

**North East of Scotland Food & Drink
Strategy (and Action Plan) 2015-2020**

OUR STRATEGY FOR GROWTH

**Produced by Aberdeenshire Council
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Contact Elizabeth Mathie, elizabeth.mathie@aberdeenshire.gov.uk

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Foreword

Food and drink is one of Scotland's key sectors and is vitally important to the growth of the Aberdeen, Aberdeenshire and Moray economies.

This regional strategy is about driving growth and maximising the contribution that North East of Scotland's added value food and drink sector can make towards Scotland's Food & Drink Industry Strategy growth target of increasing the turnover to £16.5 billion and securing Scotland's global reputation as a 'Land of Food and Drink' by 2017.

In 2012 the food and drink sector generated £14 billion turnover and employed around 118,000 people. The North East made a disproportionately large contribution to this, supporting 18% of employment and generating 17% of gross value added (GVA) despite being home to just 11% of the Scottish population. The success of the Scottish food and drink sector is therefore critically dependent on the success of the sector in the North East.

This region has a strong record of supporting the growth of the food and drink sector through initiatives such as the Grampian Food Forum, which is a partnership between food and drink producers and public sector organisations in the area. Established in 1993, it is well recognised across Scotland as an exemplar of good practice.

The enthusiasm, commitment and engagement from the regions food and drink industry has been constant and strong for over 20 years and we now have responsibility for adopting this strategy and delivering on its targets and outcomes.

Our Vision

Our vision is to have a progressive, vibrant and innovative industry that works together across the supply chain to pool resources and knowledge to achieve long-term sustainable growth.

Andrew Booth, Food & Drink Champion, Aberdeen City & Shire Economic Future

Who are we?

The Grampian Food & Drink Strategy Leadership Group, which is made up of added value food & drink producers along with public sector representation from Aberdeen, Aberdeenshire and Moray, will have responsibility for the strategy.

We will work in partnership with public sector partners, supporting service providers and individual businesses from across the supply chain to achieve our outcomes.

What are our local priorities?

We will target the markets that offer us the greatest potential to grow.

The research and consultation undertaken to support the development of this strategy has identified **three potential opportunities** to grow and develop the sector.

We will form action groups with key stakeholders who will work together to identify significant projects that can be pursued to exploit these opportunities and drive growth without jeopardising biodiversity.

Skills Development Scotland will play a key role in the action groups to activities contributes to the Regional Skills Plan.

Expand non-local markets **Engage with the research base to innovate** **Exploit regional spending power**

1 Expand non-local markets

Evidence suggests that 78% of businesses expect to grow within the next two years, however 64% do not currently trade outside the North East. Supporting businesses to increase sales throughout Scotland and the rest of the UK could be an important step to them working with Scottish Development International to increase exports beyond the UK.

2 Engage with the research base to innovate

Despite the presence of a strong research base in the North East, the food and drink sector has lower levels of collaboration with academia than other sectors. Facilitating engagement between the research base, universities and the food and drink sector will help ensure that opportunities to innovate are fully explored and developed, particularly around nutrition and health.

3 Exploit regional spending power

The economy of the North East remains buoyant, which presents an opportunity for high quality food and drink produce and experiences. Further developing linkages with the local tourism and energy sectors will help create impact for the economy by having a distinctive regional food and drink proposition.

North East of Scotland Food & Drink

WORKING IN COLLABORATION

This strategy acknowledges the contribution of the agriculture and fisheries sectors in the North East of Scotland, which are served by their own growth strategies.

Currently there is a strategic and organisational review of the Aberdeen City and Shire tourism vision taking place. Due to be completed in June 2015, it is likely to report that one organisation will lead destination marketing and tourism development for the region.

Opportunities for the food & drink sector and the primary and tourism sectors to work together will continue to be channelled through the existing organisations.



OUR TARGET FOR GROWTH

In 2013, the Scotland Food & Drink target was set to increase turnover of the Scottish food and drink sector to £16.5 billion by 2017. Given the relative importance of the North East food and drink sector it is reasonable to expect similar levels of growth and therefore the turnover in the region to reach £2.5 billion by 2020.



Scotland Food & Drink

NATIONAL PRIORITIES TO STIMULATE GROWTH

Actions we identify to help to increase turnover of the local food and drink sector will contribute to achieving one or more of the six strategic priorities.

1 Primary

The first priority is to support the growth of primary producers by helping them to capture more value at their critical start-point of the supply chain. Understanding and feeding market demand is vitally important. More innovative primary producers are needed who can be more responsive to changing demand in both domestic and export markets.

2 Productivity

The second priority is to enhance the productivity of individual companies. This means efficient, innovative and growing businesses that can add value to their products and employ highly skilled workers while ensuring the industry offers a variety of attractive careers, and a steady supply of skills in key areas such as engineering, food science and agronomy.

3 Export

A national target of increasing food and drink exports to £7.1 billion by 2017 is set, which will be achieved through a dedicated export plan, focusing on 15 priority export markets.

4 Environment

The rationale behind this priority is that a sustainable approach involving more efficient use of water and other natural resources, more recycled materials and less landfill, reduced transport footprint, greater energy efficiency and reduced emissions will help businesses to be more resilient to climate change and underpin the efficiency of the industry.

5 Innovation

The national strategy places a strong emphasis on the need for innovation within the food and drink sector. It identifies more widespread use of research into the right routes to market, greater investment in R&D and closer relationships with universities and research bodies.

6 Reputation

In order for Scotland to have a global reputation as a 'Land of Food & Drink' businesses need to make the most of their provenance - quality, authenticity and Scottishness. In this way businesses will be able to compete in premium domestic and overseas markets and set their products apart.