Ingredients for growth

DRIVING GROWTH IN FOOD & DRINK MANUFACTURING

Contents

About food and drink manufacturing

Food and drink is the UK's largest advanced manufacturing sector, with a turnover exceeding £142bn, and contributing £36bn in gross value added to the economy.

Our industry provides around 500,000 direct jobs, from entry-level to highly skilled professionals across every region of the UK, and supports four million jobs across the whole food value chain. We indirectly generate £2.48 for every £1 produced. We play a central role in the prosperity of communities throughout the UK and are a critical part of the everyday economy and the nation's food security.

Every day, food and drink manufacturers work tirelessly to create the products we love. From factory kitchens to family businesses, our brands stand for quality and boast centuries of expertise, providing nutritious, delicious, safe and affordable food and drink for everyone. But it isn't just about the products. It's about the people who make them and the communities we serve.

Our vision

We are committed to driving forward the government's growth mission

Together, government and industry can

> Unlock investment to drive innovation

> Transform workforce skills and labour market participation

> Promote healthier diets

> Boost international trade

Underpinned by actions only government can take

> Creating a competitive domestic economy through industrial and trade strategies

> Setting effective regulation

> Turbocharging a mutually supportive innovation ecosystem for food and drink

This will lead to

> Higher investment in a foundational sector

> Improved productivity

> Growth in exports & domestic supply

> Meeting shared sustainability outcomes

> Meeting shared health outcomes

> Building a circular economy for packaging and food waste

Resulting in

> Economic growth

> More, higher-skilled jobs in every part of the UK

> A food system that is green and adaptive, productive and innovative

As the UK's largest manufacturing sector, providing employment for approximately 500,000 people across the country, the food and drink industry is uniquely positioned to contribute to economic growth.

By creating more higher-paid jobs, driving investment, expanding export markets, and offering healthier choices to consumers, the sector can play a central role in the UK's economic recovery and long-term prosperity.

A thriving food system is vital to our nation's well-being. It employs around 4.5m people spread across every community in the country, with a total estimated Gross Value Added (GVA) of £161.7bn. It is a system that has a direct impact on the daily lives of all citizens, providing them with safe and nutritious food at affordable prices.

It is dynamic, where the investment decisions by hundreds of thousands of businesses keep food on our tables and ensure our nation's food security. It is also a system that is both reliant on and heavily impacted by the decisions the government makes, from environmental regulation to trade policy, farming support and procurement rules.

We want to work with government to ensure our sector attracts investment, to ensure our food and drink system is robust in the UK and leads the world in innovation. To that end, we welcome the government's commitment to the planned industrial and food strategies.

To support further growth government must prioritise the following:

1. **Securing a fair share of UK R&D funding** for food and drink manufacturing to drive investment in new product development and healthier consumer options. With industry investment down 30.5% since 2019, it is crucial to secure an ambitious funding and support package to unlock opportunities for the UK's largest manufacturing sector.
2. **Co-creating a workforce and skills plan** with Skills England to facilitate the transition to a higher-skilled, higher-wage workforce. With vacancy rates more than double those of wider manufacturing, it is vital to address this skills gap through strategic investment in training and development.
3. **Simplifying the R&D tax credit system** to support businesses struggling to invest in technology and improve productivity. The food and drink sector, comprising 12,500 businesses, presents a £14 billion growth opportunity that could be realised by accelerating tech adoption.
4. **Ring-fencing the £1.4 billion annual cost of EPR** to ensure these funds are used exclusively to improve the UK's recycling infrastructure, rather than addressing local authority funding gaps. The fees collected should be dedicated to recycling, not to unrelated expenditures.
5. **Prioritising a strategic approach to EU trade relations** to reverse the decline in EU exports, which have fallen by more than a third since Brexit. Improving trade relations with the EU, particularly through the EU Border Target Operating Model and Single Trade Window, is essential to ensuring smooth trade with the UK's largest trading partner.
6. **Simplifying regulations** and removing unnecessary red tape, especially for the 12,000 SMEs in the sector, to allow businesses to focus on growth and productivity.

Unlocking investment to drive innovation

UK food and drink is a world-leading advanced manufacturing sector. Today, the lean and efficient industry uses the most advanced technologies and cutting-edge innovation to feed 70 million people at home, and many millions more overseas.

There is now a once-in-a-generation opportunity to drive decades of investment and shift to the next generation of manufacturing. With the right conditions, our industry can unlock up to **£14bn in growth** over the next decade through the adoption of automation, digital tech and AI. Innovation in both processes and products will lead to more, higher-paying jobs in every part of the country.

We are building on a strong track record. Food and drink manufacturers have **invested £21bn through capital and R&D projects** over the last five years – making the sector a global leader in new product development.

The UK is renowned for food science and food innovation, with global manufacturers choosing the UK as their base for their R&D centres, including Nestlé in York, PepsiCo in Leicester, Unilever in Bedford and Mondelez in Reading.

But we cannot be complacent. The UK risks falling behind competitor economies, with global investment decisions being made in favour of EU nations and faster-growing economies. A low-investment food sector would lead to greater food insecurity, a less resilient food system, reduced competition and more expensive processes and products. And the UK would miss the opportunity to create good jobs across the country.

Many manufacturers are already leading the way in advanced manufacturing using cutting-edge science, technology and AI in production processes, but there are opportunities to accelerate adoption across all of the sector's 12,500 businesses.

With strategic support from the government through the Industrial Strategy, the UK can cement its place as a leading adopter of automation, robotics, digitisation and AI – boosting productivity and making a stronger contribution to economic growth

Unlocking investment to drive innovation

By becoming more agile in how we regulate and strengthen links between industry, government and academia we have an opportunity to become a global leader across all food innovation and R&D. Working together, industry and government can:

> Implement a well-crafted Industrial Strategy, that includes food and drink within the advanced manufacturing sector plan. This will help the industry crowd-in new investment while tackling critical challenges around boosting productivity, strengthening resilience, and transitioning towards net zero

> Create a formal food and drink innovation partnership between government, industry, and academia to prioritise UK Research and Innovation (UKRI) investment in food and drink as an advanced manufacturing sector

> Broaden UKRI investment eligibility to include food and drink manufacturing

> Simplify and improve the R&D tax credit system to incentivise investment in healthier product reformulation and new machinery

These steps will go a long way to boosting innovation in processes, and ensuring Britain's food industry remains at the cutting-edge of the global industry. There are also steps that government can take with industry to drive innovation in the products we make, too.

Our industry recognises the role we play in supporting healthier, and more balanced diets. We continue to take. Bold steps to provide healthier options for some of the nation's best-known brands by changing recipes, creating new, healthier products, and providing smaller portion sizes.

Working alongside partner organisations, our members have a proud history of supporting communities, providing healthy options to breakfast clubs, and redistributing surplus food to those who need it, as well as delivering extensive workplace health initiatives.

We want to work with government to partner on ways to tackle obesity and health inequalities in communities throughout the UK.

Reformulation – or recipe change – has been a major focus for manufacturers in the last decade, with over£160m of the industry's research and development investment going to reformulating products to remove fat, salt and sugar, and add fibre, fruit and vegetables. This is transforming shopping baskets around the UK. Data from Kantar shows that FDF member companies now contribute a third (33%) less salt, and a quarter less sugar (25%) and calories (24%) to the GB grocery market compared to 2015.

To build on the progress already made, government should:

> Provide broader and more accessible financial support for reformulation and healthier product innovation, through existing R&D tax credits, grants and capital allowance schemes

Recipe change is a complex, highly technical process, which involves millions of pounds of investment and testing in ingredients, processes and consumer satisfaction. Larger companies are able to make these investments, but smaller businesses often struggle to access the technical expertise required to make reformulation a success.
In Scotland, FDF works with the Scottish Government to support smaller businesses to reformulate their products, which has led to the removal of billions of calories and tonnes of fat, sugar, and salt from popular Scottish products.

We are calling on the UK Government to replicate this success in England and Wales by:

> Delivering a Reformulation for Health Programme for England and Wales to support SMEs with reformulation and healthier product innovation, based on the successful Scottish Government-funded programme. We estimate a scheme could be established across the whole of the UK for c£4m per annum, or c£3m per annum for England alone

Transforming workforce skills and labour market participation

For decades, the food and drink industry has been a job-creation powerhouse. In the last decade, **employment opportunities have grown by 12%**, so we now employ more than half a million people at all skill levels across England, Northern Ireland, Scotland and Wales. Apprenticeship numbers in technical areas such as food and drink engineering maintenance, food science, technical operator, packaging technologist and sustainability business specialist are growing to build a robust future talent pipeline.

We want to work with government to co-create a joined-up workforce strategy that supports employers to attract more domestic talent and strengthens our own skills base. This strategy should support social mobility, attract global talent (where roles cannot be filled domestically) as well as investment in automation, robotics and digital technologies. We are fully behind the government's proposals around Get Britain Working and Keep Britain Working.

We support the creation of Skills England and its remit to work alongside the Industrial Strategy Council, the Migration Advisory Committee and the Department for Work and Pensions to facilitate this joined-up approach to workforce issues.

Central to the success of the government's skills strategies will be encouraging businesses and the further education sector to work together more closely. The UK has some great examples of further education colleges and businesses working together to develop courses that deliver the skills businesses need, when they need them, in local areas around manufacturing clusters. But in recent years, budget cuts and consolidation have curtailed this effective collaboration. This has exacerbated chronic shortages in science, technology, engineering and maths (STEM) skills, which limits manufacturers' ability to innovate in both processes and products.

Transforming workforce skills and labour market participation

More investment in training provision is urgently needed to improve the standard and consistency of delivery of skills programmes in all parts of the country. There are geographical gaps in the provision of specialist food and drink apprenticeship standards in England. For example, there is currently no food and drink apprenticeship provision in the North East, parts of the South West and the South East of England. Many food and drink manufacturers have to pay for additional travel and accommodation costs to ensure their apprentices have access to high-quality training providers.

- Work with industry to develop a joined-up workforce strategy with government to attract domestic talent, strengthen skills, and support investment in automation, robotics, and digital technologies
- Incentivise closer working between FE colleges and manufacturers by providing sufficient funding and capacity to deliver the training that food and drink employers need in communities across the UK.
- Ensure Skills England includes food and drink as part of the Advanced Manufacturing priority sector
- Introduce a Growth and Skills Levy allowing food and drink employers to invest in both apprenticeships and modular training for upskilling – working closely with them to identify eligible training courses

Boosting trade

The UK exports around £25 billion of food and drink every year.

Our businesses make brands and products that consumers love, not just at home but across the world. The high safety standards of food and drink produced in the UK help make it sought after and trusted by the world's emerging middle classes.

Imports are also vital for food security, increased choice, and as a competitive spur to innovation and productivity in UK place manufacturing.

There are billions of pounds in untapped export potential. We want to grow our desirable food and drink exports in existing markets and expand into new ones. Better access to ingredients will also support the UK becoming the best in the European region to invest in food and drink production.

Businesses are feeling the benefits of recent free trade agreements, with global food export volumes increasing by 6% in 2024 compared to 2023.

However, exports to the EU have fallen by more than a third (34%) compared to 2019 levels. The EU is the UK's largest trading partner, accounting for 61% of exports and three-quarters (75.6%) of imports. Changes in border policy and procedures after Brexit, including checks and charges, have dampened businesses' willingness to export to European markets.

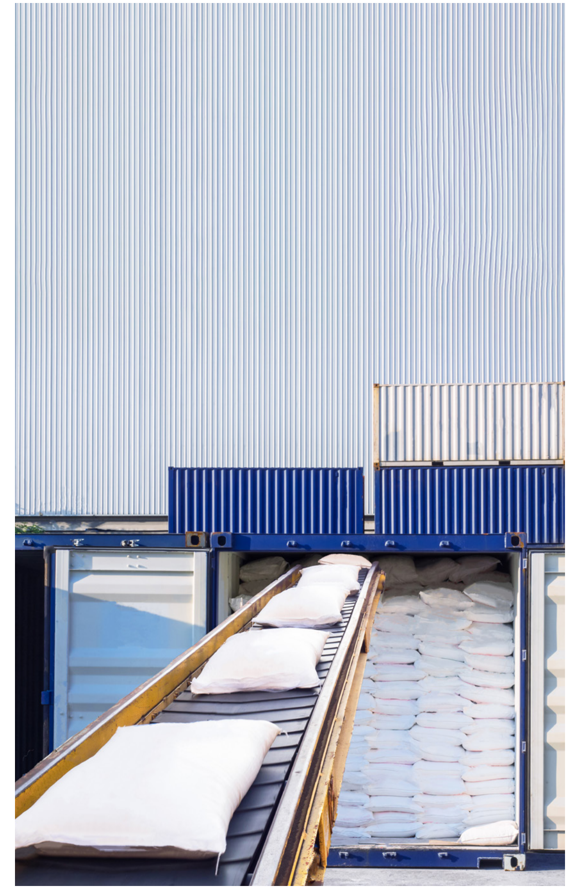
We can work together to grow exports to Europe and beyond. Manufacturers and government can partner to:

> Deliver a cohesive food and drink sector trade strategy focusing on a world-class border regime and strengthening UK food security, reducing complexity and bureaucracy for exporters

> Improve relationships with the EU alongside an ambitious free trade programme

> Facilitate R&D by creating a permissive regime for importing product samples

> Extend the Trusted Trader principle to food and drink border procedures to alleviate port burdens and reduce import delays



Meeting our shared sustainability goals

Our industry's ambition is to reach net zero by 2040 and investment is critical to realising this opportunity.

Decarbonising manufacturing and supply chains requires action across all operations, including the adoption of new technologies, fuel switching as well as making improvements and greater efficiencies to existing processes.

Government support is vital for investment in energy efficiency and deep decarbonisation, building experience and confidence in these new technologies for food and drink manufacturing.

We are calling for government to continue to support the industry, and:

> Confirm funding for future phases of the Industrial Energy Transformation Fund (IETF) to support investment in energy efficiency and decarbonisation

> Streamline environmental permit variations to accelerate sustainability investments

> Simplify planning consent processes for decarbonisation technologies

> Amend legislation on insect-based feed for livestock and permitted waste streams to turn food waste into protein

The government is already working with industry on ambitious packaging reforms, which will see producers taking responsibility for the costs of recycling their packaging waste this year. We support Extended Producer Responsibility (EPR) because it is a proven way to create a circular economy for packaging recycling. But our support is conditional on the UK's governments – central, local and devolved – working with the private sector to put our billions of pounds of investment to good use. This is the way to unlock further investment in recycling infrastructure, push up Britain's flatlining recycling rates, create green jobs, and build the circular economy we want and need.

Government should:

> Ring-fence Extended Producer Responsibility fees to ensure local authorities use the additional funding for improving recycling infrastructure, not plugging other funding gaps

> Set out practical plans to attract investment into recycling infrastructure, create functioning domestic markets for recycled content, and to ensure materials can be recycled into food-grade packaging

> Accelerate the introduction of Mass Balance Accounting – the key unlock for chemical recycling - from four years to six months

Setting effective regulations

Food is rightly subject to the highest levels of regulatory standards to protect consumers and enjoy safe food.

These cover everything from ingredients used, to the types of packaging that food is in contact with, and how we label the product to inform consumer choice. However, over the years regulatory burdens have built up that aren't protecting consumers, costing the industry billions of pounds in costs and acting as a barrier to growth.

To aid the government's efforts on improving the regulatory environment to unlock growth, we have identified areas where reform of regulation, processes and improved policy making can alleviate the burdens that have accumulated on our industry. These act as barriers to investment, innovation and trade on businesses up and down the country.

Ensuring our regulatory environment is best in class will enable investment in cutting edge technology and science that is currently blocked due to regulatory inertia. It will also reduce day to day business costs and help to mitigate some of the inflationary pressures facing food.

A well-designed and coherent regulatory regime that will make our food system more resilient to shocks, help domestic firms grow and attract foreign investment.

Some examples of regulatory changes the government could make include:

- Prioritise speeding up market authorisations for regulated product approvals to strengthen the UK's role in food technology and innovation
- Introduce 'fast-track' approval for ingredients and processes already approved by trusted regulators
- Boost resources at the FSA to approve UK-based recyclers creating new food contact materials
- Streamline crisis response protocols across DEFRA, the FSA, and Devolved Administrations to ensure timely decision-making and effective communication
- Remove outdated legislative restrictions hindering growth in innovative food categories (e.g. plant-based dairy alternatives and probiotics labelling)
- Simplify and improve the R&D tax credit system to incentivise investment in healthier product reformulation and new machinery

A full list of the recommended regulatory changes can be found in the annex, alongside how each change would help with growth in the industry

ANNEXES

Ingredients for growth

Innovation

People and skills

Trade

Regulatory reform

Sustainable growth

Ingredients for Growth : Innovation

Policy	Impact
Simplify and improve the R&D tax credit system to incentivise investment in innovation and machinery. For example, supporting investment in the reformulation of food and drink to make products healthier. In a less fiscally constrained environment, this could also include bringing capital into scope of tax credits.	The complexity of R&D tax credit requirements creates administrative inefficiencies, particularly for SMEs lacking in-house expertise. In 2023, UK food and drink manufacturers invested over £160m in healthier product R&D. Expanding eligibility criteria to include recipe modifications and reformulations would incentivise further investment. Additionally, capital costs—such as new machinery and factory adaptations—should be covered to reduce financial barriers to innovation. This would enhance productivity, drive industry-wide efficiency gains, and improve long-term consumer health outcomes.
Boost resource at the FSA so that it can be established as the Competent Authority to approve UK-based recyclers to recover and create new food contact material (FCM).	Regulatory bottlenecks delay the approval of novel food packaging technologies, reducing the UK's attractiveness as an investment destination. Enhancing FSA resources would expedite decision-making, facilitating the adoption of advanced recycling processes. This would promote a more circular economy, strengthen food safety standards, and increase international investment in sustainable packaging innovation.
Introduce a new permissive regime for importing product samples to drive product research and development at dedicated UK facilities. This would ensure that the UK retains and improves its competitive edge in developing products.	The UK's strengths in food and drink are driven by innovation built on decades or even centuries of investment in food production processes, brands and local product identities. Integral to this strength is the ability for food and drink businesses to import product samples to drive product research and development at dedicated UK facilities. However, at present companies must either mirror the commercial import process (which is costly and not practical for such small quantities of product) or use a cumbersome permit system geared more towards the import of biohazardous material than food and drink products. A more permissive system is needed to unlock investment in UK food and drink R&D which risks offshoring to the EU under present conditions.

Ingredients for Growth : **Innovation**

Policy	Impact
Delivering a Reformulation for Health Programme for England and Wales to support SMEs with reformulation and healthier product innovation, based on the successful Scottish Government funded programme. We estimate a scheme could be established across the whole of the UK for c£4m per annum, or c£3m per annum for England alone.	For smaller companies, the Scottish Government-funded Reformulation for Health programme is a proven way to support them in changing recipes in line with public health goals and we believe this would deliver real value if rolled out across the UK. As well as directly creating growth and investment in the sector – the aim of creating a healthier food system creates a healthier, more productive workforce in the wider economy.
Broaden out eligibility of UKRI investment beyond the agri-tech sector to include food and drink manufacturing.	Over the last decade, we estimate that approximately £500m of government innovation funding was invested in agriculture, of which £40m was also made available to food and drink manufacturing companies and other food chain partners. A more inclusive approach will deliver significantly higher returns on UKRI investment given the size, breadth and value of food and drink manufacturing. Food and drink manufacturing delivered a markedly higher return on investment, generating £9 of value for every £1 invested, when compared to other sectors. It will also help bridge the gap in the farm-to-fork chain and ensure innovation and development can directly impact positively on people's lives and livelihoods.

Ingredients for Growth : **People and Skills**

Policy	Impact
Reconsider the policy in the Employment Rights Bill that would mandate employee consultation for collective redundancies at a business-level rather, than the current situation where it is at site-level.	Large food and drink manufacturers operate diverse sites with independent economic considerations. A centralised consultation requirement would introduce inefficiencies, causing unnecessary distress among employees and increasing administrative costs. Retaining the site-level approach aligns consultation obligations with actual business operations, minimising disruptions and preserving labour market flexibility.
Give businesses two full years before measures in the Employment Rights Bill become active after Royal Assent, so that employers have time to adapt without risk of penalty which could create disincentives for business growth.	The proposed Employment Rights Bill introduces substantial compliance costs, estimated at nearly £5bn. A two-year implementation window would allow firms to adapt to regulatory changes efficiently, mitigating economic disincentives for expansion. Smaller enterprises, in particular, would benefit from this transition period, reducing potential disruptions to workforce planning and investment strategies.
Make the reference period for guaranteed hours in the Employment Rights Bill 26 weeks to account for seasonality in food and drink production.	A 12-week reference period for guaranteed hours fails to accommodate seasonal employment fluctuations, distorting labour market efficiency. A 26-week period would provide a more accurate reflection of labour demand, enabling businesses to optimise workforce allocation while ensuring fair employment conditions.

Ingredients for Growth : People and Skills

Policy

Identify eligible training courses in collaboration with employers under the new Growth and Skills Levy.

Impact

Only 45% of food and drink levy payers were able to spend over half of their available funds . Progressing with the reform of the Apprenticeship Levy to create a new Growth and Skill Levy will allow food and drink manufacturers to invest more of their levy funds on shorter, quality-assured modular training to address immediate skills needs.

For example, the Greater Manchester Combined Authority – led by Mayor Andy Burnham – has spearheaded the way in creating innovative skills solutions for employers with a successful training course to multi-skill engineers and upskill technical operators in food and drink. We want to secure this fantastic programme delivered by Wigan and Leigh college that can deliver real productivity gains for all food and drink employers – no matter where they are located – through the Growth and Skills Levy.

Ingredients for Growth : Trade

Policy	Impact
Extend the Trusted Trader principle to food and drink border procedures, as originally planned in the Border Target Operating Model, to reduce unnecessary costs and alleviate the burden on UK ports.	Delays in border clearance processes increase costs for food and drink manufacturers, particularly SMEs. A Trusted Trader scheme would streamline imports for compliant businesses, alleviating logistical bottlenecks and reducing demurrage charges. Efficient border processing enhances supply chain resilience and maintains competitiveness in global markets. A survey of seasoning and spice importers from FDF's membership revealed delays ranging from 8 to 113 days, with an average delay of 21 days. Some businesses faced costs as high as £20,585.
Reduce import tariffs on non-sensitive UK products by undertaking a review of the UK global tariff and improving the duty suspensions programme.	Tariff structures inherited from EU agreements may not align with UK economic interests. A targeted review would enhance supply chain flexibility, reduce input costs, and improve food security. Lower tariffs on key imports such as olive oil and tropical fruits would enhance competitiveness and consumer affordability. Examples of import tariffs that would help our members improve supply chain resilience and reduce costs are: £102-112/ 100kg for olive oil, 8% for tropical fruits, melons and nuts, 4% for avocados and 2% for hazelnuts.
Simplify SPS procedures to reduce border friction. This would include adoption of digital certification alongside increasing our mutual recognition of procedures with the EU, where appropriate.	Paper-based certification and physical inspections impose excessive compliance costs, estimated at £170m over three years. Digitalisation and mutual recognition agreements would reduce administrative burdens, improve trade efficiency, and ensure regulatory alignment without compromising food safety standards.

Ingredients for Growth : Trade

Policy	Impact
Ensure a single unified approach to the border and review the decision to pause the development of a Single Trade Window.	Disjointed border policies create inefficiencies, increasing costs for importers and exporters. A Single Trade Window would streamline documentation processes, reducing errors and facilitating smoother cross-border trade, enhancing the UK's attractiveness as a trading hub. This would ensure that businesses only need to enter data into one portal, reducing wasted time and money by duplicating efforts, as well as avoiding costly errors caused by conflicting IT systems.
Urgently review the application of government levied Common User Charge (CUC) to avoid putting costly burdens on SMEs.	The Common User Charge disproportionately affects small importers who trade in varied commodities. A per-consignment fee structure would distribute costs more equitably, ensuring that SMEs remain competitive without undermining the financial sustainability of government-operated border control posts.
Help the UK take advantage of new export and import markets opportunities by enhancing its online trade portal, creating clear and country-specific guidance for UK businesses.	One of the key obstacles businesses face when exporting is simply accessing up to date, comprehensive information on the process to export products to a particular market. This problem is particularly relevant for food and drink businesses who face unique export barriers such as procurement of Export Health Certificates and complying with relevant Sanitary and Phytosanitary legislation. The UK has taken positive steps in improving online support for exports, for example the market specific export guides for CPTPP markets. However, this can be improved further. The UK should look at the New Zealand and Canadian trade portals to learn from best practice. These examples are one-stop-shops that provides ease of access to all essential trade information for exporters. A UK portal should bring together information on processes, procedures, taxes, tariffs, rules of origin, barriers to trade and business opportunities.

Ingredients for Growth : **Regulatory Reform**

Policy	Impact
Leverage cross-departmental working during the development of the Food Strategy with the aim of reducing regulatory uncertainty across the food ecosystem, to provide confidence for investment.	Global businesses often face intense competition for investment internally, in which the UK operations compete with their European and foreign counterparts for funds for new production lines, products and packaging. To attract this investment into the UK, companies look for a predictable, business-friendly regulatory framework. A more coherent approach to the development and effective delivery of food policy across Whitehall departments and the Devolved Administrations would provide the stability needed to support our industry's efforts to invest in a productive, sustainable and healthier food system in the UK while continuing to keep costs down for businesses and consumers.
New product approvals are too slow. The FSA must prioritise speeding up market authorisations for regulated product approvals, strengthening the FSA's role in supporting new product development and technologies.	Delays in regulatory approvals for food innovations create uncertainty and deter investment in R&D. Establishing a fast-track mechanism for ingredients already approved by trusted international regulators would reduce time-to-market, supporting the UK's position as a global leader in food technology.
The FSA can alleviate pressure by providing 'fast-track' approval for regulated ingredients and processes that have already been approved by other trusted regulators. This is the approach adopted by other similar UK bodies, such as the medical products regulator.	Regulators have limited resource, which can create bottlenecks for the approval process and delay businesses in launching new products. By the FSA's independent Scientific Advisory Committees assigning a limited number of organisations as 'Trusted Regulators' we can reduce waiting times and delays where products have already been scientifically scrutinised, while maintaining our high standards of risk management. This would incentivise more businesses to undertake food and drink R&D here in the UK.

Ingredients for Growth : Regulatory Reform

Policy	Impact
Avoid overlaps in the remits of DEFRA, the FSA and Devolved Administrations by introducing pre-established incident management protocols to streamline responses to both local and global crises. This includes establishing a clear line of command across government departments and agencies to ensure timely decision making and effective communication with industry and Local Authorities.	Fragmented regulatory oversight impedes crisis response efficiency, increasing supply chain volatility. Clear, pre-agreed decision-making frameworks would enhance coordination, ensuring rapid and consistent policy responses to global disruptions.
Remove outdated and unnecessary legislative restrictions that are overregulating innovative, but well-established, food categories and hindering the sector's growth potential. For example – protected milk designations that prevent plant based dairy alternatives marketing themselves as 'milk' (e.g. oat milk) or health claims rules restricting the general labelling term 'probiotic'.	Legacy EU regulations constrain market development in high-growth sectors. Modernising food definitions would align regulations with consumer preferences, promote investment in alternative proteins, and enhance the UK's competitiveness in the plant-based food market.
Require that new regulations introduced by DEFRA, FSA, or the Environment Agency are approved by Parliament if they have a forecasted impact of £10m or more on the economy.	Enhancing legislative oversight of high-impact regulations would improve policy transparency and economic predictability, allowing for industry consultation and ensuring proportionality in regulatory interventions.
Development of official guidance issued ahead of any new food laws being applied, particularly those subject to interpretation (e.g. food labelling and new frameworks). Government should co-create technical guidance with industry in a timely manner to enable consistent implementation across food sectors. This also supports food import compliance and would reduce burdens on already stretched trading standards officers.	Understanding and complying with new regulation is particularly burdensome for our sectors 12,000 SMEs. Many are forced to pay consultants high fees for advice and support. This proposal would maximise use of industry expertise and resources, drive up compliance with UK food standards, minimise the risk of enforcement action, and reduce costs for SMEs.

Ingredients for Growth : Regulatory Reform

Policy	Impact
Ensure alignment across the UK's four nations for food law and labelling. Differences in food information across the UK add costs and complexity to food production and causes confusion for consumers.	Regulatory divergence increases compliance costs for businesses operating across multiple jurisdictions. Harmonised food labelling standards would reduce complexity, improve supply chain efficiency, and prevent consumer confusion.
Reverse HMT's decision to uprate the Soft Drinks Industry Levy (SDIL) by increasing the Levy by 27%to reflect historical CPI inflation rates between 2018 and 2024, as well as changing the SDIL thresholds.	Stability in taxation policy supports long-term planning and incentivises healthier product development. This unprecedented rise undermines fiscal predictability, discouraging investment in reformulation and innovation.
Provide rapid clarity that the Regulations for High Fat, Salt, and Sugar (HFSS) advertising restrictions do not apply to brand advertisements.	Government had been clear that its aim for the HFSS advertising restrictions was to restrict advertising of identifiable Less Healthy Foods (LHF), and that brand advertising would be out of scope. However, due to poorly drafted regulation, a lack of clarity has prevented the ASA from explicitly stating that potentially including brand adverts will be exempt from the regulations.
Introduce a 'Canada-style' Common Compliance Date, where new regulations impacting food information to consumers are coordinated across government and the devolved administrations to streamline current processes. Canadian regulators coordinate policy changes that require food label changes between all relevant departments. They only allow changes after a minimum 24-month transition period, and on a specific future date once every 2 years as part of their 'predictable labelling policy'.	Food businesses have complex, and costly, label change processes. Apparently simple changes can involve multiple business units, third-party printers and designers, interconnecting with packaging supply chains, and must follow internal compliance checks. Formal intra-government coordination will reduce unnecessary administration and streamline industry planning, giving businesses the time to adapt. Implementation over 2 years would enable costs and packaging waste to be minimised.

Ingredients for Growth : Regulatory Reform

Policy	Impact
Solid foundation of regulatory stability underpinned by a new clear and consolidated national rulebook of all current UK and EU-inherited legislation.	Business currently has to navigate a patchwork of inherited-EU and new UK legislation. This is confusing, makes it hard to be confident in compliance, and places a particular burden on SMEs. Post EU-exit there remains no single official GB legislative texts for important areas of food law. Clearer 'in force' designations should be added on legisaltion.gov.uk. This is an area where AI could be applied to address the current shortcomings in the current rulebook.
Establish a modern framework for digital food labelling that sets the standard for how food information is accessed and presented using technology – e.g. QR codes.	This would improve access to mandatory information such as nutritional or recycling information for consumers. This wouldn't replace physical labelling, but would provide a new avenue for sharing important information that doesn't necessarily have to be prominent on packaging. Current policy overly relies on physical food labels to support consumers to make informed food choices, which fails to harness newer technologies within food policy and, in the information age, threatens to leave UK consumers behind.
Create powers to manage divergence on food law with the EU through a mechanism similar to the Product Regulation and Metrology Bill that would allow the UK	We face significant divergence over the coming years with the EU on food law, including safety. Divergence in some areas may be welcome, to ensure we have regulations that are in the interests of UK businesses and consumers. However, where we think there are economic or consumer benefits in aligning then a mechanism like the Product Regulation and Metrology Bill allows us to manage this process in an efficient and effective way.
The Government should champion positive, practical messaging to support people to achieve a healthy lifestyle, as part of a new public health campaign.	As part of this, they should collaborate with the broadest range of stakeholders — including food companies, health charities and community enterprises — to develop and deliver this campaign with holistic and consistent messaging to drive healthier choices. We believe that more can be done to empower people to make healthier choices, and that in turn, this would support growth in healthier product sales by nudging people to healthier choices.

Ingredients for Growth : **Sustainable Growth**

Policy	Impact
Confirm funding for future phases of the Industrial Energy Transformation Fund (IETF) to ensure more food and drink manufacturers can invest in energy efficiency and deep decarbonisation.	Continued IETF funding is essential to de-risk private sector investment in green technologies. Financial support would accelerate emissions reductions, enhance cost efficiencies, and position the UK food sector as a leader in sustainability.
For already-approved decarbonisation technologies, the planning consent process needs to be simplified to allow swifter deployment of this technology to drive investment, growth, and productivity.	Where processes and technologies are already approved, streamlining the planning process would enable businesses to decarbonise more rapidly. The delays to planning approvals are hindering new investments.
Ensure that the reporting requirements within the Food Data Transparency Partnership do not exert onerous burden on business. The government should work with industry to introduce a single reporting portal and standardised reporting guidelines, in line with industry best practice.	Standardised, industry-aligned reporting frameworks would reduce compliance costs and improve data consistency across the sector. A centralised reporting portal would enhance efficiency, ensuring businesses can meet transparency objectives without excessive resource allocation to redundant reporting processes. Aligned environmental and health reporting requirements would encourage broader participation and improve data accuracy.
Amend the legislation on the use of insect-based feed for livestock and on permitted waste streams for Black Solider Fly rearing to enable food waste to be turned into protein and used for animal feed.	Enabling the use of insect-based protein in livestock feed would improve sustainability by reducing food waste. Regulatory alignment with the EU would enhance supply chain resilience and position the UK as a leader in circular economy food production, ensuring future food security.

Ingredients for Growth : **Sustainable Growth**

Policy	Impact
Ensure that any food waste reporting mandatory requirements align with existing industry practice, avoiding onerous burdens on businesses already measuring, and taking action to reduce, food waste.	The food manufacturing sector has successfully reduced waste under voluntary frameworks. Mandatory reporting should align with existing methodologies to prevent duplication, reduce compliance costs, and ensure meaningful reductions in food waste.
Streamline environmental permit variations to allow swifter application of existing technologies to reduce GHG emissions and noise pollution. These barriers currently incur extra cost and delay investments.	Lengthy permit approval processes delay critical sustainability investments, reducing operational efficiency and increasing compliance costs. Expedited approval mechanisms would allow businesses to implement pre-approved green technologies faster, accelerating progress towards net-zero targets and reducing regulatory bottlenecks that deter investment.
Create a regulatory sandbox for testing and trialling new green technologies to facilitate and speed up permit variation approvals. This will enable businesses to trial innovative sustainable technologies.	Establishing a controlled environment for testing new sustainability technologies would reduce compliance risks while fostering innovation. Businesses could trial solutions without full regulatory commitment, accelerating market adoption and ensuring timely integration of emissions-reducing innovations. A flexible approval system would enhance the UK's leadership in green technology investment.

Ingredients for Growth : **Sustainable Growth**

Policy	Impact
Accelerate the introduction of Mass Balance Accounting for chemical recycling from four years to one. Mass Balance Accounting is the methodology that will enable the creation of advanced and chemical recycling facilities for flexible plastics.	Expediting the allowance of Mass Balance Accounting would incentivise infrastructure investment, reduce reliance on virgin materials, and enhance the UK's circular economy. A 2026 target would improve competitiveness in sustainable packaging solutions.
Ringfence Extended Producer Responsibility fees to ensure that local authorities are committed to using this additional funding to improve the UK's recycling infrastructure.	Without earmarked funding, EPR fees risk being diverted from their intended purpose. A dedicated reinvestment model would improve the efficiency of recycling systems, attract private sector investment, and enhance the domestic market for recycled materials. This would reduce reliance on imported plastics while improving overall waste management efficiency.
Review the Plastic Packaging Tax (PPT)	The current PPT structure does not account for limited domestic availability of high-quality recycled plastics. A strategic review should ensure tax incentives are aligned with realistic supply chain constraints, promoting effective recycling market development while avoiding undue cost pressures on manufacturers reliant on food-grade packaging. Streamlining reporting requirements would also reduce redundant administrative burdens.

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Shaping the future of food and drink manufacturing

Our industry is at the heart of everyone's daily lives, providing nourishment and joy with a wide range of affordable and nutritious products for all. Join us in creating a secure, sustainable future for food and drink.