Code of conduct on responsible business and marketing practices
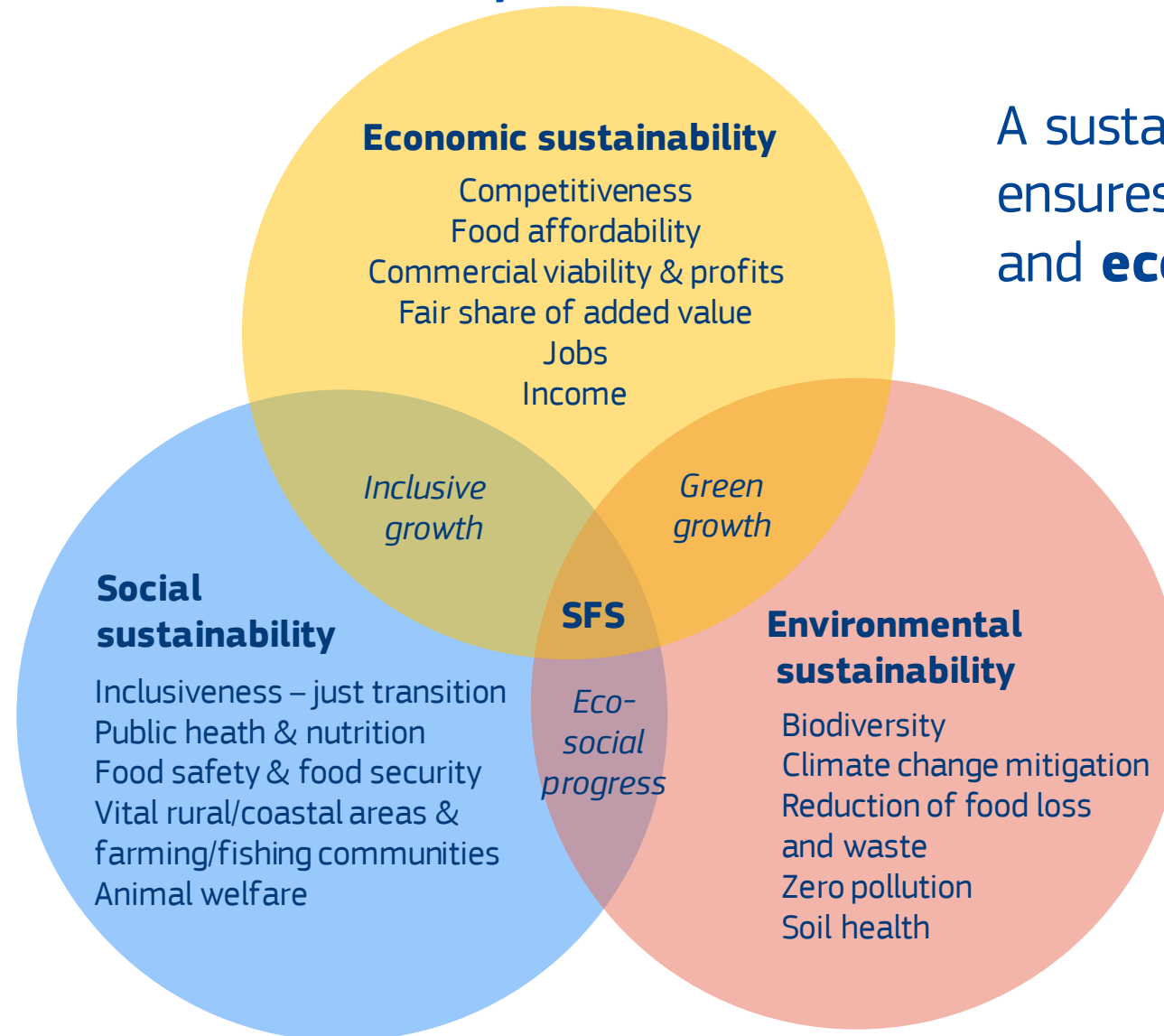
Farm to Fork Strategy

Market Advisory Council

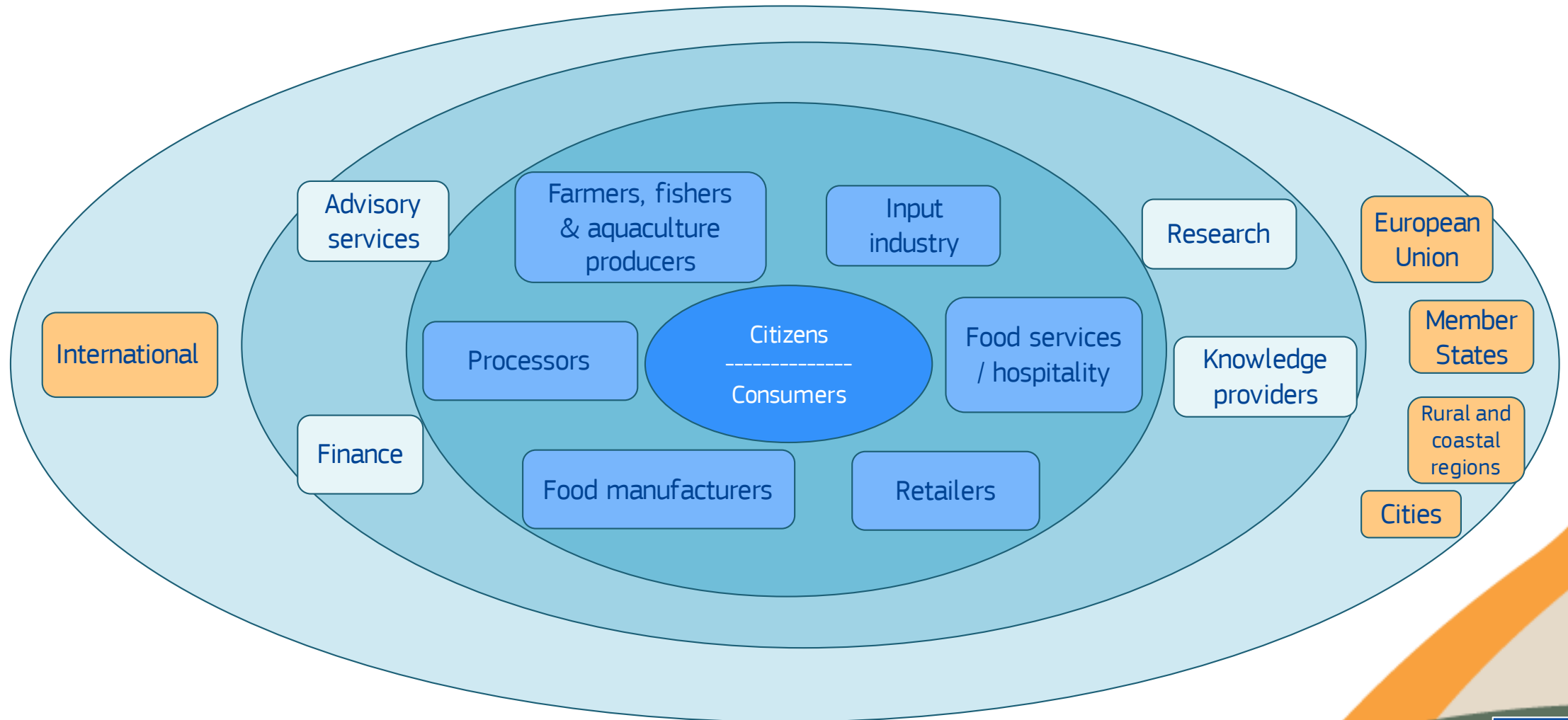DG SANTE (D1)

26 March 2021

European Union

Sustainable food systems for sustainable societies

A sustainable food system (SFS) ensures **environmental, social** and **economic sustainability**

Economic sustainability

Competitiveness
Food affordability
Commercial viability & profits
Fair share of added value
Jobs
Income

Inclusive growth

Green growth

SFS

Eco-social progress

Social sustainability

Inclusiveness – just transition
Public heath & nutrition
Food safety & food security
Vital rural/coastal areas & farming/fishing communities
Animal welfare

Environmental sustainability

Biodiversity
Climate change mitigation
Reduction of food loss and waste
Zero pollution
Soil health

Source: Adapted from FAO, 2014 and SAM, 2020

European Commission

Integrated approach from farm to fork needed

Actions to stimulate sustainable practices by food industry and retail, hospitality and food service

Develop an EU code and monitoring framework for **responsible business and marketing conduct** in the food supply chain (2021)

Initiative to improve the **corporate governance framework (**integrate sustainability into corporate strategies) (2021)

Stimulate **reformulation** of processed food, including setting of **maximum levels for certain nutrients** (2021)

Set **nutrient profiles** to restrict promotion of food high in salt, sugar or fat (2022)

Proposal revision EU legislation on **Food Contact Materials** (food safety, environmental footprint) (2022)

Revision **EU marketing standards** for agricultural, fishery and aquaculture products (ensure uptake and supply of sustainable products (2021-22)

Enhance coordination to tackle **Food Fraud** (2021-2022)
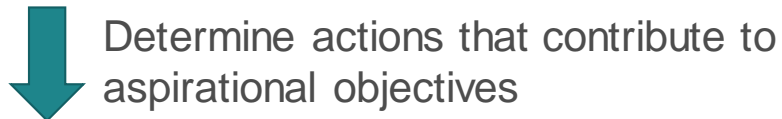
The EU Code of Conduct: Scope

- Focus on actions by actors of the "middle of the food chain": food processors, food service operators and retailers;

- Encourage voluntary actions which improve their sustainability performances with spill-over effects on both sides of the chain i.e. primary producers & consumers;

- Address the 3 pillars: environmental, economic and social sustainability;

- Shift the norm for food business culture towards sustainability whilst guaranteeing fair and transparent competition;

- Provide clarity and build additional trust among all food system actors;

- Involve all, especially SMEs; and

- Promote front-runner solutions.

Two components in Code of Conduct

Component 1 = general part Code

Component 2 = specific part Code for individual companies

Aspirational objectives

Selected targets + monitoring framework

Determine actions that contribute to aspirational objectives

- Specific actions that can be practically adopted by all actors;
- Go beyond current legal obligations and existing voluntary codes;
- Minimizing administrative burden esp. for SMEs.

Freedom for companies how to reach targets

Monitor adherence to Code

Commission will monitor overall effect F2F (incl. Code)

Monitor progress (outcome)

European Commission

Topics & aspirational goals Code of Conduct based on:

International agreements and conventions, such as:

- UN Sustainable Development Goals
- 'Paris' target to reduce greenhouse gas emissions
- Biodiversity (CBD): Strategic Plan for Biodiversity, 2011-2020

EU policy documents, amongst other Green Deal ambitions:

- Farm to Fork Strategy
- Biodiversity Strategy
- 2030 Climate Target Plan

Other relevant input:

- Existing guidelines, good practices
- Input from stakeholders

Purpose of aspirational objectives

- Non-binding objectives;

- Objectives will show for which themes change is needed, and how much;

- The actions included in the Code should be proportional to the aspirational objectives;

- Overall objectives, in many cases other policies and developments will contribute (for example climate policy, CAP, CFP etc);

- Objectives may help to build an intervention logic and show which actor can contribute;

- Objectives will provide guidance for concrete commitments by individual companies (second component);

- Objectives are often thematic, actions might be more integrated (for example synergies between health and environment);

- Objectives will create link to monitoring;

- Strive for limited number of objectives: ranking of priorities.

The EU Code of Conduct: Process

- Co-design involving:
  - "Middle of the chain": operators and associations
  - Primary producers: e.g. farmers and fisher associations
  - Consumer representatives
  - NGOs, experts and academia
  - EU Member States
- Takes into account existing work and existing legislation and policies
- Builds on best examples (e.g. industry codes, existing national and international work)

The EU Code of Conduct: Process

- Four different Task Forces set up:
  - Promote healthy and sustainable consumption patterns
  - Improve sustainability of internal processes in the middle of the chain
  - Improve sustainability of the food value chain
  - Cross-cutting: monitoring framework
- Parallel track with individual companies
- Result: two components
  - Aspirational objectives with concrete actions
  - Quantitative commitments by individual companies

Process taskforce

- Four Task Force thematic sessions, all chaired by FoodDrinkEurope.

- Meetings take place under Chatham House rules.

- Each TF consists of members that attend all TF meetings, and specific TF members. This allows coherence and coordination in the work between the different TF meetings.

- Limited number of members per taskforce (around 20) in order to have constructive discussions.

- Three meetings per Taskforce.

Process:

- TF meetings are meant to bring solutions, not the problems

- Homework questions ahead of the TF meetings, proper preparation will allow smooth progress

- TF members bring their expertise, when possible existing initiatives refer

- If not part of the middle part or primary producers, TF members share their expertise in an objective and scientifically-underpinned way

- Rapporteurs will prepare text for the building blocks and a half-a-pager for the webpage after each TF meeting

- Building blocks and progress will be reported at the plenary meetings

- Decisions will be taken on a consensus-basis

Task Force deliverables

- TF1, TF2 and TF3 (under component 1) will concentrate on the aspirational objectives and actions and will encompass the three pillars of sustainability

- A list of priorities will be set (largest impact, data available?)

- TF4 will concentrate on the monitoring of the actions in the above

- Parallel track with individual companies to be set up, Commission will provide a framework for these component 2 commitments

- Associations will be involved to notify companies hereof and ensure coherence

Thank you for your attention

Any questions?