressure since the Covid issue. There's a lot of businesses who have had to take on more debt and are struggling to keep going, as

we are all aware. It is ensuring that those businesses which are, perhaps, not experts in that area have the support they need to finance and keeping their businesses going as cheaply as they can.

There's a programme which started a number of years ago, but that programme has now had to adapt to help businesses through this crisis. That is the Invest to Ready and Financial Resilience Programme, which is run by BIC Innovation, as a lot of you will know Linda Grant who is the project lead of that. That is a fantastic resource, they have some great consultants working for them who will help businesses if they have problems. They concentrate on areas like improving accounting and information systems, facilitating funding, financial modelling, helping you consider different sources of capital. There is a great resource for organisations to tap into if they need it.

One of the things we have been trying to do with the scheme is to get the message out there about the programme and to help upskill smaller businesses. We have run a series of seminars which Andy mentioned right at the beginning and we've covered areas focusing on Trade Credit, we've done one on Mitigating risks and forecasting, and the third one this morning was on maintaining cash liquidity, and we've had a good attendance for those. I think that people have found them useful and we've had some very good speakers. It's helping people to think about how they manage that part of their business.

There is a great strand of support there and I would recommend everybody to tap into that if they feel it will help their business.

Industry Accreditation – David Lloyd

I'm just going to spend a few minutes talking about accreditation, the various types of accreditation you can get. At the beginning of this Covid crisis, we did a little bit of work which showed that about 28% of food companies, and by that I mean food processors, were furloughed because the purpose of their marketplace was hospitality. I'm aware that many people online here today who are from the hospitality sector. One thing that will undoubtedly come out of this is that we need to diversify or at least spread out the risk by going into different markets. One of the critical elements to open up those markets is accreditation.

It started about 20 years ago when the retailers part of due diligence defence was to look at accrediting companies. There are two key third-party accreditations which exist in the UK and Wales, SALSA and BRC. There is, by our reckoning, somewhere between 900 and 1000 registered food processors in Wales, but when I give you the figures, maybe 89 are registered with SALSA and about 120 in one of the forms of BRC accreditation, so we have a long way to go in terms of getting numbers up. By getting that accreditation, we significantly open up the marketplace to a lot of Welsh food companies and undoubtedly one way out of this is to gain these accreditations.

The SALSA is for local suppliers, and I think you can supply Wales generally on that but you can also be able to supply some of the non-larger retailers if you have SALSA in the UK. That's just generally about half a day. It's relatively low cost, I

say relatively low cost, it's about £600.00 but the opportunity there it opens up in new markets is significant. That's the first stepping stone on the stages to accreditation to opening up markets, and don't be scared of it, because the support mechanism in Wales is second to none.

There's a new BRC audit called BRC Start which is a one-day audit, it's more expensive I think it's probably in the region of about £1,000 but don't quote me as it depends on which certification body you use but it's a mid-way point between SALSA and BRCGS which is the Global Standard which is recognized globally. The BRCGS is a much larger standard, much larger audit. It's anything from 2 to 2 and a half days to anything depending on your product and the size of your site and that's in the region of anything from £1,500 to £2,000 and the cost of the auditor, but it is Global so it opens up the export markets and really is the pinnacle of accreditations.

Let me just say at this point that the Helix programme has been pointed out, which is extremely applicable to start up's, Micros and SMEs. It's subsidised and good value and its administered pan-Wales by the three food centres based in Food Centre Wales in Ceredigion, in Food Technology Centre in Llangefni, Anglesey and the Food Industry Centre at Cardiff Metropolitan University. I would urge you, like Huw did, to visit the Food Innovation Wales website and just get in contact because the technologists that are based around Wales are all SALSA approved Auditors and all have gone through the third-party audit training with the BRC. So it is, in my opinion, a fairly unique offering in Wales.

I would urge small companies that have not thought about it yet to think about it and get involved, and if there are hospitality businesses who are looking to diversify, because they have products on their menus which they think will sell, please contact us.

Retail Plan – Alison Lea-Wilson

I'll try and keep this very brief. So, the Retail Plan was written and was ready to roll and guess when it was completed. February 2020. So it's actually now being completely re-written to encompass the growth areas such as the ones Andy was referring to: on-line trading and also the rise of convenience stores. The Food and Drink trade programme maintains an excellent relationship with all the major retailers and it does help facilitate events where producers can pitch to them such as the Morrisons virtual food makers. Just to echo David again, SALSA and BRC are absolutely crucial to participating in that kind of occasion.

Global Trade – Alison Lea-Wilson

I'm going to move on to the next point which is maintaining our global trade presence and Wales' brand through virtual engagement with overseas trade buyers. Halen Mon has been very lucky. We have participated in a lot of virtual trade missions. I have to pay tribute to one of the contractors now, who has worked with the Food and Drink Industry Board. They could have just sat on their hands when Covid happened, but they didn't. They looked at new ways of delivering programmes and instead of physical trade missions, they made them virtual and I have personally been virtually to Singapore and Australia and also on offer are the Nordics,

Netherlands and Belgium, Qatar and Japan. They can all be accessed through membership of the Export Club and everybody is welcome to that, I'm sure Mark will put the link up to that.

It's a great cost-effective way of getting market information and targeting meeting with buyers who really want to buy. The beauty of it is that you send samples out in advance, you have the meeting with the buyer by Zoom, and you can talk them through the samples and you can both taste them together. There are also other virtual events taking place like 3 e-Wine men again with samples being delivered this time to consumers in advance and there is another trade show in October called Innoveat, if that's how you pronounce it, which is a completely new way of accessing buyers as all meetings will take place on-line.

We really don't know how long this is going to pan out. It is a learning experience and it's probably worth doing because it's heavily subsidised and if nothing else we'll learn how to do things in the future. Just two more little things: I want to just note here that the Wye Valley Producer Group marketing initiative, where a band of producers got together to sell direct to consumers, and the Neges Box Scheme on Anglesey which was putting food together for vulnerable and shielded people have both been picked up by a Canadian academic as case studies of how to innovate best in a pandemic.

Looking ahead to possibly a physical show, the Food Division and Fine Food Clusters are taking a stand at the Farm Shop in Delhi and the Food and Drink Expo in April 2021 in the NEC. The stand will overtake both halls and create a Welsh village.

Sustainable business models – Katie Palmer

Thank you Alison. Hello everybody, I'm Katie Palmer and I'm Programme Manager at Food Sense Wales. I'm going to talk about focussing on investment on businesses that have strong economical and sustainable business models and have a look at how the Food and Drink sector contributes to the wider conversation that Welsh Government are having at the moment regarding our future Wales and the post-Covid reconstruction consultation which is a bit of a mouthful.

The purpose of this point really is to ensure that investment in the Food and Drink sector drives resilience by contributing to the Welsh Government's commitment to social, economic and environmental justice as laid out by the Wellbeing and Future Generations Act. This point recognizes that the Food and Drink sector is part of the foundational economy, so food is an essential good for everyday life. As such, Welsh Government wants to invest in those businesses that seek to promote social justice, so that's thinking about things like jobs, livelihoods, access to nutritious food; environmental protection, thinking about climate and protecting nature; and public health, supporting safe and healthy diets for everyone, and doing this while contributing to the Green Economy.

I just want to point out that each of these factors apply at home in Wales, but are really important in ensuring our global responsibility. I've noted a question in the chat box around deforestation which perhaps we can pick up later. So Welsh

Government already has a framework for achieving this investment goal through the economic contract. The Economic Contract is part of Welsh Government's Prosperity for All, the Economic Action Plan. This is being designed to enable Welsh Government to achieve strong business relationships, to drive inclusive growth, and responsible business behaviours.

So, companies seeking support enter into an ongoing dialogue with Welsh Government and it's about committing to this "something for something" approach. The Economic Contract requires businesses to seek investment to demonstrate their growth potential, that they're going to provide fair work as defined by the Fair Work Commission, they're going to promote health and they're going to make progress in reducing the carbon footprint. These principles were put forward pre-Covid.

So just to finish off by giving you some examples of the sorts of businesses that Welsh Government might be looking to invest in as part of the Green Recovery. Looking at businesses that are supporting fair wages, good working conditions, including training opportunities, businesses that are investing in low-carbon technology, innovation in products and services that contribute to a healthy diet and low environmental impact, innovation to support low-income communities to access affordable nutritious food. Businesses that can support local food infrastructure and this is where public procurement can come into the frame, demonstration of waste reduction, high animal welfare standards, and there are many more and as Alison explained earlier, one of the mechanisms for achieving this would be buy-in through the sustainable brand values programme.

The ultimate aim is to ensure that investment in the Food and Drink sector is channelled into business support, which ensures the health of the nation safeguards the environment and promotes social justice while driving the green economy.

Good place to work, train and develop new skills – Justine Fosh

Thanks Katie; Skills has formed an important aspect of the Board's work and remains so as we move forward. This is described in the 11th and final objective as 'a good place to work, train and develop skills'

Why is it important? Well, because ultimately it is the people who make this industry great; from the innovators creating new products, to the engineers who keep factories running and not forgetting the owner managers whose skills and resilience have seen them navigating their businesses through the evolving challenges of Covid 19 keeping their people safe whilst continuing to produce food to feed the nation.

If the pandemic has brought home two things, I think they are firstly, that we have to look out for each other, not just in our households and communities but in our workplaces too caring for people's physical and mental health and we have seen some really great examples of support in the workplace. Secondly, I think it has shown just how vital food and drink is as an industry is to the nation sustaining and feeding the population throughout the pandemic. We could not have responded as we have without skilled, adaptable and committed people.

Food and Drink hasn't always been seen as 'a good place to work' - in fact often it is overlooked completely making it hard to attract people into the industry and yet we also know that in Wales the food industry offers good jobs, many supporting local communities and that those who come into the industry are surprised at finding out how rewarding the careers can be.

So 'a good place to work, train and develop skills' is about how we ensure that we look after our people, how we build the industry reputation as providing good employment and how we ensure that we develop a culture of investing in skills for the long term.

There is, in Wales, significant help available to both individuals and all types of businesses through the Business Wales Skills Gateway. Beyond this, there are a range of food and drink specific support mechanisms many of which have been mentioned already such as Tuck In which helps develop skills in marketing and social media. Apprenticeships also offer businesses in Wales the opportunity to both develop existing and recruit new staff for roles in butchery, bakery, brewing, engineering and operations to name just a few. Apprenticeships are designed by industry for industry and there is a major reform to the subjects and design of apprenticeships being carried out.

It is important that food and drink companies input into this and if you are a business please do visit the NSAFD website to access the current consultation. There is also work being done to develop a food and drink specific employment support programme which will provide relevant industry training to help those whose current employment may have been hit by the pandemic to gain new employment in the industry.

Our aim is to ensure that as we move forward businesses in Wales have access to the skills and people they need to drive recovery, productivity and growth. We have a great story to tell, provide good jobs and have access to a strong package of support enabling us to attract and welcome young people at the start of their working lives but also career switchers from other industries impacted by Coronavirus.

I am a strong advocate of the value of skills and am really excited to be supporting this agenda and working with Board colleagues to deliver.

That concludes the overview of the 11 priorities so I will hand back to Andy to summarise.

Summary and Conclusion – Andy Richardson

Well now you've all met the Board and you've also been introduced to our houses. I hope that you've found that helpful. Thank you very much to the Board members for going through their sections, thank you to our guests for bearing with us. It's really not easy to get these points across virtually, but what we wanted to do was to take the time to explain what we're trying to do. This is the beginning of a conversation, we won't pretend that it's all going to be finished now. What I'd like to do in the last 10 minutes is to pick up a few themes from what people have been saying. I

apologise if we don't get to all of your questions. We will answer those which we haven't answered during the call, later on.

This recording will be made available, and we will answer the questions. If anyone wishes to contact us, please do. We want to make the point that this strategy is going to solve everything. We need to have conversations with you to enable the Board point of view and the Welsh Government point of view.

I would like to thank you for attending the webinar, thank you to the Board, to the Welsh Government for organising it and we look forward to our next webinar.

Questions & Comments

Market Intelligence:

Kevin Harrington:

What is WG going to do to make sure that market intelligence is available to businesses?

Susie Abson:

As a starting point, market intelligence is available through our Clusters and via the food and drink website

Market intelligence can be accessed by contacting either the:

1. **Food innovation centres:**
<https://businesswales.gov.wales/foodanddrink/how-we-can-help/innovation-centres;>
2. **Clusters:** <https://businesswales.gov.wales/foodanddrink/growing-your-business/clusters; or>
3. *Via content on the **members only pages** on the food and drink website:*
<https://businesswales.gov.wales/foodanddrink/members-area>

Practical business advice:

Adrian Barsby:

Do you have plans to extend the level of wider knowledge of and engagement with the #CaruCymruCaruBlas #LoveWalesLoveTaste campaign. Especially promotions at / in English regions that traditionally have supported the wider Visitor Economy of Wales. Could vouchers for Welsh products be considered for both awareness building and as incentives?

Ian Edwards:

As part of the #CaruCymruCaruBlas #LoveWalesLoveTaste campaign, there will be a third celebration day of Welsh Food and Drink on the 4th of September. The aim around that day will be to focus on the external market and raise awareness of Welsh produce with GB consumers. The second celebration day, which was held on the 7th of August, focussed on the hospitality and tourism sector as well as the food and drink sector and Visit Wales were involved in the campaign via their social media channels.

Enfys Jones:

In addition, the Welsh Government's social media accounts have been active around this campaign. Details are on our website –

<https://businesswales.gov.wales/foodanddrink/LoveWalesLoveTaste> – along with assets for producers to access.

In regard to promotional vouchers, the current campaign by the UK Government - 'Eating Out to Help Out' – aims to encourage consumers to eat out mid-week, which many of our hospitality sector here in Wales are participating in.

Mair Saunders

Mae ymdeimlad fod bwydydd o Gymru yn ddrud i'r sector brynu a'i ddefnyddio - oes gennych chi syniadau i wneud pryniant i'r sector lletygarwch yn fwy afforddadwy fel ein bod yn gystadleuol a chadw ansawdd y cynnyrch rydym yn ei gynnig os gwelwch yn dda

There is a sense that Welsh foods are expensive for the buying sector and use it – do you have ideas to make purchases for the hospitality sector more affordable so that we are competitive and keep the quality of the products we offer.

Alison Lea-Wilson:

Work has been carried out Nerys Howell with individual hospitality companies to help source Welsh products. Research has also been carried out which shows that consumers are willing to pay more for locally-sourced/ Welsh products. Good quality comes at a price and some hospitality providers realise that and embrace it.

Mae Nerys Howell wedi bod yn cydweithio gyda chwmnïau lletygarwch unigol i helpu gyrchu cynnyrch Cymreig. Gwnaed gwaith ymchwil hefyd sy'n dangos bod defnyddwyr yn fodlon talu mwy am gynnyrch lleol/Cymreig. Mae ansawdd da yn dod am bris ac mae rhai darparwyr lletygarwch yn sylweddoli hyn ac yn ei groesawu.

Productivity Improvement, business resilience and risk management:

Simon Wright:

I'm concerned that there is not enough here to look at what we can do to ensure that the independent hospitality sector and the ecosystem that surrounds it is here for the recovery – these businesses have met many challenges over the years in situations and I have to say we're pretty resilient.

David Morris:

All of the Ministers, officials, and so forth, are aware of the difficulties and that the sector has been hardest hit. Despite this, the sector has also been resilient in coping with the crisis and has been innovative in order to keep going. Many businesses have diversified into areas of their business and, in some cases, will keep this going once the crisis is over.

The sector is now reopening, but this is not easy due to the Social Distancing requirements. We understand that some businesses will not re-open. It is important that customer bases are re-established, with the eat out to help out and other

schemes which are taking place. The general public are starting to eat out again, but this will take time. Staycations are also being taken up and this has a positive knock-on effect of local food suppliers and restaurants.

The Minister for Environment, Energy & Rural Affairs collaborates with Minister for Economy, Transport & North Wales and Deputy Minister for Culture, Sport and Tourism to join-up local food production with hospitality businesses which addresses consumer preference for local Welsh products. The Welsh Government's Food Tourism Action Plan is due for renewal next year and all 3 ministers will be engaged in this.

Marketing and promotions is also key to encouraging consumers to eat out and to choose Welsh products. The Caru Cymru Caru Blas initiative and HCC's beef promotional campaign in spring are great examples of effective marcomms and the promotional push is an important part of future strategy.

Paul Flanagan:

Question for Andy: How are we/can we work with other parts of the UK who are promoting food & drink on pre-competitive areas & learnings from successes/challenges?

Andy Richardson:

We are very aware of this through the F&D Federation Round Table, and are having further discussions as to how to work together. It has also been achieved through joint and collaborative meetings.

David Morris:

There is a long established working relationship between Welsh Government officials and their counterparts in the rest of the UK and further afield. Similarly, the Food Board engages directly with UK Government and its stakeholder groups as well as with trade bodies such as FDF. Through this engagement and related research, we shape our approach to promotion and marketing of Wales food and drink.

Our development of the sustainable brand values of our industry is significantly informed by extensive and detailed research. Wales also benefits from joint working with the UK Government marketing programmes such as Bounce Back when it is appropriate for our businesses and complimentary to support available in Wales.

Sustainable Business Models:

Julia Hunt:

The strategy recognises that the challenge of recovering from Covid is happening in parallel to the challenge of EU exit. However, it doesn't mention the nature and climate crisis, which is also happening in parallel, with massive impacts on the food and drink industry. How should/will these crises be addressed together? Within this,

how will you use nature as a tool to help the food and drink industry to recover from Covid19?

David Morris:

The climate crisis is a priority for Welsh ministers. The First Minister has been adamant that the recovery from Covid 19 must be a 'green' recovery and businesses with investment plans which also deliver sustainability benefits are more likely to secure government support and to be prioritised. We require food businesses to sign an Economic Contract when in receipt of Welsh Government support and this contract details sustainability commitments including the requirement to decarbonisation.

Kevin:

With growing evidence that deforestation leads to pandemic outbreaks and many businesses in Wales reliant on products that are considered forest risk commodities. How can we tap into the growing calls for a green recovery to enable businesses in Wales to reduce their contribution to deforestation and prevent future pandemic outbreaks that in turn can have a big impact here in Wales.

David Morris:

Deforestation is without doubt a problem on a global scale including high profile examples such as clearances in the Amazon Rain Forest to make way for cattle ranching and soya production. Buying Welsh beef and home grown cereals rather than imported equivalents indirectly reduces deforestation. In Wales afforestation is the issue and Welsh ministers have ambitious plans to significantly increase tree planting in Wales and ways to achieve this is part of the discussion on Sustainable Farming and Our Land. In this way, 'something for something' could include land managers planting trees in return for public purse payments post CAP.

Good place to work, train, and develop new skills:

Simon Wright:

What work is being done to measure the impact on the sector? The Welsh Independent Restaurant Collective has estimated that 15,000 jobs have already been lost in the independent hospitality sector and that may double by Christmas. Their research also show that the majority of those businesses spend over 75% of their purchasing power with Welsh suppliers.

David Morris:

The situation is being closely monitored as it is constantly changing. The Eat Out to Help Out is providing a much needed boost to the sector but many restaurant businesses may still struggle. We will be taking evidence from stakeholders including Visit Wales and Hospitality Cymru to then advise government on addressing the problems and ensuring the future viability of as many businesses as possible.

Mair Saunders:

One of the greatest challenges especially in North Wales is the shortage of labour in the food and drink industry - are there any plans to help this sector specifically ?

David Morris:

The shortage of labour in food manufacturing is an all-Wales problem and also a challenge for the whole of GB. The Food Board has established a Skills Sub-Group to address the chronic shortage of new entrants into the sector and to ensure that businesses in Wales have the ability to access training and re-development for their workforce. The Boards Skills Plan, published in early 2019, is being reviewed to ensure it is fit for purpose to respond to Covid 19 and Brexit challenges.

Clare Haven-Tang:

I appreciate David's comments on eating out, but in relation to hospitality businesses re-opening and re-building their trade, is there any work planned into consumer confidence, especially with the recent announcements from Scotland?

David Morris:

Marketing and promotions is key to encouraging consumers to eat out and to eat Welsh products. The CaruCymruCaru Blas initiative and HCC's beef promotional campaign in spring are great examples of effective marcomms. The 'eat out to help out' campaign is already proving successful in increasing consumer confidence and willingness to eat out.

General

Nick – The Philharmonic

How often does the Welsh Gov 'consultative' group (hospitality) meet. Who are the members and are there minutes of meetings that can be viewed please?

Rob Holt:

The Group was established to undertake the fast track review of hospitality, as requested by the First Minister. The group met 1-2 times per week initially but now only meets regularly as required, for example to discuss specific issues such as TTP data collection. The group includes industry reps, LAs , Trade Unions, Police etc. The minutes are not published, but individuals/ businesses can feed in and gain feedback from those on the group including Cardiff City Council, UK Hospitality Cymru, British Beer and Pub association.

Leanne Waring:

Will the chat be shared after the webinar please?

Andy Richardson:

We will be sharing the webinar along with the chat afterwards. If there are any questions we have been unable to answer during the webinar, the Board will attempt to respond to these in due course.

Edward Morgan

Swt mai. I'd welcome an update on future plans for the Tasty Careers initiative to promote the sector at secondary school level, especially against the backdrop of the new curriculum. Diolch. To support Katie, public sector procurement can be an important avenue for Welsh manufactured product and a positive driver for change.

David Morris:

The Food Sector competes with many other sectors to attract new entrants including school leavers and we have a number of initiatives to both explain the wealth of opportunities available and the attractiveness of food industry careers. Tasty Careers is an engaging and informative tool which resonates with young people. The Food and Nutrition GCSE, introduced in recent years, alongside food related Welsh Baccaulaureate modules, BTEC Hospitality and Catering and Basic Food Hygiene qualifications are all available for secondary schools to offer to students.

Traditionally food industry careers were seen as less exciting but the wealth of courses now available through schools is changing that perception. The Food Board has an appointed sub-group taking a lead on skills development in the food sector including consideration of the apprenticeships reform. The Board's initiative, Transforming Skills in the Welsh Food and Drink Industry, has led to skills pledges from many businesses to promote careers and engage young people. A Food Careers Ambassador programme has also been developed.

Rhys M James:

I am heading up the Public Sector Food purchasing for councils and other public sector bodies following the re-arrangement of the National Procurement Service. I would be very interested in catching up with members of the group and the Board on how we can work together to open up Public Sector procurement in Wales to Welsh food businesses.

Andrew Thomas:

Myself, Andrew Martin and Mark Grant met with Rhys on the 12th of August. It was a good meeting and we have agreed to assist Rhys to ensure our producers are capable of supplying to the new contracts. Mark Grant has been commissioned to work with Rhys in this capacity.

Katie Palmer

JamesRM1@caerphilly.gov.uk

Andrew Martin:

Happy for any emails for business support to my team, please email me on andrew.martin@gov.wales

Nigel Humphrey:

Will you be making the video available of this meeting?

Andy Richardson:

We will be sharing the webinar along with the chat afterwards. If there are any questions we have been unable to answer during the webinar, the Board will attempt to respond to these in due course.

Supporting Links:

COVID-19 Recovery Plan

<https://businesswales.gov.wales/foodanddrink/sites/foodanddrink/files/documents/2020-07-29%20-%20Food%20%26%20Drink%20-%20Covid%20Recovery%20-%20Eng%20WEB.pdf>

FDWIB Recruitment Links:

- EN: <https://cymru-wales.tal.net/vx/lang-en-GB/mobile-0/appcentre-3/brand-2/xf-91c4cdaac432/candidate/so/pm/1/pl/8/opp/6839-Appointment-of-Members-Food-and-Drink-Wales-Industry-Board/en-GB>
- CY: <https://cymru-wales.tal.net/vx/lang-cy/mobile-0/appcentre-3/brand-2/candidate/so/pm/1/pl/8/opp/6839-Penodi-Aelod-Bwrdd-Diwydiant-Bwyd-a-Diod-Cymru/cy>

Food and Drink Wales

<https://businesswales.gov.wales/foodanddrink/>

Food Innovation Wales

<http://foodinnovation.wales> – Food Innovation Wales is the go-to resource for support, advice and creative ideas to help get you started, expand, and find solutions to technical operational conundrums.

CaruCymruCaruBlas

<https://businesswales.gov.wales/foodanddrink/cy/CaruCymruCaruBlas> -

LoveWalesLoveTaste

<https://businesswales.gov.wales/foodanddrink/LoveWalesLoveTaste>

Investor Ready Programme

<https://businesswales.gov.wales/foodanddrink/sites/foodanddrink/files/documents/Investor%20Ready%20Programme%20en.pdf>

Project HELIX - Food Innovation Wales

Turning bright ideas into practical reality

<http://foodinnovation.wales/project-helix-1/>

www.foodinnovation.wales

F&DW Export Club

<https://businesswales.gov.wales/foodanddrink/growing-your-business/clusters>

F&DW Clusters Programme

<https://businesswales.gov.wales/foodanddrink/growing-your-business/clusters>