

EU CALL TO ACTION TOWARDS MORE RESILIENT MORE SUSTAINABLE AND HEALTHIER FOOD SYSTEMS



In 2020 the EU set out a clear ambition to boost more sustainable agriculture and shift to healthier diets. Since then, too little has been achieved – while farmers and the food industry had to face unprecedented crises. The Covid-19 pandemic, the war in Ukraine, the climate crisis, have all tested the resilience of the food supply chain – but also make the transition to healthier diets, and to more resilient and sustainable systems, ever more pressing.

The transformation needs to happen across three main principles:

- supporting farmers to ensure a more resilient and more sustainable EU agriculture

- creating market conditions to protect natural resources and reduce waste

- designing policies which endorse the role of nutrition in health and promote health at all ages

We want to do more, but we cannot be alone in this journey. The next five years will be paramount in achieving this ambition, and this Call to Action gathers Danone's most immediate and concrete recommendations for EU policymakers to bring this transformation to scale.

PUBLICATION: MARCH 2024

WE MUST SUPPORT FARMERS BETTER IN THE TRANSITION TO MORE RESILIENT AND SUSTAINABLE AGRICULTURE

The transformation requires efforts from all actors and a new paradigm in EU agricultural policy. It requires new and additional financing mechanisms, including to ensure efficient incentives and support for farmers to operate this transition. Only then will the EU be in a position to support and secure today's and future generations of farmers.

Making EU agriculture more resilient and more sustainable necessarily means enabling farmers not only to earn a decent income and ensure their standards of living, but also to sustainably invest in their farm. This is all the more important as climate change also directly threatens their yields and revenues (in Southern Europe, climate events and heat could lead to a drop of up to 50% in production yields¹).

We are committed to continue supporting farmers – in particular in regenerative practices and solutions to reduce methane emissions (40% of which come from agriculture). Yet we are struggling with the cost, scale, and speed needed – as a key barrier remains the financing.

While the EU is developing policy instruments to address this – including the next reform of the CAP and Carbon Removal Certifications –, these initiatives don't address the immediate and short term financial needs, and often fall short of the investments required. An analysis from the European Investment Bank estimated the financing gap for agriculture in the EU at €62.3 billion in 2022². Support at all levels and public-private co-financing are therefore key to ensure a fair transition to resilient, more sustainable agrifood systems:

Provide support for the new generation of farmers:

- Set up specific loan guarantees for young farmers with the EIB, to increase access to finance.
- As part of the EU Skills Agenda, specifically invest in upskilling young farmers (including transversal skills such as business and accounting).

Finance the transition:

- Set-up public-private partnerships where public investments in sustainable agriculture can match private ones, which will strengthen the competitiveness of EU agriculture.
- Provide crop and livestock insurance and guarantees of first loss to farmers through the EIB, to mitigate and minimise the risk of potential lower yields during their transition process.
- Require EU Member States to set a one-stop-shop for all available funding programmes for farmers at national level, making it easier for them, particularly smallholders, to access financing.

Act on regenerative agriculture and methane reduction:

- Support the setting of common methodologies for regenerative agriculture, the practices that it includes, and the outcomes it generates.
- Support innovation in methane reduction and provide financial support for farmers and breeders to source methane-reducing technologies (such as broadening the offer for methane-reducing feed solutions and making manure solutions more easily accessible).
- Facilitate farmers' access to permits for sustainable technologies and infrastructure, such as the installation of biodigesters.
- Lessen the EU's protein feed dependency by supporting the production of local feed, taking water constraints into consideration.
- Support fair and efficient carbon markets by ensuring the harmonisation of GHG accounting frameworks, including to the global reference GHG Protocol.

¹ How climate change threatens Europe's food | The University of Edinburgh, 2022

² Financial needs in the agriculture and agri-food sectors, EIB, 2023

WE NEED TO BUILD THE RIGHT CONDITIONS TO PROTECT NATURAL RESOURCES AND REDUCE WASTE

Moving to sustainable food systems also means using resources within the planet's boundaries, reducing waste and protecting natural resources. Stakeholders, from the private sector to civil society, are developing solutions and building expertise – but the market conditions are often lacking to bring these solutions to scale and achieve the transformation needed.

Failure to address water scarcity in particular directly threatens our ability to tackle the climate crisis. In a given year, about 30% of Europe's population is affected by water stress (European Environment Agency), and climate change is increasing the frequency and intensity of droughts.

We have decades' long expertise in sustainable water use and protecting water resources, and more cooperation between the public and private sector can unlock solutions:

- Enable and support the development of water reuse systems in the food and drink industry's production sites, to help address water scarcity in Europe.
- Ensure the swift adoption and implementation of the EU Nature Restoration Law, and as part of that, ensure Member States reach healthy watersheds, focusing on nature-based solutions and on local water governance.
- Fully enforce the EU Water Framework Directive and ensure Member States reach their targets for achieving 'good status'.

In addition, among the issues we face to reduce waste and accelerate packaging sustainability and circularity are the lack of quality collection, the lack of infrastructure at scale and the slow tempo of public investments.

The proposed Packaging and Packaging Waste Regulation is a key step forward to address these topics, but we call on EU policymakers to set the measures that will truly and appropriately create the market conditions to achieve this common ambition:

- Mandate increased collection and sorting of all packaging waste in the EU, especially all plastics packaging, in order to incentivise investments in infrastructure and create the necessary recycling streams for these materials.
- Mandate the set-up of deposit-return schemes (DRS) as soon as possible across the EU: it is a key enabler to improve collection, will ultimately lead to higher quality and availability of recycled content, and, when mixed, enable the uptake of reusable packaging.
- Prevent the continuous downcycling of plastic beverage bottles into other (non-food) applications: closed loops and a priority access to these materials to the food and drink sector will maximise circularity.
- Adopt measures that support the acceleration of reuse systems, such as adopting common reuse standards and protocols, supporting mixed DRS to enable take-back of reusable packaging, and making data on packaging waste systems at subnational level publicly available.

WE MUST DESIGN POLICIES WHICH ENDORSE THE ROLE OF NUTRITION IN HEALTH

Nutrition has a fundamental role in **maintaining good health, preventing various diseases, and supporting recovery from illness and overall well-being. It is also pivotal for critically-ill patients, by preventing malnutrition and supporting their immune function.** The Covid-19 pandemic has been a stark reminder of the need to put health at the centre of policy decisions, and to address the obesity crisis as well as the growing food and nutrition insecurity globally. With non-communicable diseases continuing to be the first cause of death and disability in the world, and more than half of EU population being overweight (Eurostat, 2019), policy measures need to fully recognise the role of diets and nutrition in health, and further incentivise and accelerate the shift and access to healthier, more sustainable diets.

The current nutrition policy landscape in Europe is a patchwork of national legislations. Not only the prioritised areas of regulations – spanning from fiscal policies to nutritional information to consumers –, but also the way nutritional quality is benchmarked – the so-called Nutrient Profile Models – vary between countries. It is a source of confusion for consumers exposed to contradictory messages, which ultimately undermines the shift to healthier dietary habits and access to healthy food products. We urgently need policy harmonisation to **promote the shift to healthier diets:**

- Adopt, as soon as possible, an EU-wide harmonised nutrient profile model, suitable as a tool for other measures on healthier food environments (e.g. claims, marketing to kids, front of pack labelling, fiscal policies...). This model must be consistent with Food Based Dietary Guidelines, so they should properly recognise the nutritional density of all dairy products and plant-based alternatives, and their contribution to healthy diets.
- Based on harmonised nutrient profiles, adopt EU-wide interpretative nutritional labelling and fill the nutrient profiling model gap in the nutrition and health claims regulation.
- Put forward an EU strategy for healthy hydration to ensure Europeans meet the recommended daily water intake, and promote healthy drinking habits.
- Positively incentivise, through the EU Framework on Sustainable Food Systems, the consumption of more sustainable and healthier food and drinks, including by supporting Member States in modulating VAT to favour these options.

Diets also have a role to play in the shift towards more sustainable food systems and can in that regard contribute to the EU's climate objectives:

- Promote, through the EU School Scheme, the EU Framework on Sustainable Food Systems and public procurement rules, the uptake of plant-based foods and the role of flexitarian diets (plenty of plant-based foods – fruits & vegetables, legumes, whole grains and nuts – and a moderate intake of animal products, with a recognised place for high-quality nutritious dairy).

In addition to promoting health through food, we urge EU policymakers to **integrate nutritional care in health policy, and address the risk of disease-related malnutrition, particularly within cancer treatment journeys.**

Along with chronic diseases and an increasingly ageing population, disease-related malnutrition is on the rise but still remains an under-acknowledged public health issue. In the EU, 33 million adults are malnourished, costing governments an estimated €170 billion annually³.

³Medical Nutrition International Industry, 2020

Cancer remains the leading cause of mortality, and malnutrition is highly prevalent in cancer patients. Today, nearly two thirds (64%) of cancer patients report experiencing nutritional and eating challenges⁴ – with 1 in 3 saying their cancer treatment was impacted by weight loss. However, fewer than 1 out of 3 patients use medical nutrition, with nutritional care routinely overlooked in EU and national strategies. Only a limited number of malnourished patients receive basic elements of nutrition management⁵. Yet clinical studies have proven that addressing unwanted weight loss through nutritional support contributes to positive outcomes across cancer treatment and recovery⁵.

Integrating nutrition services within cancer care frameworks – and addressing the gaps in workforce training, clinical pathways, dietetic services and reimbursement schemes – can significantly support patient outcomes, enhance quality of life, and pave the way for a more comprehensive and patient-centred approach to cancer treatment.

- Revise Europe's Beating Cancer Plan to fully acknowledge the role of nutritional support, and medical nutrition in particular, in treatments – in the wake of the European Parliament resolution on the report “Strengthening Europe in the fight against cancer”:
 - Screen and monitor cancer patients for malnutrition to provide timely nutritional care;
 - Implement existing clinical nutrition guidelines on nutritional care for cancer patients;
 - Provide equal access to and reimbursement of medical nutrition to cancer patients;
 - Implement multi-disciplinary oncology teams, including dietitians or registered nutritionists;
 - Educate healthcare professionals and patient advocates on the importance of nutritional care, and inform cancer patients on the importance of a good nutrition status in cancer care.

Finally, we call on EU policymakers to encourage “family first” healthcare systems and societies, notably when it comes to infant feeding.

How to feed their child is an important decision for any parent. While breastmilk offers babies the best nutritional start in life, mothers and parents are often poorly supported in their breastfeeding journey – whether it is in local health communities or in the support back to the workplace.

Infant feeding realities are also multiple. Some parents cannot breastfeed; many also make the choice to partially or fully feed their children with baby formula at some stage. Formula is the recommended alternative to breastfeeding according to medical guidelines; parents therefore need to be empowered to make informed choices and then be supported in the feeding journeys.

- Back the revision of the 1992 EU Pregnant Workers Directive to support breastfeeding:
 - Provide longer fully paid parental leave, including minimum 18 weeks for the primary caregiver;
 - Mandate the presence of breastfeeding rooms for companies over 50 employees;
 - Recognise breastfeeding breaks for workers.
- Support access to nutritional information during pregnancy and for infants and young children, via healthcare professionals and parents, safeguarding access to information about baby formula to support parents in making an informed choice and respect a legitimate feeding option.
- Recognise maternal and peripartum mental health within the EU Commission’s mental health Communication.

⁴ Ipsos European Oncology Patient Survey, data on file, 2023

⁵ Burden et al. 2017 J Cachexia Sarcopenia Muscle, 8(3):437-486

CONCLUSION

The resilience of our agriculture, the sustainability of how our food is produced, and the health of consumers – are three facets of a common challenge: making our food systems fit for future generations.

At Danone, we have been promoting this 'One Planet. One Health' vision since 2017. But this vision is no longer enough; we collectively need to act and give agriculture and food the urgency and priority they deserve.

We are, now more than ever, absolutely committed in working with stakeholders and policymakers on the steps needed to make this a reality.

HEALTHY LIFESTYLE THROUGH FOOD

WHERE WE ARE

120+ countries where Danone products are available

32% of global sales are in Europe

OUR PRODUCTS

#1 in fresh dairy products worldwide

#1 in plant-based foods and beverages worldwide

#2 in packaged waters worldwide

#2 in early life nutrition worldwide

#1 in adult nutrition in Europe

91% volumes of products sold globally are in healthy categories

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