



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

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## **WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT**

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**TITLE: Recovery of Dairygold Grant**

**DATE: 30 June 2008**

**BY: Ieuan Wyn Jones, Deputy First Minister and Minister for the  
Economy and Transport**

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I am pleased to announce that following the initiation of legal action by the Welsh Assembly Government, £600,000 has been recovered from Dairygold Food Products in respect of a Processing and Marketing grant awarded to them.

Dairygold was awarded the grant in 2002 in order to expand its packing lines at its cheese packing plant in Felinfach, Ceredigion but closed in April 2006 with the loss of 115 jobs.

Assembly Government officials have been in correspondence with the company since the closure to recover the money and I am very pleased with the outcome. We were determined that this public money should be repaid, as the company had not fulfilled its grant conditions.

Deciding to take legal action to recover the money was a last resort and followed many months of communication with the company to try to resolve the matter.

The recovery of this money results in an underspend which is available for use by the Welsh Assembly Government in the future. The funding will be allocated as part of the usual budget setting processes - either included in an Annual Budget Motion, or as part of a Supplementary Budget Motion.

In the meantime, the Welsh Assembly Government remains committed to helping secure employment for those affected by the closure of the Dairygold

plant. Support has been provided to Gweithgor Dyffryn Aeron, a community led not-for-profit initiative to carry out a feasibility study into the potential for added value food production in the Aeron Valley.

I am eager to continue to see processors and farmers in Wales become more competitive, respond to consumer demand and add more value to their produce.