



EIT Food – Response to the open consultation on a Legislative Framework for Sustainable Food Systems

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EIT Food welcomes the opportunity to provide input to the development of the EU legislative framework for Sustainable Food Systems. As the EU's leading food innovation initiative, EIT Food would like to stress the critical role that **open and inclusive innovation** will play in the transition to a more sustainable European food system. Leveraging a growing network of over 200 partners across academia, industry, innovation, consumers, farmers and more, to carry out projects and activities spanning innovation, business creation, education, and public engagement, EIT Food is uniquely positioned to accelerate and facilitate the transformation of the European food system and the achievement of EU sustainability goals. It will be crucial for the new Framework to ensure that EU policies and regulations, even when focusing on a specific value chain or segment, are based on a more coherent **systemic approach**. With its Farm to Fork Strategy, the European Commission has moved a first bold step in the right direction, but more needs to be done. This will require coherently articulating policy and regulatory instruments in service of a high-level strategic vision of a more sustainable food system, with the overall objective to provide the right incentives for all actors of the system to opt for more sustainable choices.

Innovation is a major enabler for this transition. Contemporary challenges faced by the agri-food sector, whether climatic, geopolitical, or social, have highlighted the key role of research and innovation in transforming Europe's food system to be more resilient and sustainable.¹ The ability of consumers and producers to make more sustainable choices can be positively affected by the availability of more sustainable alternatives to their current habits. Research and innovation play a crucial role in providing such alternatives, able to engender social and economic change and allow phasing out of obsolete solutions or models, as well as unsustainable production and consumption patterns. EIT Food thus believes that R&I should be considered as a key driver and enabler of sustainable food systems. This requires the support of robust and inclusive public policy addressing and involving all actors along the food value chain and beyond.

The EU is currently not well positioned to harness the power of innovation for its sustainability objectives. Several obstacles slow and hamper the development and uptake of new innovations, which require time for testing, acceleration and upscaling to generate relevant impact. Consequently, it will be arduous for many innovative solutions, existing or currently under development, to contribute substantially to meeting EU 2030 objectives.

For innovation to be a game-changer, the adoption of a Legislative Framework on Sustainable Food Systems must help the EU accelerate its pace of change and capture the opportunities innovation offers to spur the transition to more sustainable food systems. To achieve this systemic change, the upcoming EU Legislative Framework for Sustainable Food Systems should focus on:

1. Empowering consumers and fostering trust in the food system: For innovation to deliver impact at scale, the market uptake of innovative products and solutions will be essential. This will require

¹ European Commission, 2022. Communication on "Safeguarding food security and reinforcing the resilience of food systems". COM(2022) 133.







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consumers to be engaged in this process. EIT Food conducts research to probe the opinion of EU consumers on the food system and its actors, as well as on specific agrifood-related issues. EIT Food's Trust Report² detects that most EU consumers (76%) are motivated to live a sustainable life, if enabled to do so. However, there is a gap between intention and action: only **51% take sustainability into account when making food choices**, partly due to considerable **confusion as to which consumption choices are truly 'sustainable'**. As home consumption and attention to purchasing choices rise in the wake of COVID-19,³ the need for this guidance is felt more than ever. **EU policy should work towards a coherent, harmonised, standardized and science-based labelling framework for both the nutritional and environmental impact of food products to guide consumers with easily understandable information to make more sustainable and healthier choices** This should be complemented by additional consumer information and education initiatives, helping consumers develop the ability to select, assess and interpret information about the impact of food on their health or the environment. For instance, EIT Food strives to help consumers understand agrifood- and sustainability-related issues through its consumer-facing media platform, <u>FoodUnfolded[®]</u>.

- Supporting innovative SMEs: Small businesses are key to promoting innovation and supporting the 2. transition to sustainable food systems, but they face many obstacles to upscaling their solutions. One of the most prominent barriers is the lack of patient and high-risk capital in the fragmented European financial ecosystem, with diverse requirements for access to credit from one Member State to the next. This leads to most European startups facing hardship in accessing finance for their growth. While these problems are felt across all sectors, they are particularly acute in the agrifood sector⁴. To address these challenges, EIT Food's Business Creation portfolio supports innovative startups throughout their growth: from its Seedbed Incubator, to its Accelerator Network, to its RisingFoodStars network of mature scaleups, EIT Food offers wide-ranging support, including access to funding and to its extensive network. Its resources and reach are however limited, compared to the systemic nature of the problem. Part of the solution must therefore be of a policy/regulatory nature, including the measures foreseen by the recently published European Innovation Agenda. There is also great potential in facilitating and incentivising partnerships between large corporate actors in the agrifood sector and innovative startups, fostering open innovation, allowing to combine the former's resources, reach, and market penetration, with the latter's vision, focus, and dynamism. One particular successful means for this are Prize Based Challenges, which are a tried-and-true tool to incentivize SMEs to work with larger corporates and even Governments (many of which use this tool to solve big challenges). Voluntary instruments for industry cooperation such as the EU Code of Conduct on Responsible Food Business and Marketing Practices can also play an important role in fostering these partnerships. As a Collaborative Partner to the Code, EIT Food is committed to collaborating with the other signatories to foster a stronger involvement of SMEs.
- 3. Providing farmers with the means and tools to adopt more sustainable practices: Accompanying the sustainability transition of primary producers will be pivotal to reducing the environmental impact of the food system. The **Carbon+ Farming Coalition**, to which EIT Food is party, has produced a report that highlights five critical barriers that farmers face in the adoption of climate-smart agricultural

² EIT Food, 2022. The EIT Food Trust Report. Sustainable food choices and the role of trust in the food chain. Available at: <https://www.eitfood.eu/media/news-pdf/EIT_Food_Trust_Report_2021.pdf>.

³ EIT Food, 2021. COVID-19 impact on consumer food behaviours in Europe. Available at: <https://eit.europa.eu/library/study-covid-19-impact-consumer-food-behaviours-europe>.

⁴ Innovation Finance Advisory, 2019. Feeding future generations: How finance can boost innovation in agri-food. European Investment Bank.





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practices: low farmer income; lack of information and high perceived costs of adoption; low uptake of digital climate-smart practices, measurement tools, and data collection capabilities; fragmentation and flexibility in the national implementation of the CAP; and the diversity in farming conditions across the EU (from farm size, to farmer income and digital awareness, etc).⁵ Solutions for a more sustainable production already exist; however, to ensure their effective uptake, farmers will need an enabling environment allowing them to transition to climate-smart practices with reasonable expectations to maintain a stable income. On the one hand, this will need to include the provision of tailored agronomical advice, data, and readily available knowledge. Responding to this need, EIT Food's *Regenerative Agriculture Revolution* project provides group advisory services to farmers, monitors their practices, produces and disseminates scientific evidence on the health and environmental benefits of regenerative agriculture, and creates and progressively expands a freely available <u>Manual for regenerative practices</u>. On the other hand, a recalibration of fiscal incentives and subsidies – for instance, under the Common Agricultural Policy – could also significantly help create such favourable environment.

- 4. Addressing EU policy and regulatory barriers to agri-food innovation: To ensure the necessary systemic approach to the transformation, it will be crucial to prevent different policies and regulations from creating conflicting sets of incentives, instead working coherently towards a systemic vision for a sustainable food system. In line with the intent laid out in the Commission's Inception Impact Assessment, the framework legislation on Sustainable Food Systems will need to establish criteria making sustainability a priority in all food-related policies potentially entailing the revision of legislative instruments currently creating biases that hinder sustainable innovative solutions from arriving on the market. Moreover, considering the threats of climate change, biodiversity loss and food security, there is an increasing pressure to foster sustainable innovations, while ensuring safety risks are properly assessed and managed. Regulatory approval processes for innovative solutions (e.g. novel foods) have proven to be procedurally and scientifically demanding, thereby penalising small innovative businesses working with limited financial and human resources.⁶ Increasing the resources allocated to the European Food Safety Authority (EFSA) and improving its processes would allow to speed up the release of innovative solutions on the market, whilst maintaining the rigour in upholding the EU's excellent standard of food safety.
- 5. Developing the necessary skills to drive the transition: Education has a fundamental role to play in both favouring the emergence of innovative solutions and allowing them to deliver impact at scale. The EU and its Member States should adopt a holistic approach to equip professionals across the agri-food value chains with the necessary set of skills to guide the transformation of the food system. This needs to be considered at all levels from primary producers, who must be enabled to adopt and take full advantage of emerging technologies for a more sustainable production; to STEAM professionals, who must conjugate the technical skills to develop innovative solutions with the entrepreneurial savviness necessary for their successful marketisation. These efforts must be directed not only at the upskilling and reskilling of existing professionals in the sector, but also at the formation of new professionals entering the job market. Academic curricula should be reshaped to deliver early career professionals with the necessary attributes using a stronger emphasis on transdisciplinary skills and systems thinking.

⁵ World Economic Forum, 2022. Transforming Food Systems with Farmers: A Pathway for the EU. Accessible at: https://www3.weforum.org/docs/WEF_Transforming_Food_Systems_with_Farmers_A_Pathway_for_the_EU_2022.pdf>.

⁶ Lahteenmaki-Uutela, A. et al., 2021. Alternative proteins and the EU Food law. In: Food Control (130), Article 108336.





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EIT Food's own Education portfolio of activities and programmes strives to respond to these challenges by targeting students and learners at all levels: from the EIT-labelled <u>Master's in Food Systems</u>, to courses addressed at students <u>before higher education</u>, to courses addressed at <u>medical professionals</u>, beyond the agrifood sector. Moreover, EIT Food's Competency Framework and associated Certification approach aim to enable the recognition of key innovation and entrepreneurship skills across the agrifood sector. To develop synergies and collaborate with other stakeholders in the agrifood sector, EIT Food has furthermore joined the Pact for Skills and the Partnership for Skills in Agrifood led by FoodDrinkEurope and Copa-Cogeca.

About EIT Food

EIT Food is Europe's leading food innovation initiative, and one of the 9 Knowledge Innovation Communities of the European Institute of Innovation and Technology (EIT). Funded by Horizon Europe, it runs projects in the areas of food innovation, education, entrepreneurship, and public engagement, bringing together 200+ partners across industry, academia, start-ups and civil society organisations. Its vision is a world where everybody can access and enjoy sustainable, safe and healthy food, with trust and fairness from farm to fork.

EIT Food is a key contributor to the goals of the EU Farm to Fork Strategy. It works to accelerate the transition to a sustainable food system, following an inclusive food systems approach. Its projects are driven by four Impact Goals: Improving conditions leading to more trust in the food system; Better health outcomes from our diet; Improved food system environmental impact; Enabling transition to a circular, sustainable food economy.