

Case Study

Building a Welsh Food and Drink Supply Chain for the Nation's Biggest Infrastructure Investment Projects

Great British Energy - Nuclear's (GBE-N) proposed Gwyndod (Wylfa) nuclear power station on Anglesey, alongside the Anglesey Freeport and the Celtic Freeport linked to Floating Offshore Wind (FLOW), represent some of the largest investment programmes in Welsh history. Supported by Rolls-Royce SMR as preferred technology partner for Gwyndod, these developments are expected to generate thousands of jobs, years of construction activity and a scale of procurement rarely seen in Wales.

Recognising the opportunity, Business Wales commissioned specialist support to produce a procurement focused study exploring how the Welsh food and drink sector can secure a meaningful share of the supply chain.

The report sets out practical recommendations aimed at ensuring Welsh food and drink businesses are ready to compete for contracts linked to these nationally significant infrastructure projects and future investment programmes across Wales.

The Challenge

Engineering, construction and manufacturing naturally dominate conversations around major infrastructure. The local/regional food and drink sector rarely gets a seat at the table, despite projects of this scale requiring significant catering, workers accommodation, facilities management and logistics on a huge scale.

Without early engagement, these contracts risk being awarded to suppliers from elsewhere in the UK and even potentially overseas, leaving Welsh producers on the sidelines of developments taking place on their own doorstep.

The study was produced by Sasha Wynn Davies, a procurement, engagement and supply chain specialist with extensive experience across the nuclear and low carbon energy sectors. Over several months, Sasha researched the opportunity, engaged with key stakeholders from industry, Welsh

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Government and food and drink representative organisations, and developed a series of practical recommendations designed to position Welsh producers before procurement decisions are made.

The work also highlights the strength of Wales' existing food and drink sector, which comprises more than 1,200 manufacturers employing around 47,000 people and contributing significantly to the Welsh economy. The report states that major energy infrastructure projects present an opportunity to strengthen this foundational economy by keeping more of the economic value within Welsh communities.

"Food and drink is rarely considered as part of the strategic supply chain conversation," Sasha explained.

"Yet these major projects employing hundreds or even thousands of people require catering, hospitality, accommodation, facilities management and a wide range of associated services. If we don't prepare now, those contracts could easily be awarded elsewhere in the UK or overseas rather than supporting businesses here in Wales. We have a thriving food and drinks sector that can be part of the supply chain."

The Approach

Gwyndod Nuclear Power Station and the Celtic Freeport FLOW programme were chosen as the initial focus because of their scale, development and delivery timelines plus their comparable supply chain requirements. However, the findings are equally applicable to the Investment Zones in Flintshire and

Wrexham, as well as potential future projects at Trawsfynydd and Oldbury, Gloucestershire, owned by GBE-N. where large workforces will require accommodation, catering and associated services over many years.

Much of the work centres on procurement routes, which can be difficult for smaller producers to navigate. Tier 1 contractors deliver the major elements of a project, while Tier 2 and Tier 3 businesses supply specialist goods and services into the Tier 1 contractors.

For Welsh food and drink producers and distributors, understanding - and building relationships within - Tiers 1-3 is critical to securing meaningful work, rather than discovering opportunities only after contracts have already been awarded.

The report recommends closer collaboration between Welsh Government, Business Wales, Menter Môn, industry bodies and developers to create a coordinated, competitive Welsh food and drink offer into these major energy infrastructure projects, built around quality, sustainability, provenance, production capacity and competitive pricing.

It also recommends early engagement with developers and Tier 1 and 2 contractors, participation in supply chain events, development of a Welsh food 'showcase offer' and "get ready" programme, alongside targeted stakeholder engagement to ensure Welsh businesses are visible well before procurement begins.

The Outcome

None of this is untested. Public procurement across Welsh schools and hospitals has already demonstrated that locally sourced food can support healthier communities, reduce food 'carbon' miles and strengthen regional economies.

Sasha's report argues the same principles can be successfully applied to UK nationally significant infrastructure projects in Wales, provided the groundwork is laid early enough.

Cost, affordability and production capacity will remain important considerations. The construction of Gwyndod Nuclear Power Station alone could accommodate thousands of workers on and around the site. Starting to prepare now gives Welsh businesses the opportunity to compete effectively while delivering wider economic, environmental and community benefits

The report concludes that success will depend on continued partnership working between industry, Government(s), other developers and representative organisations.

Key recommendations include influencing social value requirements within procurement processes, developing relationships with developers and their Tier 1 and Tier 2 supply chains, supporting Welsh producers through targeted workshops and procurement events, and ensuring the Welsh food and drink sector, Welsh distributors are recognised as an integral part of the supply chain for Wales' next generation of major infrastructure projects.

Initial recommendations include holding dedicated workshops for Welsh food and drink businesses, developing a national Welsh food 'showcase offer' and "get ready" programme. There is a need to revisit previous local food supply chain work undertaken during the Horizon Wylfa Newydd suspended project and as project timelines become clearer work with organisations including the Wales Nuclear Forum, Nuclear Industry Association and Marine Energy Wales to improve procurement intelligence and access to developers.

The report also calls for GBE-N, Welsh Government, local authorities and partner agencies to embed social value requirements within catering, accommodation and facilities management contracts, ensuring the importance of the foundational economy is reflected in the procurement process,

With momentum already building across Government(s), industry and the Welsh food and drink sector, the opportunity now is to turn these recommendations into action.

If Wales gets this right, these transformational UK nationally significant energy projects can leave a positive legacy that extends well beyond construction - creating lasting economic value, supporting local producers, strengthening the foundational economy and ensuring Welsh businesses help feed the workforce building the Wales and the UK's future.