



Boosting collaboration between Agrifood larger players and SMEs in the value chain

DG GROW F3 Food, Retail, Health

The sustainability transition: a challenge for SMEs, an opportunity for the whole value-chain

- The sustainability transition is challenging for SMEs technically and financially
- SMEs need support to identify the best technological options and assess their financial viability
- SMEs' competitiveness can be boosted by the uptake of technologies stabilising and reducing their costs basis such as renewable energy, resource efficiency, etc
- The resilience of the value-chain can be jeopardised by the financial fragility of smaller companies which might not be able to prevent significant input costs increases
- Bigger companies in the value-chain have every interest in supporting their suppliers' resilience and competitiveness
- A large number of agrifood business support organisations exist, boosting their collaboration could boost the sustainability transition of agrifood SMEs



Boosting the role of clusters: the 2023 European Agri-food Sustainability Cluster Partnerships



EUROPEAN AGRIFOOD SUSTAINABILITY CLUSTER PARTNERSHIPS

1. The partnerships will support the development of new agrifood cluster organisations in EU regions where none is registered on the European Cluster collaboration Platform, in collaboration with local business support organisations (which should be part of the consortium), with a view to improving the resource-efficiency and supporting the sustainability transition of SMEs in those other regions.
2. The Partnerships shall develop a common strategic agenda and roadmap with KPIs for the implementation of the EU Code of Conduct on Responsible Food Business and Marketing Practices, and especially the uptake of resource-efficiency technologies to limit the impact of inflation, with defined priorities and collaborative activities between all its members.



3. The partnerships and their members will mobilize and support their SMEs to engage into resource-efficiency and sustainability improvements, first individual and second collective. Each partnership will try to support at least 100 SMEs. For that purpose, they will use the resources of the European Resource Efficiency Knowledge Center , liaise where appropriate with EEN sustainability advisors, their respective technology centers, as well as the Greentech cluster organisations on the ECCP , to
 - a. identify and provide the most competitive and efficient sustainability solutions for their SMEs;
 - b. identify SMEs with similar needs, across the partnership, and facilitate the pooling of their needs and the deployment of collective investments, e.g. in renewable energy, with a view to improving the cost-efficiency of the projects and enabling complementarity of renewable energy projects.
4. Fourth, the partnerships will share their case studies and best practices through the European Resource Efficiency Knowledge Center hosted on the ECCP.



HOW CAN BIG COMPANIES PROVIDE SIMILAR
SUPPORT TO THEIR SME PARTNERS?

A NEW MISSION FOR THE CODE OF CONDUCT
SIGNATORIES?



HOW TO BOOST THE COLLABORATION BETWEEN
THE AGRIFOOD BUSINESS SUPPORT
ORGANISATIONS ACROSS THE EU?

A NEW MISSION FOR THE CODE OF CONDUCT
SIGNATORIES?



SMP 2024: Agrifood and Retail SMEs Renewable Energy Communities (TBC)

How to support agri-food and retail SMEs to better control their energy costs?

This action proposed for funding under the Single Market Programme 2024 work programme (TO BE CONFIRMED) would support the establishment of Renewable Energy Communities by groups of agrifood and retail SMEs, to reduce their exposure to energy costs. The EEN organisations would be involved and the projects would build on the best practices of the Energy Communities Repository, the Rural Energy Community Advisory Hub and the EU Covenant of Mayors for Climate & Energy.

Energy communities are one of the key elements for achieving the EU's energy transition: by 2050, half of Europe's citizens could be producing up to half of the EU's renewable energy.

The Energy Community Business Models

- **Generation and supply:** Supply of electricity and gas sourced from external local producers through Power Purchase Agreements, wholesale markets, or community-owned production capacity to their customers.
- **Collective investments in production installations:** In collective investments, consumers pay a fixed membership fee or a variable stake to become members of an energy community that acts as an energy producer. Power Purchase Agreements are often in place within cooperative investments to cover the produced energy and related financial products, like green certifications or guarantees of origin.
- **Collective self-consumption:** They link energy consumers and producers in the same area. As national regulation highly influences them, members' ability to sell their electricity to other community members and to make use of off-setting mechanisms of the electricity meters might change from country to country.

These models can be combined and are not exhaustive – for instance, there are community-owned grids and district heating systems.

The Legal Framework

- **Renewable energy communities** can operate in both the heating and electricity sector provided it is renewable energy based, but only SMEs, local authorities and natural persons are allowed to participate. Effective control is limited to those actors that are located in proximity of the community-owned renewable energy project. The renewable energy community also needs to be autonomous, which ensures balanced and democratic decision-making between the actors in effective control.
- A REC can engage in activities based on renewable energy sources, including generation, energy efficiency, supply, aggregation, mobility, energy sharing, self-consumption, and district heating & cooling.

- Under EU legislation, energy communities can take the form of an association, a cooperative, a partnership, a non-profit organisation, or a limited liability company, among others. Their participation structure is open and voluntary. Their main purpose is to provide environmental, economic or social community benefits for its members and the local areas where they operate. As legal entities, they should access all suitable energy markets on a level playing field with other market actors. Because of the strict participation and governance criteria, these communities benefit from additional privileges, such as support schemes, capacity building and access to financing and information.
- As the concept of energy communities has emerged bottom-up, EU countries have also implemented national policies to support energy communities and related business models. For instance, the Netherlands applies regulatory exemptions in licensing requirements for new businesses models, while Germany applies special rules in auction schemes for renewable energy sources support.



HOW CAN BIG AGRIFOOD COMPANIES BUILD
ENERGY COMMUNITIES WITH THEIR SME
PARTNERS?

A NEW MISSION FOR THE CODE OF CONDUCT
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