

## Our position

# The Farm to Fork Strategy

*Towards a sustainable agri-food system in Europe*



AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3 trillion in 2019, directly supports more than 4.8 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

## Introduction

AmCham EU recognises the importance of accelerating the transition towards more sustainable food systems as outlined in the **Farm to Fork (F2F) Strategy** and welcomes the proposal to launch this strategy as a key component of the European Green Deal. A swift transition towards more sustainable food systems should be made in a holistic, fair and coordinated way, gathering the inputs and in cooperation with all actors in the food and feed supply chain, including at national, regional and global levels. Equally, in order to ensure a food systems approach, close collaboration between authorities, civil society, academics and the private sector is also needed.

In this position paper, we bring our opinion and recommendations to the EU institutions and we look forward to working together with EU decision-makers and other stakeholders as the discussions start in earnest.

## General comments

- The F2F Strategy provides a unique opportunity for a truly **holistic approach to EU food policy**, a ‘one-stop-shop’ bringing together key issues related both to food and feed production and consumption.
- AmCham EU would like to emphasise the need for alignment from the outset between F2F with other European policy initiatives and in particular, with the various parts of the European Green Deal, in order to ensure **policy coherence and predictability**. There is a need indeed to **align objectives, targets and timelines** between the various initiatives, so that predictability for companies (and authorities) is enhanced. Coherence and consistency should also be the rule between the various pillars **within the F2F Strategy** itself. Food consumption and food production policies should be coherent and create the right incentives for a ‘pull-and-push’ (demand and supply) effect. In doing so, it is important that legislators take a **pragmatic and realistic approach**. This requires regulatory flexibility and minimum disruptions to regulatory change, e.g. through the introduction of sufficiently long transition periods, and policymakers’ help in finding pragmatic solutions to challenges the industry will inevitably encounter along the process.
- The European Union has among the highest standards in the world when it comes to providing **safe, nutritious and quality food**, which should **be maintained and not compromised** throughout the transition. The F2F Strategy should be guided by the latest available **reliable science** and be reviewed periodically to take into account latest scientific developments, including by international bodies such as Codex Alimentarius.
- AmCham EU member companies are strong supporters of science and risk-based decisions and of a holistic and coherent approach to risk assessment, risk management and risk communication which will in turn help foster ‘innovation’ in the economy and increase acceptance of new technologies amongst EU citizens.
- The envisaged changes anticipated in the strategy will lead to trade-offs, given the cross over nature of many F2F initiatives. Yield, land use change, security of food supply and farm income should all be considered. AmCham EU calls for these to be discussed in full transparency and with a periodic evaluation of the impact in order to be able to course correct in case of unintended consequences. Close follow up is needed in order for policies to help deliver on climate change mitigation ambitions, biodiversity enhancement, delivery of the sustainable development goals while continue to ensure resilient supply of safe, nutritious and sustainable food to consumers.
- Trade-offs and conflicts are inevitable in the transition to sustainable food systems in the EU; this is especially true for companies along the food and feed value chain and food manufacturing sector,

which are catering for a wide variety of different needs of a diverse set of consumers. Balancing conflicting goals may be challenging and appropriate governance mechanisms have to be found to address this in an adequate manner. As any decisions on trade-offs may have different consequences up and down the value chain, it is important to **take a broad view and involve key stakeholders which are directly affected**.

- Any initiatives directly related to the contribution of the agri-food sector to climate change mitigation and adaptation should ideally be addressed in the F2F Strategy directly. It is of utmost importance to avoid **any sustainability trade-offs**, such as between energy efficiency and water consumption increase.
- As it is inevitable that there will be operators who will be able to move at a slower or faster pace, the European Commission should ensure that nobody is left behind and every actor is able to participate in a just transition towards more sustainable food systems.

AmCham EU members remain eager to support policy makers throughout the process and to be accessible when policy measures are discussed.

## Sustainable production

Agricultural technology can and should play a role in mitigating the threat to food production. Every effort must go in to finding tools and techniques that reduce the emission of greenhouse gases from agriculture, and to capture and store carbon in agricultural landscapes. **Food safety and security should never be compromised**.

- **The Common Agricultural Policy (CAP)** should offer the support that European farmers need in order to meet the EU Green Deal and F2F Strategy ambitions and objectives. In turn, any changes brought forward by the F2F strategy need to link clearly with the new CAP framework, including **additional budget and incentives** in order to **help strengthen the environment and climate change aspects of CAP**.
  - Farmers should be able to continue to incorporate innovative solutions for sustainable agriculture (including plant protection solutions), supporting production of safe and nutritious food for EU citizens. Changing climatic conditions mean that farmers will need new tools to control public health threats from mycotoxins or invasive alien species, for example.
  - The F2F Strategy should reiterate the need **for funding of comprehensive disease prevention programmes, including animal feed and feeding strategies that promote animal resilience capability and vaccination** in the CAP-funded National Strategic Plans and more precisely the CAP eco-schemes as an effective means of tackling antimicrobial resistance (AMR). Prudent use of antibiotics, coupled with disease prevention measures, including **breeding, animal nutrition and vaccination** will contribute to protecting animals from disease and preserve the usefulness of antibiotics.
- **F2F should be built on a science-based approach focused on coherent, evidence-based policy instruments**. The Commission should consider an indicator for agricultural productivity to ensure food supply is secure and resilient in general and in times of crisis. Better indication of current pesticide usage in all agriculture models will be essential for science-based decision making and monitoring of progress.

- **Identification, monitoring and novel technologies** are key to ensure better food chain management. Animal behaviour tracking systems contribute to better targeted feeding strategies. Early detection systems improve their welfare and prevent diseases. Information sharing throughout the entire supply chain fosters collaborations towards sustainable production. **Technologies lead to less food loss and waste.** They ensure better food chain management by enhanced information sharing, enabling all parties of the chain to collaborate on advancing sustainable production.
- **Digital technologies**, including weather forecasting, early detection and proactive measures towards pests and disease prevention and plant protection treatments can contribute to reducing the number of animals and plant-based products lost to health threats. They can also contribute to sustainable and responsible use of pesticides and other treatments in farm practices. They provide proof points to help farmers take efficient agronomic and production decisions while reducing the use of water and runoffs. **They also ensure the farmer and his family's wellbeing.**
- **AmCham EU also welcomes innovative and sustainable food processing technologies**, that are environment friendly, can improve the food quality, and reduce the production loss and waste. Only an encouraging policy and regulatory environment can foster the development and usage of such technologies. AmCham EU furthermore encourages the development and implementation of novel sustainable agricultural practices, including in the field of **new genomic techniques**, which hold exceptional promises for the development of smart agriculture that will be needed to address various agronomic and climate challenges. New genomic techniques should be part of the farmer's toolbox, especially due to pressures linked to **reduced availability of active substances and plant protection products, the lesser use of fertilisers.**
- The regulatory and policy environment in Europe needs to stay open and flexible to the development and application of innovation in the agricultural sector providing digital technologies, but also safer chemicals and acceleration of biological solutions. European farmers continue to lose tools faster than new ones can be found. Improved implementation of existing legislation could help adaptation to climate change and bring new technology to the market to deliver sustainable agriculture, whilst ensuring not only food safety, but also food security.

## Packaging

- There is a need for a **coherent and consistent approach on sustainable packaging throughout the European Green Deal.** Any new initiatives related to food packaging, should be addressed in the context of the F2F strategy to ensure that food safety will not be jeopardised and that food quality and shelf-life will not be negatively impacted.
- Any such initiatives should **take into account life cycle assessments (LCA) of products including the packaging itself.** An approach to packaging needs to involve all actors **building an infrastructure for the future** and should be geared towards and supportive of innovation. The Commission should develop European harmonised rules for all food contact materials, applying a risk-based policy approach.
- Given the importance of increased sustainability in the use of safe packaging materials, we urge that **Commission resources be increased to support a swift revision of the Regulation on recycled plastics in contact with food.**
- **EFSA authorisation processes**, such as in the context of food contact materials, **should be sped up** especially when there is an underpinning sustainability objective (e.g. uptake of food-grade recycled plastics)

## Sustainable consumption

- The continued delivery of safe and high-quality nutritious food is a responsibility of all stakeholders, both private and public. But in order to continue to provide products of the highest possible level of safety and quality, it is key to **ensure a coherent harmonisation and implementation of all food related policies**. This will be critical to strengthen responses to today's societal challenges, from rising obesity rates to malnutrition.
- A cornerstone of F2F Strategy lies in the provision of **better food information**. Given the amount of potential additional consumer information requirements on various aspects of food (environment, nutrition, animal welfare etc.) there is a need for an in-depth reflection at EU level in order to avoid confusion for the consumer and negative impact on business. Information to consumers need to remain clear and meaningful. Other ways of information than traditional labelling should also be explored, including via **digital means** and explore the possibility of a framework for digital consumer information
- **Avoid further fragmentation of the Single Market in the area of food information to consumers, and labelling**, by pushing back against unjustified and harmful national initiatives and/or by supporting proactive harmonised EU action.
- **Regulatory bottlenecks to innovation** (such as lengthy and strict approval procedures of novel ingredients and production techniques) should be identified and eliminated in order to ensure that innovative technologies and products can be introduced onto the market in a timely manner. For example, the limited possibilities for companies to communicate about nutrition and health aspects, the lack of public support to ensure consumer confidence in certain ingredients and technologies assessed as safe by the EU and the lack of support to make greater use of digital consumer information, are considered barriers to innovation.
- A key element of better food information should be to help consumers identify **healthy food with high nutrient density**, in addition to the existing label system on macronutrients. The consumers should be guaranteed of a wide range of choices, including fresh foods, from animal and vegetable sources, processed foods, food supplements and fortified foods, to achieve their dietary needs for an active and healthy life.
- The Farm to Fork Strategy will also need to stimulate sustainable food consumption while promoting affordable healthy food for all. To achieve this goal, the Commission and EU Member States should invest and roll out educational activities in schools, hospitals and other public organisations with the aim to help consumers make informed food choices.
- In order to contribute towards sustainable food systems and help tackle climate change, the issue of **food waste** also needs to be addressed. We believe that coordinating EU wide communication initiatives in partnership with schools and other networks are needed in order to raise awareness of ways to reduce food waste and achieve long term results.
- Fiscal measures, particularly those targeting individual food categories or ingredients, may have perverse effects (eg, in terms of regressive impact, substitution effects, cost absorption across the supply chain). They may not necessarily achieve intended societal objectives, whereas they can have a considerable impact on jobs and the competitiveness of the agri-food industry. The viability of any potential introduction of such measures should therefore be evaluated and considered carefully against sustainability in all its aspects.

## Sustainable trade and international cooperation

- Considering the global dimension of trade and sustainable development, for AmCham EU, it is important that the F2F Strategy includes an international dimension based on **cooperation and partnership** with the EU's trading partners. The EU has already established a set of instruments in trade and international cooperation that should be further explored regarding the implementation of additional initiatives regarding food sustainability
- While Europe produces a vast amount of raw materials, the food and feed industry also requires access to imports. **Long term security of supply** and support for **open and fair trade** with third countries needs therefore to be considered in the F2F Strategy discussion. Unnecessary trade barriers with third countries should be avoided and a level-playing field must be guaranteed.
- AmCham EU supports a strong **rules-based multilateral trading system** administered by the WTO, which provides legal certainty in international trade and investment. We also support reinforcing international cooperation in trade, sustainable development and further dialogue around sustainable food systems at global level in order to accelerate change.
- Trade is needed first and foremost within the European Union territory. In this respect, an overall **stable regulatory framework** and protection of the **EU Single Market** is crucial in order to ensure security for investment and private sector activities.
- In this respect, proposals originating from the F2F Strategy should undergo an *ex ante* Single Market test, the enforcement of measures by Member States should be closely monitored and early and swift action should be taken if unjust barriers are created in the Single Market.
- AmCham EU members are determined to help address global challenges by moving towards more sustainable food systems and implementing the United Nations Sustainable Development Goals (SDGs). Through the F2F Strategy, the European Commission should also focus its attention on reducing food poverty, promoting good health and wellbeing and ensuring climate-smart ecosystems.
- AmCham EU members also support the transition towards more sustainable food systems at international level, contributing to global food security and the implementation of the UN Sustainable Development Goals.

## Research and innovation

- **Research and innovation (R&I)** play a key role in the transition towards more sustainable food systems and should be supported by concrete actions on R&I **funding** for sustainable food systems, including public-private partnerships.
- Companies in the agri-food sector are making significant investments to sustain production capacity (such as factories and machinery) and to market evidence-based innovation to promote the health and wellbeing of European consumers and continue to meet changing consumer expectations. Innovation is key to guaranteeing the high-level quality and safety requirements (for instance safe chemicals, more biological solutions and a strong push in digital farming) this sector must meet as well as optimising product packaging and storage, among others. R&I is also essential to fast-track the transition to sustainable food systems and contribute to evidence based policy-making, which can also play a key role in helping the food industry meet global challenges. It enables the development of new products and technologies or the improvement of existing ones, with a view to bringing benefits to consumers,

workers and society as a whole. Climate and biodiversity crises need to be seen in a global perspective, where the EU does not export the problems, while at the same time putting food security at risk.

- Investing in R&I can favourably help Europe to remain competitive on a global scale but can also contribute to scale up projects and ideas to develop the food for the future. **AmCham EU welcomes and encourages public spending in R&I through initiatives or programmes such as Horizon Europe.**

## Better regulation

- Impact assessments should be required for every new or amended policy being proposed, rather than being required only when the Commission regards the potential impacts of a policy as ‘substantial’. In many cases, only the impact assessment reveals the magnitude of the consequences.
- Ex post evaluations of current measures related to the F2F Strategy should be carried out to ensure that these are still necessary or at least that they are framed in a way that takes stock of the observed accomplishments and limitations.
- The F2F Strategy should not be a static strategy but rather a dynamic exercise with a long-term ambition and regular evaluation/feedback loops. The Commission’s Better Regulation tools should not only ensure that individual measures are evaluated against their own objectives, but also that the measures/policies of the F2F Strategy are evaluated holistically in view of their overall contribution to social, environmental and economic sustainability and to the objectives set out in the wider Green Deal.