

## Consultation response

# Delegated act on the European Sustainability Reporting Standards

AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3.7 trillion in 2022, directly supports more than 4.9 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

# Targeted stakeholder consultation based on the Staff Working Document “Co-creation of a transition pathway for a more resilient, sustainable and digital agri-food ecosystem”

Fields marked with \* are mandatory.

## Introduction

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The update of the **EU Industrial Strategy** highlights the need to accelerate the green and digital transitions of the EU Industry. Among the various instruments, the Commission proposed to co-create, in partnership with industry, public authorities, social partners and other stakeholders, **transition pathways for the different industrial ecosystems**. This consultation is aimed to initiate the process of developing a transition pathway for the agri-food ecosystem. More information on this policy initiative can be found [here](#).

The Commission services have prepared a [Staff Working Document](#) to outline the main issues relevant for the ecosystem to serve as a basis for a transition pathway for a more resilient, sustainable and digital agri-food ecosystem. The questions in this consultation cover the sustainable competitiveness, as well as aspects of regulatory environment, innovation, investment, infrastructure, the social and internal market dimension (among others). Through collaborative efforts, the aim is to co-create with all stakeholders of this ecosystem concrete actions that need to be taken to ensure resilience and achieve the green and digital transition. These efforts will build upon the Farm to Fork and Biodiversity Strategies, the European Green Deal, the SME and Industrial Strategies, the European Pillar of Social Rights, the EU Code of Conduct on Responsible Food business and Marketing Practices, the European Skills Agenda including the Pact for Skills and other workstreams both at EU and national level that cover the agri-food industrial ecosystems.

In addition to the survey, the Commission will organise targeted workshops with stakeholders based on the priority areas identified, in order to deepen the discussions towards finalising the agri-food ecosystem transition pathway by the end of 2023. The respondents of this survey are invited to show the interest of their organisations to participate on some of the workshops.

You are invited to provide feedback on the Staff Working Document through this online survey that will run until **19 September 2023**.

In case of questions about this consultation, please send an email to [GROW-FOOD@ec.europa.eu](mailto:GROW-FOOD@ec.europa.eu).

## About You

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\* Language of my contribution

- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo
- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba
- Curaçao
- Cyprus
- Czechia
- Democratic Republic of the Congo
- Denmark
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan
- Laos
- Latvia
- Lebanon
- Lesotho
- Liberia
- Philippines
- Pitcairn Islands
- Poland
- Portugal
- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda
- Saint Barthélemy
- Saint Helena  
Ascension and  
Tristan da Cunha
- Saint Kitts and  
Nevis
- Saint Lucia
- United States  
Minor Outlying  
Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
- Wallis and  
Futuna
- Western Sahara
- Yemen
- Zambia
- Zimbabwe

The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association', 'consumer association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

### \* Contribution publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

**Anonymous**

Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

**Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

I agree with the [personal data protection provisions](#)

## Consultation Questions

**You are invited to reflect on the different issues presented in the [Staff Working Document](#) for the key dimensions of Resilience, Sustainability and Digitalisation. Please note that it is highly relevant to review the Staff Working Document for the Agri-food Transition Pathway before filling in the survey.**

You may choose which questions you answer and leave others empty. Where possible, please make reference to specific issues and actions.

Please note that some dimensions are addressed more thoroughly throughout the survey than others. This is the case for those dimensions the Commission will organise a workshop on.

Please remember to reflect on the questions from the point of view of the organisation or network you are giving this contribution for.

### Sustainable Competitiveness

*Please provide your answers based on the analysis of the issues set out in **section 2** of the Staff Working Document.*

\* 1. To what extent do you agree or disagree with the following statement: The EU agri-food ecosystem performs well in comparison to other non-EU countries when it comes to sustainable competitiveness.

- 1. Disagree
- 2. Rather disagree
- 3. Neutral

- 4. Rather agree
- 5. Agree

*If possible, please explain your choice.*

*1000 character(s) maximum*

The EU agri-food system follows the highest standards in the world for safe, nutritious and quality food. These standards are amongst the most sophisticated in the world. The system currently follows the strictest set of rules, which put it under considerable strain to stay competitive. Although the EU's sustainability objectives are amongst the most ambitious in the world, they too often encompass a rigid definition of what is and is not sustainable, do not abide by technology neutrality and steer the transition in a direction that is not aligned with the most reliable science. The lack of tech-neutrality hampers innovation, a key enabler of sustainable food systems. Proper framework enabling innovation to play its role is needed along the food chain. As expressed in the staff working document, all of these factors contribute to high quality food produced in the EU being targeted at higher income consumers, but may however negatively impact food affordability in Europe.

**2. Which are the main challenges that the agri-food ecosystem faces in terms of sustainable competitiveness? Please name a maximum of five and explain.**

*1000 character(s) maximum*

Its objectives can lead to EU legislation being interpreted as bordering on protectionism. However, the agri-food ecosystem must remain sustainably competitive to promote trade that can solidify its supply chain. As mentioned in the working document, key aspects of the agri-food supply chain rely on imports from third countries. Another challenge is the lack of coherence and harmonisation between different policies related to food, which hinders policy predictability and disincentivises much needed long-term investment in the sector. Additionally, market fragmentation and regulatory bottlenecks that prevent innovation contribute to this issue. Finally, the EU has decided to introduce hazard-based approaches to the assessment of food safety and the impact on the environment, while the rest of the world is largely sticking to the best practices of risk assessment. The different approaches lead to different understandings of what is safe and, as a consequence, to competitive distortions.

**3. What are the enablers needed to help increase the sustainable competitiveness and resilience of the agri-food ecosystem? Please name a maximum of five.**

*2000 character(s) maximum*

To enable greater sustainable competitiveness, the World Trade Organization (WTO) must administer a strong rules-based multilateral trading system that provides legal certainty in international trade and investment. Additionally, a science-based approach focused on coherent, evidence-based policy instruments would enable a stable regulatory framework and protect the EU Single Market, which is crucial to ensure security for investment and other private sector activities. Moreover, research and innovation (R&I) play a key role in the transition towards more sustainable competitive food systems. They must be supported by concrete actions and public spending through initiatives or programmes such as Horizon Europe. The European Commission should require impact assessments for every new or amended policy proposal, rather than only when potential impacts are considered 'substantial'. In many cases, the magnitude of consequences are only revealed by the impact assessment. Better regulation should not be a static strategy but rather a dynamic exercise with a long-term ambition and regular evaluation, regulations and frameworks related to food systems should strive to enable the introduction of further innovation. Better regulation tools should not only ensure that individual measures are evaluated against their own objectives but also holistically in view of their overall contribution to social, environmental and economic sustainability.

4. What synergies between the agri-food ecosystem and other industrial ecosystems can contribute to improving resilience and increasing EU strategic autonomy (from third countries)? *Please name a maximum of five.*

*2000 character(s) maximum*

Companies in the agri-food sector are making significant investments to sustain production capacity in areas such as factories and machinery and to market evidence-based innovation to promote the health and wellbeing of European consumers and meet changing consumer expectations. Innovation in areas such as safe chemicals, biological solutions and digital farming is key to guaranteeing this sector's stringent quality and safety requirements as well as optimising product packaging and storage, among others. R&I is also essential to fast-track the transition to sustainable food systems and contribute to evidence-based policymaking, which can play a key role in helping the food industry meet global challenges. It enables the development of new products and technologies and the improvement of existing ones to benefit consumers, workers and society as a whole. Climate and biodiversity crises need to be seen in a global perspective to ensure the EU does not export the problems and risk food security. In addition, digital technologies, including weather forecasting, early detection, proactive prevention of pests and diseases, and plant protection treatments can help reduce the number of animals and plant-based products lost to health threats. They can also contribute to sustainable and responsible use of pesticides and other treatments in farm practices. They provide proof points to help farmers take efficient agronomic and production decisions while reducing the use of water and runoffs. They also ensure the wellbeing of farmers and their families. Paired with a proper harmonisation of standards, such policies would enable farmers and businesses to increase synergies and strengthen the food trade flow.

5. What are the main challenges the agri-food ecosystem has to overcome during (potential) crises? *Please name a maximum of five and explain.*

*2000 character(s) maximum*

Parts of the world are already experiencing severe multicausal food crises. The effects of climate change – for example, severe droughts and floods – as well as pervasive low agricultural output throughout the African continent have been exacerbated by the recent Russian aggression against Ukraine. This has led to an abrupt reduction in grain exports (despite the efforts of the Black Sea grain deal) and a sharp increase in food prices.

Many voices at the highest levels of the EU and Member States have recognised the severity of the situation and have called for measures aimed at increasing food production in Europe, Africa and the Middle East. Prior to the war, global agricultural markets were already volatile, and today, food security is even further at risk. Ukraine and Russia are two of the world's biggest suppliers of agricultural commodities, especially grains. In addition, extreme weather events have exacerbated the crisis and will continue to have severe consequences into the future. The current situation is disrupting exports and logistics, raising food prices and impacting accessibility and availability of food, especially for vulnerable countries in Africa, the Middle East and Asia. Additionally, the increase in energy and fertilizer prices is putting future global harvests at risk. According to assessments from the United Nation's Food and Agricultural Organization, the conflict could increase chronic undernourishment by an additional 18.8 million people by 2023, with the most pronounced increases taking place in the Asia-Pacific region, followed by sub-Saharan Africa and then the Middle East and North Africa.

## 6. What solutions are necessary to foster a more resilient agri-food ecosystem to external shocks and address the above-named challenges? *Please name a maximum of five.*

*2000 character(s) maximum*

Firstly, the EU must implement policies that leave room for short-term measures to increase agricultural production within the bloc. Former political decisions taken regarding the Common Agricultural Policy have pointed into the right direction. The European Commission should carefully reconsider policy measures that negatively impact agricultural production and aggravate food crises.

Secondly, the EU must recognise the essentiality of the entire food production chain. At the start of the war in Ukraine, the EU published measures around energy savings, and national governments had to make choices on energy allocations. In similar future situations, the agricultural and food supply chains must be considered essential so that they continue to operate, for the sake of plant, animal and human health.

Thirdly, the EU should stimulate free trade for agricultural products. Export restrictions for agricultural raw materials hinder the necessary free trade policies that contribute to greater food security. Additionally, regulators must also ensure that regulatory frameworks do not create additional uncertainties in global food production and trade flows. To this end, it is also important that the use of sustainability criteria in FTAs remains measured and doesn't turn in green protectionism.

Fourthly, with its excellent conditions for food production, the EU must realise its full agricultural production potential while also tackling climate change, biodiversity protection and food security together. Whilst supporting the EU's plans for sustainable food production, as per some initiatives within the European Green Deal and Farm to Fork strategy, there must be flexibility in crisis situations. The EU should further develop the Green Deal and the Farm to Fork strategy and enhance climate and environmental protection without putting food security and affordability at risk. It should also drive innovation for technologies that can increase agricultural production.

## 7. What can be done to support Small and Medium Enterprises (SMEs) to be more competitive and sustainable?

*2000 character(s) maximum*

8. Are you aware of any activities (legislative initiatives, industrial projects, etc.) taking place in your region/country that contribute to the green and digital transition of the agri-food ecosystem? *If so, please name a maximum of ten.*

*2000 character(s) maximum*

## Public Governance

*Please provide your answers based on the analysis of the issues set out in **section 3** of the Staff Working Document.*

9. How can governance at all levels improve the situation of food SMEs and facilitate their green and digital transition?

*2000 character(s) maximum*

10. Are there unmet needs for business operators in relation to the green and digital transition of the ecosystem? What standardisation or other actions could accommodate these needs? *Please name a maximum of ten.*

*2000 character(s) maximum*

There is a continuous need to ensure coherent harmonisation and implementation of all food-related policies and avoid further fragmentation of the Single Market in the area of food information to consumers and labelling. The EU can address these issues by pushing back against unjustified and harmful national initiatives as well as by supporting harmonised action. This includes identifying and eliminating regulatory bottlenecks to innovation (such as lengthy and strict approval procedures for novel ingredients and production techniques) to ensure technologies and products can be introduced onto the market in a timely manner.

Further investing in R&I can not only help Europe remain competitive on a global scale but also help scale up projects to develop food for the future. AmCham EU welcomes and encourages public spending in R&I through initiatives or programmes such as Horizon Europe.

11. What other exercises similar to this agri-food transition pathway exercise have or are taking place at a national or regional level with a focus on the green and digital transition? *Name a maximum of five.*

*2000 character(s) maximum*

## Social Dimension



Please provide your answers based on the analysis of the issues set out in **section 4** of the Staff Working Document.

12. What are the main social challenges of the agri-food ecosystem (e.g., precarious employment, safe working conditions, access to the labour market for young people, migrants, people with disabilities, gender balance, gender pay gap, etc.)? *Please name a maximum of five and explain.*

2000 character(s) maximum

Specific skills-related shortages: there is often a skills gap between the curricula offered by universities and other vocational schools and the skill requirements of the ecosystems that needs to be addressed.

13. What enablers are needed to strengthen these social factors in relation to the agri-food industrial ecosystem? *Name a maximum of ten and explain.*

2000 character(s) maximum

The set up of a sectoral education, training, upskilling and reskilling framework with the aim to enhance job retention and job attractiveness of the agri-food ecosystem.

14. What actions can be taken to support the workforce and increase the attractiveness of the ecosystem for young talent? *Name a maximum of five.*

15. How can social partners be involved successfully in the sustainability and digital transition and help overcome possible social barriers?

2000 character(s) maximum

## Research and Innovation

Please provide your answers based on the analysis of the issues set out in section 5 of the Staff Working Document.

16. What existing solutions could help improve the sustainability and digitalisation of the ecosystem? *Please name a maximum of ten and explain.*

2000 character(s) maximum

As previously mentioned, R&I play a key role in the transition towards more sustainable food systems and should be supported by funding, including through public-private partnerships. Companies in the agri-food sector are making significant investments to sustain production capacity (such as factories and machinery) and to market evidence-based innovation to promote the health and wellbeing of European consumers and continue to meet changing consumer expectations. Innovation is key to guaranteeing the high-level quality and safety requirements (for instance safe chemicals, more biological solutions and a strong push in digital farming) this sector must meet, as well as optimising product packaging and storage, among others. Additionally, weather forecasting, early detection and proactive measures towards pests and disease prevention and plant protection treatments can contribute to reducing the number of animals and plant-based products lost to health threats. They can also contribute to sustainable and responsible use of pesticides and other treatments in farm practices. They provide proof points to help farmers take efficient agronomic and production decisions while reducing the use of water and runoffs. The EU should encourage the development and implementation of novel sustainable agricultural practices, including new genomic techniques that hold exceptional promise for the development of smart agriculture needed to address agronomic and climate challenges. Given the reduced availability of active substances, plant protection products, as well as the decreased use of fertilisers, these new genomic techniques should be part of the farmer's toolbox.

17. Which are the most promising and scalable technologies for the agri-food ecosystem that could also be deployed by SMEs? *Please name a maximum of ten and explain.*

*2000 character(s) maximum*

Promising and scalable technologies include: comprehensive disease prevention programmes, with animal feed and feeding strategies that promote animal resilience capability and vaccination; a prudent use of antibiotics, coupled with disease prevention measures; breeding, animal nutrition and vaccination. As previously mentioned, given the reduced availability of active substances, plant protection products, as well as the decreased use of fertilisers, new genomic techniques and biological solutions should be part of the farmer's toolbox.

18. What actions are needed to stimulate R&I at national level? *Please name a maximum of ten and explain.*

*2000 character(s) maximum*

European farmers continue to lose tools faster than new ones can be found. The European policy environment needs to stay open and flexible to encourage innovation in the agricultural sector through not only digital technologies but also safer chemicals and accelerated biological solutions. The improved implementation of existing legislation could help the sector adapt to climate change and bring new technology to the market to deliver sustainable agriculture, whilst ensuring both food safety and food security.

19. What techniques, best practices or business models could accelerate the sustainability and digitalisation of the ecosystem? *Please name a maximum of ten and explain.*

## Single Market and Infrastructure

Please provide your answers based on the analysis of the issues set out in **section 6** of the Staff Working Document.

20. What events or issues could put at risk the development, maintenance or expansion of the Single Market for food and drinks? *Please name a maximum of five.*

2000 character(s) maximum

Three main issues put at risk the development of the Single Market. The first one is the fragmentation of the Single Market through unharmonised regulation. Too often, regulation is passed without a solid plan to harmonise it across the EU, creating an uneven playing field and a heavy administrative burden for businesses operating within the Single Market. Directives applied through constant derogation create an unstable environment for companies because they do not have regulatory certainty to make much-needed investments. In addition, because legislation sometimes overlaps, the EU must streamline its regulatory framework to create a legislative environment economic actors can navigate.

The second issue is the rise of protectionist policies. In its recent pursuit of an environmentally friendlier legislative framework, the EU has imposed on its third-country partners processes that are not always aligned with their national laws. These processes could significantly affect the economic and social situation of EU partners in third countries and be detrimental to farmers and producers, including by reducing their productivity in third-countries. Additionally, applying these measures to agricultural practices in third countries could unintentionally reduce trade capacity and increase protectionist measures, to the detriment of EU agriculture.

The last issue is the reduction of the farmer's toolbox, which comes from the new, stricter production processes required by European Commission legislation. The Commission must ensure that for every tool that is taken out of the box to raise the health and environmental standards of European agriculture, another tool is created to ensure farmers do not suffer economically.

21. What initiatives related to market barriers could improve the ability to adapt to such issues to strengthen the agri-food ecosystem particularly for SMEs? *Please name a maximum of five.*

2000 character(s) maximum

The aforementioned issues all have solutions that the European Commission could adopt. Firstly, the Commission could make greater harmonisation a focus in upcoming legislation related to the Farm to Fork initiative. To continue to provide products of the highest possible safety and quality, coherent, all food-related policies must be coherent and harmonisation when implemented. This is critical to respond to today's societal challenges, including rising obesity rates and malnutrition.

Secondly, to create healthier trade relations with third countries, the EU should respect WTO standards and include third countries in the decision-making process for new ambitious standards linked to trade, such as mirror clauses or sustainability criteria. To remove barriers to food trade and ward off risks of protectionism, any mirror clause or sustainability criteria should be science-based and compatible with international trade rules. Such clauses should also be designed so that they do not negatively impact third-country agriculture practices. In addition, the EU should consider the views of global stakeholders when crafting mirror clauses and consider equivalence agreements with likeminded third countries.

Finally, as previously mentioned, adding innovative techniques to the farmer's toolbox would help them keep up with rising standards of production while minimising potential negative impacts. As such, new genomic techniques should be part of the farmer's toolbox, especially given the reduced availability of active substances, plant protection products, as well as the decreased use of fertilisers.

22. What actions can be taken at national and local level to ensure the proper functioning of the Single Market for the agri-food ecosystem? *Please name a maximum of five.*

2000 character(s) maximum

23. What infrastructural improvements can be proposed to ensure a stable and efficient infrastructure for the agri-food ecosystem in the current economic and geopolitical situation? *Please name a maximum of five.*

2000 character(s) maximum

## Skills

*Please provide your answers based on the analysis of the issues set out in **section 7** of the Staff Working Document.*

24. What are the skills needed for the agri-food ecosystem to achieve sustainability and remain resilient? *Please name a maximum of ten.*

2000 character(s) maximum

25. Are you aware of such initiatives on national or regional level? *If so, please name a maximum of ten.*

2000 character(s) maximum

26. How can Social Dialogue (employers' and workers' negotiations) be used in the development of skills strategies relating to sustainability and resilience?

2000 character(s) maximum

## Investments and Funding

Please reflect on the issues and scenarios proposed in **section 8** of the Staff Working Document.

27. What are the main investment needs of the ecosystem? *Please name a maximum of five.*

2000 character(s) maximum

28. Which new investment needs have emerged in the agri-food ecosystem to mitigate the effects of the current economic and geopolitical situation?

2000 character(s) maximum

29. Are there any systemic barriers specifically for the agri-food ecosystem to access to funding or investments, both private and public (particularly for SMEs)? *Please name a maximum of five.*

2000 character(s) maximum

30. What actions could help overcome these barriers? *Please name a maximum of five.*

2000 character(s) maximum

31. What are the most relevant funding schemes (in terms of impact) at EU and national/regional level for the agri-food ecosystem? *Please name a maximum of ten.*

2000 character(s) maximum

32. What actions are needed to make those schemes more accessible? *Please name a maximum of five.*

*2000 character(s) maximum*

33. What actions can the private sector take to make the agri-food ecosystem particularly attractive for investors? *Please name a maximum of five.*

*2000 character(s) maximum*

34. What measures could be proposed to incentivize public and private investments in agri-food SMEs?

*2000 character(s) maximum*

35. What information and advice on funding and investment opportunities are needed by stakeholders?

*2000 character(s) maximum*

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There are three **workshops** planned to explore further some of the actions envisaged in the agri-food transition pathway. Please mark below the ones in which your organisation might wish to participate. Please be aware that in case that many participants show interest, we might ask you for internal consultation to have a collective opinion of your organisation or network on the topic.

- Investments and funding in the agri-food industrial ecosystem
- Uptake of technologies in the agri-food industrial ecosystem – sustainability and digitalisation
- New Business models and support to SMEs for a resilient agri-food industrial ecosystem

Please feel free to add any relevant information of interest for the Agri-food Transition Pathway:

*2000 character(s) maximum*

Please feel free to upload any file(s) of interest:

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

## **Background Documents**

[Privacy Statement](#)

## **Contact**

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