

## Explanatory Memorandum: The Food (Wales) Bill

### The proposed title of the Bill

1. The proposed title of the Bill is the Food (Wales) Bill ('the Bill').

### The proposed policy objective(s) of the Bill<sup>1</sup>

2. The purpose of the Bill is to establish a more sustainable food system in Wales to strengthen food security, improve Wales' socioeconomic well-being, and enhance consumer choice.
3. The food system is central to Wales' current and future socioeconomic prosperity. Whilst food production and consumption is inherently interlinked to the wider UK and global systems, the sector in Wales has a fundamental role to play in helping to create a more equal, healthier, and greener Wales. Some of the biggest issues facing Wales – such as poverty and inequality, obesity and malnutrition, and climate change – have been exacerbated by the ongoing COVID-19 pandemic. Ongoing supply chain issues have also highlighted the need for a more resilient food system, with such issues limiting consumer choice. These issues place a significant strain on the Welsh Government, as well as public services and communities.
4. Therefore, this proposal seeks to develop an holistic, coherent framework in which future food policy will be developed within. It will act as a platform for collaboration between public bodies and policy makers, as well as bringing together food producers and consumers. In doing so, it will seek to ensure that policies consider how the food system can respond to some of Wales' socioeconomic challenges on a local, regional, and national level.

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<sup>1</sup> As required by Standing Order 26.91B, I consider this policy objective to be consistent with that stated in my pre-ballot information. The additional information under 'Policy Objectives of the Bill' (compared to that included in the pre-ballot information), has been provided so that Members have a greater level of clarity on my thinking as to how the policy objective may be achieved.

5. The proposed Bill will help the Welsh Government and other public bodies to meet their duties as outlined in the Wellbeing of Future Generations (Wales) Act 2015 ('the 2015 Act').<sup>2</sup> The aims of provisions contained within the Bill will be focused on meeting the seven wellbeing goals, and will use the 2015 Act to facilitate a more coherent approach to the development of food policy in Wales.
6. The proposed Bill will also ensure that the legislative framework for the food system in Wales keeps up with developments elsewhere in the UK and does not leave food producers and consumers in Wales at a disadvantage. Recent policy developments include:
  - The Scottish Government has recently published its *Good Food Nation (Scotland) Bill*, which was introduced to the Scottish Parliament on 7 October 2021<sup>3</sup>. The Bill requires Scottish Ministers and relevant public authorities to create Good Food Nation Plans, and will support the ambition of the Scottish Government for Scotland to become a 'Good Food Nation'. These plans will set out the main outcomes to be achieved in relation to food-related issues, the policies needed to do this and the indicators or other measures required to assess progress. The Bill will further consider whether there is a need for a statutory body.
  - The UK Government recently commissioned an independent report, the *National Food Strategy*, led by Henry Dimbleby<sup>4</sup>. The report explored food production, marketing and processing, as well as the sale and purchase of food. It also looked at the resources and institutions involved in these processes. Following this report, the UK Government has stated its intention to introduce a White Paper to formally respond to its recommendations.

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<sup>2</sup> Future Generations Commissioner, *The Wellbeing of Future Generations (Wales) Act 2015*, accessed 20 October 2021, [link](#)

<sup>3</sup> Scottish Parliament, *Good Food Nation (Scotland) Bill*, 7 October 2021, [link](#)

<sup>4</sup> UK Government, *National Food Strategy*, 25 July 2021, [link](#)

7. As detailed in my pre-ballot information, the Bill will seek to legislate for the following general policies:

***Establish a Wales Food Commission***

8. Establishing a Wales Food Commission ('the Commission') is a key part of the proposed legislation. The Commission would re-set the governance of the food system in Wales, and would co-create and oversee the delivery of a Welsh Food Strategy alongside Welsh Ministers and other stakeholders. As such, the Commission will help to ensure a more coherent approach to discussions on food policy in Wales, as well as bringing together different cross-cutting policy strands and existing plans (such as the *Food and Drink Action Plan*, and the *Food and Drink Wales COVID-19 Action Plan*) under one unified governance framework.

9. It is expected that the Commission would oversee the delivery of the Welsh Food Strategy, and hold delivery partners to account to ensure that policy aims and targets are met. The Commission would also use its role to build policy expertise and capacity within Wales, and work with the higher and further education sectors to conduct research into ways of further developing the food sector.

10. The make-up of the Commission will be further developed in collaboration with stakeholders – including the Welsh Government – as the Bill progresses. Although not exhaustive, it is envisaged that the Commission would comprise of a number of stakeholders from across different sectors, such as:

- representatives of the food and agriculture sectors;
- Welsh Government leads on food policy, including agriculture, procurement, health and social care, and the environment;
- education and public health boards;
- representatives of public bodies, such as local authorities;
- frontline food practitioners, such as organisations involved in tackling food insecurity/poverty;
- representatives of the environmental sector;

- other interested stakeholders.

11. A number of stakeholders have previously called for a similar overarching organisation as proposed in the Bill, although their particular policy asks may differ from those discussed within this document. These include Food Policy Alliance Cymru<sup>5</sup>, as well as the recent report by the Sustainable Places Research Institute at Cardiff University, *A Welsh Food System Fit for Future Generations*.<sup>6</sup>

***Place a duty on Welsh Ministers to produce a Welsh Food Strategy***

12. This provision will place a duty on Welsh Ministers to co-produce a Welsh Food Strategy in conjunction with other stakeholders. This strategy may be published on an annual basis, or over a longer period of time, and will act as the strategic overarching framework that integrates policies relating to the food system across multiple Welsh Government departments. This plan will create an holistic strategy that recognises the inter-linked nature of a number of social issues facing Welsh communities. The plan will also focus on economic issues, such as promoting the sustainable growth of the food sector to create jobs and attract investment, and to ensure that sustainable local food producers have access to adequate support and incentives. This would link to the aims of the proposed Agriculture (Wales) Bill<sup>7</sup>, but the Food (Wales) Bill would sit alongside that legislation and bring a wider perspective on the overall food system in Wales.

13. This policy responds to concerns about gaps in the Welsh Government’s current policy framework. For example, the recent report by the Sustainable Places Research Institute at Cardiff University, *A Welsh Food System Fit for Future Generations*, argues that the current Food Action Plan ‘*does not provide a comprehensive Welsh food system strategy for the present and future*

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<sup>5</sup> Food Policy Alliance Cymru, *Manifesto 2021*, November 2020, p.2, [link](#)

<sup>6</sup> Sustainable Places Research Institute, *A Welsh food system fit for future generations*, March 2020, [link](#)

<sup>7</sup> Welsh Government, *Agriculture (Wales) Bill White Paper*, December 2020, [link](#)

*generations*'.<sup>8</sup> Meanwhile, whilst the Welsh Government is in the process of updating its Food Action Plan, the Government's consultation document states that '*it is not a proposal for a holistic food system change*'.<sup>9</sup> Whilst my proposal acknowledges the inter-linked nature of the Welsh food sector – which interacts with the wider UK and global sectors – it is important that there is a strategy that is focused on bringing together the sector in Wales and driving forward a Welsh-based approach to respond to some of the issues facing communities, as previously discussed in this document.

14. A number of stakeholders have previously called for a similar overarching organisation as proposed in the Bill, although their particular policy asks may differ from those discussed within this document. This includes the recent report by the Sustainable Places Research Institute at Cardiff University, *A Welsh Food System Fit for Future Generations*.<sup>10</sup> Moreover, the fifth Senedd's Climate Change, Environment and Rural Affairs Committee carried out an inquiry into *Rethinking Food*. In both reports that it produced – on public procurement of food (2018, recommendation two)<sup>11</sup> and on food processing and marketing (2019, conclusion one)<sup>12</sup> – the Committee recommended a more strategic, holistic vision for food.

### ***Introduce Community Food Plans***

15. This provision will help to deliver a more sustainable, localised food system by requiring local authorities and other public services such as local health boards and local education authorities to develop community food plans to strengthen

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<sup>8</sup> Sustainable Places Research Institute, *A Welsh food system fit for future generations*, March 2020, p.15, [link](#)

<sup>9</sup> Welsh Government, *Our ambition to further develop Wales' food and drink sector*, August 2019, p.6, [link](#)

<sup>10</sup> Sustainable Places Research Institute, *A Welsh food system fit for future generations*, March 2020, [link](#)

<sup>11</sup> Climate Change, Environment and Rural Affairs Committee, *Rethinking food: public procurement in Wales*, May 2018, [link](#)

<sup>12</sup> Climate Change, Environment and Rural Affairs Committee, *Rethinking food: food branding and processing*, June 2019, [link](#)

public procurement and create better infrastructure to link food producers and consumers.

16. Community food plans would aim to boost the food and drink sector in Wales by strengthening the resilience of local supply chains, creating new economic opportunities within communities by ensuring that local public bodies increase their procurement of locally produced food, and improving the local environment by focusing on the production of more sustainable produce. It could also look at ways to improve local public health, including tailored support programmes for those at risk of food poverty and malnutrition.
17. Community food plans would build on the good practice that is already taking place across Wales, and would encourage other local communities to explore how they can strengthen the link between producers and consumers within their area. For example, the *Sustainable Food Plan for Cardiff*<sup>13</sup> aims to support local growing initiatives and to develop a city centre food plan. It also aims to celebrate Cardiff's food culture, address health and inequality issues, and contribute to lowering the city's carbon footprint. Monmouthshire Council's *Food Development Action Plan* seeks to increase local employment opportunities and wealth creation, as well as reducing environmental food miles.<sup>14</sup>
18. In introducing this policy, I note that the Welsh Government's recently published *Programme for Government* states that the Government will develop a Wales Community Food Strategy during this Senedd term.<sup>15</sup> However, my proposal would fit within the framework set by the Welsh Food Strategy, rather than being a standalone strategy. As such, the proposals set out within the Bill would ensure

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<sup>13</sup> Food Cardiff, *Sustainable food plan for Cardiff*, accessed 21 October 2021, [link](#)

<sup>14</sup> Monmouthshire Council, *Food development action plan*, July 2021, [link](#)

<sup>15</sup> Welsh Government, *Programme for Government 2021-2026*, June 2021, [link](#)

that there are direct links between local, regional and national food plans, ensuring that there is a coherent wider policy strategy.

***To require Welsh Ministers to report annually on food production***

19. This aims to ensure that Welsh Government and other public bodies, as well as food producers and consumers, are able to clearly analyse the outcomes of the Food Strategy for Wales, as well as local food plans. It would allow policy makers and other interested stakeholders to make an assessment about how sustainable and robust food production is in Wales (for example, how well producers would be able to respond to growing challenges such as climate change) and what impact that this will have on Wales' future wellbeing. Linking to the issue of food waste, it would also allow for a better assessment of where Wales' food produce ends up, and how successful it is in contributing to improved socioeconomic outcomes for Welsh communities.

***Eliminate food waste***

20. This policy could require supermarkets and other retailers to donate unwanted and unsold food that is fit for human consumption to charities and foodbanks to help the most vulnerable in society. The proposal could be similar to that introduced in France<sup>16</sup>, which enacted food waste prevention legislation in 2016. This law prevented supermarkets from destroying unsold, useable food, and this law has been extended on a number of occasions, such as requiring commercial catering providers to allow for unused food to be taken home by attendees at events.

21. The policy would help the Welsh Government to meet its current targets and obligations, as well as contributing to the 'Globally Responsible Wales' goal of the 2015 Act. For example, the Welsh Government currently has a target to halve

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<sup>16</sup> Zero Waste Europe, *France's law for fighting food waste*, November 2020, [link](#)

avoidable food waste by 2025, and reduce it by 60% by 2030, whilst the proposal would also link to proposals outlined in the *Beyond Recycling* strategy.<sup>17</sup>

22. It would be up to Welsh Ministers when to introduce this proposal upon enactment of the Bill. The provision could be commenced by the Welsh Ministers at a later date – as opposed to upon the receiving of Royal Assent – if it was felt that voluntary approaches had not achieved the desired policy outcomes.

### ***Strengthen food labelling requirements***

23. This policy would be focussed on ensuring that Welsh producers, manufacturers and the hospitality sector strengthen their food labelling rules to ensure that food produced in Wales is clearly marked as such. More detailed proposals will be consulted on throughout the development of the Bill to ensure that the policy meets its aims, as well as ensuring coherence with existing policy frameworks and compliance with the Internal Market Act 2020.

### **Details of any support received for the Bill, including details of any consultation carried out**

24. Following the ballot of 22 September 2021, a number of organisations and individuals with an interest in the food system have shown their interest and support for the Bill's overall principles and policy objectives. These include the Farmers' Union of Wales and National Farmers' Union Cymru. There is also cross-party support for these proposals, with Members of the Senedd from different political parties indicating their personal and political support for the overarching aims of the Bill.

25. I am also in the process of consulting widely on the policy objectives of the Bill, which will help to inform future work on the proposal. A consultation document has been sent to over 40 stakeholders from across the food system, including

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<sup>17</sup> Welsh Government, *Beyond recycling*, March 2021, [link](#)



agricultural sector representatives, environmental organisations, public health organisations, public bodies, academics with expertise in food policy, and other relevant individuals and groups. A copy of the consultation has been made available on my social media pages to allow members of the public to respond to the proposals.

### **An initial assessment of any costs and/or savings arising from the Bill**

26. Under Standing Order 26.91A (iv) there is a requirement for an initial assessment of any costs and/or savings arising from the Bill. I have set out the main options that I will consider in terms of how this Bill will be developed, but my intention would be to minimise the cost impacts of the Bill while ensuring that it achieves its stated intentions.
27. It will be important as part of developing this Bill to work with stakeholders to shape the development of this Bill and maximise the benefits while minimising resource impact. Therefore, I will work on researching the impacts in more detail to inform the impact assessment for introduction with this Bill if the leave to proceed vote is successful.
28. The main potential areas where costs and benefits will fall on the introduction of such a Bill are around:
- Developing a food strategy and indicators to measure progress on the implementation of the policy aims, as well as reporting on, and updating, the strategy on a regular basis;
  - Establishing and maintaining a Food Commission, including supporting the future work of the Commission;
  - Requiring local authorities to develop community food plans, in conjunction with other public bodies;

- The implementation of contents of strategy and plans, including grants and other support schemes to support the delivery of such strategies;
- Strengthening requirements on food labelling standards, including potential associated costs to support producers and manufacturers to implement this proposal;
- Any unforeseen consequences; and
- There will be direct benefits due to the positive impact of the Bill due to the redistribution of edible food and unavoidable food waste, and also wider societal impacts which could reduce demand for public services.

29. How a Food Commission is set up and resourced would need to be investigated as part of the development of this Bill. The Food Commission would be involved in the preparation and delivery of the national strategy and indicators, so it is difficult for the purpose of this early estimate costs to separate out staff costs from those of the Welsh Government. An example of an arms-length body set up by the Welsh Government that has a far wider remit and workload is the Children's Commissioner for Wales. The latest accounts, 2020-21, set out spending of around £1.7 million for their office as a whole. However, costs for a Food Commission would be considerably less than this.

30. The preparation of a national strategy for Wales will bring together Welsh Government policy regarding food and drink. While some of the work will already be done by Welsh Government staff, this will have a resource impact on the Welsh Government. The best estimate of the administrative costs of this would be a similar proposal to develop national good food nation plans in Scotland, published in October 2021. They set out a similar approach to this Bill, and estimate - staff resource, consultation and publication costs - being a one off cost of between £29,272 and £34,272. It is envisaged that research and consultation into indicators could form part of setting up this strategy. The

Scottish Government also estimated that reporting on these plans would cost around £7,000, mainly in relation to staff time, so we would expect similar costs for the Welsh Government if reporting was annual. If we were to include a five-yearly review this could add costs in the region of £12,549 to £17,549 every five years. Additional costs may arise when taking into account things like the time taken by Welsh Government staff to prepare and review strategies.

31. Preparation of local authorities and other public services community food plans will mainly fall on local authorities. The best estimate again will be from the Scottish Government's Good Food Nation Bill, which is similar in scope to the proposed Bill. The Bill's supporting documents estimated costs for 32 Scottish local authorities, and these costings have been shared with Convention of Scottish Local Authorities, thus have undergone some validation. We have scaled down these estimates to reflect the 22 Welsh local authorities. This gives an estimated cost range of around £570,000 to £630,000 in the first year, with on-going costs of reporting being around £145,000 to £155,000 depending on reporting frequency.
32. The impact on other public services will be identified as part of the development of this Bill. In Scotland it was not considered that their legislative plans would result in additional costs to health boards, other bodies, individuals and businesses as some of these bodies may already have local food plans in place. However, there may be some small costs to public bodies in developing their own plans, if not already covered by the plan already prepared by the local authority.
33. Implementation of the contents of the strategy and plans will be dependent on what is included in these compared to the cost of current Welsh Government proposals and strategies. As a starting point, costs which are already incurred by the Welsh Government could be used to fund the development of the new strategies proposed in this Explanatory Memorandum. We will work with the

Welsh Government, public, voluntary and private sectors to ensure the development of the Bill minimises costs and maximises policy impact.

34. There may be some additional costs on local authorities to enforce any new legislation obliging retailers to donate unwanted produce. These costs would be explored further as part of the future development of this proposal. However, these could be reduced if a voluntary sector-wide scheme is introduced to assess compliance by retailers prior to any enactment of this provision. Moreover, meeting the requirements of the Bill will build on existing Welsh Government strategies, and it does not automatically follow that significant sums will be needed to invest in food storage and distribution capacity. For example, 2016 food waste prevention legislation in France where, “*despite limited financial and logistical support, representatives of both food assistance organizations and supermarkets observed that donation quantities increased by approximately 30 percent in 2017*”. The law has helped improve the quality of donated food and companies have emerged which charge organisations to collect and distribute food, which has been particularly helpful in rural areas.

35. Further costs may be borne by manufacturers, producers and the food sector when adapting to strengthened food labelling requirements. We can see significant benefits in strengthening statutory requirements on food labelling. I will consult widely during the Bill’s development to minimise the potential for unintended consequences on these sectors, and financial support could be offered to support the implementation of this proposal.

36. Cost benefits of the Bill are not possible to estimate until the policy is developed. There will clearly be benefits in terms of reduction of waste to landfill, which will play a role in helping Wales to meet its climate change commitments. The benefits of the increased redistribution of food will be far reaching including public health benefits, such as those related to a reduction in food poverty and

malnutrition. Better labelling of local produce could lead to benefits in the sustainability of Welsh food businesses. It could help improve access to an understanding of the benefit of healthy local foods. Meanwhile, promoting local supply chains and sustainable produce as part of a 'farm to fork' vision will bring economic benefits to producers, as well as environmental benefits from less importing of meat and other foodstuffs from other countries.