

Best Practices in the Agri-Food Supply Chain

POLICY INSIGHTS

The annual <u>Forum on Best Practices in the Agri-Food Supply Chain</u> is organised by the EU CAP Network in close cooperation with the European Commission's Directorate General for Agriculture and Rural Development (DG AGRI). The Forum was launched in 2021 as one of the actions envisaged by the European Commission under the <u>Farm to Fork Strategy</u>, a key plank of the <u>European</u> <u>Green Deal</u>.

The Forum supports the transition to a sustainable food system by enabling the exchange of good practices between primary producers and other actors in the supply chain, with a view to increasing cooperation, improving the position of farmers in the value chain, and increasing market transparency.

The fourth meeting of the Forum on Best Practices in the Agri-Food Supply Chain will be held on 9 October 2024 in Brussels, Belgium, with a focus on '**Returning value to farmers**'. This edition will explore ways producers can increase returns through their active participation in the value chain. Cooperation between the actors of the food value chain will be one of the focal points, addressing how strategic business relationships within the value chain can be a win-win for all, particularly for producers and with positive impacts on the consumers.

The 2024 edition builds on the outcomes of the three previous sessions, each of which focused on some of the burning topics for agri-food supply chains. A common element of all the Forum editions is the presentation of concrete experiences related to each edition's topic (see boxes in this document).

The **first** edition of the Forum (December 2021) explored the **key challenges in the transition to a sustainable food system** from the perspective of farmers, Producer Organisations (POs), and retailers, as well as Member States and the European Commission. Relevant mechanisms available through the Common Agricultural Policy (CAP) to support sustainable agri-food supply chains were presented and discussed. The main outcome of the meeting was



the exchange of experiences of **collaborative approaches within and between POs and with other actors** along the food supply chain, which contributes to increasing the economic, social and environmental sustainability of the food sector.

The <u>second</u> Forum (November 2022) focused on exploring existing opportunities to promote cooperation along the agri-food supply chain in the transition to a sustainable food system. Emphasis was put on ways to strengthen the role of producers in the organic value chain, and on ways to support and improve market transparency in the EU's food supply chain, to the benefit of both agricultural producers and consumers.

During the <u>third</u> meeting (November 2023), the debate was focused on how stakeholders in the food supply chain are **facing the costof-living crisis**. The debate was focused on exploring causes, consequences, and solutions with representatives from across the value chain, looking at **how supply chain actors and Member States responded to increased costs and prices**, and how food inflation could have a potential impact on the achievement of the green and digital transition of the food system in the medium and long term.

Lessons learned and next steps

The new CAP enables Producer Organisations (POs) and Interbranch Organisations (IBOs) to expand their role and their competence to promote cooperation across various sectors, building on the successful experience of PO-led operational programmes in the fruit and vegetables sector – and help farmers benefit from recognised POs. In addition, the new CAP offers a broad range of instruments to support the food chain under the European Agricultural Guarantee Fund (EAGF), through <u>direct payments</u> and <u>sectoral interventions</u>, <u>including product support</u>. Under the European Agricultural Fund for Rural Development (EAFRD), the CAP can support interventions such as environmental <u>actions</u>, <u>investments in farms</u>, the <u>setting</u> <u>up of young farmers</u>, <u>LEADER</u>, EIP-AGRI <u>cooperation and innovation</u> <u>projects</u>, <u>quality label implementation</u>, and <u>knowledge exchange</u>.



Overall, the first three editions of the Forum have highlighted a few important elements for the sustainability of the agri-food sector.

First, there is a need to enhance **cooperation** and **sustainability** along the supply chain, as well as a need for **dialogue and greater market transparency** (on profit margins, price transmission, and ways to enable consumers to change their consumption patterns). The transition to more sustainable and viable food systems requires fostering **trust, confidence, cooperation, and long-term relationships** among food chain stakeholders. The **horizontal and vertical** <u>Sustainability Agreements</u> are key tools for cooperation in the new CAP.

On the producers' side, investment in **generational renewal** is crucial, as well as encouraging **organic value chains**, in the framework of the <u>EU's Action Plan for the Development of Organic</u> <u>Production</u>. <u>Knowledge and skills</u> need to keep improving – with advisory services and networking being key. Investment in **research, innovation and digitisation** is critical to the transition to sustainable food systems, and more effort is required in **adding value to by-products**, supporting the **circular bioeconomy**, and the development of **healthy and innovative products** for consumers. Besides, it is necessary to ensure the **economic viability** of the investments in the green and digital transition. For consumers, their **awareness** of the lifecycle of food and sustainable food production methods is key to steer buying decisions. Regarding the **social dimension of food inflation**, there is a need to target support for <u>access to sustainable and healthy</u> <u>food products</u> for the most vulnerable segments of the population, including by setting the pricing of products according to their environmental impacts.

The EU CAP Network continues to be informed by the outcomes of each edition of the Forum. <u>Thematic Groups</u> have looked at <u>Strengthening the position of farmers in the Organic Food Supply</u> <u>Chain</u> and <u>Sustainability Agreements in the agri-food supply</u> <u>chain</u>, as well as complementary topics such as <u>Nurturing Skills</u> <u>for a Thriving and Sustainable Agricultural Sector</u>. Upcoming work will include how Generation Z is <u>Leading Generational Renewal in</u> <u>Farming</u>.

Some of the <u>Policy Insights</u> articles offer elements to understand the role of the CAP in supporting <u>food quality policy</u>, <u>sustainable</u> <u>food systems</u> and <u>small farm resilience</u>. We also looked at <u>sectoral</u> <u>interventions</u> and <u>cooperation to foster food chain resilience</u>.

You can stay up to date via the **event page of the Farm to Fork Forum**, by following us on the EU CAP Network's **Facebook**, **X**, and **LinkedIn** profiles, and by subscribing to our monthly **newsletter**.







Case studies and good examples on Sustainability Agreements were highlighted during the 2nd Forum on Best Practices in the Agri-Food Supply Chain. Among them:

- Interbio Nouvelle-Aquitaine, which engages in the reduction of pesticide use, the transition to a circular economy, the protection and restoration of biodiversity and ecosystems, improving product quality, and ensuring a fair price and income for every actor across the value chain.
- DCOOP, a farmer-owned cooperative centred on family farming and the environment, with sustainable food produced locally by 75 000 farming families across Spain.
- Coldiretti Filiera Italia, an alliance between agriculture and the food industry.
- > Tierwohl, an agreement between the agricultural, meat production and food retail sectors.

More details on these examples are available on the <u>event</u>. <u>webpage</u> (see the presentation by Elena Garcia Garrido, ENRD/EU CAP Network)

Bioland e.V.

Bioland e.V. (registered association under German law) is the leading association for organic farming in Germany. Its main goal is to support the transformation of the agriculture and food industry according to strict ecological criteria. The association has a horizontal as well as a vertical dimension: Bioland includes both producers and actors along the entire organic value chain (processors, manufacturers, distributors, retail, and gastronomy).

Estandon (France)

The SOL VIVANT project is a good example of cooperation for sustainability in France, involving wine growers and cooperatives who joined forces to act against challenges deriving from climate change.

For more information, see the presentation by <u>Philippe Brel</u>, Director General, Estandon, during Session 1

GO CEREZA (Spain)

An **EIP-AGRI Operational Group** created to improve the competitiveness and sustainability of the entire value chain of cherry production in Extremadura (Spain). The project brings together 13 members: producers and Producer Organisations, LEADER Local Action Groups, a Research & Development organisation, and an Energy Efficiency and Climate Change cluster.

Danone (Spain)

A good example of cooperation between a dairy manufacturer and milk producers. Environmental objectives are included in the cooperation.

For more information, see the presentation by <u>Antoni</u> <u>Bandrés</u>, Agri Farming Director, Danone Iberia during Session 1.

Colruyt (Belgium)

A commercial group collaborating with Producer Organisations in the cattle supply chain in Belgium.

For more information, see the presentation by <u>Geert</u> <u>Hanssens</u>, Manager of Partnerships in Agriculture, Colruyt during Session 1.

