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Transforming European food value chains : Challenges and conditions of a protein transition

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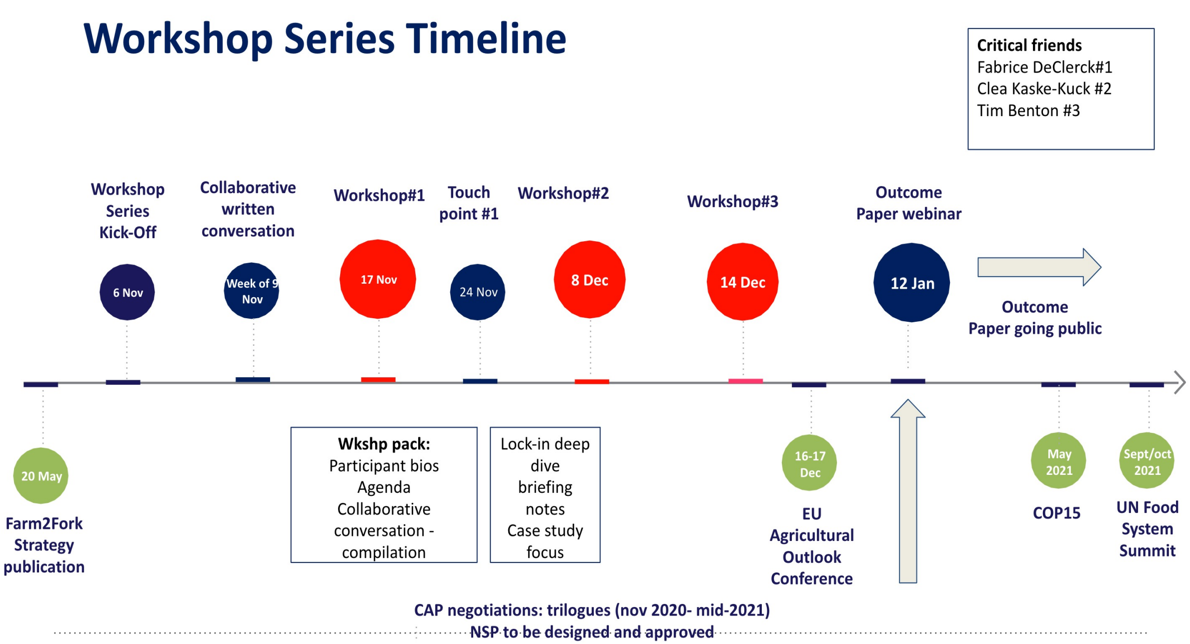
The Valumics Workshop Series

- A collective discussion on the challenges and conditions for a viable transformation of European food value chains

  - Identify the main obstacles to transforming FVCs
  - Build transition pathways with key levers towards 2030
  - Develop a policy roadmap



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VALUMICS Food Systems Dynamics

A high-level multi-stakeholder dialogue

- Over 20 strategic and operational actors from across the European food system

Policy-makers

Business

Think tanks & research

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Key outcome messages

1. The protein transition is both necessary and feasible
2. It will entail a proactive re-organisation of European food value chains
3. Key policy changes are needed at the level of :
   - consumer demand
   - market organisation
   - agricultural policy

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H2020 VALUMICS Project Policy Brief

June 2021

Towards a Sustainable and Fair EU Food System: Challenges and Conditions of a Protein Transition

The publication of the Farm2Fork Strategy paves the road for an ambitious transformation of the EU food system in order to address environmental, health and social issues and deliver on sustainable and healthy diets for all. The "protein transition" – i.e. the decrease in the consumption and production of animal products while increasing that of pulses - represents a key component of this transformation and is especially crucial to reduce the environmental pressures currently exerted by the food system (GHG emissions, biodiversity loss, water and soil pollution, etc.).

Yet, such a transition entails a considerable reorganization of food value chains (FVCs) and thus raises significant economic questions (especially within the animal and feed sectors) which often constitute a roadblock in discussions. In this context, the VALUMICS Workshop Series, held from November 2020 to January 2021, aimed to address head-on the issues at hand in specific food value chains (dairy, legumes, wheat) in order to identify the broader conditions of a protein transition.

Key Outcomes

Over 20 diverse actors from the European food system agree that the protein transition is both necessary and feasible. Although discussions remain on the precise scale of change needed in the next 10 years, the broad direction of travel must include a decrease in animal and feed production while substantially increasing the consumption and production of legumes (for feed and food).

- Over 20 actors, all with a stake in the European food system – from policy makers to agrifood businesses and civil society – agreed on the need for the transition while pointing out key political and socio-economic challenges to support its concrete operationalization within FVCs. To this end, the collective discussion investigated three main questions: (i) how can this transition be economically viable and fair (ii) what are the relevant policy levers to be implemented (iii) how can value chain actors drive and enhance the speed of change through collective action?
- Food value chain transformations will require policy shifts at three complementary levels: **(i)** supporting changes in food habits through public procurement and broader interventions on consumers' food environments; **(ii)** levelling the playing field for agricultural markets both within the EU and between European and third countries, while making competition rules more favourable to address sustainability and fairness issues; **(iii)** succeeding in making the CAP reward the best environmental practices and support the production of protein crops.
- The protein transition will depend on the collective action of actors within food value chains: policy makers and economic actors can no longer pass the buck to each other or wait for consumers to drive the change. Every actor of the system needs to move in the same direction to create cumulative effects and ultimately overcome the macro socio-political lock-in of our food system.

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A proactive reorganisation of food value chains

PLANT PROTEIN

- **Objective:** structuring the value chain
- **Challenges:**
  - Develop more adapted varieties to deliver better yields
  - Scale up of collecting & processing capacities
  - Industry innovations to create new outlets

DAIRY

- **Objective:** accompany the decrease in volumes while maintaing jobs and revenues
- **Challenges:**
  - Shift to more differentiated (*vs* commodified) productions
  - Handle stranded assets

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Overarching political challenges

- **Consumer demand**
  - From communication campaigns… to direct changes in the consumer’s “food environment”
- **Market organisation**
  - Harmonising market rules to level the playing field
  - Competition policy in line with the EU’s sustainability objectives
- **Agricultural policy**
  - Aligning the CAP with the Green Deal

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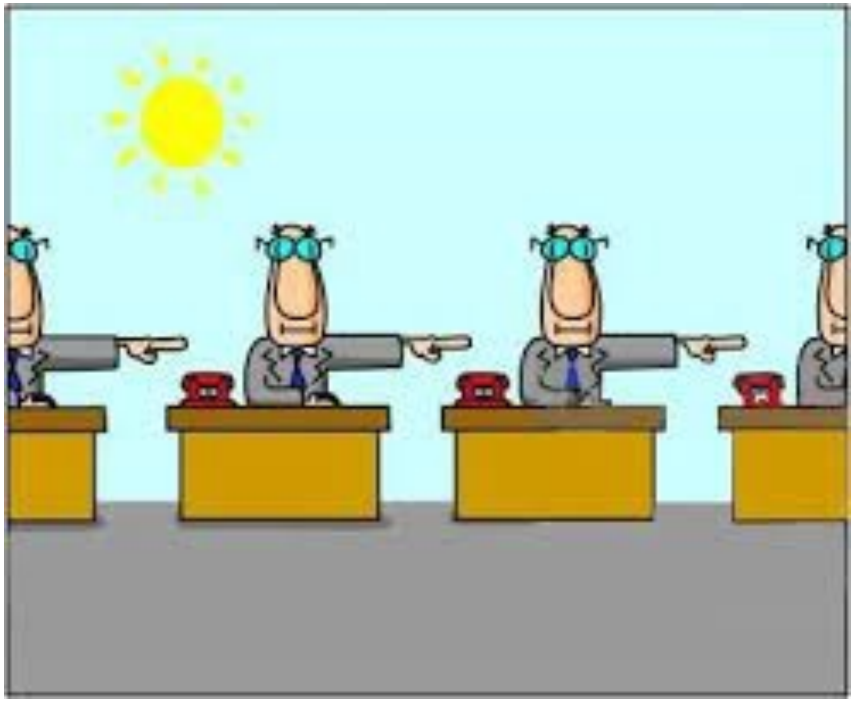
An issue of collective action

- Policy makers and economic actors can no longer *pass the buck* to each other or wait for consumers to drive the change

- Each and every actor of the system needs to move in the same direction to create cumulative effects.



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