

Twin Transition Pathway Platform



Overview

The European Union's updated Industrial Strategy identifies the agri-food ecosystem as one of the key areas for a collaborative green and digital transition of industrial ecosystems. This effort, called the "[transition pathway platform](#)" (TPP) aims to create a more sustainable and resilient food system by 2030.

Several factors are driving this transition. The 2021 UN Food Systems Summit underscored revised food systems as a crucial step in achieving the Sustainable Development Goals (SDGs). Recent events like the COVID-19 pandemic, the invasion of Ukraine, and Climate Change disasters, highlight the importance of robust food systems. This is aligned with the EU [Green Deal](#) by aiming for climate neutrality and food security through efficient resource management in the agri-food sector.

The [Farm to Fork](#) and [Biodiversity Strategies](#) are also central to this transformation plan. They encourage collaboration between producers, businesses, consumers, and researchers to build a sustainable food system.

Components of the Transition Pathway

Sustainable Competitiveness

One of the key components of the 'Transition Pathway' is achieving **sustainable competitiveness**, which encompasses economic, environmental, and social dimensions. This necessitates the need for holistic food systems which integrate natural, technical, economic and social aspects, with the aim of achieving sustainable balance and optimise health across people, animals, and ecosystems. Food systems must also be adaptable and modern, to make them resilient to unprecedented shocks.

Economic sustainability entails fair profit distribution and leveraging private and public funds to foster sustainable food production, addressing challenges like land competition and generational renewal. **Environmental sustainability** emphasizes the continuous reduction of greenhouse gas emissions, biodiversity loss, and pollution. This requires a circular bio-based economy and reduced food waste. Collaboration across the supply chain is crucial, with a focus on middle-chain actors like food manufacturing and retail to create a positive food environment. **Social sustainability** involves promoting healthier diets, improving occupational health, enhancing animal welfare, and ensuring food availability and affordability. Changing consumer preferences, like the rise in plant-based alternatives, present both challenges and opportunities, emphasizing the need for collaboration among stakeholders, particularly to support

small and medium enterprises (SMEs). In light of these dimensions, the TPP aims to facilitate collaboration, information sharing, and training among stakeholders, equipping them with the latest insights and practices to drive the agri-food ecosystem towards sustainable competitiveness.

Social Dimension – Workforce & Skills

The TPP acknowledges the significance of fostering fair commercial relationships within the agri-food ecosystem, emphasizing equitable distribution of margins, particularly for primary producers and smaller entities. This approach is crucial for promoting social equity and economic sustainability in the sector. It also underscores the importance of quality employment, advocating for enhanced rights protection, fair wages, job security, and safe working conditions. Addressing skill shortages in agriculture, the initiative engages VET and training stakeholders to provide upskilling and reskilling opportunities.

Recognizing the diverse skill needs in the rapidly modernizing agri-food ecosystem, the TPP advocates for comprehensive human resource development. It aims to expand activities of the Agri-Food large-scale partnership under the [Pact for Skills](#), while also increasing beneficiaries from EU financing opportunities. Initiatives like mentoring, apprenticeships, and lifelong learning support the bridging of existing skill gaps.

Research & Innovation and technological solutions

Research and innovation (R&I) are crucial for driving the EU's agri-food ecosystem towards green and digital transitions, as well as global efforts to achieve the UN SDGs. However, the EU's food and beverage industries lag behind many global competitors in R&I investment. Key technologies for the agri-food industry include Artificial Intelligence, Automation & Robotics, biotechnology, chemical recycling, digital monitoring systems, IoT and Big Data, genomic techniques, plant-protein technologies, smart-precision agriculture, renewable energy & decarbonisation, and waste reduction & circular valorisation.

The TPP aims to mobilize public-private and public-public partnerships to enhance the adoption of innovative sustainable practices. It also aims to foster collaborations between large businesses and SMEs to improve efficiency and expand market access. Promoting awareness of R&I funding opportunities, sharing best practices, and leveraging digital solutions are crucial. Initiatives like [Generative AI](#) and [EU Biotech and Biomanufacturing](#) will analyse AI needs and explore emerging technologies such as precision fermentation.

Additionally, the TPP will support the implementation of [Regional Innovation Valleys for Bioeconomy and Food Systems](#) within Member States. This aims to harness advanced

technology innovation across diverse EU regions, accelerate developments in various tech sectors, enhance integration, and improve funding accessibility.

Investments and Funding

The future of the agri-food ecosystem is also dependent on the mobilisation of private and public investment, to ensure the longevity of the agri-industries. Therefore, the TPP seeks to become a one-stop-shop for funding and financing opportunities for the ecosystem, to facilitate and simplify access to finance.

Firstly, analysis needs to be carried out to identify the investment needs of the agri-food ecosystem. Simultaneously, sustainably and digitalisation success stories must be highlighted to inspire investment and active participation within the ecosystem.

Information and resources must be channelled towards agri-food SME incubators and accelerators to support start-ups and innovative SMEs related to agriculture. Tools such as the [EIC Accelerator Work Programme 2024-2025](#) can also be utilised for financial support towards the food industry.

International Trade & Cooperation

The future of a sustainable food ecosystem is also reliant on resilient international trade cooperations, to ensure diverse and stable supply chains, for aspects such as agricultural inputs, raw materials and ingredients, and energy supply from foreign actors. The EU is seeking to widen collaboration with new third countries of shared values. Existing partnerships and trade agreements must be reevaluated to seek deeper cooperation in line with this transition pathway while also addressing issues which may give rise to unfair competition, to ensure a level playing field for both sides.

Existing Free Trade Agreements must now consist of measures to protect trade and sustainable development, and even Sustainable Food Systems in the most recent FTAs. These international cooperation projects also seek to reinforce entrepreneurship and market development in agri-food sectors. Lastly, the TPP will seek to promote these agri-food related initiatives, such as the [Farm to Fork Strategy](#), at global fora such as the FAO, WHO, OECD, WTO, among others.

Disclaimer: This is a policy brief to create awareness about the legislative proposal and for information purposes. It is not an official position of the Malta Business Bureau.

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