

SMART MIX OF RECOMMENDATIONS TO CONSOLIDATE AND SCALE UP FASS-FOOD SUPPLY CHAINS IN THE EU



FASS– FOOD EU

Consolidate and scale up Fair, Accessible, Sustainable and Short food chains for the EU

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INDEX

- 1 FASS Food research project
- 2 Building a smart mix of recommendations to promote FASS Food supply chains
- 3 Identified blockers and enablers
- 4 Category of actors
- 5 Windows of opportunity to promote FASS Food supply chains in the EU

6 Way forward: a smart mix of recommendations to promote FASS Food supply chains in the EU

Short term (2022)

- a. Minimum criteria for food public procurement
- b. Social Economy Action Plan
- c. Trade policy and negotiations of trade agreements
- d. Action plan for organic production
- e. EU instrument to ban products made with forced labour

Mid term (2023)

- a. Revision of horizontal guidelines and Common Market Organization reform
- b. Proposal for a legislative framework for sustainable food systems
- c. Regulation on the sustainable use of plant protection products
- d. EU regulation on deforestation-free supply chains
- e. Corporate Sustainability Due Diligence Directive

Long term (2024 onwards)

- a. Sustainable food labelling proposal
- b. Evaluation of Unfair Trading Practices Directive (2019/633)
- c. New Common Agricultural Policy

Additional relevant elements not linked to a specific window of opportunity

- a. EU migration policy
- b. EU funding
- c. Institutions and governance

1. FASS Food Research Project

The [FASS Food research project](#): Consolidate and scale-up **Fair, Accessible, Sustainable and Short Food** chains for the EU is carried out by the Institute of Development Policy (University of Antwerp), World Fair Trade Organisation Europe (WFTO) and the Fair Trade Advocacy Office (FTAO), and financed by the University of Antwerp with an IOF: SEP fund for socio-environmental valorization.

The FASS Food research project focuses on the European Union context and explores how alternative food systems – particularly, short and collaborative local/regional food chain initiatives - develop and work to establish fair, sustainable and healthy food systems, thus contributing to achieve urgent and important regional and global policy objectives. This is done through the adoption of a multi-disciplinary methodology that combines in-depth bottom-up engagement with 3 initiatives of short and collaborative food chain initiatives in Greece (Syn Allois), Italy (Solidale Italiano) and Belgium (Kort'om Leuven) with a series of workshops and interactions with EU policy makers, civil society organizations, other food actors and academics across Europe. For simplicity, we call 'bottom-up' the first pillar of the project, and 'top-down' the second.

Framed as participatory research, it analyses and propose solutions to the main challenges

that two-year project has been working with. It reflects on situations that the above-mentioned stakeholders faced in scaling up and strengthening non-conventional food chains. The project also aims to facilitate exchange of know-how and create a space of trans-local dialogue and inter-disciplinary co-construction of policies and interventions. This method of participatory research includes group discussions of personal experience, interviews, and analysis of public documents, and is informed by the expectation of contributing to the improvement of socio-environmental conditions of the EU food system and to the promotion of concrete, feasible and multi-scalar policy options.

Concrete and feasible policy interventions, especially at the European level, represent the core of the project and are elaborated both in this document and in a parallel policy brief that elaborates exclusively on the conversations undertaken with the actors on the ground.

As to achieve the objectives of the project, a mapping of actors involved in EU's food supply chains was conducted. Assessing also the role they play in improving the EU food framework. This allowed also to understand convergences and clashes between actors' and their duties.

Framed as such, FASS-Food aims at describing the:

- **As-it-is situation** (diagnosis): actual functioning of short and collaborative food systems in the 3 cases, with a main focus on

their development path as well as on the main institutional and organizational barriers met along this path. The cases are characterized by a diversity of premises, processes and objectives, representing a wide array of ways in which food actors, policy makers and eaters can organize to achieve socio-environmental goals. At the core, there is the notion of obstacles and leverages that are experienced by the actors on the ground and within their food system.

- **Ought-to-be situation** (policy recommendations): institutional and organizational innovations that can support and facilitate the development of short and collaborative food systems in the EU. This phase is legitimized and informed by the extensive work conducted on the ground and by the realization of ad hoc workshops aimed at engaging with a variety of voices and visions on how to overcome the obstacles and take advantage of the leverages.

The present document is an expression of the latter aim, and reflects the outcome of the different 'top-down' moments that were organized in the course of the project. The FASS Food research project organized 4 online workshops during 2021 (on 27th May: 'Local Fair Trade Initiatives in Europe', 15th June: 'Insight into EU policies', 6th of October: 'Session on EU policy blockers' and 9th November: 'Session on EU policy enablers'). These workshops gathered representatives from civil society organizations working on EU

agri-food policies and sustainable food systems, EU policy makers (European Commission and European Parliament), EU institutions (EEESC) as well as EU farmers' representatives.

The FASS Food research project wishes to acknowledge and thank all representatives from civil society, policymakers and academics that contributed to the development of this project.

Figure 3: Extended summary of identified blockers and enablers in EU policy and regulations as to enable or impede sustainable food supply chains in the EU. The information on image 3 was later used to construct previous images 1 and 2.

| | | |
|-----------------|--------------------------|--|
| Blockers | Policies and regulations | Inconsistent policy indicators, not considering social dimension (old) CAP not containing social dimension and unevenly distributing funds Lack of policy coherence between trade policy, green deal, social policies, F2F, etc Food Safety against rights of farmers/food security of farmers Migration policies and cheap labor EU competition policy |
| | Market structures | Excessive power from retailers, unbalance in supply chains and lack of transparency Excessively low food prices, not integrating negative externalities Misleading food labelling, marketing of unsustainable products Alternative food systems (i.e. CSAs, etc.) are not recognized/visible to the policy makers No access to land for new/young farmers |
| | Behavioural aspects | Appetite for unsustainable products (highly processed foods) and advertisement Debts and investment forcing farmers to work at industrial scale Policy makers not listening small farmers and producers Food waste Urban structures, food deserts and accessibility Lack of consumers' education for sustainable food and structural problems (cooking time, shopping time, funds,..) |
| Enablers | Policies and regulations | Public procurement Social conditionality in the new CAP Social economy action plan Cities developing food strategies F2F, sustainability label, commitment to organic land by 2030 |
| | Market structures | Contractual agreements that integrate sustainability indicators Improvement of food environments for purchasing and consumption Alternative food networks and direct sale (CSAs but also public markets) Collaborative agreements between producers to increase price obtained |
| | Behavioural aspects | Establishment of public and local markets for FASS Food Willingness to consume products produced locally and under sustainable and fair conditions Food education in schools and universities Post-covid financial support to young farmers and local food networks |

4. Category of actors

In parallel to the development of the blockers and enablers diagnosis, the FASS-Food EU team has also mapped the relevant ecosystem of national and EU-level actors who are considered to be capable of contributing to consolidate, scale up or establish new fair, accessible, short and sustainable food systems. With the ultimate objective of contributing to the set-up of consortium of actors that should implement the suggested solutions that will be presented hereinto.

Based on analysis conducted by the FTAO, it has been deemed relevant to focus attention on the actors depicted in figure 4. Considering their roles in food supply chains is that the later policy recommendations may directly concern them, meaning their action is needed, or that they could be (positively) affected by incorporation of the policy recommendations by another actor.

| ACTOR | DESCRIPTION | ROLE |
|--|---|--|
| SMALLHOLDER FARMERS AND PRODUCERS | EU and non-EU smallholder farmers and producers involved in EU food supply chain | Producing food products available in EU market. Affected by business/trading practices |
| CORPORATE SECTOR | Businesses not under control of states. Under traditional 'profit first' models, pushing back sustainable changes in policies. Particularly food manufacturing companies, industries and retailer companies | Establishing business/trading practices. Buying and procuring food products through public tenders |
| POLICY-MAKERS | European Commission, European Parliament, Council of the EU. But also national authorities that make decision on agri-food and market regulation | Regulate; provide funding; setting policies; create incentives; establish institutions and infrastructures |
| PUBLIC PROCURERS | Public organisations purchasing goods or services from private companies | Buying and procuring food products through public tenders |
| CONSUMERS AND CITIZENS | Consumers; citizens; organisations or groups working in interest of farmers, producers, citizens and consumers; outside of governmental and for-profit sectors; civil society | Acquiring sustainable food products. Campaigning, influencing, showing good practices, etc. |
| FAIR, SOCIAL AND SUSTAINABLE ENTERPRISES | FASS Food pilots; businesses with planet-people first model; businesses certified by Voluntary Sustainability standards (VSS); social enterprises | Promoting alternative production methods. Facilitating sustainable choices for consumers |

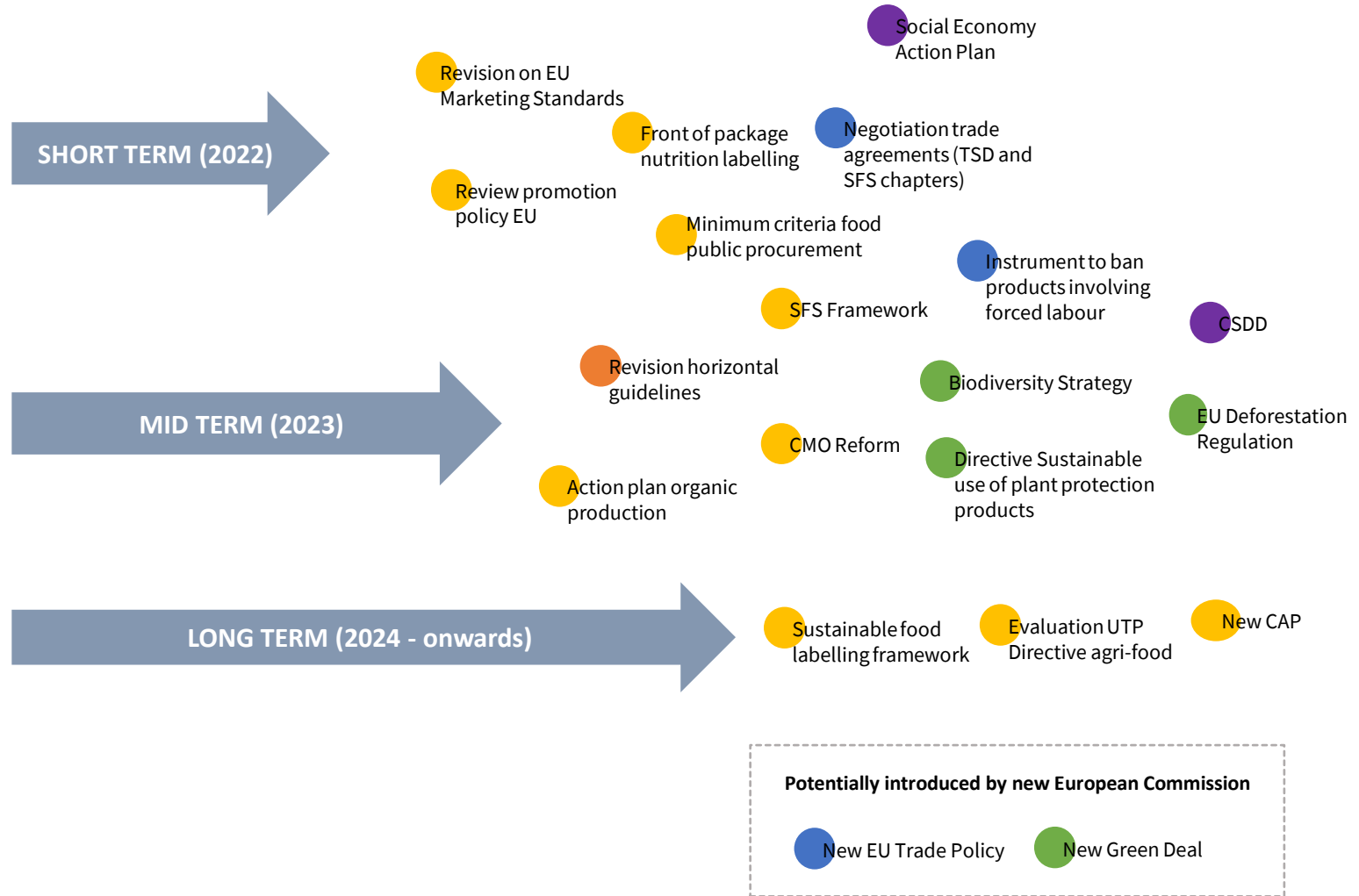
Figure 4

5. Windows of opportunity to promote FASS Food supply chains in the EU

Several of the identified enablers for FASS Food supply chains in the EU corresponded also to EU policies or legislation that are in the pipeline or to be worked on in coming years. The chart below shows the identified most relevant windows of opportunity in terms of EU policies upon which recommendations are drawn later on.

These spaces of possible intervention for the EU regulator have been identified via the combination of FTAO's own research, internal reflections with the project members and the organization of several workshops with diverse actors: civil society organization, policy makers, farmers' representatives, etc. Through the FASS Food project, there has been a collective identification of blockers and enablers, those elements have been paired to the corresponding EU legislative or policy process, when there is one. Those are identified and reflected on in this section and in the recommendations section.

This is not an exhaustive list.



6. Way forward: a smart mix of recommendations to promote FASS-Food supply chains in the EU

Based on the obstacles, leverages, actors and identified windows of opportunities, the FASS-Food EU research team has elaborated a preliminary mix of recommendations that are proposed per actor and per topic. It is our belief that the identification of the multiple spaces of intervention and the systemic execution of these actions could lead to positive impact in the construction and consolidation of FASS Food supply chains in the EU. Rather than micro-interventions, these recommendations aim at reflecting institutional and organizational changes that can support and facilitate the development of short and collaborative food systems in the EU.

Recommendations are not drafted for all the windows of opportunities as for some of the scope of action is less or because margin of manoeuvre depends on what the European Commission proposes.

Short term (2022) Minimum criteria for food public procurement (F2F strategy)

The F2F strategy contains a policy initiative to

determine the [best modalities for setting minimum mandatory criteria for sustainable food procurement to promote healthy and sustainable diets, including organic products, in schools and public institutions](#). Though initially announced for 2021, it has still not been published.

Public procurement, in general, has been identified as one of the main enablers for FASS Food supply chains in the EU. Sustainable food public procurement could directly contribute to making sustainable products the default and accessible choice for EU consumers. Minimum mandatory criteria also related to social sustainability aspects (socially responsible public procurement), would make contribute to offering EU consumers with fair food products (extracted, harvested or produced in fair and decent conditions, respecting labour standards and covering a minimum price for production of sustainable products, as central elements).

FARMERS AND PRODUCERS

Action:

- Lobby, organize themselves in order to be ready for public tendering, create consortia, reach out to public administration.

Impact of action:

- Sustainable products in higher demand, price obtained for sustainable production is increased.

CORPORATE SECTOR

Impact of action:

- Pushed to improve farming and business practices as to convert to more sustainable farming methods as well as improving prices paid for sustainable products

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Impact of action:

- Sustainable products in higher demand
- Price obtained for sustainable production is increased

PUBLIC PROCURERS

Action:

- Conduct market dialogues with potential suppliers, so that risks can be avoided, such as emphasising price rather than quality or formulating overly rigid specifications that might prevent regional SMEs from participating in tenders.
- Make tenders accessible and transparent for small farmers (e.g. dividing the contracts into smaller lots).
- Raise awareness among public authorities and consumers about the positive impact that choosing sustainable products has on environment and smallholder farmers and workers and how production methods matter.
- Connect sustainable producers with wholesalers through procurement agreements.
- Instead of spot contracts, privilege framework agreements that cover multiple deliveries during a certain period of time.

Frameworks agreements allow to build a long-term dialogue with suppliers and to keep track of progress over time.

- Include “in-conversion” farms in the procurement criteria.

Impact of action:

- EU public procurement as an enabler of fair, accessible sustainable and short supply chains in the EU

POLICY MAKERS

Action:

- Introduce ambitious minimum mandatory criteria for truly sustainable food procurement.
- Minimum mandatory criteria should be put in place for the following categories: 1) Healthy food; 2) Organic and other agro-ecological products; 3) Small-scale farmers' support; 4) Climate action; 5) Social economy and labour rights; 6) Fair trade; 7) Animal welfare standards
- General mandatory principles to abide by shall include restriction (or at least investigation) of abnormally low prices in public tenders.
- As well as setting mandatory requirements and award criteria asking companies to adopt mechanisms to increase the transparency and the human rights and environmental due diligence of the supply chains linked to the subject matter of the contract. Use "Human Rights and Environmental Due Diligence" (HREDD) to

put in place in their own procurement processes and require it from their suppliers

- National governments should provide support and guidance for implementation of resilient regional food systems at local and regional government level.
- Cost-efficient public food procurement and more resilient city-regions and food regions require smart logistics and infrastructures to be put in place At national government level there is need of:
 - support training of public procurers
 - create meetings of public procurement experts at national or international level
 - develop multi governance model discussions around food and food procurement
 - promote co-creation of urban, regional and national food policies

Impact of action:

- Creates higher demand for sustainable products, incentive to move towards sustainable production
- Contributes to making sustainable products more accessible to EU consumers.

CONSUMERS AND CITIZENS

Action:

- Demand public institutions and schools to provide with sustainable products

Impact of action:

- Sustainable products as a default choice and more accessible

Short term (2022)

Social Economy Action Plan

On December 2021, the European Commission adopted a new [action plan on the social economy](#), where it puts forward measures that aim at help mobilising the full potential of the social economy.

In general, social solidarity economy has been identified as an enabler for FASS Food supply chains in the EU and one the main windows of opportunity for its promotion at EU level is this action plan. Promotion of social economy may directly lead to promotion of social enterprises and alternative business models, such as the FASS Food pilots. Thus, tackling blockers such as current business and market models locking farmers in unsustainable farming practices; and the lack of acknowledgement and support to sustainable business and farming models that contribute to achievement of social economy.

FARMERS AND PRODUCERS

Action:

- Create consortia, reach out to public administration

Impact of action:

- More direct purchases and more accessibility to products from fair, social and sustainable enterprises

CORPORATE SECTOR

Action

- Respond to consumers' willingness to choose products produced under sustainable and fair conditions and adapt accordingly

Impact of action:

- Nudge towards change of profit-making business models towards 'people and planet first' business models.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Create consortia, reach out to public administration

Impact of action:

- More direct purchases and more accessibility to products from fair, social and sustainable enterprises

PUBLIC PROCURERS

Action:

- Provide information for citizens and consumers about benefit of choosing sustainable products produced by social enterprises

POLICY MAKERS

Action:

- Establish support for farmers willing to turn to short chains, with organic and agroecological production.
- Grant more recognition to cooperatives and organic farms.
- Provide public financial support for fair, social and sustainable enterprises.
- Put in place EU and national information programs for citizens and consumers of benefit of choosing sustainable products produced by social enterprises
- At local level, create public markets for local, organic, fair and accessible food. As well as develop a local food strategy that puts focus on social enterprises, cooperatives and organic farms.

Impact of action:

- Coming closer to mainstreaming social economy in the EU

CONSUMERS AND CITIZENS

Action:

- Pursue willingness to consume products produced locally and under sustainable and fair conditions

Impact of action:

- More direct purchases and more accessibility to products from fair, social and sustainable enterprises

Short term (2022)

Trade policy and negotiations of trade agreements

Trade policies, Economic Partnership Agreements, Free Trade Agreements and the rules of the World Trade Organization have a clear impact on the form and implications of the EU food system. They determine access to raw materials located outside of the EU and the way in which EU products reach foreign markets. The impact of the EU free trade policy – mixed with the funding of the CAP and the Common Fisheries Policy – has been analysed by several organizations and cannot be expanded here. For the sake of this policy brief, it is important noticing that EU trade policy and particularly the free trade agreement model is identified as a blocker for FASS Food supply chains in the EU. This can be for various reasons varying from zero tariff models that may create dumping in EU market because of the lower social and environmental standards that are adopted by exporting countries; contribute to degradation of natural resources in partner countries and poor working conditions for the need to produce and export more at lower prices; etc.

However, the FASS-Food project has focused on a proactive and positive agenda towards improvement of EU trade policy and considers that EU trade agreements may contribute to an acceleration of the transition towards sustainable food systems for Europe and

beyond, although only as part of a broader redefinition of the trade agenda that moves away from the current premises and focuses on social and climate justice. In addition, we are conscious that any conversion to sustainable practices achieved at the EU and partner countries' level would have an impact on third countries that are currently exporting or importing food with the EU.

Any reflection about the future of EU trade in food should thus not be divorced from the recognition of the implications on partner countries and the need to assume political and financial responsibility. Finally, our considerations around the future of EU trade in food are also informed by recent events (e.g. lockdowns adopted to face COVID19 pandemic, the accessibility constraints as a consequence of the invasion of Ukraine, financial speculation, climate change, etc.) that have intensified the fragility of long-distance trading and that question the long-term viability of a food system that is based on just-on-time trade, long-haul flights, few trading actors and a fragile logistic.

With all these caveat in mind, it is our opinion that EU trade policy could also be an enabler for FASS Food supply chains in the EU, if the EU makes sustainable food systems for the EU and partner countries an explicit objective of its free trade agreements, negotiates relevant sustainability provisions in these agreements and monitors efficiently the impact of these provisions on food systems. This may also

imply less trade in food in the name of regional autonomy of the EU and its partners.

FARMERS AND PRODUCERS

Action:

- Create consortia, reach out to public administration and demand a redefinition of trade towards holistic sustainability.

Impact of action:

- More access to EU market, less dumping of products from the EU.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Materialize sustainable trade.
- Create consortia, reach out to public administration.

CONSUMERS AND CITIZENS

Action:

- Citizens should get involved in consultation, negotiation, enforcement, complaints stages open to civil society as well as with the Domestic Advisory Groups.

POLICY MAKERS

Action:

- Interaction between EU trade policy(ies) and non-trade policies should not contribute to negative trade-offs with sustainable food systems at EU and global level.
- First of all, the role of the EU as an importer of commodities that are associated with social and environmental externalities must be addressed. At the same time, the role of the EU as the number one exporter of agricultural products in the world must be addressed, both because most of the exported goods are produced with commodities coming from ecosystem destruction (e.g. beef or chicken export), but also because of the impact that these trade patterns have on livelihood of people in third countries and the planet.¹
- EU shall engage actively with trading partners to accompany the transition towards sustainable practices, promote fair, accessible, short and sustainable food systems with a regional scope, and promote alternative PPPs and methods.
- Bilateral and multi-lateral trade agreements should support transition to sustainable, fair, short and accessible food systems in countries of origin as much as in the EU. This should be explicit and central objective of trade agreements. Current proposals for sustainable food systems chapter are not enough to achieve this objective as they do not take into consideration the long-term implications in terms of food and agricultural matrixes and food and nutrition security.
- EU trade policies must be based on inclusive multi-stakeholder processes, at all stages.
- Sustainability in its three dimensions (environmental, social and economic) should be mainstreamed through EU trade policy (currently only environmental sustainability is targeted, e.g. new EU TSD policy).
- EU should explore sector-specific cooperation agreements to ensure products entering EU market are produced in a sustainable manner.
- Promotion of sustainable food systems should also be of competence of DAGs
- Ex ante and ex post impact assessments, monitoring and evaluation of EU trade agreements should also cover impact over sustainability of food systems in the EU and partner countries, as it directly impacts the EU food supply chain.
- Where appropriate, and where bilateral and multilateral fora is not successful, the EU should consider unilateral measures to introduce higher sustainability requirements (CSDDD, EU deforestation regulation, sustainable food labelling framework, CBAM, etc.). However, socio-environmental implications of these measures should be thoroughly assessed, especially with regards to livelihood of the those in a marginalized position.
- For all levels, farmers and producers in 3rd countries will require technical and financial assistance to adapt their production practices to sustainable practices, including towards de-linking from international trade and strengthening access to local markets, accessibility and diversification of production. Shall more stringent sustainability import standards be introduced; the EU shall financially contribute to comply with higher EU sustainability requirements.

Impact of action:

- EU food supply chain is sustainable alongside the entire supply chain.
- EU trade policy as a true enabler of sustainable trade and of fair, accessible, sustainable and short food supply chains in the EU.

Short term (2022)

Action plan for organic production

The European Commission put forward in 2021 an [action plan for the development of organic production](#) as to support achievement of target of at least 25% of EU's agricultural land under organic farming and of a significant increase in organic aquaculture by 2030.²

In itself, the EU action plan for organic production, is identified as an enabler for FASS Food supply chains in the EU. However certain shortcomings shall be addressed in order to reach the target of 25% land used for organic farming by 2030. This refers, mainly to, insufficient ambition and budget to incentivise farmers to convert to organic farming. As well as to the lack of environmental ambition of the eco-schemes included in the new CAP, and the problems for farmers to combine organic schemes with eco-schemes.³

For the linkages with the CAP, part of the recommendations that would contribute to promotion of organic farming are included in recommendations for new CAP.

FARMERS AND PRODUCERS

Action:

- Engage in adoption, review and implementation of organic action plan.
- Set farmers' markets at local and regional level to raise awareness of consumers.
- Participate in EU Organic Awards
- Support efforts of networks such as Organic Cities Network Europe.

Impact of action:

- Facilitated transition to organic farming.
- Promotion of organic farming.
- Higher demand of organic products.
- Higher economic return for organic production.

CORPORATE SECTOR

Action:

- Engage in adoption, review and implementation of organic action plan.
- Produce and acquire more organic products.
- Set farmers' markets at local and regional level to raise awareness of consumers.
- Participate in EU Organic Awards
- Support efforts of networks such as Organic Cities Network Europe.

Impact of action:

- Facilitated transition to organic farming.
- Promotion of organic farming.
- Higher demand of organic products.
- Higher economic return for organic production.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Engage in adoption, review and implementation of organic action plan.
- Set farmers' markets at local and regional level to raise awareness of consumers.
- Participate in EU Organic Awards
- Support efforts of networks such as Organic Cities Network Europe.

Impact of action:

- Facilitated transition to organic farming.
- Promotion of organic farming.
- Higher demand of organic products.
- Higher economic return for organic production.

CONSUMERS AND CITIZENS

Action:

- Engage in adoption, review and implementation of organic action plan.
- Support efforts of networks such as Organic Cities Network Europe.

Impact of action:

- Sustainable and healthier products (for reduced use of harmful chemicals) are accessible for everyone and everywhere.

POLICY MAKERS

Action:

- Provide adequate support to countries farther from the 25% target.
- Facilitate more sustainable innovation in practices such as organic farming and agroecology.
- Member States shall set their national organic action plans, in alignment with CAP National Strategic Plans, with a high level of ambition with concrete objectives, time frames and budgets, including incentives for farmers, that also promote bottom-up initiatives.⁴
- The European Commission should develop a detailed, evidence-based guideline and manual of agroecological practices. This guide shall contain lists of good practices considering regional context and commodities, steps, and recommendations to implement each practice.
- Engage with all stakeholders, especially organic farmers and associations, cooperatives, local and regional authorities, the agri-food industry along the value chain, agri-food wholesalers, consumer and private sector representatives and the hospitality industry, as well as citizens, in a consultative process when designing, adopting, reviewing and implementing their national and/or regional OAP5
- Be mindful of conflict between objective of promoting EU organic logo and the sustainable food labelling framework.
- Set EU marketing and promotion policies that promote organic farming.
- Address issue of prices paid for organic production. Organic production may offer better economic return for farmers but also involves higher production costs. Where market prices are not enough to cover production cost nor is there sufficient direct support to recover costs of organic production.
- Educate consumers as well as higher consumer prices can be a barrier to promotion of organic production.
- Provide information to Member States on instruments to be used to promote development of bio-districts.
- Increase awareness of Green Public Procurement instrument.
- At national level, increase use of Green Public Procurement in accordance with national organic action plan objectives.
- Set farmers' markets at local and regional level to raise awareness of consumers.
- Support efforts of networks such as Organic Cities Network Europe.

Impact of action:

- More sustainable EU food supply chains

PUBLIC PROCURERS

Action:

- At least 20 % of procured food content originating from organic agriculture, and support for additional agro-ecological practices, proportionate to the practice implemented.
- Include 'in-conversion' farms in procurement criteria.
- Engage in adoption, review and implementation of organic action plan.

Impact of action:

- More sustainable and healthier products (for reduced use of harmful chemicals) offered in public canteens and schools.

Short term (2022)

EU instrument to prohibition products made with forced labour to enter the EU market

The European Commission is planning to introduce an instrument that aims at keeping the EU market free from products made with forced labour, whether they are made in the EU or elsewhere in the world.

Work conditions; lack of transparency in supply chains, insufficient integration of F2F and Social Solidarity Economy; migration conditions and EU migration rules; lack of coherence between food policy and socio-economic policy; are part of the blockers identified and that could be directly or indirectly addressed through the prohibition to place products made with forced labour in EU market. Consequently, contributing to an enabling environment for products to be made in fair conditions and in respect of Human Rights, and thus, contributing to achievement of social sustainability in EU food systems.

PUBLIC PROCURERS

Action:

- Investigate abnormally low prices in tenders as it can be linked to use of forced labour (cheap work force)

Impact of action:

- Can contribute to making (socially) sustainable products the default choice

FARMERS AND PRODUCERS

Action:

- Participate in developing a diverse spectrum of programmes with the private sector, governments, NGOs, communities and other organisations on identifying and addressing root causes forced labour

Impact of action:

- Situations of domestic forced labour to be addressed at EU level, contributing to achievement of social sustainability

CONSUMERS AND CITIZENS

Action:

- Participate in developing a diverse spectrum of programmes with the private sector, governments, NGOs, communities and other organisations on identifying and addressing root causes forced labour
- Civil society in general will have a role in bringing forward complaints of cases of forced labour.

Impact of action:

- More socially sustainable products available in EU market

CORPORATE SECTOR

Action:

- Participate in developing a diverse spectrum of programmes with the private sector, governments, NGOs, communities and other organisations on identifying and addressing root causes forced labour

Impact of action:

- A well-designed instrument could have positive impact in changing behaviour of businesses perpetuating use of forced labour

POLICY MAKERS

Action:

- Participate in developing a diverse spectrum of programmes with the private sector, governments, NGOs, communities and other organisations on identifying and addressing root causes forced labour
- Put in place an instrument that remediates situations for workers and that works in addressing root causes of forced labour.
- Put in place mechanism that encompasses the role of migration policies. Which contribute to unsustainable food systems where migrant workers are often deprived of their basic human rights because of their condition of irregularity or illegality

Impact of action:

- Root causes of forced labour at EU level are addressed, this includes migration policies.
- Situations of domestic forced labour to be addressed at EU level, contributing to achievement of social sustainability

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Participate in developing a diverse spectrum of programmes with the private sector, governments, NGOs, communities and other organisations on identifying and addressing root causes forced labour

Impact of action:

- Situations of domestic forced labour to be addressed at EU level, contributing to achievement of social sustainability

Mid-term (2023)

Revision of horizontal guidelines (EU Competition Policy) Common Market Organisation (CMO) reform

EU competition policy is focused too narrowly on ensuring low prices and short-term economic benefits to end-consumers in Europe.

This makes it difficult to implement multi-stakeholder sustainability agreements, especially those involving competitor cooperation. This approach goes counter to the EU Treaties and the European Green Deal, which foresee that all EU policies should contribute to achieving a sustainable future. It has to be noted that a derogation has been granted from competition policy principles for agricultural products (Article 42).⁶

The European Commission has the opportunity, in the [ongoing revision of Horizontal Guidelines](#), to address the need for legal certainty by including a chapter on sustainability agreements in the Guidelines on Horizontal Cooperation Agreements. This would facilitate and encourage sectorial conversations involving competitors, while making clear that sustainability cannot be invoked as a smokescreen for anti-competitive behaviour. This point is particularly relevant for addressing issues of the excessively low food prices that are paid across value chains within

Europe and practices like double-rebates auctions.

In parallel, the European Commission is also working on [guidelines on antitrust derogations in sustainability agreements in agriculture](#), in context of the Common Market Organization. The initiative provides agricultural producers and other operators with guidance on how to assess whether sustainability agreements fulfil the conditions for granting a derogation (exemption) from EU competition rules. The Commission should present this guideline by end of 2023.

FARMERS AND PRODUCERS

Impact of action:

- Industry actors are allowed to come together to discuss some key sustainability issues without having to fear breaching antitrust

CONSUMERS AND CITIZENS

Action:

- Demanding more sustainable products and therefore setting an incentive for companies to implement more sustainable business practices.

Impact of action:

- Consumers consuming and demanding more sustainable products.

CORPORATE SECTOR

Action:

- Industry actors are in a position to pilot test cases, in the form of sustainability agreements, which can be brought to national competition authorities to raise political awareness around the need for more guidance.

Impact of action:

- Industry actors are allowed to come together to discuss some key sustainability issues without having to fear breaching antitrust
- Industry actors can no longer use EU competition rules as an excuse to shy away from discussion around some key sustainability issues, such as the payment of Living Income or Living Wages along Global Supply Chains

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Fair Trade enterprises often come together in a multi-stakeholder setting to tackle some key sustainability issues along their supply chains collectively. These discussions and agreements taken offer a good opportunity to raise political awareness around the need of sustainability agreements on a horizontal level. Therefore, also the need for clearer guidance as these discussions would need a safe and clear space, being certain not to breach EU antitrust rules.

Impact of action:

- Industry actors can be certain about the extent in which they are allowed to come together to discuss some key sustainability issues without having to fear breaching antitrust

POLICY MAKERS

Action:

- New horizontal guidelines by the European Commission, DG Comp, should give more clarity around legal certainty of sustainability agreements between competitors
- Include expressly in scope the payment of living incomes and living wages.
- National Competition Authorities implement their own Guidelines to:
 - Give inspiration for the Horizontal Guidelines by the EC
 - Get involved in the discussion and drafting of the EUs Horizontal Guideline
 - Go further than the Horizontal Guidelines by the EC

Mid-term (2023)

Proposal for a legislative framework for sustainable food systems (F2F strategy)

This initiative from the F2F strategy has been identified as the main enabler for FASS Food supply chains in the EU. A well-designed framework could address most of the identified blockers as it will most likely establish a combination of obligations and responsibilities for all (or most) actors involved in the EU food system (including Member States).

Inconsistent sustainability indicators; lack of coherent and holistic EU food policy; lack of coherence between food policy and socio-economic policy; lack of food governance integration between cross functional institutions; excessively low food prices; lack of transparency in global supply chains; are part of identified blockers impeding the promotion of FASS food supply chains and that could be tackled through this initiative. By creating an enabling legislative framework that, inter alia, promotes community supported agriculture and other forms of local solidarity partnerships between producers and consumers fostering direct purchasing. As well as better informed consumers that choose sustainable products but also that makes sustainable products the default and accessible choice. But that also regulates market pressures. Some of the elements that should be contained in the Sustainable Food Systems (SFS) law and that

have been discussed throughout the two years of the FASS-Food EU Project are:

- A clear adherence to the [10 points of Agroecology](#) as promoted by the Food and Agriculture Organization.
 - Legal introduction of the obligation to pay living income and living wages all across value chains, whether European or international.
 - A stronger social conditionality in the CAP, with the provision of adequate resources to facilitate the adoption of adequate legal protections and guarantees by employers, associated with a stronger recognition of agricultural farmworkers' rights when it comes to housing, salary, working conditions, contracts, etc.
 - The recognition of the ambitious objectives of the F2F and the need to adapt the current content of the Common Agricultural Policy so that its funds are distributed according to different parameters
 - Creating food councils at all levels of the EU food system, from the regional to the local, and supporting them financially. The experience of the proposed (although not implemented) Food Policy Council of the Lombardia Region may be used as a term of reference.
 - Implement an ambitious Sustainable Public Procurement regulation for food and agricultural products, aligned with the best practices currently existing in the EU. The Minimum Environmental Criteria (*Criteria Ambientali Minimi*) currently in force in Italy are a starting point for reflections on health, labor conditions and environmental sustainability.
- The prohibition of sales under costs of production, unless justified by reasons of reducing food waste.
 - Transparency in the allocation of price across the value chain, which could be accessible to consumers.
 - The implementation of social policy measures that recognize healthy and nutritious food as an essential service that should be available and accessible to people independently on their purchasing power.
 - Public incentives to the establishment and consolidation of street markets, local markets and proximity markets.
 - Public incentives to the establishment and consolidation of community kitchen and community-based restaurants.
 - A reduction in the VAT of fair and sustainable products, with the contextual increase of VAT for products that are not obtained with the highest environmental and social standards.
 - Recognition of participatory systems of labelling to reduce the cost of participation and favour local certifying schemes.
 - Expand the use of the carbon tax.
 - Reduce the use of food as feed and fuel, in order to address food insecurity first.
 - Assess the GHG and methane impact of food loss and waste in each member state and their alignment with the objectives of the Paris Agreement and the EU Green New Deal.

FARMERS AND PRODUCERS

Action:

- Organizing themselves and lobbying for an ambitious sustainable food systems framework. Participating in decision-making process by responding to consultations and surveys conducted by the European Commission.
- Identifying what are sustainable farming practices and what is needed to transition towards agroecological practices or to scale them up.

Impact of action:

- Sustainable food systems become a reality in the EU for as many farmers and producers as possible.
- Central issues of sustainability such as lack of living incomes and living wages, prices not covering cost of sustainable production are addressed.

CORPORATE SECTOR

Action:

- Support ambitious sustainability objectives to holistically transform EU food systems

Impact of action:

- Addressing companies' purchasing and trading practices contributes to overall sustainability objectives.

CONSUMERS AND CITIZENS

Action:

- Demand that the EU rapidly transitions towards a food system that is fair to all people involved and that respects human and animal rights; that guarantees accessibility by means of social policies. That is sustainable in terms of social and environmental implications and regenerative of ecological processes, and that is short and direct, therefore contributing to economic, cultural and social wellbeing in the regions and territories where it is rooted.

Impact of action:

- Sustainable food systems become a reality in the EU for as many farmers and producers as possible.
- Central issues of sustainability such as lack of living incomes and living wages, prices not covering cost of sustainable production are addressed.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Create consortiums, reach out to public administration

Impact of action:

- Sustainable food systems become a reality in the EU for as many farmers and producers as possible.
- Central issues of sustainability such as lack of living incomes and living wages, prices not covering cost of sustainable production are addressed

POLICY MAKERS

Action:

- Essential to work on incentives and regulations around food deserts and the use of public spaces for sustainable food consumption
- Policies on sustainable food systems shall be capable of differentiating and putting EU regulation at the service of FASS and healthy food systems, increasing regulatory and financial incentives to all actors involved in these specific chains (including eaters and their purchasing power), while increasing costs for actors whose operations are linked with negative social and environmental externalities.
- Food system transition should be just: individuals in a marginalized position (such as workers and Small and Medium enterprises) who are negatively affected should be financially supported, helped with other options and integrated - as much as possible - in the future EU food system

➤ Address central issues such as:

- Low prices not covering cost of sustainable production and the lack of living incomes and living wages.
- Increased revenues for sustainable farmers and producers should be introduced.
- Power imbalances in the agri-food sector and lack of transparency in agri-food supply chains
- Marketing of unsustainable products
- Lack of accessibility to sustainable products (from consumers' perspective regarding availability and cost of sustainable products)
- Lack of financial resources for smallholder farmers to transition to agroecological/organic farming

- Create incentives for sustainable production. For example, cutting VAT for sustainable, organic, fair products with low carbon impact. However, incentives-based measures must go hand in hand with social policies (financial support for healthy and sustainable purchasing practices) and regulation (exclusion and sanction of unsustainable and unfair practices, especially when realised by large-size enterprises).

- Better integration between local, national and European levels

- Include supply chain engagement and cooperation to share the cost of transitioning to more sustainable farming systems

Impact of action:

- Sustainable food systems become a reality in the EU for as many farmers and producers as possible.
- Central issues of sustainability such as lack of living incomes and living wages, prices not covering cost of sustainable production are addressed.

Mid-term (2023)

Regulation on the sustainable use of plant protection products

The European Commission adopted a proposal for [new regulation on the sustainable use of plant protection products](#), including targets to reduce by 50% the use and risk of chemical pesticides by 2030.⁷

This regulation could tackle FASS Food blockers particularly linked to environmental sustainability of food products.

*Given the minor expertise of the authors of the project, this section is less extensive and exhaustive than previous ones.

FARMERS AND PRODUCERS

Action:

- Create consortiums, reach out to public administration asking for accompanying or support measures to roll out pesticides use, if applicable

Impact of action:

- Biological products increase in demand and availability

PUBLIC PROCURERS

Action:

- Introduce criteria for environmentally sustainable products, ideally biological

CONSUMERS AND CITIZENS

Action:

- Choose biological products whenever it is available

Impact of action:

- Biological products increase in demand and availability

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Create consortiums, reach out to public administration asking for accompanying or support measures to roll out pesticides use, if applicable

Impact of action:

- Biological products increase in demand and availability

CORPORATE SECTOR

Action:

- Pay fair prices for sustainable production so that farmers can move to more sustainable farming practices, rolling out use of pesticides
- Comply with obligations regarding work conditions in use of pesticides

Impact of action:

- Biological products increase in demand and availability

POLICY MAKERS

Action:

- Promote reduction and transition towards organic and environmentally friendly agricultural inputs.
- The aim of the SUP and of National Plans should still be to reduce dependence on the use of pesticides and to promote integrated pest management (IPM) and alternative approaches or techniques such as non-chemical alternatives to pesticides.⁸
- Set robust regulation at national level to ban harmful and hazardous pesticides and regulate use of substitutes (organic or environmentally friendly)
- Put in place a ban for exports of banned substances in the EU
- Set higher more ambitious target than 50% pesticide reduction. Push for transition towards agroecology with a 80% reduction by 2023o and 100% by 20359
- Improve calculation system to measure progress in proposal for regulation
- Implementation of the regulation should be linked to the one of the Common Agricultural policy (i.e. availability of farm advisory systems on IPM). The budget of the Common Agricultural Policy must be used to drive the transition towards agroecology. CAP subsidies should be conditional to the respect of IPM principles (defined in line with agroecological principles).¹⁰
- Particular amendments to proposed regulation on use of plant protection products:
 - Member States should not be allowed not to follow the Commission's recommendations in reduction targets
 - National Action Plans should be reviewed and approved by the Commission and expert groups consisting of independent and environmental scientists and civil society, to ensure transparency and independent scientific advice
 - IPM must be cornerstone of legislation
 - Aerial spraying must be banned without derogations
 - Hazardous PPP should not be placed in EU market
 - Should include legally binding objective of at least 10% of agricultural land being dedicated to high-biodiversity landscape features at farm level. As well as to include environmental indicators (e.g. pesticides residues in water or soil, organic farming, etc.)

Impact of action:

- Biological products increase in demand and availability.

Mid-term (2023)

EU regulation for deforestation-free supply chains

End 2021, the European Commission presented its [proposal for a regulation on deforestation-free products](#). The text has been significantly changed after the reading by the Parliament and the Council, and the only text available is the one that will be soon going through the trilogue. The proposed new rules imply that at least six food and agricultural commodities (cocoa, coffee, beef, soya, palm oil and wood) and some derived products (leather, chocolate, wooden furniture, etc.) must not be linked to deforestation when they are being either exported from or imported to the EU and made available on its market. The main driver of these processes, as identified by the European Commission, consists in the conversion of forests into agricultural land to satisfy the increasing global demand.¹¹

The Regulation would set mandatory due diligence rules for economic operators which would like to export from or place these commodities on the EU market with the aim to ensure that only legal and deforestation-free products are allowed to enter the EU market. The Regulation may represent a leverage for FASS chains in the EU and abroad, but only if well shaped. Several points have to be addressed, such as the importance of recognising the role and responsibilities of each of supply chains actors and the main role of

lead firms rather than collective responsibilities of whole sectors, the need to adopt a broad notion of forest degradation, the extension of the scope beyond forest into different habitats such as peatlands and Cerrado, the disbursement of financial contribution in favour of small-scale farmers that will be negatively impacted by the higher standards, the implementation of rigorous controls and checks at hubs of international and EU transportation, etc. In this way, the Regulation will contribute to decouple commodity production with global deforestation rates while fostering a just transition towards sustainable, deforestation-free agricultural practices and thus addressing environmental, social and economic sustainability aspects that can bring closer to achieving FASS Food supply chains in the EU

FARMERS AND PRODUCERS

Action:

- Create consortiums, reach out to public administration asking for accompanying or support measures to comply with regulation, if applicable

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Create consortiums, reach out to public administration asking for accompanying or support measures to comply with regulation, if applicable

CORPORATE SECTOR

Action:

- Support greater compliance of smallholders they source from. This can be done through sharing of information, targeted investments, capacity building as well as a fair pricing mechanism that would allow smallholders to cover the costs of sustainable and deforestation-free production.

Impact of action:

- Allow a fair share of costs of compliance
- Prevent smallholders being excluded from the EU market

PUBLIC PROCURERS

Action:

- Include criteria on environmental sustainability that links to procuring deforestation-free products

POLICY MAKERS

Action:

- EU policy makers should Recognise the rights and role of smallholders and local communities as part of the systemic solution to tackle global deforestation.
- Ensure a fair share of compliance costs among supply chains actors.
- Ensure smallholder inclusive due diligence requirements for companies, which would require the latter to meaningfully engage with local stakeholders and support smallholders from whom they source towards greater compliance.
- Shape a coherent and time-bound EU framework strategy for Partnerships with producer countries.
- Ensure greater involvement of smallholders in protecting and restoring forests.
- Develop economic and trade incentives to build the business case for sustainable & deforestation-free agricultural practices.

Impact of action:

- Allow for the EU Regulation to reach its full potential, namely clean up EU supply chains from products linked to deforestation while fostering a global just transition towards sustainable and deforestation free practices.

Mid-term (2023)

Corporate Sustainability Due Diligence Directive (CSDDD)

The European Commission has introduced its [proposal for Directive on Corporate Sustainability Due Diligence \(CSDDD\)](#). Its aim is to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance. For that, it has been identified as an enabler for FASS Food supply chains in the EU.

Lack of transparency in supply chains; inconsistent sustainability indicators; excessively low food prices (and the link of that to perpetuation of poverty and poor working conditions); are some identified blockers for FASS Food supply chains in the EU that could be addressed through Human Rights and Environmental Due Diligence and that can be tackled through the proposed Directive on Corporate Sustainability Due Diligence (CSDDD).

FARMERS AND PRODUCERS

Action:

- Come together and engage in advocacy work to send a message to the EU and national decision makers that expectations for increased sustainability in production must come hand in hand with fairer distribution of value.

Impact of action:

- Raise awareness about the common reality where farmers sell their produce for prices below the costs of production and how this would prevent an effective transition to sustainable production practices.

PUBLIC PROCURERS

Action:

- At least exclude companies that are found not in compliance with applicable due diligence legislation from calls to tender.
- Include responsible sourcing practices and a human rights and environmental due diligence process as part of the selection criteria.

Impact of action:

- This would create additional incentives to companies to comply with their due diligence obligation.

CORPORATE SECTOR

Action:

- Should in good faith comply with existing due diligence obligations, and effectively participate in the EU legislative process to strengthen the proposal tabled by the European Commission.
- Support greater compliance of smallholders they source from. This can be done through sharing of information, targeted investments, capacity building as well as a fair pricing mechanism that would allow smallholders to cover the costs of sustainable production.

Impact of action:

- The European Parliament and the Council will have a wider mandate to form positions on the EC proposal that would strengthen the proposed due diligence obligation as opposed to weaken it.
- Allow a fair share of costs of compliance for all the actors in the supply chains.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Actively adapt own practices to the due diligence process and prepare good practice examples to showcase that it is possible for companies to pay prices to their suppliers that at least cover the costs of production.

Impact of action:

- Actively adapt own practices to the due diligence process and prepare good practice examples to showcase that it is possible for companies to pay prices to their suppliers that at least cover the costs of production.

CONSUMERS AND CITIZENS

Action:

- Be vocal about the importance of regulation of economic enterprises in their value chains.

Impact of action:

- Clarify to national and EU decision makers that this is a topic that is important for their citizens.

POLICY MAKERS

Action:

- Develop a cost-effective due diligence legislation that would extend throughout the supply chain so that smallholder farmers beyond cooperatives are covered (individual farmers). In order to be effective, the legislation must be in line with the recommendations outlined by the civil society in the EU space.
- The CSDDD needs to work for smallholder farmers so it can contribute to sustainable food supply chains, otherwise it can turn into a paper exercise for larger companies and into an additional burden for producers. For this to be true, the legislation must include an obligation to evaluate the role of own purchasing practices, including pricing, at every step of the due diligence process.
- Include the prohibition to withhold living wages but also a prohibition to obstruct the ability of persons to earn a living income to include the interests of smallholder farmers, into the material scope of the CSDDD.
- Guide companies on how to incorporate expectations around living income and living wage and policies on engagement with suppliers throughout their entire supply chain and other business relationships;
- Lay out a pathway that companies can follow to achieve living incomes and wage, namely through:
 - setting up and publish a target-bound and time-bound plan to close the gap between actual income and wages and living wage or income for the regions they source from.
 - Using a credible benchmark to determine the local living wage or living income and publicly disclose the methodology used to establish it, making reference to applicable collective bargaining arrangements.
- Facilitate multi stakeholder initiatives that empower smallholder farmers in their relationships to traders and retailers.
- If purchasing practices are included at every step of the due diligence process, risk assessments would identify potential exploitative purchasing practices in the supply chain. As part of the obligation to cease, prevent and mitigate, companies would need to amend purchasing practices throughout the procurement cycle: from the early stages (sourcing and product development) to their interactions with suppliers (price negotiations, confirmation of technical standards, contractual terms, payment terms and lead times). Finally, companies would be required to reflect their due diligence findings in their company policy and develop new mandates for purchasing teams which allow them to balance price and ethical considerations.
- Suppliers should be enabled to seek effective redress when buyers blatantly engage in unfair purchasing practices.

Impact of action:

- Since due diligence processes would need to be publicly available, the CSDDD will lead to more transparency in global agrifood value chains. If purchasing practices are included more transparency on power imbalances would be highlighted.

Long term (2024 onwards) Sustainable food labelling proposal (F2F strategy)

Misleading food labelling; lack of transparency in global supply chains; inconsistent sustainability indicators; lack of regulation regarding unsustainable food marketing; excessive support for industrial agriculture to the detriment of agroecological farming; inadequate consumer information and food education; are part of the identified blockers for FASS Food systems that could be addressed through the F2F's [proposal for a sustainable food labelling framework to empower consumers to make sustainable food choices](#).

This initiative should be introduced in 2024 and it is being developed alongside the proposal for a legislative framework for sustainable food systems (2023) and the minimum mandatory criteria for sustainable food procurement to promote healthy and sustainable diets, including organic products, in schools and public institutions (initially announced for 2021).

CORPORATE SECTOR

Impact of action:

- Economic performance subordinates the establishment of sustainable food systems. Businesses embark on sustainable practices.

CONSUMERS AND CITIZENS

Action:

- Engage with policy makers to highlight risks of use of PEF methodologies that do not benefit sustainable agriculture as well as the need to have ambitious criteria for economic, social, and environmental sustainability.

Impact of action:

- EU citizens should not be given the choice between sustainable and unsustainable products, because the latter are incompatible with international obligations adopted by the EU and MSs
- Accessibility of sustainable products, in terms of cost for consumers and in terms of availability, is improved

FARMERS AND PRODUCERS

Action:

- Create consortiums, reach out to public administration asking for accompanying or support measures to comply with regulation, if applicable

Impact of action:

- Higher demand for sustainable products

PUBLIC PROCURERS

Action:

- Include in public tenders the need to purchase sustainable products
- Include a Fair Trade related aspects in subject matter of public tender

Impact of action:

- Can contribute to making sustainable products the default choice

POLICY MAKERS

Action:

- Should introduce only well-suited methodologies that benefit sustainable agriculture
- Leave nutritional aspects out of scope of this initiative (front of package nutritional label already covering it).
- Understand social aspects as not only involving animal welfare. Decent work conditions and paying fair prices to farmers and producers is crucial.
- Be mindful and clear over connections with existing sustainable labels: EU organic logo and Fair and ethical trade labels.
- Dialogue with Voluntary Sustainability Standards for good design of initiative

Impact of action:

- Adequate regulatory intervention by the EU and national regulators
- that adequately support fair, accessible, sustainable, and short food systems and effectively address the presence of unsustainable and unfair products in the EU market

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Voluntary Sustainability Standards' setters should engage with policy makers and contribute to create a framework that works for reliable sustainability schemes

Impact of action:

- Higher demand for sustainable products

Long term (2024 onwards)

Evaluation UTP Directive 2019/633 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain

Excessive power of supermarkets as well as excessively low food prices were identified as blockers for FASS Food supply chains in the EU.

The [Directive 2019/633 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain](#), aims at strengthening position of farmers in the supply chain and addressing abuse of power in trading relationships. The Directive entered into force at Member State level in 2021 and should be evaluated by the Commission in 2025.

Particularly the evaluation of the Directive is identified as an enabler for FASS Food supply chains in the EU, as it could address current shortcoming of the Directive and/or to include in the Directive good practices introduced by Member States and that directly address low prices paid for agri-food products and contributes to rebalance power in agricultural trading relationships.

CONSUMERS AND CITIZENS

Action:

- CSOs advocate for thorough evaluation of Directive, including legislative proposals to expand banned practices. Focusing particularly on prohibition to sell below cost of production.

Impact of action:

- This could directly and positively impact farmers and producers and fair and sustainable models involved in same supply chain or geographical location by improving social and economic sustainability aspects.
- As well as contributing to modification of behaviour by EU buyers.

FARMERS AND PRODUCERS

Action:

- Introducing complaints in case of unfair trading practices taking place

Impact of action:

- Better understanding of how implementation of Directive is working and what points should be amended

CORPORATE SECTOR

Action:

- Comply with regulation and systematically adapt trading practices

Impact of action:

- More restrictions introduced to unfair trading practices

POLICY MAKERS

Action:

- Include in evaluation of UTP Directive (2024-2025) legislative proposals to expand banned UTPs including introduction of comprehensive ban on UTPs; prohibition to sell/buy below cost of production; ban on double side auctions; upfront ban 'grey' UTPs, etc.
- Dedicate more efforts to dissemination Directive and its protection mechanisms.

Impact of action:

- This could directly and positively impact farmers and producers and fair and sustainable models involved in same supply chain or geographical location by improving social and economic sustainability aspects.
- As well as contributing to modification of behaviour by EU buyers.

FAIR, SOCIAL & SUSTAINABLE ENTERPRISES

Action:

- Introducing complaints in case of unfair trading practices taking place

Impact of action:

- Better understanding of how implementation of Directive is working and what points should be amended

PUBLIC PROCURERS

Action:

- Local and national government departments can also introduce complaints

Impact of action:

- Better understanding of how implementation of Directive is working and what points should be amended

Long term (2024 onwards)

New Common Agricultural Policy (CAP) (2027)

The lack of social dimension in the [Common Agricultural Policy](#) was one of the biggest identified blockers for enabling FASS Food supply chains in the EU. Though it has been incorporated in current CAP, there is still space for improvement in that and other aspects of the CAP.

The new CAP allegedly paves the way for a fairer, greener and more performance-based CAP; by seeking to ensure a sustainable future for European farmers, provide more targeted support to smaller farms, and allow greater flexibility for EU countries to adapt measures to local conditions.¹² Nonetheless, it has been criticized for not introducing necessary reforms to adequately address climate change, loss of biodiversity, and the lack of fairness in the distribution of subsidies.¹³

Thus, recommendations can be drawn to already pave the way for a truly fairer and greener CAP after 2027. Uneven distribution of subsidies; inconsistent sustainability indicators; lock-ins on farmers level; lack of support for farmer entrepreneurship; are part of blockers that can be addressed through the new CAP; and social conditionality should further develop so it unravels its potential to act as an enabler for FASS Food supply chains in the EU.

POLICY MAKERS

Action:

- Distribution of the CAP plays a key role in reducing the possibility of working with local farmers and accessing products from small-scale agroecological producers (who are sustainable both in terms of social and environmental practices).
- Regionalization of production
- CAP subsidies should be targeted towards supporting farmers financially and technically in their transition to low-input farming systems and this spending should be result driven¹⁴
- Farmers should be offered a package of measures that promote the uptake of nonchemical alternatives to pesticides (agronomic, mechanical, physical, biological) through the CAP strategic plans to ensure a sustainable and resilient agriculture.¹⁵
- CAP needs to be better aligned with promotion of organic farming:
 - higher ambitious targets for organic farming in all EU countries
 - sufficient budget to reach national targets
 - address reduced levels of payments for organic in large agricultural countries
- address lack of proportionality between organic farming payments and the environmental benefits it provides
- highlight comparative advantage of organic farming so farmers are incentivized to transition
- CAP budget should also properly reward organic farmers for the specific public goods that they deliver through the protection of the environment and of natural resources, through the reduction of inputs and through supporting higher animal welfare standards.
- Allocate sufficient resources to the independent farm advisory services included in national strategic plans
- Ensure no reduction of payments for organic
- For the eco-schemes:
 - Ensure organic production obtains higher rank in the eco-schemes rating system
 - Member States should set payment rates proportionate to the ambition and benefits of the farming systems and standards supported
- CAP national strategic plans need to be aligned with biodiversity objectives
- CAP payments should offer fair support for changing farming practices, especially for rewetting peatlands and restoring high-diversity grasslands, and avoid operating against the restoration objectives.
- All EU agricultural targets (% of land converted to organic farming; % of land under high-diversity landscape; reduction of pesticides; commitments to reverse decline in pollinators) should be included in CAP provisions, not left to Member States to set national targets¹⁶

Additional relevant elements not linked to a specific window of opportunity

This section refers to identified blockers preventing uptake of FASS Food supply chains in the EU for which no specific window of opportunity in EU legislative or policy process could be identified.

EU migration policy

The connection of the FASS Food project with pilots¹⁷ in the ground made evident that EU migration policies are not contributing to social sustainability in EU food supply chains. This point was also mentioned as a blocker through the events the FASS Food project conducted.

Phenomenon such as *scaporalato* in Italy — illegal intermediation and exploitation of both migrant and Italian workers in the agricultural sector— affect the agriculture sector and leads to agriculture being one of the sectors with the highest rate of irregularity of employment in certain countries of the EU.¹⁸ Issues such as non-payment of minimum wages; inhumane working conditions; precariousness in work contracts; etc. are common problems affecting EU and non-EU migrants working on agricultural sector in EU countries.

Addressing in detail the needed amendments to the package of EU migration policies falls outside scope of expertise of the FASS Food

research project partners. Nonetheless, several general recommendations are presented on objectives that EU migration policy should tackle through all its available (or new) policy tools:

Recommendations

- Ensure respect of equal treatment in terms of employment conditions, minimum working age, working conditions and occupational health and safety measures. As well as of suitable living and working conditions, including physical distancing and appropriate hygiene measures; protection of occupational safety and health; clear communication to workers of their rights; accommodation and transport; control of undeclared work; and information on social security aspects.
- Support the effective management of migration flows and to guarantee decent working and living conditions for seasonal workers.
- Establish regulatory mechanisms for sanctions on employers, land requisition, enhanced protection for victims, organized labour inspections and an integrated approach to punishing and ending labour exploitation. Punishing even in absence of illicit brokering in recruiting workers.¹⁹
- Include a supply chain approach aimed at increasing the transparency of the whole agricultural value chain, as a means to fight labour exploitation²⁰ and irregularity. Include an integrated approach that addresses the root causes of labour

exploitation in EU's agricultural value chains.

- Link with regulation contained in the Unfair Trading Practices Directive for agri-food supply chain as to stop exploitation of agricultural workers. In the 2025 Evaluation of the Directive, include the ban on double-race auctions as a 'black' unfair trading practice, for all Member States.
- Introduce price-support mechanisms to ensure that purchase prices cover the cost of sustainable production.²¹
- Encourage greater traceability and transparency, by requiring suppliers to disclose and make accessible the list of suppliers and firms in their supply chain.²²
- Improve Seasonal Workers Directive as to guarantee better protection for non-EU migrants. ²³ Implementation of the Seasonal Workers Directive should be better monitored in Member States to ensure minimum standards are achieved.²⁴
- Introduce better mechanisms to control undeclared work in the agricultural sector.²⁵
- Ensure that instrument to prohibit products made with forced labour in the EU, effectively covers the cases of domestic forced labour in agricultural sector.
- Integration of migrant/seasonal workers in rural areas could be reinforced through rural development programmes funded under the second pillar of the CAP, always in synergy and coordinated with other funds, in particular the European Social Fund.²⁶

EU funding

EU funding has been identified as a general blocker for FASS Food supply chains in the EU. It often goes against own policies and there is misalignment with regional funding and regional farming. For example, the Multiannual Financial Framework (MFF) budget does not contribute to enable FASS Food supply chains in the EU.

In that sense, the Commission should clarify that biodiversity proofing for all EU funding will become mandatory, as voluntary guidance failed to achieve the EU 2020 biodiversity targets and to stop biodiversity loss.²⁷

Institutions and governance

Silo work within the European Commission

The consolidation of sustainable food systems requires more convergence and coordination among the different Directorate Generals and the different areas of national and local policies. There is often fragmentation of the work and policies and conflicting messages. Particularly in terms of trade, competition, agricultural policies, health and environment.

Inter department consultation should be institutionalized and transferred to permanent dialogue and co-design of policy initiatives.

Additional relevant elements not linked to a specific window of opportunity

Presidencies of the Council of the EU

The last French Presidency of the Council of the EU made ever more evident how the visions and priorities of one Member State can affect progress of sustainability policies already in place (e.g. Green Deal and F2F objectives). In that sense, the programmes of the Presidencies should have certain mandatory aspects to be addressed or include some guidance on points and direction to go forward, in connection to EU policies, strategies already in force or announced.

Similarly, the assurances included in the trio programmes should be binding and/or lead to some accountability. For instance, the [trio programme for the French-Czech-Swedish Presidencies of the Council](#) had as commitment to *support the transition towards sustainable agriculture and food systems through the implementation of the EU's 'Farm to Fork' strategy and the new Common Agricultural Policy (CAP). In particular, it will promote a reduced use of pesticides and fertilisers, animal health and welfare, as well as organic agriculture through clear and simple food information to customers, thereby ensuring healthy food for the Union's citizens*²⁸.

Where the focus in the French Presidency was put on productivity rather than on

sustainability and called on revision of the Farm to Fork strategy to lower ambitious sustainability objectives. In addition, during the French Presidency, agriculture ministers suggested to the Commission a proposal to set aside agricultural land to be used for the production of protein crops, which was adopted by the Commission.²⁹

This entails a one-year derogation from certain good agricultural and environmental condition (GAEC) standards in the next Common Agricultural Policy, allowing temporary exemptions for rules on crop rotation, the use of fallow land, and maintenance of non-productive elements on arable land (farmland areas set aside for improving biodiversity and preserving soil health).³⁰ Pushing further the objectives of the Green Deal and the achievement of environmental sustainability in food systems in the EU.

This then connects with the need to have certain policies and strategies as binding documents, particularly the F2F strategy.

FOOTNOTES

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