



Introduction

The [Sustainable Places Research Institute](#) is a meeting place for sustainability science, focussed on exploring innovative solutions for a more sustainable future. This evidence focuses on our expertise in the Welsh agri-food system, drawing on ongoing research and researchers' ongoing interactions with practitioners.

Impact of Covid-19 on Wales' food systems

The Welsh food system encompasses activities from farm to fork and a supply chain of producers, manufacturers, processors and retailers operating locally and globally. The food system is a vital component of our economic, environmental, social and cultural well-being. The food economy is highly dependent on the natural environment, and instrumental to human health. It is therefore essential that support takes an integrated approach to create a sustainable and just food system fit for future generations.

Food supply chains were amongst the first to be affected by Covid-19 and businesses have responded rapidly to changing consumption patterns and operating conditions. Challenges they have experienced serve to highlight long-standing weaknesses in the food economy including:

- Accessing good food is unaffordable and inaccessible for many.
- Producing food at small to medium scale whilst adhering to agro-ecological principles lacks financial security. Risks are borne wholly by the producer, despite delivering considerable public benefits.
- Difficulty securing sufficient skilled workers - including seasonal labour - affects all parts of the food supply chain.

A key message from food producers was that changing conditions and ongoing uncertainty places considerable burdens on their operations. Businesses have experienced rapid increases in consumer demand for Welsh grown produce, and local supply chains such as vegetable box schemes. Meanwhile, catering and wholesale trade disappeared suddenly. In order to supply new markets and avoid wasting produce, producers worked intensively to set up new logistical and administrative systems, whilst also implementing social distancing.

Relatively short supply chains also proved resilient to the impacts of the pandemic. Community supported agriculture schemes, for example, were able to use their established relationships with customers to communicate how they would keep providing food, whilst having guaranteed markets for their produce.

Welsh producers' rapid and flexible response to change demonstrates their agility, and how they are valued by consumers as a source of trusted, quality food. This presents a significant economic opportunity: if converted into long term changes in consumption behaviours it can also support a more diverse and resilient agri-food system. However, without appropriate targeted support these opportunities will be missed, or only harnessed by those with the capital and capacity to invest in expansion.

Impacts on fresh produce production

During the first month of lockdown restrictions we surveyed horticultural producers in Wales on the impacts on their operations and how they were responding. The full report is at <https://www.tyfucymru.co.uk/media/1390/c19hort-survey-summit-responses-3-1.pdf> Key findings were:

- Most growers experienced sudden and dramatic increases in demand for their produce in some cases more than 100%. This continued beyond an initial phase of panic buying.
- Despite the sudden loss of usual trading routes growers have not been generating surplus. Producers responded quickly to find alternative sales routes, with many diverting from catering trade to home deliveries.
- Growers experienced strains on workload and capacity due to the combination of worker unavailability and pressures from additional or unfamiliar tasks (e.g. online sales).
- There is a clear willingness and potential to increase fruit and vegetable production in Wales. However, most growers lack the resources to achieve this, particularly at short notice.
- The absolute number of staffing vacancies was low as few Welsh growers are at a scale to depend on large numbers of seasonal workers required in other parts of the UK. However, for their operations a loss of one or two people represents a significant proportion of work output and is therefore significant, particularly given the additional workload many have experienced.

This data was collected early in the lockdown period, and respondents noted that they were yet to enter their most productive part of the season. The most intensive requirements for seasonal labour and peak production has not yet hit. Nor have we yet reached the point when impacts on production overseas has affected supply chains. These could be significant as Wales currently relies on imports for 95% of its fresh fruit and vegetables.

Welsh growers told us that they were unable to access business support available at the time as they did not meet the inclusion criteria. We understand that some support has since been offered to agricultural businesses.

The sector has demonstrated its value as a supplier of fresh produce to Welsh consumers. With appropriate support this could be expanded. Producers support ambitions to expand horticulture in Wales, with some growers ready to scale-up their production. However, many struggle to access capital or loans to invest in expansion, despite the sums required being relatively small (e.g. to buy a new polytunnel). A relatively small amount of financial support could enable growers to increase production in Wales. This would increase the resilience of fresh produce supply chains and diversify Welsh agricultural output.

We also identify current lack of support for the Welsh food sector to work co-operatively – both in terms of gaps in the current national legislative framework and support for new and existing co-operatives in the food sector.

Opportunities to enhance resilience

A resilient food system requires a diversity of business models, and mixed agro-ecological production systems. Welsh food producers' response to the C-19 crisis demonstrates their vital contribution, the advantages of relatively small producers which are flexible and adaptable, and of short supply chains where customers and producers have closer relationships. Given predicted challenges in sourcing fresh produce imports, there is a need to upscale domestic horticultural production. The new Sustainable Land Management framework presents an opportunity to include more horticultural and small-scale farmers within the support system in return for the diverse public benefits they provide. Investing in existing growers through capital grants would be an efficient step to expand Welsh production. Supporting new entrant growers with access to land, infrastructure and markets is also required to scale-up domestic production of plant foods.

Co-operative food economies could play a critical role in scaling domestic horticultural production and achieving more sustainable, just food systems, contributing to the aims of the Well-being of Future Generations Act (Wales) 2015 and the Welsh Well-being Economy partnership. For co-op-

erative food economies to grow, there is a need for a national legislative framework that recognises the role of cooperation in supporting small food producers, regional food economies and sustainable and just futures and the growth of well-being economies.

In order to convert crisis response into long-term economic, environmental and social resilience there is a need for:

- **Financial support for small food producers and those which focus on supplying local demand to ensure they remain economically active.**
- **Facilitation of cooperation between producers and coordination across the supply chain to enhance efficiency and enable expansion.**
- **Monitoring and investigation of consumption trends in order to share intelligence with producers to inform their business planning.**
- **Ongoing dialogue with diverse types of food producer to remain alert to their needs.**
- **National consumer campaigns to promote local produce and producers.**
- **Cooperative ways of working to requires clearer recognition in the legislative landscape, and proactive support by national and local government of enterprises like cooperatives that exist for the common good rather than for private gain.**
- **A Wales Food Strategy setting out an ambitious vision for a just sustainable national food system, supported by action plans for key sectors, with coordinated delivery across government departments.**