

UNCERTAINTY CONTINUES - AND SO DO WE!



Following some turbulent months with a moderate decline in infections, the return of the cold weather has meant COVID-19 figures are on the rise again in many parts of Europe. Sebastian Emig considers the response of the savoury snacks dustry

ONLY one thing is for sure as we approach the end of 2020: There is a lot of uncertainty. Scientists are divided over whether we are seeing a second wave or we are still within the first wave of the COVID-19 pandemic. As a sector we have successfully met the expectations of consumers during this restricted time and continued to provide them with welcome moments of relief and delight amid the gathering gloom. Looking ahead, what will be the most important factors shaping our industry over the coming months and years?

FARM TO FORK – FRONT AND CENTRE OF ESA'S WORK

We have been experiencing a crisis of a magnitude unmatched since the one that brought the European project into being. This transformational moment is going to shape our continent for decades to come. At the same time we are at a crossroads for legislative development across the food sector with the arrival of the European Commission's ambitious Farm to Fork (F2F) strategy. Embedded within the EU Green Deal – which is a plan to transform the European economy to net-zero emissions by 2050 and to decouple economic growth from resource use – the F2F strategy hosts a plethora of different initiatives. Some will be shaped into regulatory frameworks while others will require voluntary commitments.

The strategy aims to accelerate the transition towards food systems

that are sustainable, as well as more resilient to crises such as the pandemic. The use of innovative technologies in producing food and the corresponding investments companies need to make will be essential in achieving these goals.

On the consumption side, the F2F strategy aims to improve the availability and price of nutritious and sustainable food and to promote the adoption of healthy and sustainable diets by consumers. Key elements include improving consumer information, strengthening sustainable food procurement and encouraging measures that support sustainable food consumption.

As ambitious as some of the elements of the F2F strategy are, criticism popped up almost immediately. Farmers and organisations representing them were among the first (and loudest) to criticise the aspirational nature of some F2F proposals. For us as snacks manufacturers, it is important to listen to their concerns, since our industry depends on the guaranteed supply of raw materials such as potatoes, wheat and corn.

Farmers criticised the neglect of business realities and strongly regretted the lack of an initial impact study to accompany the unveiling of the strategy. But their key concern focuses on one main element that is enshrined in the F2F strategy – the Commission's aim to reduce the use of agricultural chemicals in general by 50% by 2030 and fertilisers by at least 20%.

“The use of chemical pesticides in agriculture causes soil, water and air pollution, as well as biodiversity loss and can harm plants, insects, birds, mammals and amphibians,” the strategy reads. Yet farmers question whether the percentage of farmland that is supposed to be turned over to organic farming will be matched by an equivalent number of consumers that will buy and eat organic.

They request a review of the strategy as soon as any detrimental effects become visible. Curiously, a similar remark was made by Agriculture Commissioner Janusz Wojciechowski (who was himself raised on a farm), and this has opened up the possibility of revising the F2F's most ambitious targets at a later stage if food security is threatened. “If it were to become apparent that the achievement of the objectives set out in this strategy threatens both food safety and the competitiveness of our agriculture, then these objectives would have to be revised,” he said, speaking before the French Senate in July.

The cherry on top for farmers was most probably that agriculture did not merit even a mention in Commission President Ursula von der Leyen's first State of the Union speech.

The first ripples from the ambitious F2F strategy washed ashore on the other side of the Atlantic at the start of October, when US Agriculture Secretary Sonny Perdue warned that Washington could complain to the World Trade Organization if the European Union

goes ahead with a farming strategy that the USA believes is protectionist. "Every sovereign nation has a right to determine the rules and regulations for their food and agricultural production, we do, Europe does (...) but when you try to impose those standards on international trade (...) it becomes extremely problematic," Purdue said.

DEFENDING OUR SECTOR'S IMAGE

I usually abstain from anecdotes in this section, but I would like to share one with you that is yet another excellent example of how the ESA secretariat is defending the sector's image vis-à-vis policymakers.

In September, ESA was contacted by *POLITICO* (a major media outlet for European affairs in Brussels) to comment on the upcoming Commission guidelines on the implementation of the Single Use Plastics (SUP) Directive. The guidelines spell out measures to ban or reduce the consumption of SUP items, including snacks bags.

It appears from the Commission's latest draft that only single-serve bags of snacks would be covered (sold alone or in multi-packs) while bigger, sharing bags are excluded from the scope.

The exclusion of bigger bags was not part of ESA's advocacy policy and ESA would have been fine with all sizes being included, since that is in line with the spirit of the Directive.

However, the Commission's approach did not go unnoticed by some NGOs and, in the context of a *POLITICO* article, they complained that big bags should not be excluded.

Replying to the sustainability reporter's request for a comment, we provided a technical and neutral answer concerning the proposed exclusion according to our advocacy policy.

The day after, the article was published, stipulating that "Snack companies are also pushing hard

to get an exemption for big bags of chips on the argument that they're reusable as people don't eat them in one go..." This was a totally unfounded allegation and quite the opposite of our official reply!

After pushing back and requesting to amend the article accordingly (and after some resistance from the editor) *POLITICO* finally gave in and amended the article, eventually acknowledging that the journalist' sources couldn't confirm that statement. It now reads "Under the current guidelines, things like big chips bags would be exempted on the argument that they're reusable as people don't eat them in one go..."

Having asked *POLITICO* why they did not simply publish our first quote (and chose to go with a groundless accusation), they said it had been removed as it was "too technical".

SNACKEX 2021 - CONFIDENT PLANNING

Having just successfully finalised the first-ever virtual production course 'From raw materials to formed products', I am happy to report that all participants enjoyed and appreciated the efforts made to make this event happen.

Now we are looking confidently towards SNACKEX 2021, which will take place on 16-17 June in Hamburg, Germany. ESA will take all the necessary precautions and will follow the local public health advice strictly, together with the Hamburg Messe, to create a successful business and network gathering. As our planning continues, we will be vigilant in monitoring the public health situation and adjust accordingly to deliver on our promise of making attendee safety our top priority. SNACKEX - the international gathering of the industry's who's who - will provide a two-day expo-style exhibition floor for equipment, packaging, ingredients, seasonings, private label manufacturing and other products

and services related to producing and marketing snacks.

At the time of writing nearly 90% of the stand space is booked by over 111 companies from over 25 countries. This is a new record for our show, and we expect the highest turn-out of exhibitors and visitors since the beginning of the event. Book now and make sure you are part of this memorable occasion.

REMINISCING AND OUTLOOK

Looking back at 2020, throughout the chaotic first phase of the pandemic, not only did the ESA team cope but they rose to the challenge in an extraordinary way. I could not be prouder of my team for the resilience they have shown and how they stepped up, switching to remote working instantaneously, building new processes while delivering on ongoing initiatives. Although we would love to go back to meeting in person, our virtual workplace is running smoothly and efficiently. For this, much credit is due to our members who have kept the essential work of the various working groups going, as well as contributing crucial input on sector-relevant topics.

I would like to thank all my colleagues and our members for your commitment, professionalism, solidarity and hard work - it is truly appreciated.

All that remains is for me, on behalf of the entire ESA team, to wish you and your families all the very best for the festive season and for a happy and prosperous New Year. ■



Director General Sebastian Emig*
*in his capacity as permanent representative of
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