

# Growing Scottish food and drink manufacturing: Our priorities



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# Foreword



We are all proud of Scotland’s food and drink industry. Our members across Scotland are part of the fabric of local communities and have been for generations, providing jobs, investment and of course great food and drink to feed our families. There are real opportunities ahead, and we need to work collaboratively to help businesses thrive.

This document sets out some key actions and ideas that will support a flourishing food and drink sector for generations to come.

**David Thomson**  
CEO, Food & Drink Federation Scotland

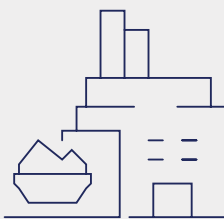


I am honoured to lead FDF Scotland at such a pivotal time for our industry. My focus is on driving sustainable growth and ensuring that our members have the support they need to thrive.

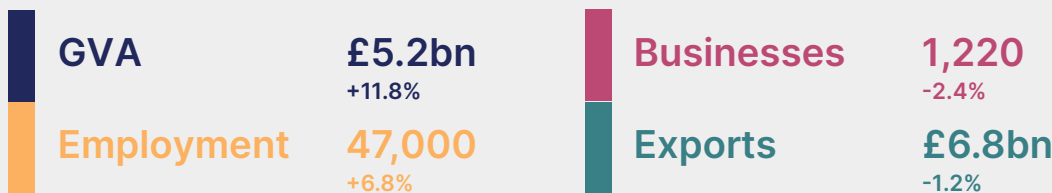
Together, we can build a stronger, more resilient sector that continues to deliver high quality food and drink that people enjoy at home and across the world.

**James Macsween**  
Chair, Food & Drink Federation Scotland

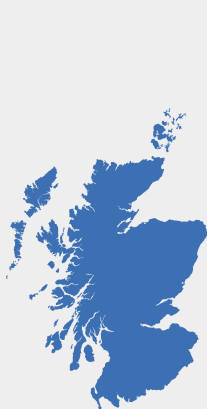
# Spotlight on Scotland's largest manufacturing sector



Scotland's **1,220** food and drink manufacturers sit at the heart of a supply chain worth **£155bn** to the UK economy, employing **47,000** people in Scotland. The industry is Scotland's largest manufacturing sector, and forms part of a diverse and complex supply chain.



Scotland delivers:



**30.8%** of total manufacturing GVA

**31.1%** of total manufacturing turnover

In the nation, food and drink Exports accounts for:



**14.4%** of total UK food & drink manufacturing GVA

**11.1%** of total UK F&D manufacturing turnover

## Exports

Top markets by value

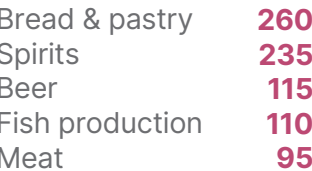


**£6.8bn** of exports

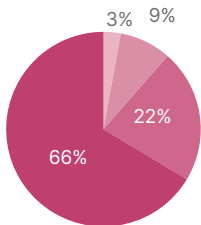
**28.0%** of total F&D exports

## Business

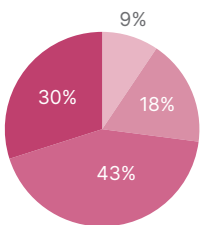
Top sectors by # of businesses:



% of businesses by employment:



% of businesses by turnover:



Number of businesses grew **12.4%** between 2019 and 2024

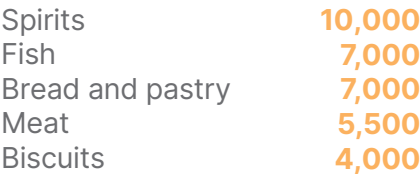
## Employment

Food & drink **manufacturing** makes up:

**27.0%** of total manufacturing employment

**1.8%** of total employment

Top sectors by employment:

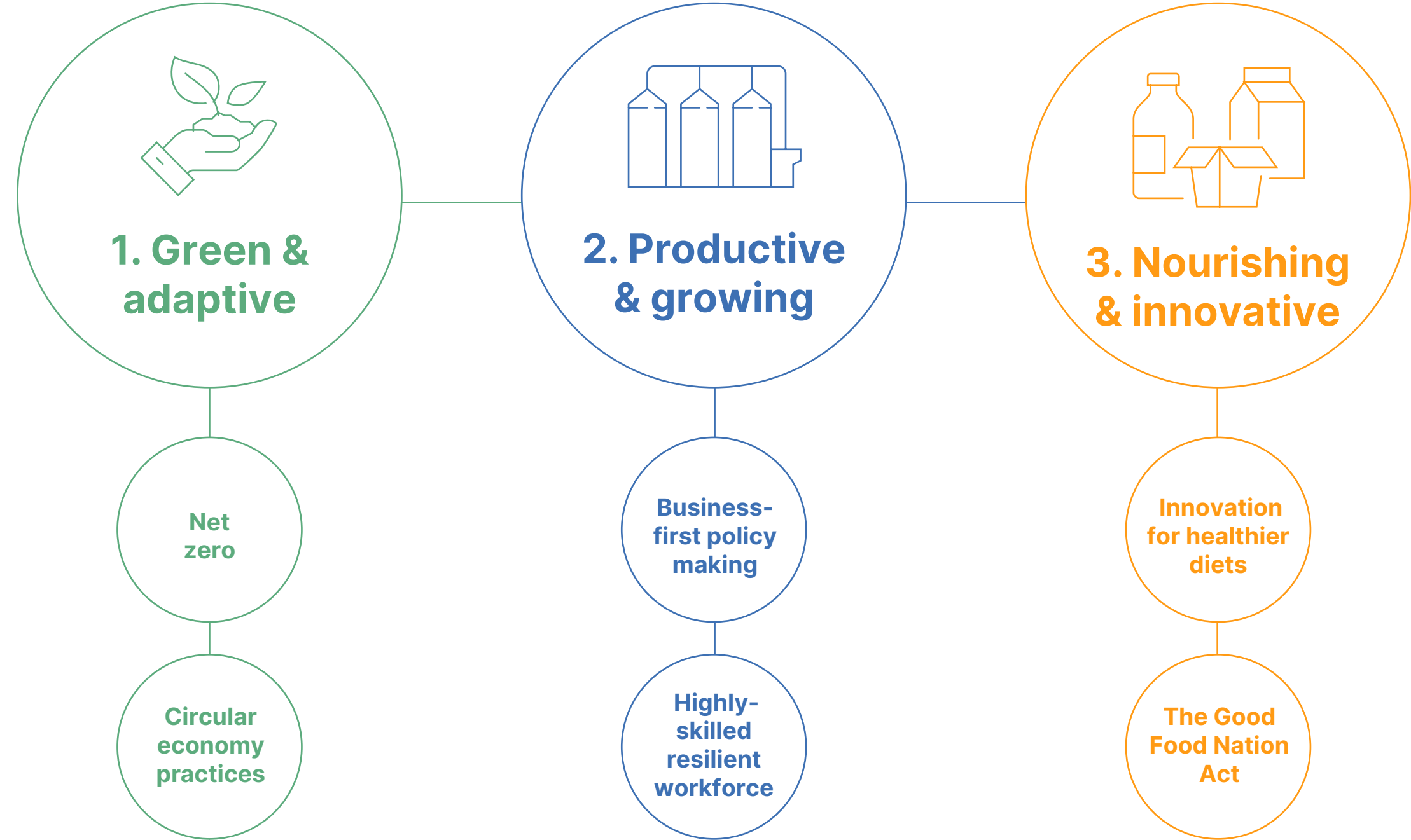


We added **4,000** jobs since 2017

Source: ONS. All figures use the latest available data. 2024: Business and exports, 2023: Employment, 2022: GVA



Our priorities  
to support  
the growth  
of Scotland’s  
food and drink  
manufacturing  
industry:



## OBJECTIVE ONE: GREEN &amp; ADAPTIVE

## Working together towards net zero



Policy makers should support and enable our industry's journey to net zero – from de-risking to building experience and confidence in future technologies and skills. This means:

- Supporting and capitalising on learnings from our Net Zero Programme including:
  - Using our research with businesses to understand their barriers to developing net zero transition plans.
  - Supporting the development and implementation of a national food and drink net zero transition plan.
  - A greater understanding of emissions in the food and drink sector in Scotland including a headline figure from the national inventory and how to approach identifying sectoral emissions.
- Creating a ring-fenced fund for the food and drink industry that de-risks innovation around de-carbonisation. This could be done by continuing to support the Scottish Industrial Energy Transformation Fund and by considering the most effective ways to support our SMEs. Food and drink is at the sharp end of the net zero debate, and without support there is a real danger that Scottish food and drink manufacturers will be at a competitive disadvantage.
- Find better ways to support business innovation on issues such as excess heat and alternative power sources.

**“ De-carbonisation represents a huge challenge and opportunity for Scotland's economy with its renewable energy resource and one we are ready for but we need government support and coordination to ensure we remain globally competitive ”**

**Dr Gary Stephenson**

Devro

## OBJECTIVE ONE: GREEN &amp; ADAPTIVE

## Enabling circular economy practices



The Circular Economy (Scotland) Act has the potential to create a fully-functioning circular economy to help the food and drink manufacturing sector meet our ambitious recycling targets.

**This means:**

- Policy makers and our industry working on a four nations basis to transform packaging recycling and reprocessing to a world-class system.
- Driving consistency in our household recycling across all local authorities where the materials defined as recyclable under revisions to Extended Producer Responsibility regulations are collected everywhere in Scotland. This will ensure valuable food-grade packaging is collected and reprocessed back into food packaging.
- Using Scottish policy makers' and regulators' knowledge and experience to get a UK-wide Deposit Return Scheme up and running as soon as possible.
- Early engagement with our industry on any proposals around sharing of food waste data. The primary aim of reporting any data must be to aid food waste reduction, aligning with existing reporting mechanisms, recognising existing data and action to reduce food waste.

**“ We've been fortunate to benefit from the advice and guidance of the Net Zero Programme over the past couple of years. I'd encourage members to explore the support available whatever stage they are at in their net zero journey. ”**

**Katherine Durie**

FDF Scotland Vice-Chair  
Baxters Food Group

## OBJECTIVE TWO: PRODUCTIVE AND GROWING

## Business-first policy making



We ask the Scottish Government to continue its commitment to business-first policy making. This means:

- Working closely with the other UK nations on developing regulation related to food and drink. It is important to minimise divergence as this can add cost and complexity to businesses and consumers.
- Establishing a mechanism to oversee the joined-up delivery of food policy across public sector agencies to break down silos. The Good Food Nation Act provides an excellent opportunity to make this work and should include planning, transport, trade, economy, rural affairs, climate change, skills, and public health.
- Recognising the need for increased support, investment and resource into the food safety regime in Scotland. In particular, supporting Food Standards Scotland in its redesign of our food law delivery and assurance framework. This is critical to our industry, ensuring our food is the best quality and produced to the highest and safest standards.

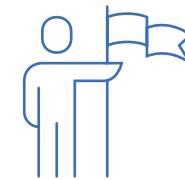
**“ Building better and deeper understanding with Scottish Government and other stakeholders will be critical to further develop the agility and focus to face the opportunities and challenges for Scotland’s food and drink sector ”**

**Alastair Dobson**

Taste of Arran and Arran Dairies

## OBJECTIVE TWO: PRODUCTIVE AND GROWING

## A highly-skilled, resilient workforce



We need policymakers and skills delivery bodies to work with us to ensure we have a highly-skilled and motivated workforce. Opportunities include:

- Implement the actions within the Independent Review of the Skills Delivery Landscape ensuring an agile response to ensure the food and drink industry’s skills needs are met and are funded appropriately. The employer’s voice will be vital to make sure the future skills system matches the reality of a changing labour market and business need.
- Work with Westminster on the creation of the Growth and Skills Levy, allowing for shorter, modular training that can work across the UK nations to enable food and drink manufacturers to invest Levy funds in training that can address skills needs and improve productivity growth. Apprenticeships and vocational training must be regarded equally as Further and Higher education and be funded to reflect this.
- Longer-term collaboration with the other UK nations on the creation of a less complex, fit-for purpose UK-wide skills system that will allow food and drink manufacturers to give their employees the training support they need – no matter where they are located.
- Ensuring public sector support prioritises investment in process efficiency rather than an increase in headcount. This will help deliver an increase in productivity and higher paid jobs.

## OBJECTIVE THREE: NOURISHING AND INNOVATIVE

## Innovation for healthier diets



Our industry recognises the role we play in supporting healthier diets and lifestyles. We want to continue to work with the Scottish Government to help to tackle obesity and health inequalities in communities across the country.

This means:

- Continuing to support and work as a vital partner in our Reformulation for Health Programme to ensure Scottish food and drink manufacturers are helped to continue to make their products healthier. To date this programme has removed billions of calories and tonnes of salt and sugar from Scottish food and drink products.
- Providing guidance to public sector funders that reformulation to create healthier products (including changes to recipes and processes) should be classed as innovation to unlock access to innovation funding.
- Building on existing workplace and community programmes, to broaden their reach and to improve health outcomes by working in partnership with others through a whole systems approach. With food and drink manufacturing sites across Scotland, this provides an opportunity to engage with local councils and public health organisations to ensure action is locally relevant, sustainable and effective.
- Championing the need for a positive public health campaign to help people make healthier choices, supported by industry including manufacturers, retailers and the hospitality industry.

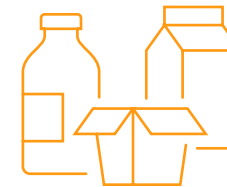
“ The Reformulation for Health Programme has enabled us to focus on improving the formulation of traditional Scottish haggis. The programme funded resources and expertise helped Macsween reduce salt and fat levels without compromising quality, ensuring that the iconic dish meets modern dietary standards ”

**James Macsween**

Macsween of Edinburgh

## OBJECTIVE THREE: NOURISHING AND INNOVATIVE

## The Good Food Nation Act



Our food and drink manufacturers are vital to Scotland's economy and to our communities across the nation. Scotland's Good Food Nation Act provides a great opportunity to ensure the importance of the food and drink industry is understood across all Scottish Government departments. We will work with the Scottish Government to maximise the potential of the Good Food Nation Act. This means:

- Delivering a whole-systems approach to support our communities and workforces to live healthier lives. This will include championing positive, practical messaging to support people to achieve a healthy lifestyle.
- Ensuring the right infrastructure, people, education and skills are in place to support the future success of our industry in Scotland.
- Recognising the need for increased support, investment and resource into ensuring our food is safe, authentic, healthy and well regulated.
- Encouraging regional collaboration between public sector bodies who need to create their own Good Food Nation plans.
- Ensuring our sector's industry growth strategy is referenced as a key strategic pillar in the Good Food Nation plan.

“ Homegrown primary produce plays an important part in this underpinning food security and rural economic resilience ”

**Archie Gibson**

Agrico UK Ltd



# How we can help you

## Meeting the industry

- **Shape policy** – bring together the food and drink industry to discuss ideas and opportunities.
- **Meet food and drink manufacturers** – on a one-to-one basis or as a group – we can advise you on who the food and drink manufacturers are in your local area and put you in touch.
- **Access to a network of Food and Drink Ambassadors** who support our ambition to promote the sector as a career destination of choice and work within their local communities.
- **Our annual Scottish Parliamentary reception** – arguably one of the best receptions in the Scottish Parliament! We host an annual reception in the Garden Lobby where you can network with our industry and key stakeholders.

## Supporting your work

- **Provide policy briefings, industry insights and statistics** – we have a team of experts who produce industry-specific data and economic insights.
- **Committee witnesses** – we and or our members are always keen to help support the work of our Scottish Parliamentary committees.
- **Cross-Party Group on Food** – we provide the secretariat for the Cross-Party Group on Food in the Scottish Parliament, we can provide you details of the current work of the group, and you are welcome to attend.
- **Work with us on reserved matters and on a four UK nations basis** – we work closely with all at Westminster and the Senedd.







Food and Drink Federation (FDF) Scotland is the voice of the food and drink manufacturing industry – Scotland’s largest manufacturing sector. We contribute £5.2 billion to the country’s economy, supporting 47,000 jobs in Scotland, and producing products that are loved at home and around the world.

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

[fdfscotland.org.uk](https://www.fdfscotland.org.uk)

X: [@FDFScotland](https://twitter.com/FDFScotland)

<https://uk.linkedin.com/showcase/fdf-scotland>

