
Business Strategies to Implement the EU Farm-to-Fork Strategy and Accelerate the Transition to a Sustainable Food System and Regenerative Agriculture

*Executive Roundtable Summary
Virtual Conference – March 30, 2021*

Background

The EU green deal has far reaching implications for Europe’s food sector. How ready is the sector to adapt and how will these changes enable farmers and companies to adapt and thrive? Expert interviews and a series of four Executive Roundtables are seeking insight into key areas of focus and opportunities to accelerate the transition to a sustainable food system. The first Roundtable was held under the Chatham House Rule on March 30, 2021. It brought together 52 senior sustainability, procurement, farming, and government affairs executives from eleven countries, including 35% from food companies and retailers, 25% from academia/ NGO/associations, and 40% input/ agronomic service providers.

Participants

Host

Petra Laux, Acting CSO, Syngenta



Speakers

- **SYSTEMIQ:** Rupert Simons
- **Tesco:** Anna Turrell
- **Soil Association:** Helen Browning
- **Metro:** Veronika Pountcheva
- **Soil Capital:** Andrew Voysey
- **Agrya:** Miklos Weisz
- **Spearhead International:** John Atkin
- **Wageningen University:** Johan Bremmer

Moderators and small group facilitators

- World Environment Center:
Glenn Prickett and Frank Werner
- Suseco: Louise Nicholls
- Progressive Agriculture Services: Charlie Curtis
- Syngenta: Dominic Widmer

Key Points

- (1) An introductory poll** revealed that more than 40% of participating experts identified the EU farm-to-fork strategy as essential to accelerating the transition to a sustainable food system and 25% think it is crucial to ensure a competitive landscape for business and to set minimum standards. Whilst 2/3rds supported the core strategy, 1/3rd raised concerns on how it will align with other international standards or lacked sufficient detailed knowledge to comment. The result is remarkable as it suggests that concerns are not so much about the specific goals of the Farm-to-Fork strategy but rather details of its implementation – and how farmers will be able to adapt, as shown during the course of the event.
- (2) With only 8 growing seasons to 2030, critical gaps must be addressed to accelerate system change.** In 2021 the EU and global agricultural systems are no longer fit for purpose and need radical change. Food and Agriculture is responsible for 30% of GHG emissions, 80% of forest loss, €100bn losses from degraded soil (EU), globally 500m smallholder farmers without access to capital, land rights or upskilling, and 2 billion obese while 1 in 5 children stunted, according to a participating expert. Success stories are emerging but not yet scaled. Critical gaps are preventing rapid system change;

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- No unifying vision and framework for ‘Nature Positive Farming’
- No clear transition pathways to 2030 outcomes that can galvanize and guide collective action
- Insufficient market incentives to drive rapid scaling of nature positive practices
- Resulting in Insufficient collective action at the scale and speed needed

In short, there is insufficient collective action to get us from a farming system oriented towards yield, scale and profit, to one that is truly abundant, regenerative and equitable, complying with the Paris Agreement, UN Sustainable Development Goals and the goals that Europe has set for itself in the Green Deal by 2030. This is best achieved through outcome-based goals and adopting farming methods more aligned to organic farming or regenerative agriculture, which lead to enhanced soil capacity to store carbon and water, enhanced biodiversity, enhanced plant resilience at reduced synthetic inputs, enhanced farmer livelihoods and reputation as well as enhanced nutritional quality of food. It was stated that the world’s agricultural system would be able to feed 10 billion people sustainably with affordable, nutritious food for all and support farmer livelihood, if half of the world’s agricultural land adopted these farming methods. Based on this understanding and the EU’s determination to walk that direction, food system partners in Europe ought to be part of the global transition. *One participant put it this way: ‘The Green deal is a little bit like sending a man to the moon with an air balloon and a slogan. The EU might not know yet what they are doing, but they are determined, and the balloon has left, and it is not returning....’*

As there is a clear EU strategy, but no supportive implementation plan by the EU, the corporate sector needs to step up and develop transition plans for each part of the sector to support a thriving food and farming system in 2030. It was noted that the psychological power to be part of creating something positive (as opposed only to reducing something harmful) should be factored in as it will drive implementation. Concrete measures should include actively shifting diets, supporting land use change through payment for ecosystem services/carbon offsetting to get farmers the confidence to invest and to support them through what can sometimes be a difficult transition. It also means accelerating greater access to expertise, research data and transparent sharing of the business case to act. Several studies are available, and one by the [Food and Land Use Coalition](#) (2019) was highlighted: it shows how reducing per capita meat consumption in the EU by two thirds will reduce the use of pasture land and cropland by one third, making it possible to restore natural and forested land the size of France. That scenario is possible, given the changing dietary preferences of the younger generation in combination with the growing availability of plant-based substitutes for meat.

(3) We cannot expect the consumer to drive the transition; instead, the food value chain needs to articulate and establish the business case and align with the regulatory, fiscal and communications frameworks.

It is important to make the distinction between people as consumers and citizens because society and people in their citizen mode are often demanding and wanting change but that doesn't always immediately translate into what people buy. Consumers are very fragmented; they are very individual in their thoughts and their action. If business waits for consumers in large numbers to demand healthy and sustainable food at higher prices we may be waiting for a very long time. Education to support consumers on the journey is important, but even more so retailers must make the choices on behalf of

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consumers, fill their shelves with sustainably sourced products and clearly communicate the benefits (the sustainable basket metrics offered through collaborations with WWF was mentioned) In the debate some experts suggested that non-regenerative food should simply not be offered to consumers at all -and in this way signal to the food chain including farmers that the market for these products exists and grows, while others, who also have non-replaceable products on their mind which cannot be labelled clearly, suggested to tell compelling stories for better choices, e.g. in the hospitality sector “less meat in a fantastic meal”. Participants were keen to explore further the link between health and sustainability, consumers’ values, and nudging purchasing practices. In any case, increased collaboration and knowledge sharing throughout the value chain was commonly recommended by participants. This includes sustainability labelling where participants articulated the messaging needs to be much broader, compelling, and consistent – engaging, educating, inspiring citizens to value food and food producers.

- (4) Organic food is commonly understood by consumers, is growing in market share** and so participants discussed if engaging consumers on regenerative agriculture could learn from the organic movement. It was noted that organic is not an overnight success story, the consumers’ knowledge and understanding has been developed over the last 60 years. The organic movement has had tremendous involvement from farmers, as well as scientists and nutritionists and a broad range of consumers. So perhaps the biggest learning is the importance of consistency of messaging. This is a system change, not isolated individual issues. Consumers can engage via their personal primary concern such as animal welfare or pesticides or whatever it might be but join the broad organic movement. Organic has consumer acceptance, trust, and traction- it is important to build on it, as some participants stated, rather than fragment the market further. It was acknowledged, though, that some crops are more suitable for organic farming than others, and for some crops like pulses, there's actually little yield difference. What is needed is better research and crop development that is suitable for organic systems. Currently the research balance is wrong, too focused on selling farmers inputs and not enough into the knowledge farmers need to manage more complex and diverse systems.

On the other hand, while the EU’s ambition to increase organic food to 25% is important, we still need to worry about the other 75%. As it cannot be the goal to create a sort of green oasis in one place, we need to make sure that all of farming is moving in the right direction and that's why outcome metrics are helpful. Regenerative agriculture obviously has an important place here, but how can it be scaled without adding more schemes and greater complexity? What is crucial is that all the schemes and environmental management systems support the same outcomes.

- (5) Other than organic farming, regenerative agriculture is not mentioned an area of action by the EU Farm-to-Fork strategy.** This does not mean that it is not part of the solution, which is also true for other concepts such as nature positive farming, agroecology, etc. Rather, these are comparatively new, and definitions may not be as clear. Most importantly, regenerative ag is not a standard of good practice: it focuses on principles and outcomes, especially on soil health. Data from regenerative practices on

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the 5,000 ha farmland that one participant's organization manages, shows that since measurements took place three years ago organic matter was increased by 9%, soil carbon was increased by 13%, the yield increased by 5%, while chemical inputs were reduced by 6% (it is estimated that over time these figures may improve, certainly always depending on soils involved). With these trends continuing, this area of 5,000 ha will absorb 30,000 tons of Greenhouse Gases until 2030. Fertilizers were switched by about a quarter to natural fertilizers. At the same time, the output/ha increased by 11%. Clearly, this pilot data needs large scale-verification, however, it shows the potential of regenerative agriculture.

Participants highlighted the unintended consequences of regulation and the need for best practice to be available and promoted before regulations are enforced. One cited example was the return of the unwanted practice to spray more pesticides when a certain product to treat seeds locally is not allowed anymore. The EU's examples and support for "alternative business models" seem not to be well known.

- (6) Regenerative agriculture is one of the different names for nature friendly farming, besides agroecology, organic, nature positive, etc.** Whilst there are different names there is growing agreement with outcomes, namely that we should be sequestering carbon in soil, increasing its carbon stock over time, enhancing biodiversity, the climate resilience of crops, reducing synthetic inputs and increasing the nutritional quality of the food. Increasingly there is also a recognition the outcome needs to deliver better livelihoods, security, and wellbeing for farmers.

A couple of barriers to shifting towards regenerative farming have been identified:

- fear of economic loss (farmers lack good visibility about their own operations – they need good diagnostics tools)
- lack of confidence (lack a deep understanding how implementing alternative practices will be beneficial, especially when neighboring farms hold on to applying conventional methods)
- no clear sign of incentive from policy and markets

First-hand experience indicates that shifting towards regenerative farming starts with a lot of work to do the baseline inventory of the soils on a farm. So, there are indeed initial additional costs, especially for soil sampling and evaluations, as well as new farm equipment and seeds, of approximately 50 euros a hectare, which can later on drop to 10 euros a hectare with support from satellite assessments on large farms. However, it's not just the cost, participants shared that knowledge transfer, time to learn and apply that learning are also barriers for faster adoption. On the other hand, within three years, the benefits can already show.

[Soil Capital](#) developed programs for farmers to help them transition to low carbon methodologies and thrive economically at the same time. A program with 150 Belgian and French farmers is currently taking place, with initial analysis revealing that the economics match with environmental goals as the more efficient lower cost producers are either the lower Greenhouse Gas emitters or are sequestering carbon. However, even more interesting is the fact that a few large agricultural companies have

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volunteered to participate in the project, testing their willingness and ability to purchase carbon credits that result from farmers' ability to avoid emissions. A financing model might be evolving to help farmers make the transition while providing an economical source for companies in the food chain to reduce their carbon footprint.

As brands understand the carbon capture options for scope 3 emissions there is also lots of opportunity, especially when also considering reduced inputs, improved soil moisture, increased organic matter, greater resilience to droughts & flooding, and with time double digit yield improvement. The farming community has shown before that banned pesticides can be a much needed stimulus to change farming practices for the better. Many farmers have been on this journey for a while, but felt undervalued, and opportunities to monetize and literally value what they have been doing are well received. Chances are good that national governments and the EU commission, in parallel with market signals, will help to overcome some of the barriers mentioned. In such times it makes good business sense to go ahead and not wait for the laggards.

- (7) With only 40 harvests in their careers, farmers appetite for risk is low. Food chain partners must support.** Adding to the pressure to make each harvest a success, low margins, exposure to more variable climate and fluctuating commodity markets mean that farmers cannot take additional risks. Providing diagnostic tools which enable farmers to better understand their own performance relative to other farms in their sector and geography can help to overcome barriers. Participants discussed how to help farmers with the 'fear factor' and how to create a psychological safety net through peer-to-peer learning and longer-term contracts to underwrite short term losses. Others voiced it is not just about education, but inspiration through social media, farm visits, and tangible examples. Carbon finance is one option, however there was a note of caution, as there needs to be a credible framework and metrics so farmers invest in a climate smart way for their long-term sustainability.
- (8) "It is like the elements of the value chain are in a brass band, we have all got our instruments but we're missing the conductor and the sheet music".** It became clear that the private sector must lead the transformation and it sure can. However, we need to move out of siloed thinking to a new level of trusted collaboration and shared accountability, openly sharing data through supply chains, giving farmers confidence that there will be a market for nature friendly products. To achieve this transition and accelerate action for the benefit of all, actors need to adopt a mindset for continuous improvement, look at problems in a systemic way, become outcome focused, reduce complexity, and increase collaboration.