CODE OF CONDUCT

<u>Task Force 2 – Improving the Impact of food processing, retail and food services' own operations</u> on sustainability

Report of the first meeting – 23 March 2021 (DRAFT)

The first meeting of Task Force 2 on "Improving the Impact of food processing, retail and food services' own operations on sustainability" concentrated on the deliberation of members' thematic prioritization, potential aspirational objectives, indicative actions and enablers for operationalizing the identified potential aspirations.

After a tour de table to introduce all stakeholders, the European Dairy Association (EDA) requested the floor to make a point of order, the content of which is contained in **an annex** to this report.

The Commission first made introductory remarks, and presented potential aspirational objectives.

A **compilation of members' feedback** to the "homework" questions was presented by the rapporteur.

In the ensuing deliberations, the **main points** included:

- Consensus that all stakeholders have something to contribute to the two general objectives.
 All participants want to make their operations as efficient as possible. The core question to be solved is how to achieve these objectives, using a science-based approach, and taking into account the great diversity of stakeholders involved.
- A pending decision on rules as to what individual stakeholders are able/have to commit to (individual vs. all aspirations and precise vs. broad aspirations), to ensure that as many stakeholders as possible are able to sign or commit to the code.

A suggested format was presented by the Chair around 2 themes/SDGs. The structure with clear aspirational objectives and flexible actions was broadly supported by the participants.

- Overall consensus that the objectives should be drafted keeping in mind all three pillars of sustainability (economic, social, environmental).
- Overall consensus on the two aspirational pillars for the way forward, being "climate neutral food chain in Europe by 2050" and "optimal circularity and resource efficiency in the food chain in Europe"
- Still to decide on the exact headline for the third pillar that concerns skills and training, in order to also reflect worker health and safety.
- Overall consensus that most enablers collected so far are horizontal. Therefore, enablers will likely have to be horizontal and cover the entire Code of Conduct.
- Overall consensus that the main aspects surrounding biodiversity should mostly be treated in Thematic session 3 surrounding sourcing issues.
- Overall consensus that the industry cannot reach aspirational objectives alone, and therefore
 enablers are a precondition for the code. E.g. If stakeholders are not allowed to put certain
 types of packaging on the market, it will be impossible for them to reach 100% recyclable
 packaging by 2030. Therefore, the discussion surrounding enablers is also one about
 obstacles.
- Overall consensus that the target of "55% emission reduction in the EU food chain" refers to the entire food chain and not just internal operations.
- Point made that there should be consistency between the different thematic sessions. Therefore, there should be further coordination to avoid duplication.

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Building on the progress made during the meeting, and on the Chair's proposal for the way forward, preparatory **homework questions** were presented in view of the **next meeting (15 April 2021**, time TBD). The deadline for responses is **8 April 2021 COB**.

Annex:

EDA has worked over the past 6 years with EU COM / DG ENVOI to establish the DairyPEF (product envi footprint) and allows hence a mapping and monitoring of the impact of our sector in terms of envi sustainability. For economic & social sustainability, other indicators are already well established.

That's why the CoC project and its success is of utmost importance to the EU lactosphère and we are fully committed to support and contribute.

GOVERNANCE

On this cooperative and constructive basis, we feel obliged to make sure that the legal basis of this project is stable.

That's why we ask

- For a respect of the linguistic regime of the EU institutions (providing EN / FR / DE translations of docs and meetings)
- For a clear answer on the question of the legal qualification of the framework group and the sub groups ('task forces'): in our view these are 'commission expert groups' according to COM DEC (2016) 3301
- In this case, the governance requirements are legally fixed (inter alia: rules of procedure (art 17 and annex III of the above mentioned EU COM decision, where the 'roadmap' document (no date , no reference) is for sure not adequate in the light of annex III and art 17); this needs to be fixed BEFORE the meetings start; this is a basic requirement of good administration & governance
- For the reasons, for which my request according to art 13 n° 6 (vote on public deliberations) of (2016)3301 was not taken up by the chair / secretariat
- Our input / member feedback was not requested beforehand ('homework'), hence we had no possibility to give input to the meeting
