

Five requests towards a sustainable, resilient and innovative EU food system framework legislation



EU Specialty Food Ingredients, the voice of over 200 manufacturers of specialty food ingredients, urges the President of the European Commission, Ms. von der Leyen, the Members of the European Parliament, and the Council of the European Union to continue engaging with tangible proposals in the process for the transition towards a sustainable, resilient and innovative EU Food System. The 'Political Guidelines for the next European Commission' do not mention any proposal for a Sustainable Food Systems Framework (SFSF); therefore, EU Specialty Food Ingredients invites the EU Commission to remain committed to the sustainable transition of the food supply chain.

The food and drinks manufacturing industry is a key contributor to the EU food ecosystem. With about 1 trillion-euro annual turnover and the world leader exporter of Processed Agricultural Products (PAPs), it is the largest manufacturing sector of the EU. Most of them wouldn't exist without specialty ingredients. To this end, we recall that the specialty food ingredients industry represents the frontrunner of innovation, bringing technological and/or nutritional value to the processed food all of us enjoy every day.

To this end, EU Specialty Food Ingredients calls for the European Commission Presidency to clearly outline its ambitions in the upcoming publication "**Vision for Agriculture and Food**". The EU specialty food ingredients manufacturers ask for adequate time and opportunities for dialogue to contribute to the drafting of this overarching legislation.

With this document, we invite you to consider the following five requests to be included in the framework legislation.

01 Integrating the economic dimension of sustainability in the future legislative provisions

It is crucial to include the economic aspect for the successful transition of the food ecosystem. However, the economic pillar, which encompasses the resilience of the EU food sector, was somewhat neglected in the documents related to the SFSF in the previous mandate.¹

The European Commission must carefully assess the impact of geopolitical and macroeconomic factors in agri-food ecosystem as the geopolitical situation followed by inflation and supply chain shocks have increased energy and raw material costs for food and food ingredients manufacturers, putting European producers at a competitive disadvantage compared to international stakeholders. Thus, we ask the EU Commission to accompany any future proposal concerning the food supply chain's sustainability with an impact assessment on competitiveness and innovation aspects. Therefore, it is fundamental to recall the need for a stronger EU competitiveness strategy that starts by supporting the EU food and food ingredients industries on R&D to develop innovative and more sustainable ingredients, meeting at the same time the new dietary needs.²

To this end, public-private research and investment partnerships (Horizon Europe, Cluster 6) and specific industry-oriented provisions (i.e. Taxonomy delegated acts, or other food industry-specific measures³) should be encouraged. Still, a significant financing gap to meet the EU sustainability goals persists. Thus, we support the Antwerp Dialogue pledges for a Clean Industrial Deal along with a comprehensive cross-sectoral strategy and EU Food Investment and Resilience Plan to secure Europe's long-term food security and international competitiveness in the sustainable transition.

02 Establishing a conducive, business-oriented, EU regulatory environment for a stronger and harmonized single market

Creating a supportive EU regulatory environment for the food industry is crucial. The current legislative framework hinders innovation, feeds unnecessary polarizations and cumbersome enforcement, and increases uncertainties in the food and supply chain, as, for instance, in the case of the EU Deforestation Regulation.

Thus, policy decisions should be based not only on scientific evidence but also on cost-benefit assessment and SWOT analysis. The drafting process should foresee the support of technical dialogues with food supply chain stakeholders to assess possible regulatory burden, trade offs and inconsistencies before entering into force to avoid market gaps. For the same reason, we urge the EU Commission to conduct impact assessments as an integral part of the legislative process, to guide the design of the final proposal. Strengthening governance and long-term coordination within the food supply chain is vital for a successful transition to sustainable and resilient food systems.

Establishing a dedicated position for the agri-food sector within the European Commission and creating a specific dialogue forum for the food supply chain ecosystem, including all the stakeholders of the food supply chain including food ingredients manufacturers, will help address these concerns.

03 Acknowledging the role of innovation

Innovation and the support to innovative stakeholders is crucial for the EU sustainable transition and for the EU to remain competitive in the long term in a changed market context.⁴ The specialty food ingredients sector invests 3-8% of its turnover in research and development to support sustainable transition, circular use of input⁵ and healthy diets (i.e. the manufacturing of alternative proteins for diversified diets, support for nutrient-rich diets, i.e. probiotics, prebiotics and dietary fibre⁶), but many innovative products fail to reach the EU market due to slow and complex approval procedures and uncertainty about return on investment.

While on the one hand the EU Commission promotes innovation, very little has been done to concretely promote 'the innovation principle' among the EU legislation.

To boost investments and long-term food and food ingredients industries confidence in developing sustainable products and novel foods, a supportive policy environment that fosters innovation and its predictability is crucial. For instance, developing and authorizing a new food ingredient in the EU can take over ten years, a process several times longer than in third countries. This requires substantial financial resources and reduces the profitability of the investment. This outmost demanding process, slowed down by regulative inconsistencies and crowded regulatory system is also causing talents and resources drain out of Europe. The EU Commission has a role in addressing these points and acknowledging along with the 'precautionary principle' the role of the 'innovation principle'.

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04 Engaging in solutions with an integrated and holistic ecosystem approach

A resilient food system requires an integrated approach to legislation at the EU level, as well as engaging in dialogues with all food stakeholders. For instance, the legislation targeting the primary sector has implications that should be assessed from a food supply chain perspective. The same applies to provisions targeting food safety, competitiveness, industrial green transition, investments, research, or other related areas. Food safety legislation enforcement and interpretation might create conflicts or idiosyncrasies, for example, by increasing food waste or slowing down the research process of innovative ingredients.

The EU food and drink industry was actively involved in numerous consultations, including those of the Advisory Group on Sustainability of Food Systems. However, the role of specialty food ingredients manufacturers in proposing solutions that consider food safety and sustainability was overlooked in strategic food-linked initiatives such as the Strategic Dialogue on the Future of EU Agriculture.

A genuine open partnership is necessary for legislative proposals and strategic dialogues on the future of the EU food system to go beyond the current in-silo legislative approach and develop innovative solutions that benefit the whole food supply chain as well as the consumers and the society at large.

To this end, we propose the creation of a high-level position within the EU Commission dedicated to the agri-food ecosystem. The role of this person would be to coordinate and bring holistic thinking to legislation impacting the agri-food sector, putting together all the different voices of the EU food sector. For this role, a sound and empirical knowledge of the EU food supply chain and market dynamics is needed, along with a proved engagement in dialogues with the stakeholders, to develop practical solutions for innovative, sustainable, resilient, and competitive EU food systems.

05 Providing scaling up provisions to support EU SMEs innovation to adapt to the changed context/needs

Recent reports⁷ underline the need to strengthen the resilience and competitiveness of the EU food industry by a stronger EU Single Market. This crucial aspect leads to prioritize investments in food supply chain to accelerate the innovation process and market deployment of existing and new sustainable solutions.

The EU food and drink industry is characterized by the significant presence of SMEs that are the most exposed to market disruptions. Also, SMEs often lack the necessary resources to invest in long-term projects. In recent years, the specialty food ingredients industry has developed many innovative, sustainable, and circular ingredients. The R&D efforts of some of them have been financed through funding schemes such as Horizon or partnerships like the Circular Bio-Based Europe Undertaking. Despite this, many of these innovations still do not make it to the market or remain as isolated examples because of the difficulties of SMEs in finding resources to succeed in all the steps from R&D, to pilot phase, till reaching the market. Additionally, more than half of SMEs in Europe flag regulatory obstacles and administrative burdens as their greatest challenge.⁴ As stressed in the EU Council 2024-29 Strategic Agenda, coordinated and long-term policies for bolstering our competitiveness are required to support and scale up these innovations from pilot to industrial scale.

It is essential to support innovation and research with a long-term, conducive legislative framework able to accompany also the SMEs in the transition.

To conclude, we urge the EU decision makers to remain committed in delivering within this new mandate an ambitious, innovative, achievable, and coherent SFSF proposal enhancing the sustainability resilience and innovation of the EU food and food ingredients industries in the next decade while producing the highest quality, healthiest and safest food in the world.

We remain available to provide you information and to meet you.

REFERENCES

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https://www.specialtyfoodingredients.eu/wp-content/uploads/media/Processed_Foods-Paper.pdf
- 3) [Strategic Dialogue on the Future of EU Agriculture report 'A shared prospect for farming and food in Europe'](#)
- 4) [The future of European competitiveness](#)
- 5) [EU Specialty Food Ingredients on the way forward sustainable food systems framework](#)
- 6) ['Selected Specialty Food Ingredients & their benefits for gut microbiome and health'](#) and ['Synthetic Food ingredients: debunking the myths with facts'](#)
- 7) ['The 2024 Annual Single Market and Competitiveness Report'](#) and ['The Long-term competitiveness of the EU: looking beyond 2030'](#)

