

Ambition for Growth

Powering Productivity



Introduction

The UK's food and drink industry is our largest manufacturing sector. It contributes £37 billion in gross value added (GVA), employs almost half a million people in good jobs and exciting careers, and underpins food security in every nation and region of the UK. With a strong presence in communities everywhere, the scale and reach of the sector makes it uniquely placed to drive economic and productivity growth.

2025 has been a challenging year. We've faced rising costs and new or changing policies and regulation. This makes us even more determined to seize untapped growth.

Our sector is ambitious, and our plans for the next decade are for the UK to be recognised as the most dynamic and competitive place to start, grow, and invest in Food and Drink Manufacturing by 2035. With the right partnership between government and industry, food and drink manufacturing can be a driving force in the UK's growth agenda.

Our Growth Ambition

Over the next decade, we want to partner with government to:



Double annual business investment from **£5.8bn** to **£12bn**



Grow exports to **£35bn**



Generate over **£50bn** in **UK GVA** by unlocking £14bn in tech adoption



Make the UK the **global hub** for healthier product innovation and R&D



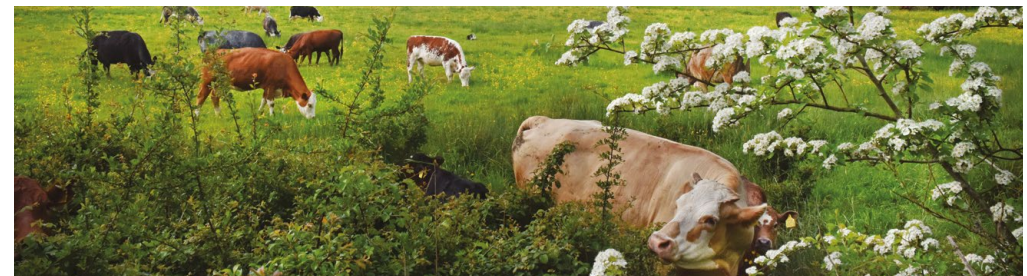
Contribute to reducing carbon emissions by **50%** and drive a circular economy

To realise these bold ambitions, government must act now to create a competitive, stable, and pro-investment business environment, delivering regulatory certainty, reducing costs, and targeting support to unlock productivity and innovation across seven key opportunity areas.

① Strengthen food security and meet sustainability goals

Government should work with industry to:

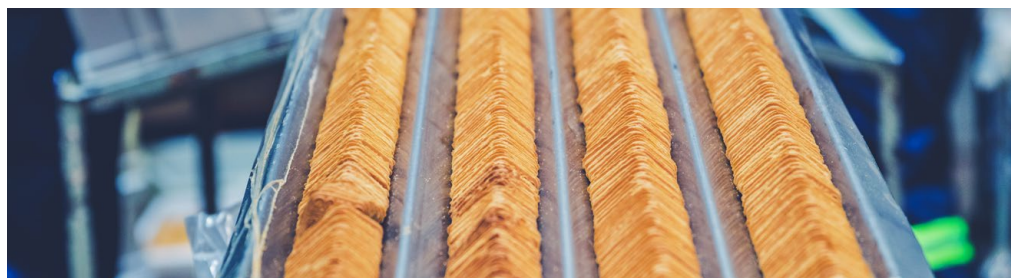
- Support site decarbonisation through energy efficiency and fuel-switching incentives and reduce industrial electricity costs
- Co-create plans to attract investment in domestic recycling infrastructure and ensure EPR funds are transparently reinvested to boost recycling capacity
- Facilitate finance mechanisms for nature restoration and carbon reduction, encouraging business investment in nature markets through effective policy development



② Drive healthier product innovation and development

Government should engage with industry to:

- Deliver mandatory healthy food sales reporting across the whole food sector at pace by working in collaboration with industry and other stakeholders
- Give companies the long-term certainty needed to invest in healthier product innovation, by committing to maintain the current definition of less healthy food (High in Fat, Salt and Sugar) in the recent promotion and advertising regulations
- Fund a £4m UK-wide Reformulation for Health Programme to help SMEs innovate
- Broaden R&D tax credit eligibility to include healthier product innovation, covering capital and technical reformulation costs



③ Make the UK a global hub for developing innovative ingredients and novel foods

In partnership with industry, government should:

- Establish a knowledge and resource sharing network for novel food stakeholders to connect innovators, academia, and regulators and remove barriers to novel food innovation
- Introduce targeted investment incentives, such as tax relief for pilot fermentation facilities, build a best-in-class start-up and investment ecosystem in the UK and ensure new UK-EU SPS agreement protects UK novel food innovation
- Develop the Food Standards Agency into a world-leading innovation regulator to ensure rapid approval for safe novel foods



④ Be a global leader in scaling up innovation and technology adoption

Government should:

- Explicitly include food and drink manufacturing in the Made Smarter Innovation programme and Robotics Adoption Hubs to drive the uptake of automation and digital technology
- Launch an Agri-Food Innovation Partnership with industry and academia to direct UKRI funding towards high-impact R&D
- Develop a new approach to importing product samples to drive R&D and investment in new state-of-the-art research and innovation facilities in the UK



⑤ Develop a highly skilled and productive workforce

Government and industry, working together, can:

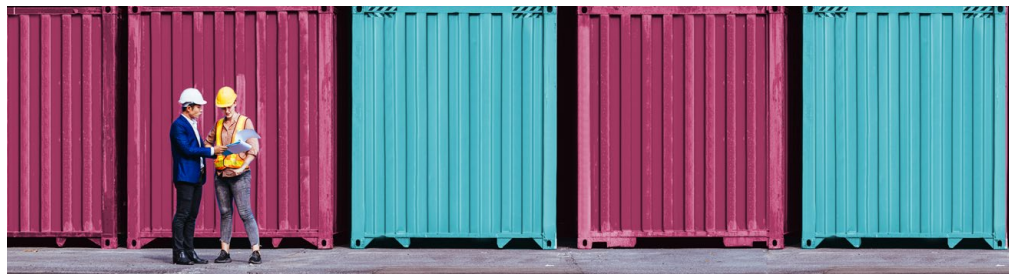
- Co-create a Food and Drink Workforce Strategy with government departments and Skills England to align training with industry needs
- Ensure food and drink courses are eligible for Growth and Skills Levy funding from 2026
- Deploy the industry-led Food and Drink Careers Passport® to transform recruitment and scale up foundation apprenticeships to attract and retain new talent



⑥ Promote Great British exports and strengthen supply chain resilience

Government should partner with industry to:

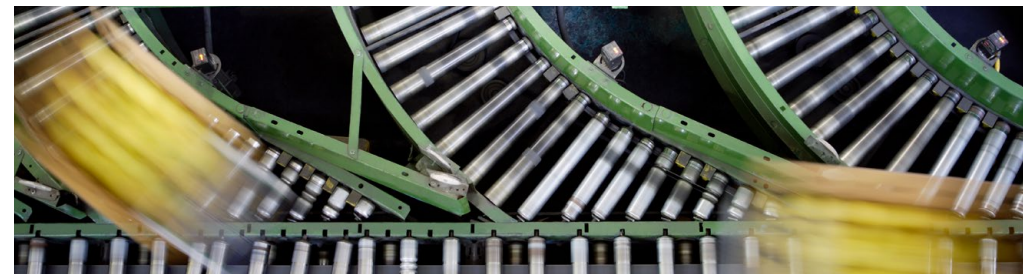
- Fund a £2.6m joint industry–government export promotion programme, matching the support offered in devolved nations, to ensure trade deal utilisation and export growth
- Develop a comprehensive SME export plan alongside the UK–EU SPS framework, simplifying compliance and building business confidence
- Review import tariffs on non-sensitive ingredients and streamline the duty suspension process to lower input costs and ease inflationary pressures



⑦ A proportionate and targeted regulatory framework

Government should work with industry to:

- Rapidly identify and implement the 25% reduction in regulatory burdens for the sector announced by the Chancellor, working with industry to improve the stock of regulation and minimise red tape
- Reform the planning consent system to support investment in the construction of new, or the expansion of existing sites in the UK
- Commission the Regulatory Innovation Office to streamline food and drink R&D rules so manufacturers can trial, validate and scale new technologies more quickly while maintaining robust safety standards





Shaping the future of food & drink manufacturing

For over a century, the FDF has supported food and drink manufacturing in the UK by contributing to policy and legislation and championing our members' views on key policy areas.

Our skilled teams of experts work with businesses, government, regulators and our members to create a business environment for the industry to thrive.

Find out more about our latest news and the work we do at:

fdf.org.uk

