

EAPF Position on an EU Sustainable Food System Framework

Brussels, 26 October 2021

The European Alliance for Plant-based Foods (EAPF) welcomes the opportunity to contribute to the Inception Impact Assessment (IIA) on a sustainable EU food system initiative.

Moving towards more sustainable and resilient food systems requires deep changes in our production and consumption patterns that must be supported by a sound EU regulatory framework. The current legislative fragmentation, both at EU and national level, prevents an efficient implementation of food sustainability policies and gives rise to market distortions that make sustainable foods — such as plant-based foods — less affordable and accessible to consumers (e.g. different VAT rates across EU countries, which do not consider the environmental impact of food products). In addition, the existing legislation does not provide enough support to producers in developing more sustainable products (e.g. limited research and innovation funds addressed to innovative sectors and products, such as plant-based foods). Building a strong regulatory framework to enable the transition towards more sustainable food systems thus also requires reviewing existing rules and make them fit to reach the EU sustainability goals.

EAPF endorses the European Commission's (EC) ambition to create a horizontal framework that would harmonise food sustainability initiatives and streamline their implementation across Member States, making sustainability a pillar of EU food policy, alongside the food safety framework that currently applies. Such a framework would help level the playing field and support the production and uptake of sustainable foods.

Considering the complexity of this challenge, EAPF is in favour of developing an overarching framework legislation, as per Option 4 of the IIA.

EAPF calls on the European Commission to consider the following principles in the development of a sustainable EU food system framework:

- 1) To establish a harmonised definition of sustainable food systems;
- 2) To consider food sustainability in a holistic manner;
- 3) To provide food system actors with stronger incentives to produce more sustainable foods;
- 4) To foster the uptake of more sustainable dietary patterns.

1. Establishing a harmonised definition of sustainable food systems

A harmonised definition of "sustainable food systems" would facilitate a common understanding and implementation of the framework. It would help define cross-sectoral sustainability



requirements and coordinate actions by different food system actors along the value chain. Such definition should be easily enforceable and should be aligned as much as possible with existing international standards. EAPF endorses the definition provided by the Food and Agriculture Organisation of the United Nations (FAO)¹, and stresses the importance of a shift towards more plant-based diets to build food systems good for the people and the planet.

2. Considering food sustainability in a holistic manner

A comprehensive framework legislation should account for the three pillars of sustainability – economic, social and environmental – in the assessment of food products' sustainability. This is particularly important, considering that the current regulatory framework fails to consider environmental and social aspects, thus creating market distortions that favour less sustainable foodchoices.

The framework should, for instance, enable the establishment of a "true price" for food products – taking into account negative externalities such as CO₂ equivalent emissions, water usage, land usage, waste generation etc. – across Member States. If well implemented, it can be a powerful tool to shaping more responsible food choices, making sustainable options accessible to all and incentivising more sustainable production practices.

3. Providing incentives for food system actors to produce more sustainable foods

The current regulatory framework lacks sufficient financial support for food system actors to produce, develop and promote sustainable foods. This hinders the achievement of the EU Green Deal's and Farm to Fork (F2F) Strategy's sustainability objectives, limits the uptake of sustainable production practices, as well as the growth potential of innovative sectors, and is not conducive to the promotion of sustainable consumption patterns.

To address these shortcomings, more research & innovation (R&I) funding should be channelled towards promoting the development of sustainable products, such as plant-based foods and products analogues to animal-based foods, which can concretely contribute to addressing the current climate crisis. In addition, Regulation (EU) 2020/852 (the "Taxonomy Regulation") could play a pivotal role in re-directing both public and private investments towards agri-food companies supporting the transition to more sustainable food systems. Finally, the framework could also make use of taxation incentives to facilitate access to less carbon-intensive foods. The EC should thus

A sustainable food system (SFS) is a food system that delivers food security and nutrition for all in such a way that the economic, social and environmental bases to generate food security and nutrition for future generations are not compromised. This means that:

¹ FAO <u>defines</u> a sustainable food system as follows:

[•] It is profitable throughout (economic sustainability);

[•] It has broad-based benefits for society (social sustainability);

[•] It has a positive or neutral impact on the natural environment (environmental sustainability).



consider lowering the tax burden on products that can support the EU's sustainability ambitions, such as plant-based foods. Currently, in many Member States, plant-based products are subject to a higher VAT rate than their animal-based counterparts: for instance, plant-based margarines and spreads are often subject to a far higher VAT rate than dairy butter; the same goes for alternatives to meat and dairy products. The development of a horizontal framework to harmonise food sustainability initiatives provides an opportunity to overhaul outdated legislation that disincentivises sustainable production and consumption.

4. Fostering the uptake of more sustainable dietary patterns

Under the current food system paradigm, the interplay of economic, social and cultural factors incentivises unsustainable purchasing decisions and dietary patterns. In addition, the current lack of true pricing and an uneven playing field often make sustainable alternatives more costly, disregarding important elements such as a product's environmental impact.

The upcoming framework legislation should include measures that empower consumers to make more sustainable purchasing decisions. This can be done by **providing transparent product information via e.g. food labelling**, enabling consumers to directly compare the environmental credentials of products with equivalent functionality (e.g. plant-based drinks and milk). Clear food denomination would also be instrumental in guiding consumers' choices. This is why rules that constrain the labelling of plant-based foods and products by protecting denominations (e.g. the ban on commonly-used consumer terms like "vegan cheese" or "oat milk"), as well as any proposal on the matter, represent a further hurdle in the transition towards a sustainable food system, and should thus be lifted.

Finally, public procurement can also contribute to building more sustainable dietary habits and facilitating access to nutritious and environmentally friendly food in public settings, such as schools and hospitals. EAPF supports the establishment of minimum mandatory criteria for sustainable public procurement, such as a minimum threshold for plant-based foods.

Taking into consideration the aforementioned principles would make an effective contribution to the creation of a sustainable food systems framework legislation that would place sustainability at the heart of EU food policy. EAPF looks forward to working together with actors in the food value chain, policymakers and public authorities to make this ambition a reality.

The European Alliance for Plant-Based Foods (EAPF) brings together like-minded organisations in the plant-based value chain around a unique mission: To put plant-based foods at the heart of the transition towards more sustainable and healthy food systems. The Alliance represents the entire plant-based value chain: Food producers and manufacturers, NGOs, nutritionists, research & academia, and consumers.