

Scaling up and de-risking the sustainable transition in agriculture

EVENT CO-HOSTED BY
MEP PASCAL CANFIN & MEP CLARA AGUILERA

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ORGANISERS:





Take-home messages

A holistic approach to agriculture – that benefits farmers, the climate and nature altogether – is one of the best viable solutions for the future of the sector, to address the current threats to our soil, farmers’ livelihoods, and food security. In this context, farmers must be acknowledged for their contributions to the environment and society, being fairly rewarded for their production and supported to farm sustainably.

“Business as usual is no longer an option.”

All actors in the agricultural value chain - from farmers, to retailers, to banks - recognize the urgency to scale up sustainable agricultural practices. Young farmers are leading the path towards a more sustainable agriculture. Large companies, such as food and beverage, textile and cosmetics companies, as well as banks are already supporting farmers in their transition with technical assistance, long term contracts, results-based reward schemes and sustainability-linked loans.

The event held at the European Parliament highlighted that this transformation can only be achieved at scale through the united efforts of all stakeholders. “Millions of farmers are transitioning to agroecological and regenerative farming practices” said Catherine Geslain-Lanéelle in her opening remarks.

Stefania Avanzini, director of OP2B, is confident about the ability to change: “Everyone understands the sense of urgency to transition. We have heard today about so many examples testifying that the transition is already underway.”

“The transition to more resilient and regenerative agricultural models at scale will require collaborations between each actor in the value chain from farmers to retailers and in dialogue with policymakers”, said Stefania Avanzini.



Young farmers at the forefront of the transition

The impacts of climate change and biodiversity loss on agricultural production are becoming everyday challenges for farmers. Elisabeth Hidén is a first-year farmer from Sweden and vice-president of CEJA. She tells that the three biggest challenges for her are climate change, access to land and access to funds.

MEP Clara Aguilera Garcia says agriculture policy should focus more on the next generation: “Young men and women are the future of our agriculture, the future of food producers. Therefore, this event is of paramount importance. The first pillar of the CAP [Common Agricultural Policy] should be renewed to facilitate the next generation of farmers.”

MEP Pascal Canfin: “The agricultural transition is a critical piece for building a sustainable, prosperous and sovereign Europe. To achieve this, it is crucial to avoid both polarization in the debate and silo approaches. Placing the burden of change only on farmers does not work. On the contrary, we should adopt a more comprehensive approach, which includes all actors of the food chain, and in particular those with more leverage over the whole sector”. “We need to change the narrative, farmers are not only the problem, but also the solution”, concludes Elisabeth Hidén.

Scaling up sustainable agriculture requires collaboration across the entire value chain

We need these partnerships because farmers alone cannot deliver the transition in agriculture. According to MEP Pascal Canfin. “In order to accelerate we need to design policy for the entire value chain. Currently, legislation is too focused on farmers.” According to Elze Jellema, farmer and vice-chair of the Cooperative Board of FrieslandCampina, “we need more engagement with farmers and incentive systems for climate and biodiversity protection and restoration should be based on results, leveraging on farmers’ craftsmanship to reach positive outcomes, rather than prescribing measures.” Agricultural value chain players recognize the urgent need for each actor in the value chain to de-risk the farmers’ transition.

Catherine Geslain-Lanéelle, Director of Strategy and Policy Analysis at DG Agriculture and Rural Development says that “with the Green Deal, Europe has shown the way in terms of ambition for the transition. The CAP provides essential tools to support the agricultural transition, but it cannot do everything. We must develop a policy mix to leverage the potential of all the actors of the agricultural value chain and make them synergistic. This can only be achieved through in-depth dialogue with all players involved.”



Innovative financing can de-risk the transition for farmers

Today the short-term risks of transition are on farmers shoulders. Young farmers, industry leaders, and policymakers, alongside financial institutions, recognize the urgent need for each actor in the value chain to de-risk the farmers' transition. Public funds alone will not suffice to drive the transformation required and they emphasize the need for innovative financial mechanisms that bridge public and private interests. A dedicated financing platform, backed by banks and financial institutions, could unlock resources and accelerate the adoption of sustainable farming practices.

Eric Soubeiran, Vice-President Business Operation Sustainability at Unilever, shares: “the new challenge for the food industry is to shift from remunerating farmers only for volumes produced to rewarding them for the ecosystem services they generate.” In the same line, Nicoline van Gerrevink, Executive Director Food System Transition at Rabobank says that banks have a clear role to play: “Banks can help bridge the difficult years for farmers, the transition years when production might be lower and new farming techniques are tested, as long as there is clear sight of better years with a good income after this transition period.”



Conclusions

A sustainable transition in agriculture is already underway, but in order to reach scale, it needs support from all stakeholders in the agricultural value chain. In order to collaborate we need to build a common understanding about the need for systemic change toward a holistic approach in agriculture, and the role that each actor in the value chain and policymakers have to play to scale up this transition.

Dirk Jacobs, Director General of FoodDrinkEurope, says that “food producers are in the midst of the transition. We need to depolarize the debate and change the narrative. Farmers are not the cause but offer a solution for climate change and biodiversity.”

Marion Picot, secretary general of CEJA adds that “in Europe we have very diverse farmers in diverse climates and diverse soils. This means that these diverse farmers have diverse demands for finance, for policy and for training.”

Stefania Avanzini, director of One Planet Business for Biodiversity (OP2B), closes by saying that “the transition to more resilient and regenerative agricultural models at scale will require more value chain and cross-sector collaboration and more investments. We need public-private platforms to finance and de-risk the transition”.

About the organizing partners



The **European Council of Young Farmers (CEJA)** is the voice of Europe's next generation of farmers to the European institutions. CEJA acts as a forum for communication between young farmers and European decision-makers. Its main objective is to promote a younger and more innovative agricultural sector across the EU-27 and to create good working and living conditions for young people setting up in farming and those who are already “young farmers”. CEJA was established in Rome (Italy) in 1958 by organizations representing young farmers from the six founding members of the European Economic Community. Its membership spans 22 EU Member States and 33 national member organizations, including an observer member from the UK and an associate member from Serbia.



FoodDrinkEurope represents the EU food manufacturing industry. Made up of around 294,000 businesses and 4.6 million workers, the food and drink industry buys 70% of all EU agricultural produce and is a leading manufacturing industry in Europe.



One Planet Business for Biodiversity (OP2B) is an international cross-sectorial, action-oriented business coalition for the protection and restoration of biodiversity. OP2B's mission is to improve agricultural biodiversity throughout value chains by scaling up the deployment of regenerative agriculture and restoration actions. Positioned at CEO-level, while working at an operational level with technical actors, OP2B is an impactful coalition of 30 engaged companies across the entire value chain.