POLICY PAPER



SUSTAINABLE FOOD SYSTEMS





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INTRODUCTION

The term "food systems," as defined by the OECD, encompasses a comprehensive understanding of the entire journey of food from production to consumption. This includes not only the cultivation, harvesting, processing, distribution, and marketing of food but also its consumption patterns, waste management, and the broader societal, economic, health, and environmental implications associated with these activities.

This policy paper brings forward the recommendations by young people from rural areas and young farmers¹ to ensure that the voices of those directly impacted by food system policies are heard and integrated into decision-making processes. By prioritizing the perspectives and experiences of rural youth and young farmers, we aim to create more inclusive, effective, and sustainable solutions that address the diverse needs and aspirations of all stakeholders within the food system. Recommendations are directed at the European Commission and its member states, based on their division of competences within the European Union, as well as to non-EU countries across Europe and other relevant organisations.



I.The basis for this policy paper was the European Rally 2023 that took place from the 3 lst of July to 5th August in Klagenfurt, Austria under the title "Grow-Eat-Repeat: Circular Economy of Food", with the support of the European Youth Foundation of the Council of Europe. The policy paper was created by the secretariat of Rural Youth Europe with the support of the RYE board and with contributions from Harry Sprague, Doris Letina and Polona Globočnik. The policy paper was adopted by the General Assembly on the 1st of August 2024 in Voore, Estonia.



I. Rules, regulations and bureaucracy

Problem: Amidst the complexity of regulatory frameworks that is not to the connected with the reality of agriculture, farmers grapple with overlapping, fragmented and too ambitious regulations at both the national and EU levels, which impose compliance burdens and administrative inefficiencies. Furthermore, inconsistent interpretation and enforcement of these regulations among member states exacerbate legal uncertainties and compliance challenges for farmers across Europe.

We recommend to:

- Streamline and harmonize regulatory frameworks at both national, EU and international levels to reduce complexity and minimize overlapping regulations, thereby easing compliance burdens for farmers.
- Conduct regular reviews and evaluations of existing regulations to identify redundancies, inconsistencies, and areas for improvement, with input from stakeholders including farmers, policymakers, industry representatives and experts. Ensure that regulations which are longer relevant are removed or rephrased.
- Educate and empower young farmers as well as provide financial and technical assistance to support farmers in implementing compliance measures and adopting best practices to meet regulatory standards effectively.
- 4. Promote transparency and accountability in regulatory processes by engaging stakeholders, particularly young farmers in decision-making, enhancing transparent communication channels, and soliciting feedback on regulatory reforms and initiatives.

Problem: Farmers are burdened by administrative procedures, including licensing, permitting, and certification requirements, which consume significant time and resources. Moreover, the duplication of paperwork and reporting obligations across various regulatory and private schemes exacerbates the administrative burden on food producers and processors.

- 5. Simplify and standardize administrative procedures for licensing, permitting, and certification across regulatory schemes to streamline compliance efforts and reduce duplication for farmers.
- 6. Introduce digital solutions and online platforms for administrative processes, such as electronic filing systems and digital permit applications, to improve efficiency and minimize paperwork for food producers and processors.



II. Production and Farming Practices

Problem: The challenge of globalization strains prime agricultural land, posing a significant threat to food security. Inefficiency in land use planning, coupled with limited access to affordable land and high land prices, strong land concentration, low degree of mobility and transfer, urban sprawling creates formidable barriers for young farmers seeking to enter the agricultural sector. Furthermore, the lack of support for sustainable farming practices can in some examples contribute to soil degradation, diminishing soil quality, and compromising long-term agricultural productivity.

We recommend to:

- 7. Protect prime agricultural land through strict land use regulations and incentives for agricultural preservation.
- 8. Implement land access programs and land banking initiatives to provide young farmers with fair access to agricultural land.
- 9. To create systems to facilitate access to land and to put in place brokerage for land acquisition could enhance a fruitful match between land demand and land availability.
- 10. Establish schemes and programs enabling young farmers to lease lands from public property or underutilized agricultural lands at significantly reduced rental rates and implement priority access measures.
- 11. Continue promoting and supporting efficient practices of farming, such as crop rotation, conservation tillage, cover sowing and intercropping, through incentives and the promotion of public consultancy services and, if necessary, frequent on-farm training.
- 12. Promote sustainable farming practices through peer-to-peer learning.

Problem: The lack of succession planning mechanisms and estate planning expertise complicates intergenerational farm transfers, while inheritance laws and tax regulations as well as insufficient social security (among others also the pension system) may disincentivize older farmers from transferring assets to younger generations, creating significant barriers to the sustainable transition of agricultural operations to the next cohort of farmers.

- 13. Develop and promote accessible and user-friendly resources on succession planning and estate planning tailored specifically for farmers, including workshops, online guides, and advisory services offered through agricultural organizations.
- 14. Encourage member states to provide financial incentives or tax breaks to encourage older farmers to engage in succession planning and facilitate the transfer of assets to younger generations, mitigating the disincentives posed by inheritance laws and tax regulations.
- 15. Establish mentorship programs pairing experienced farmers with younger individuals interested in agriculture to facilitate knowledge transfer and succession planning processes, fostering intergenerational collaboration and skill development.
- 16. Advocate for reforms in inheritance laws and tax regulations to better accommodate the needs of agricultural businesses and promote smoother transitions between generations, including exemptions or reduced taxes on intra-family farm transfers.
- 17. Strengthen social security and pension systems in the national level for farmers to provide greater financial stability and security in retirement, thereby alleviating concerns about asset transfer and succession planning among older farmers and encouraging them to facilitate the transition to the next cohort of farmers with confidence.
- 18. Stimulate financial support for young farmers, but also older generation to encourage faster and more efficient generational renewal.

III. Economic Impacts and unfair food supply chain

Problem: The food sector faces substantial hurdles due to the pressures used by distribution companies, unfair competition, and the intricate nature of international trade agreements. These factors collectively impose strains on the stability and competitiveness of the industry, impacting stakeholders throughout the food supply chain.

We recommend to:

- 19. Advocate for fair trade practices and regulatory reforms to address unfair competition within the food sector as well as strengthen the Unfair Trade Practices directive and prolong the practices included in the Unfair trading practices in the food chain list (also known as the blacklist), ensuring a level playing field for all participants.
- 20. Strengthen monitoring and enforcement mechanisms to prevent anti-competitive behavior and ensure compliance with trade regulations and agreements.
- 21. Negotiate international trade agreements that prioritize the interests of domestic food producers and safeguard against unfair competition from imported goods.
- 22. Encourage diversification of distribution channels and support the development of alternative market streams, such as local markets and direct-to-consumer sales, to reduce dependency on large distribution companies.
- 23. Provide financial incentives and support programs for small-scale and local food producers to enhance their competitiveness and resilience in the face of market pressures. In addition, further incentivize the cooperation of farmers in producer organizations and other forms to ensure the supply of regional and European products also in the urban areas.
- 24. Promote transparency and accountability in the food supply chain through measures such as mandatory labeling of the origin and production practices of food products.
- 25. Foster collaboration and knowledge-sharing among stakeholders in the food sector to identify innovative solutions and best practices for addressing challenges related to distribution, competition, and trade.

Problem: Certain players in the food supply chain benefit at the expense of farmers' daily work and rural economies, leading to minimal and inequitable returns for farmers.

We recommend to:

- 26. Implement fair trade practices and regulations to ensure that farmers receive equitable compensation for their products, labor, contributions and other services to the food supply chain.
- 27. Strengthen contract transparency and fairness to prevent exploitation of farmers by larger entities within the supply chain, promoting balanced and mutually beneficial relationships.
- 28. Provide financial and technical support to small-scale and family farmers to enhance their bargaining power and resilience in negotiations with larger stakeholders.
- 29. Establish mechanisms for farmer representation and participation in decision-making processes within the food supply chain, empowering them to advocate for their interests and rights.

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Problem: Fluctuations in commodity prices and market demand expose young farmers to financial instability and risk.

We recommend to:

- 30. Establish risk management programs tailored specifically for young farmers, providing access to financial tools such as futures contracts, options, and insurance to mitigate the impact of commodity price fluctuations.
- 31. Develop mentorship programs connecting young farmers with experienced industry professionals who can provide guidance on financial planning, marketing strategies, and risk management techniques.
- 32. Encourage diversification of farm products and income streams to reduce dependency on volatile commodity markets where suitable, promoting value-added products, niche markets, agritourism, and direct-to-consumer sales or cooperation of several farms.
- 33. Advocate for policies supporting fair pricing mechanisms and transparent market practices, ensuring young farmers receive equitable compensation for their products and reducing vulnerability to market manipulation.
- 34. Provide access to training and education programs on financial literacy, budgeting, and business management tailored to the unique needs of young farmers, empowering them to make informed decisions and navigate financial challenges effectively.

Problem: Lack of market transparency and unfair trading practices disadvantage small-scale producers, including young farmers, in price negotiations.

We recommend to:

- 35. Implement regulations requiring greater transparency of distributors, wholesalers' retailers in pricing and trading practices and enforcement of fair-trading standards to protect small-scale producers.
- 36. Support producer organizations (POs) or collective marketing arrangements to enhance the bargaining power of small-scale producers, including young farmers, in negotiations with buyers and intermediaries.
- 37. Facilitate the development of local food hubs or online platforms that connect small-scale producers directly with consumers, reducing dependence on traditional market intermediaries and promoting fairer pricing structures.
- 38. Provide training and capacity-building programs to empower small-scale producers, including young farmers, with negotiation skills and knowledge of their rights under existing market regulations, enabling them to advocate for fairer treatment in price negotiations.
- 39. Encourage the establishment of alternative marketing channels such as farmers' markets and farm-to-table initiatives, which prioritize transparency and direct relationships between producers and consumers, reducing reliance on conventional supply chains dominated by unfair trading practices.

Problem: High level of investments and input and low revenue levels at the early stages of the establishment of farms.

- 40. Continue supporting and to increase the supports available for young farmers starting to farm or taking over a family farm while decreasing the bureaucratic burden for installments and grants
- 41. Particularly support young farmers at the commencement of their operations with financial support and other incentives that are exempt from taxation.
- 42. Implement financial instruments in the form of low interest rates and guarantee schemes.

Problem: Scarce access to affordable credit and capital impedes young farmers' capacity to invest in land, equipment, and infrastructure.

We recommend to:

- 43. Establish dedicated financial assistance programs and subsidies tailored to the needs of young farmers, providing them with access to affordable credit and capital for investments in land, equipment, and infrastructure.
- 44. Collaborate with financial institutions to develop specialized loan products and financing options designed to address the unique challenges and constraints faced by young farmers, including flexible repayment terms and reduced interest rates.
- 45. Expand initiatives for land trust and land sharing arrangements to facilitate access to land for young farmers, enabling them to start/expand their operations without facing prohibitive upfront costs.
- 46. Enhance financial literacy and entrepreneurship training programs for young farmers to equip them with the skills and knowledge needed to effectively manage finances, assess investment opportunities, and navigate the complexities of agricultural business management.
- 47. Promote alternative funding sources such as crowdfunding, peer-to-peer lending, and impact investing to diversify young farmers' access to capital and support innovative agricultural projects and enterprises.
- 48. Advocate for policy reforms to address barriers to credit and capital for young farmers, including regulatory reforms, tax incentives, and risk-sharing mechanisms to incentivize private investment in agricultural youth entrepreneurship.

Problem: Barriers to entry, such as certification costs and compliance requirements, hinder small-scale producers' access to niche and premium markets. Additionally, the concentration of market power among large retailers and agribusinesses restricts market access and bargaining leverage for small-scale producers.

We recommend to:

- 49. Implement subsidies or grants to nullify certification costs for smaller-scale producers, enabling them to access niche and premium markets without facing prohibitive financial barriers.
- 50. Simplify and streamline certification processes and compliance requirements for small-scale producers, reducing administrative burdens and facilitating market entry.
- 51. Invest in infrastructure and logistics networks to improve market access for smaller-scale producers, reducing transportation costs and expanding their reach to broader markets.



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IV. Health and Nutrition

Problem: Increased health risks due to poor nutrition from systemic factors such as the dominance of processed foods in the market, limited access to fresh and locally sourced produce, inadequate education on nutrition, and socio-economic inequalities.

We recommend to:

- 52. Promote sustainable farming practices that prioritize local production through incentives and education programs for farmers.
- 53. Implement policies to increase access to fresh and locally sourced produce, such as supporting farmers' markets, community-supported agriculture (CSA) programs, and urban farming initiatives.
- 54. Integrate nutrition education, education about the standards in domestic production into school curricula, and community outreach programs to empower individuals with knowledge about healthy eating habits and food choices.
- 55. Support initiatives that improve food access and affordability in underserved communities, such as different support for healthy food purchases, mobile markets, and community gardens.
- 56. Foster collaborations between farmers, healthcare providers, educators, and policymakers to develop holistic approaches to addressing nutrition-related health risks within the broader context of food systems and public health.
- 57. Promote policies and initiatives that support access to healthy and diverse food options for consumers, while ensuring fair compensation for farmers.

V. Environmental Sustainability

Problem: Resistance from consumers, businesses, and policymakers to adopt and implement sustainable food practices, including seasonal consumption, local procurement, sustainability education, and standardized labeling.

- 58. Encourage seasonal food consumption through promotion of sustainable public procurement with local producers to ensure high-quality sourcing for public kitchens.
- 59. Set up national and municipal sustainable targets on local food consumption and a roadmap to reach these targets, with the goal of increasing local farmers' representation in public procurement tenders.
- 60. Include the topic of sustainable food consumption at basic education levels.
- 61. Educate consumers to understand use-by and best-by date labels on food, helping them optimize usage and reduce waste.

Problem: Excessive exploitation of natural resources (soil, water and air pollution) and their consequent pollution.

We recommend to:

62. Support the integration of crop and livestock production, the reinforcement of traditional agricultural practices promoted and reinterpreted through agroecology, and the transition to optimizing and expanding the implementation of precision agriculture.

Problem: Climate change leads to various and prejudicial weather changes, in temperature, precipitation and an increase in the frequency of extreme weather events.

We recommend to:

- 63. Through financial and administrative support encourage climate-smart farming methods. Farmers can use climate forecasting tools, plant cover crops, and take other steps to help manage climate-related production threats.
- 64. Invest in the development of water highways/water circulation systems facilitating the transfer of water from less affected regions to areas at high risk of desertification.
- 65. Implement measures for maximizing energy efficiency and transitioning away from fossil fuels where suitable by implementing on-farm renewable energy production methods like installing solar panels and wind turbines.
- 66. Develop educational material e.g. toolkit of suitable solutions that address climate change adaptation and mitigation and are accessible and affordable to farmers.

Problem: Misleading advertising, greenwashing, and ambiguous labeling claims within the food industry confounds consumers' ability to make informed and sustainable food choices. This fosters consumer distrust and skepticism towards food industry practices, exacerbated by the lack of transparency and traceability in supply chains.

- 67. Implement transparent labeling standards that provide clear and easily understandable information to consumers about the sourcing, production methods, and environmental footprint of food items.
- 68. Promote consumer education initiatives to enhance awareness and understanding of food labeling practices, empowering individuals to discern between genuine sustainability claims and deceptive marketing tactics.
- 69. Reinforce the EU due diligence rules for companies to encourage food companies to adopt traceability systems and supply chain transparency measures, allowing consumers to track the journey of products from farm to fork and verify their sustainability credentials.

VI. Participation in Decision Making

Problem: Difficulty in obtaining funding, lack of spaces for dialogue with policymakers, and limited access to participatory policymaking hinder the ability of rural youth organizations and agricultural movements to effectively advocate for their needs and interests.

We recommend to:

- 70. Provide structural funding and resources to rural youth and young farmers and farmers organizations to enhance their capacity to engage in advocacy efforts and represent the interests of young farmers and rural communities effectively.
- 71. Ensure that rural youth organizations and other agricultural organizations have access to adequate resources, including funding, training programs, and technical assistance, to support their initiatives and activities.
- 72. Encourage a continuous dialogue and create spaces for interaction between policymakers and the agricultural sector, including young farmers and rural youth organizations. This dialogue should facilitate meaningful exchanges of ideas, concerns, and policy proposals to address the challenges facing agriculture and rural communities.
- 73. Establish participatory policymaking processes that actively involve young farmers, rural youth organizations, and agricultural movements in the development, implementation, and evaluation of policies affecting agriculture and rural development. This inclusive approach can ensure that policies reflect the diverse needs and perspectives of stakeholders and lead to more effective and equitable outcomes.

VII. Social and Cultural Perspectives

Problem: Urbanization and globalization have led to a disconnect between consumers and the origins, production methods, and seasonality of food, fostering indifference towards ethical, environmental, and health considerations in food choice.

- 74. Implement educational initiatives aimed at improving consumers' understanding of food production, including where and how different foods are grown, raised, and processed. These programs can be integrated into school curricula, community workshops, and online resources to reach a wide audience.
- 75. Launch public awareness campaigns that highlight the importance of understanding food production and its impact on health, the environment, and local economies. Utilize media platforms, social media influencers, and community events to raise awareness and promote consumer education.

Problem: Misconceptions regarding agriculture persist between rural and urban areas, contributing to negative stereotypes and societal perceptions that deter young people from considering farming as a viable career choice.

We recommend to:

- 76. Implement comprehensive agricultural education programs in both rural and urban schools to increase awareness and understanding of farming practices, sustainability, and the importance of farming in food production.
- 77. Facilitate exchange programs and collaborative initiatives between rural and urban communities to bridge the gap in understanding and perceptions of agriculture.
- 78. Educate consumers, particularly urban residents, about the importance of supporting local farmers and sustainable food systems. Provide information on the benefits of buying locally produced food, the environmental impact of food choices, and the role of young farmers in ensuring food security and sustainability.

Conclusions

Addressing the multifaceted challenges confronting our food system demands a comprehensive and inclusive approach that encompasses the needs and aspirations of farmers, consumers, and policymakers alike. By fostering an enabling environment for young farmers, streamlining bureaucratic processes, facilitating intergenerational succession, and promoting consumer awareness and education, we can lay the groundwork for a fair, sustainable, and resilient food system in Europe. Leveraging recent policy developments in the EU that recognize agriculture's core role, this policy paper aims to address urgent challenges and recommendations identified by young people directly linked to food systems. Advocating for immediate action on food production, distribution, consumption, and waste management, we acknowledge the critical link between food systems and rural areas. Emphasizing the importance of a holistic perspective bridging rural areas and food systems, we aim to overcome obstacles such as competition from cheaper imports, regulatory burdens, land access issues, economic disparities, and environmental degradation. Urgent measures are required to ensure food safety, nutritional security, and the sustainability of livelihoods for millions of farmers and stakeholders, countering the trend of rural abandonment and safeguarding the future for generations to come, thereby fostering thriving rural communities.



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