

FARM TO FORK

SWEDISH FOOD FEDERATION
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Sustainable food systems and Farm to Fork

Summary

Sustainable food systems is the objective of the EU food strategy Farm to Fork, which was presented by the European Commission in May 2020. The Swedish Food Federation welcomes a coherent food policy and agrees with the overall objective. The EU strategy must promote all aspects of sustainability – environment/climate, health and economic profitability. As the focus of the Commission's strategy is on the first two of these, it needs to be given clearer objectives regarding profitability and competitiveness for the European food sector.

With a view to the work ahead on the strategy, the Swedish Food Federation would like to highlight the following guiding principles in particular:

- **THE EFFECTS OF THE CORONAVIRUS CRISIS MUST BE A KEY POINT OF DEPARTURE.**
- **STRENGTHEN THE EU'S INTERNAL MARKET AND TRADE WITH THE REST OF THE WORLD.**
- **ASSESS THE IMPACT OF DIFFERENT OPTIONS BEFORE NEW PROPOSALS ARE SUBMITTED.**
- **TAKE ACCOUNT OF THE BASELINE SITUATION AND REWARD INNOVATORS.**
- **DEVELOP THE SCIENTIFIC BASIS AND STRENGTHEN EFSA.**
- **CREATE INCENTIVES FOR INVESTMENT IN RESEARCH AND INNOVATION.**
- **CONSIDER NEW WAYS OF PROVIDING CONSUMERS WITH SUPPORT FOR SUSTAINABLE CHOICES.**
- **MAKE USE OF THE POTENTIAL IN THE INDUSTRY'S OWN ENGAGEMENT AND CREATE GENUINE COLLABORATION.**

The Swedish Food Industry

The Swedish Food Federation is an employer and trade association that strives to ensure that Swedish food companies are characterised by a high-quality reputation and diversity and demonstrate good sustainable growth, profitability and competitiveness.

We represent around 800 member companies, with a total of 48,000 employees and an annual turnover of SEK 195 billion, together making up the third-largest industrial sector in Sweden. Our membership includes all kinds of food companies, large and small, with Swedish and foreign ownership, family-owned businesses, agricultural cooperatives, etc. The one thing all our members have in common is that they produce food in Sweden.

Greater turmoil in the world at large and the coronavirus pandemic have highlighted the significance of food processing and the food industry in enabling Swedish society to function properly. This is reflected in the Swedish Government classifying food production as a critical sector for society, in early 2020.

Sustainable food systems – a joint challenge

In a world with a growing population that is already exceeding several planetary boundaries, sustainable production and consumption of food is becoming a critical issue that is engaging more and more people. Working towards sustainability is of essential importance to the Swedish Food Federation and its member companies, and we support a transition to more sustainable and circular food systems that cover all aspects of sustainability: environment/climate, health and competitiveness. A transition to more sustainable food systems requires engagement and cooperation with all parties involved in the food supply chain, as well as with decision-makers, consumers and civil society.



The food industry is also already doing a lot on its own initiative to contribute to a more sustainable world and a more sustainable society. The Swedish Food Federation's sustainability manifesto contains five commitments: a fossil-free industry, reducing food waste, sustainable packaging, reducing water use and a code of conduct for suppliers, in which everyone contributes to a sustainable transition. To attain our goal of being a fossil-free industry, the supply chain partners have produced a report that analyses the climate impact of the food supply chain and what companies can do to reduce their carbon footprint.

Diet is the largest single factor influencing human well-being and health. The food industry is working continuously and in several different ways to promote healthy dietary and lifestyle habits for everyone. For example, we are making efforts to reduce salt and sugar content in products, to increase the proportion of wholegrain products and to develop Keyhole-labelled products. Through research and development, on their own or as part of industry-wide projects, food companies are developing new methods, techniques and ingredients to improve the composition of products and develop new ones, without compromising on flavour. The Swedish Food Federation's brochure Public Health and the Joy of Food contains more information about the industry's work on food and health.

Farm to Fork – the EU’s food strategy

On 20 May 2020, the European Commission presented its proposal for a new food strategy for the EU, under the name Farm to Fork. The strategy aims to speed up the transition towards a sustainable food system in all dimensions: environmental/ climate, social and economic sustainability. In the Farm to Fork strategy, the Commission sets out the overall direction for EU food policy and new EU food legislation up until 2024. Thus, it does not contain any legislative proposals in this early phase. Once the two decision-making EU institutions, the Council of Ministers and the European Parliament, have expressed their opinions on the strategy as a whole, the European Commission will present a series of specific legislative proposals and other policy initiatives under the strategy over the next four years. The Commission’s timetable gives an indicative idea of which proposals will be presented when.

The Swedish Food Federation’s fundamental view on the strategy

The Swedish Food Federation welcomes that the EU is launching a coherent food strategy and agrees with the objective of a sustainable food system, in all aspects. Above all, the EU needs to avoid the silo approach that exists at present in regulations and in decision-making processes, and rather take a more holistic approach to food. What the food industry fundamentally needs, to enable it both to recover from the coronavirus crisis and to contribute to the objectives of the strategy, is a positive, stable and growth-oriented business climate with a sensible regulatory framework. In our view, the strategy offers good potential to achieve this.

The strategy has been presented as an important element of the restart of the economy after the coronavirus crisis and makes it clear that sustainability also includes economic sustainability, growth



and competitiveness. The Swedish Food Federation considers these to be key points of departure for the strategy. However, they are too weakly reflected in the specific proposals announced by the Commission under the strategy, where the focus is rather on more regulations in the areas of environment and health as the principal tool with which to attain the objective. We therefore take the view that the strategy needs to be strengthened, in terms of both collaboration with the industry and the emphasis on growth, competitiveness and economic aspects of sustainability. The spirit of the Swedish national food strategy, with its objective of a competitive food supply chain and increased food production, also needs to be present in Farm to Fork. The underlying principle should be a positive recognition of the significance of the European food industry, the largest industrial sector in the EU,

and of the important health and sustainability initiatives that have been implemented and continue to be implemented within the industry. It will not be possible to attain the ambitious objectives without a positive business climate and an adequate regulatory framework for food production in the EU.

Furthermore, the strategy excessively adopts a top-down perspective. The Swedish Food Federation rather sees a great need for better-structured and constructive collaboration between all parties involved in the food supply system to attain the objective of sustainable food systems. We would like to see more innovative solutions here, and there are several examples of best practices in Sweden in this regard that also need to be applied at EU level. For example, we would like to see far greater emphasis on knowledge, research, innovation and advice as key tools in the strategy. These elements are mentioned in the strategy, but there is a need for proposals that are at least as specific as proposals for new requirements and regulations. Besides food R&I initiatives in the research programme Horizon Europe, there is a need, for example, to find ways of spreading specific research results so that

they benefit the whole industry and can contribute to efforts on improved sustainability.

Among all the specific proposals the Commission has announced as part of the strategy and intends to present over the next few years, there are several with good potential to contribute to better conditions and strengthening of all aspects of sustainability. For example, we take a positive view on proposals aimed at reducing the use of antibiotics in livestock production, fairer relations between different operators in the food supply chain, a new EU general food law better suited to tackling trade-offs than today, support for research and development, uniform rules for food contact materials and combating food fraud. A common methodology for integrated sustainability labelling of food would also be a positive development, provided it is based on solid evidence and relevant criteria.

There are, however, several proposals that are problematic, above all because they relate to regulation of individual products rather than taking an integrated approach to both sustainable production and sustainable diets.

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This is what the Swedish Food Federation expects when the strategy is put into action

THE EFFECTS OF THE CORONAVIRUS CRISIS MUST BE A KEY POINT OF DEPARTURE

The main content of the Farm to Fork strategy was conceived before the pandemic struck with full force, and its effects, the full extent of which we have not yet seen, are thus not adequately addressed. The pandemic has created a difficult situation for many food companies, notably small and medium-sized enterprises. This means that the decision-makers at EU level need to prioritise among the many proposals announced by the Commission and carefully consider which parts of the strategy are both most important and realistic to implement without jeopardising the stability that companies in the industry need if they are to be able to maintain and develop their production. A key factor in being able to cope with future crises is increased food production that leads to greater food security. The route there requires a competitive and profitable food sector that under normal circumstances produces food of sufficient quality to be exported to other countries and that can make swift adaptations in the event of a crisis.

STRENGTHEN THE EU'S INTERNAL MARKET AND TRADE WITH THE REST OF THE WORLD

The coronavirus crisis has also demonstrated how important it is for critical products, such as foods, to be able to cross borders and for the industry to have the appropriate conditions for maintaining food security. As part of the preparations for future crises, restoring and enhancing the EU's single market must be a priority, along with trade with the rest of the world. Increased Swedish food production requires raw materials both from Sweden and from the rest of the world. It is therefore important to maintain and strengthen the diversity of market-driven value chains that have worked well also during the coronavirus crisis.

ASSESS THE IMPACT OF DIFFERENT OPTIONS BEFORE NEW PROPOSALS ARE PRESENTED

The strategy as such has not been preceded by any impact assessment, which is regrettable particularly with regard to the specific targets the Commission has included in the strategy, for example, as regards reduced use of plant protection products and increased organic production. It is crucially important that continued work on each of the initiatives under the strategy includes both consultation with the industry and impact assessments. When assessing impacts, it is important not to prematurely restrict the options (e.g. to new regulations only) and to include other possibilities of attaining the objectives (e.g. through voluntary measures). The impact assessments need to demonstrate a clear sustainability gain for any proposal to be submitted. It is also important to assess the risks of conditions in third countries being too different from stricter requirements in the EU, as there will then be a risk of driving production out of the EU to countries with less sustainable production conditions. It must furthermore be ensured that new initiatives do not jeopardise either food safety, an area where the EU for long has been a world champion, or food security in the short or long term.

TAKE ACCOUNT OF THE BASELINE SITUATION AND REWARD FRONTRUNNERS

It is extremely important that continued work on the strategy and the individual proposals takes account of there being wide variation in the baseline situation for further sustainability efforts. Firstly, the food industry is highly diversified and largely consists of small and medium-sized businesses operating in very diverging contexts. New initiatives and actions within the strategy must be designed in a way that works for all businesses. Secondly, account must be taken of the baseline situations

in different EU Member States regarding how far they have progressed on improving sustainability in food production. It must pay off to be a front-runner, and the same requirements cannot be imposed as in countries that are not as far. Having clearly defined objectives is positive, but it would be unreasonable if Sweden, which has made more progress than many other countries in reducing the use of plant protection products, were to be imposed the same percentage requirements for further reductions. The challenges and the costs of every additional action typically increase the more progress has been made in the past. This applies both to measures to reduce environmental and climate impact, and to reformulation of products from a health perspective.

”Increased investment in food-related research and innovation is essential to enable the objective of a sustainable food system to be met.”

DEVELOP THE SCIENTIFIC FOUNDATION AND STRENGTHEN EFSA

All initiatives under the strategy, regardless of whether they imply legislation or other tools, must be based on solid scientific evidence. This has always been the principle underpinning food legislation at EU level and needs to remain so. There is a need for clear and scientifically based criteria, not least to enable the growing number of trade-offs that can be expected to arise. In some areas there is already thorough evidence to use as a basis, while other areas may require a new evidence base to be built up, e.g. how to integrate the environmental and health impact of a particular food in an adequate and fair way so that it is possible to communicate to consumers in a fair and easy-to-understand way. In this respect it is important that the European Food Safety Authority (EFSA) is given sufficient resources to enable it to provide decision-makers with all the relevant support that will be needed.

CREATE INCENTIVES FOR INVESTMENT IN RESEARCH AND INNOVATION

Increased investment in food-related research and innovation is essential to enable the objective of a sustainable food system to be met. The future initiatives under Farm to Fork must be designed in such a way as to enable and promote research and innovativeness throughout the food chain from agriculture, through small-scale and large-scale food processing, to the retailers and other affected businesses. Policy, regulations and other tools must be designed in a way that encourages innovation and development and must not hamper the development of new sustainable solutions.

CONSIDER NEW WAYS OF PROVIDING CONSUMERS WITH A BASIS ON WHICH TO MAKE SUSTAINABLE CHOICES

Consumer preferences and choices represent an important factor in the design of the food system in a free market and should continue to do so. Food labelling has been identified as a key area in Farm to Fork for providing consumers with even better options to make conscious and sustainable choices. It needs to be considered here that over the years the EU has extended the labelling requirements for food products to cover many mandatory details. Further labelling might be a good way of facilitating sustainable consumption; however, given the already extensive labelling regulations, the point of departure should be that more information can be provided through voluntary labelling. In Sweden there are, for example, two common voluntary labelling schemes, each of which fulfils important functions: The Keyhole health label and the From Sweden origin label. Before any new EU regulation on food labelling is considered, a careful analysis should be made of what the impact might

be for consumers, producers as well as the overall sustainability impact of such requirements.

It is also important that existing voluntary labelling schemes that work well, like those mentioned above, are not undermined by new EU requirements where there is a risk of poorer information ultimately being provided. With regard to front-of-pack nutrition labelling, the view of the Swedish Food Federation is that the use of any new harmonised EU labelling must be voluntary, as there is otherwise a risk of losing the well-established Keyhole label in Sweden and the rest of Scandinavia. Furthermore, the voluntary From Sweden labelling scheme has achieved great success in a short time and corresponds better to consumer demand than the proliferation of national regulations on origin labelling that have been adopted in recent years in several EU Member States and which now is also to be considered at EU level.

MAKE USE OF THE POTENTIAL IN THE INDUSTRY’S OWN ENGAGEMENT AND CREATE GENUINE COLLABORATION

Sustainability issues are business-critical for the food industry, which is reflected in a very large number of voluntary measures by the industry, that are providing good results in terms of sustainability. The entire food chain is continuously expanding and accelerating its efforts for the environment, climate and health.

Rather than primarily attempting to achieve a sustainable food system through legislation, the deep sustainability commitment that exists in the food industry needs to be utilised, supported and further encouraged at EU level. Better collaboration with the industry is needed to attain the objectives. Above all, there is a need for critical scrutiny of what obstacles there are at present to voluntary measures leading to a sustainable food system. To advance the work on Farm to Fork, it is crucial for industry and decision-makers to meet and understand each other’s challenges. We therefore would like to see a dialogue platform to be established swiftly with the industry to discuss both obstacles and solutions.

Some examples showing the potential in collaboration with the industry:

- Encouraging the reformulation of products to make their composition healthier is positive; however, binding maximum limits for sugar, salt and fat, which the Commission is considering under Farm to Fork, is the wrong way to go. Instead, there is a need for more public-private partnerships on specific methods of reformulating products that can also benefit smaller businesses without research resources of their own. The Swedish co-financed salt reduction project ReduSalt is a very successful model for this type of collaboration and can serve as a model for similar initiatives at EU level. Such initiatives need to be supplemented by reforms of the EU regulatory framework, which at present prevents companies that are gradually reducing the salt and sugar content of their products from communicating this to consumers, or using more consumer-friendly labelling of salt substitutes in the list of ingredients. In addition, reformulation needs to focus not solely on reducing sugar, salt and fat, but also on how to increase intake of e.g. wholegrain products – here as well, initiatives are in progress within the industry and could be enhanced through more collaboration.
- Sweden and its food industry have since long been a frontrunner as regards recycling and circular systems for packaging. There is a high degree of familiarity with circular packaging and materials and a high level of innovativeness. The return system for glass bottles is the oldest standardised form of packaging in Sweden, and possibly in the world, and came into being through an industry agreement as long ago as 1884. A hundred years later, but still early relative to the rest of the world, in 1984, AB Svenska Returpack launched a deposit scheme for aluminium cans, and PET bottles then followed in 1994.
- Without any need for further legislation, operators in the food chain both in Sweden and other countries are working to identify where food loss and

waste arises and where the cause is to be found – it is not always at the same stage of the supply chain. In this way the problems can be addressed, and solutions can be spread more widely. Agreements within the industry are also more flexible than legislation, as they can be adjusted and adapted more easily to changed circumstances.

- Fossil Free Sweden is a platform for dialogue and collaboration between companies, municipalities and other parties wishing to make Sweden free from fossil fuels. The initiative brings together knowledge and desire to act across all sectors of society and aims to highlight climate efforts taking place around the country. Fossil Free Sweden is working to speed up the transition, not just because it is possible but also because it is economically profitable, all on a voluntary basis and with 450 committed stakeholders, including in food and retailing.
- Criteria for sustainable fishing have been established through the global certification schemes of the Marine Stewardship Council (MSC) for wild-caught fish and shellfish and the Aquaculture Stewardship Council (ASC) for farmed fish and shellfish products.

The Swedish Food Federation and its members are ready to engage in the work to develop and improve the Farm to Fork strategy and to put it into practice. We look forward to a constructive dialogue with decision-makers and other parties along the path towards an even more sustainable food system.



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IS AN EMPLOYER AND INDUSTRY ORGANIZATION FOR
COMPANIES THAT PRODUCE FOOD AND DRINK IN SWEDEN.**

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