

ENRD Thematic Group on Sustainability Agreements in the agri- food supply Chain

Conclusions

[The Group](#) came together to agree a collective understanding of what constitutes a Sustainability Agreement, the challenges and barriers related to their establishment and implementation, and the added value of pursuing sustainability objectives through collective actions.

Sustainability Agreements are not new; there is no exact formula, or exact definition for them. The discussions provided an opportunity to explore the various approaches that reflect the diverse ways in which Sustainability Agreements can be implemented.

The Group acknowledged that the global effects resulting from recent critical events such as Covid and the Ukraine War, have seriously tested - and will continue to seriously test - the resilience of the food value chain (e.g. dependence on external inputs, increased input costs, product availability, increased prices for the consumer), with these effects particularly impacting on food production where threats to business survival are very real.

There was a strong consensus that such obstacles do not detract from the need for producers and all operators in the value chain to focus on sustainability. Sustainability Agreements provide an opportunity for creating added value, choice and premiumisation, whilst also supporting broader sustainability outcomes alongside business profitability. While these benefits are recognised, there was concern that any benefits to the supply chain will not be sustained in the long term, particularly once sustainability becomes the norm.

To that end TG members concluded that successful Sustainability Agreements should:

- **Build on existing best practices on collective actions** with sustainability objectives, including Sustainability Agreements (horizontal & vertical) across the value chain.
- **Apply an integrated approach** that builds business resilience e.g. cost reductions through collective actions and capitalises on sustainable use of natural assets in the locale and boosts the circular bio-economy.
- **Enable fair prices to producers** and others through integrated supply chains with mutual understanding and a culture of transparent co-operation throughout.
- Be **focused on the longer term**, with long-term objectives not being side-lined by short-term market needs.
- **Ensure that consumers understand fully what they are paying for**, and that they are aware of and understand how Sustainability Agreements can support the transition to sustainable food,



