

## Focus on food revolution - transformation lab for more co-operation in food industry

What is the food industry's response to the EU Green Deal? How can the food sector quickly make measurable contributions to achieving climate goals, to the circular economy and to resilient regional economic structures and sustainable global business relationships? A somewhat unusual "coalition of the willing" is joining forces to form a transformation laboratory on nutrition. What is to follow now are two years of intensive work on topics of the food turnaround.



There are 50 fields of action in the Green Deal, which aims at a new holistic legal framework for sustainable food systems with the "Farm to Fork" strategy. (Photo: © Mareike Bähnisch)

### Setting topics together

The challenge has been clear at least since the latest update of the Intergovernmental Panel on Climate Change: The food turnaround must succeed in a fairly short time, or things will get unpleasant - on a global scale. The Federal Association of the German Food Industry (BVE), the Centre for Sustainable Corporate Management (ZNU) of the University of Witten/Herdecke, Regionalwert Leistungen GmbH and B.A.U.M. (Federal German Working Group for Environmentally Conscious Management) are becoming active in the search for answers to this challenge. A series of workshops will follow in the coming months to form a permanent core group that will carry the process in partnership and develop concrete solutions. B.A.U.M. provides the Business for the Climate initiative, which is open to all companies, as a platform for this.

### Practical help for supply security

Yvonne Zwick, Chairwoman of B.A.U.M., the network for sustainable management, explains what makes the cooperation so special: "In this transformation lab, the industry association, which is located in the middle of the business community, is working together with a pioneer, a standard setter and an innovator for the holistic business balance sheet. This is a reflection of the currently very intense discussions, which at the same time reflect the situation on the market. What I hope for is accentuated and at the same time practicable assistance for newcomer companies for supply security, healthy nutrition and enjoyment within planetary load limits."

"The platform and the joint exchange with stakeholders is immanently important for developing a common understanding and building bridges. The BVE has an interest in solutions to sustainability issues that can be implemented by companies in practice," emphasises Stefanie Sabet, Managing Director and Head of the BVE Brussels Office. This is to take place in the Transformation Lab Nutrition on the basis of current scientific knowledge, good entrepreneurial practice and in an innovative way.

### **Key objective: A climate-neutral Europe**

How can we manage what the planet, politics and society demand of companies? That is the central question. Key objective: a climate-neutral Europe. According to EU Commission forecasts, an average warming of three degrees Celsius would mean losses of 190 billion euros per year and a 20 percent increase in food prices. Lifestyles, nutrition and planetary boundaries would have to be considered jointly. Not only production, but also consumption contributes to more sustainability. The road to implementing the 2030 Agenda is still a long one, says Stefanie Sabet: "Associations are multipliers and motors. The Green Deal challenges companies to do more than the legislation has so far required them to do. And that is no small task - there are 50 fields of action in the Green Deal alone, which aims at a new holistic legal framework for sustainable food systems with the "Farm to Fork" strategy.

Christian Hiß, Managing Director of Regionalwert Leistungen, sees the business perspective as the central challenge - this no longer does justice to the increased risks due to climate change. In the past, however, the issue has been dealt with too much from a purely socio-ecological point of view, says Hiß. Companies' services for the environment and resilience would currently have no value in a company balance sheet. On the other hand, they would only be provided if they were financed, and that would require a comprehensive risk balance. Making sustainability and resilience visible in the balance sheet is what the "Richtig Rechnen" (calculate correctly) method, tested in the Quartavista innovation project, contributes to.

The basic idea: Benefits are paid for by the market, compensation money and public funds (CAP). This has a potential impact on food prices by making high quality food with a positive performance balance cheaper. "The aim is to synthesise the sustainability balance sheet and the German Commercial Code (HGB) balance sheet. The perspective is not True Cost Accounting, but instead Sustainability Performance Accounting. This fundamentally changes the orientation and evaluation," says Hiß.

### **Workshops and first kick-off event**

The ZNU standard "Sustainable Business", which is already well established in the industry, will undergo a revision at the turn of the year 2022/2023 and will integrate current regulations in its further development - including with regard to the Supply Chain Due Diligence Act (LkSG), corporate due diligence (CSDDD) and expansion of the reporting obligation (CSRD), Green Claims.

Dr Christian Geßner sees major challenges in questions of uniform and practicable impact measurement and emphasises that KPI-driven systems cannot simply be imposed on medium-sized companies due to elaborate data collection processes and the corporate culture. Against this background, practicable approaches for further development were discussed in the first workshop on 10 June.

The first workshop will be followed by five more. There will be a major kick-off event at the end of the first quarter of 2023 on the invitation of the BVE. Some topics are set as wildcards in order to be able to define them in dialogue with the cooperation partners depending on the current dynamic development and the needs of the participating companies.

## Additional information and contact

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