Territorial Impact Assessment | Rural Proofing

Legislative framework for Sustainable food systems

Staff working document
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Disclaimer

This territorial impact assessment/rural proofing report is the outcome of an expert workshop held by the European Committee of the Regions and ESPON EGTC on the European Commission’s upcoming legislative framework for sustainable food systems.

This report was produced by the secretariat of the European Committee of the Regions (CoR), to assist rapporteur Joke Schauvliege (BE/EPP), vice-president of the Flemish Region, in preparing a future opinion on the topic. This report will be shared with the European Commission, the European Parliament and the Council of the European Union.

This report and the maps represent views and experiences of the workshop participants. It is intended to be used purely to support decision-making and does not necessarily reflect the opinion of the members of the CoR or the ESPON 2030 Monitoring Committee. The findings of this report are not binding on the CoR and do not prejudice the final content of its opinions.
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Acronyms and legend

CoR European Committee of the Regions  
EP European Parliament  
ESPON European Observation Network for Territorial Development and Cohesion  
LRA Local and Regional Authority  
MS Member State(s)  
NUTS Nomenclature of territorial units for statistical purposes  
OIR Austrian Institute for Spatial Planning (ÖIR)  
TIA Territorial Impact Assessment  

Effects of the directives – colour code  

- **Positive effects**  
- **Minor positive effects**  
- **Neutral**  
- **Minor negative effects**  
- **Negative effects**  

Legend – direction of effects  

- **Increase**  
- **Decrease**
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1 Introduction

1.1 Context

Over the last few decades, it has become increasingly clear that our food systems need to be transformed to become more sustainable, in light of the increased impacts of climate change and the biodiversity crisis.

By "food systems", we understand "all the elements and activities related to producing and consuming food, and their effects, including economic, health, and environmental outcomes"\(^1\).

While achieving high levels of food security, food safety and a wide consumer choice, our agrifood systems account for 31% of total EU greenhouse gas emissions\(^2\). Intensive agriculture is one of the main drivers of biodiversity loss, causing soil degradation, water contamination and declines in pollinators.

Besides adversely impacting the environment and biodiversity, the way we produce, process and consume our food ultimately has consequences for our health. While an increasing number of people are affected by malnutrition with 8.6% of people in the EU unable to afford a proper meal\(^3\), in the EU alone, more than half of the adult population is overweight or obese (52.7% in 2019).

To address these challenges comprehensively, the European Commission’s Farm to Fork Strategy acknowledges that "a sustainable food system will be essential to achieve the climate, biodiversity and other environmental objectives of the Green Deal, while improving the incomes of primary producers and reinforcing the EU’s competitiveness”.

The Farm to Fork Strategy has launched numerous individual initiatives, aimed at reducing greenhouse gas emissions, preserving biodiversity and rural livelihoods, reducing pesticides use and risk and pressure on water quality, and improving consumer information and animal welfare. But these individual actions are not enough to face the enormous challenge – ensuring policy coherence at EU and national level, mainstreaming sustainability across all food-related policies and strengthening the resilience of food systems. Therefore, the Farm to Fork Strategy announced the adoption of a horizontal framework law "to establish new foundations for future food policies by introducing sustainability objectives and principles on the basis of an integrated food system approach". The Commission’s proposal for this framework law is expected for early autumn 2023.

The Territorial Impact Assessment workshop held on 22 June 2023 was therefore based on preliminary information on the Framework Law presented by a representative from the European Commission (see section 3.1), not an adopted proposal.

1.2 Political mandate

This workshop was organised in support of the future European Committee of the Regions' (CoR) opinion on a Legislative framework for Sustainable food systems. The objective of developing a sustainable and comprehensive EU food policy, solidly anchored in local food systems, builds on the CoR

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\(^{1}\) Food systems - OECD

\(^{2}\) JRC Publications Repository - Concepts for a sustainable EU food system (europa.eu)

\(^{3}\) https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20220225-1
Political Priorities for 2020-2025 and the recommendations of the Conference on the Future of Europe for a safe, sustainable, just, climate-responsible, and affordable production of food.

1.3  **Past work of the CoR on this topic**

The CoR was one of the first stakeholders to call upon the European Commission to put forward a proposal for a sustainable comprehensive food policy in 2017.

The opinion on *Sustainable framework law on sustainable food systems* – scheduled to feed into the future framework law at an early stage – was adopted on 25 May 2023. The key messages of this first opinion are summarised in chapter 3.1.
Methodology: Rural Proofing through the ESPON Quick Check

Rural proofing in the current debate and policymaking framework is not linked to one single specific methodology, but rather to a goal: ensuring that policies and policy design adequately consider rural areas and the rural population. As per the European Commission's outlined rural action plan, "Rural proofing means reviewing policies through a rural lens, to make these policies fit for purpose for those who live and work in rural areas."4 This approach is reflected in the CoR's methodology for rural proofing, which has been in place since spring 2023 and comprises several tools that can be used for rural proofing. This rural proofing report has been developed based on a pilot application case, making use of an established territorial impact assessment (TIA) method to identify potential impacts from a "rural" perspective and to address urban-rural linkages and spillovers.

The concept of TIA aims to show how the impact of EU policies differs according to region. The ESPON TIA Tool5 is an interactive web application that can be used to support policymakers and practitioners in identifying potential ex-ante territorial impacts of new EU legislation, policies and directives. The "ESPON TIA Quick Check" approach combines a workshop setting for identifying systemic relations between a policy and its territorial consequences with a set of indicators describing the sensitivity of European regions. For the rural proofing pilot application, additional technical and analytical elements to focus on rural regions were applied in the workshop.

This approach helps to steer an expert discussion about the potential territorial effects of an EU policy proposal by checking all relevant indicators in a workshop setting. The results of the guided expert discussion are judgements about the potential territorial impact of an EU policy, in different thematic fields (economy, society, environment, governance) for a range of indicators. These results are fed into the ESPON TIA Quick Check web tool. The web tool translates the combination of the expert judgements on exposure with the different sensitivity of regions into maps showing the potential territorial impact of EU policy at the NUTS3 level. These maps serve as a starting point for further discussion of different impacts of a specific EU policy on different regions.

Modifying the general TIA Quick Check methodology for the purpose of rural proofing, an additional typology was applied for some indicators with particular rural relevance, pinpointing effects in rural areas which might otherwise be masked by effects in urban areas (e.g. tourism intensity is a highly relevant issue for some rural regions, however the tourism indicators such as arrivals, overnight stays etc. never reach the same levels as in urban/metropolitan areas). Furthermore, a visualisation tool highlighting rural areas in all maps produced was applied, allowing to distinguish between effects in rural and other regions. The resulting policy discussion was focused on the respective effects relevant to a rural proofing application.

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4 https://rural-vision.europa.eu/action-plan/cross-cutting/rural-proofing_en
5 https://www.espon.eu/main/Menu_ToolsandMaps/TIA/
The workshop on rural proofing on the legislative framework law for sustainable food systems (hereafter: sustainable food systems) was held on 22 June 2023 in Brussels and brought together a number of experts representing different organisations and LRAs.

Since the European Commission proposal on the Framework Law is not expected until autumn 2023, no full and precise overview of its content was available at the time of the workshop. The discussions were based on preliminary information presented by the Commission representative (see section 3.1) and might have included personal views of experts on what sustainable food systems should look like.

Two moderators from the OIR, provided by ESPON, prepared and guided the workshop and handled the ESPON TIA tool and rural proofing applications.

2.1 Identifying the potential territorial effects in terms of economic, societal, environmental and governance-related aspects – drafting a conceptual model

In the first step of the rural proofing workshop, the participating experts discussed the potential effects of developing sustainable food systems, using a territorial or place-based approach.

This discussion revealed potential territorial impacts of the Framework Law for sustainable food systems on four dimensions: economy, society, environment and governance. The participants identified potential linkages between the Framework Law and the effect on territories, including interdependencies and feedback loops between different effects (see figure below).
2.2 **Illustrating the potential territorial effects through indicators**

In order to assess the potential effects pictured in the conceptual model, suitable indicators need to be selected for the exposure fields that the experts discussed in the fields of the economy, the environment, society and governance. The availability of data for all NUTS 3 regions puts certain limitations on the indicators that can be used. From the available indicators that the ESPON TIA Quick Check web tool offers, the experts chose the following indicators to describe the identified effects.

**Illustrating potential territorial impacts in terms of economy-related indicators**
- Employment in agriculture, forestry and fishing
- Total overnight stays per thousand inhabitants
- Supermarket density

**Illustrating potential territorial impacts in terms of society-related indicators**
- Food poverty
- Death rate due to poor nutrition
- Participation rate in education and training
- Old age dependency ratio

**Illustrating potential territorial impacts on the basis of environment-related indicators**
- Change from open areas to built-up areas
Illustrating potential territorial impacts on the basis of government-related indicators

- Quality and accountability of government services

Note: the experts initially also selected net migration among possibly relevant indicators (assuming that the framework law for sustainable food systems could help the population in rural areas to stay in these areas). However, when asked later to judge the effects, the overall vote majority was "no impact", therefore this indicator was eventually disregarded.

The above-mentioned indicators were assessed without considering any differentiation in terms of characteristics of the regions. The experts agreed that, for two indicators, their specific characteristics in relation to rural areas needed to be investigated in depth. These indicators are "Total overnight stays per thousand inhabitants" selected to investigate effects on rural tourism regions and "Old age dependency ratio" selected to investigate effects on "overaged" rural regions. To this end, a so-called fuzzy typology based on the share of population living in rural regions was applied. The aim of this fuzzy typology is to focus on rural areas in the analysis by weighting the exposure against the share of inhabitants living in rural areas for each region. Therefore, regions with a higher share of rural population are expected to be influenced more strongly by the exposure.

Apart from the indicators already available in the ESPON TIA Quick Check web tool, the experts agreed that the following ones are also relevant to describe the identified effects:

- Food swamps and food deserts
- Number of local markets
- Price of land
- Education and training of farmers
- Start-ups in the food sector
- Number of farms

2.3 Judging the intensity of the potential effects

For each exposure field measures by the available selected indicators above-mentioned, the workshop participants were asked to estimate the potential effects of the Framework Law initiative on the territorial welfare using the following scores:

- ++ strong advantageous effect on territorial welfare (strong increase)
- + weak advantageous effect on territorial welfare (increase)
- o no effect/unknown effect/effect cannot be specified
- - weak disadvantageous effect on territorial welfare (decrease)
- -- strong disadvantageous effect on territorial welfare (strong decrease)

Note: For some indicators, the direction of the impact was clear before the participants voted on the impact (e.g. the Framework Law has an advantageous effect on territorial welfare if it contributes to reducing the "Death rate due to poor nutrition"). For others, it was not so obvious and participants may not have totally agreed on it before they voted (e.g. should land take measured by "Change from open areas to built-up areas" be considered advantageous or disadvantageous?). Therefore, some of the results of the vote have to be carefully approached.
2.4 **Calculating the potential "regional impact" – combining the expert judgement with regional sensitivity**

The ESPON TIA Quick Check combines the expert judgement on the potential impact of sustainable food systems (exposure) with indicators describing the sensitivity of regions, resulting in maps showing a territorially differentiated impact. This approach is based on the vulnerability concept developed by the Intergovernmental Panel on Climate Change (IPCC). In this case, the effects deriving from a particular policy measure (exposure) are combined with the characteristics of a region (territorial sensitivity) to produce potential territorial impacts (see illustration below).

**Figure 3:** Exposure x territorial sensitivity = territorial impact

![Diagram of the ESPON TIA Quick Check](source)

- "Territorial Sensitivity" describes the baseline situation of the region according to its ability to cope with external effects. It is a characteristic of a region that can be described by different indicators regardless of the topic analysed.
- "Exposure" describes the intensity of the potential effect of sustainable food systems on a specific indicator. Exposure illustrates the experts' judgement, i.e. the main findings of the expert discussion at the TIA workshop.

2.5 **Mapping the potential territorial impact**

The result of the territorial impact assessment is presented in maps. The maps displayed below show potential territorial impacts based on a combination of the expert judgement on exposure with the territorial sensitivity of a region, described by an indicator on NUTS3 level. Whereas the expert judgement is a qualitative judgement (i.e. a strong advantageous effect on territorial welfare/moderate advantageous effect/no effect/moderate disadvantageous effect/strong disadvantageous effect), the sensitivity is a quantitative indicator.
Debate and qualitative analysis

3.1 Introductory remarks

The workshop started with a statement by Joke Schauvliege, CoR rapporteur for the opinion on a Legislative framework for sustainable food systems. Ms Schauvliege first emphasised the importance of this upcoming legislative file for the transition to more sustainable food systems and the reduction of the environmental impact of food production and consumption, following the Green Deal and Farm to Fork objectives.

The rapporteur presented key messages from the opinion adopted in May 2023:

- Create coherence between different food-related policies through a harmonised approach;
- Environmental, social and economic sustainability of food systems;
- Recognise the crucial role of local and regional authorities in addressing food challenges;
- Make sustainability central to all food-related policies; set up a harmonised, EU-wide approach, based on clear scientific definitions of sustainability principles and objectives;
- Affordability: a sustainable food system has to deliver food security and nutrition for all;
- Importance of food public procurement – need to remove current constraints to facilitate access to healthy, nutritionally balanced, seasonal, local and organic food in public catering.

Ms Schauvliege underlined the great potential and role of local and regional authorities in the transition towards more sustainable food systems, notably:

- Cities and regions have a key role in shaping "food environments", ensuring that sustainable and healthy diets are the easiest and most affordable choice while supporting sustainable producers;
- Local and regional authorities can facilitate access to healthy food options with adequate urban spatial planning: avoiding fast food restaurants in the vicinity of schools or launching food markets - serving delicious seasonal and local food in all city areas or starting city gardening projects, etc;
- Important tool at the disposal of local and regional authorities and a key enabler for the green transition: food public procurement;
- Consequently, the role of cities and regions, as key actors in addressing challenges of our food systems, should be taken into consideration within the new governance model. The CoR supports the idea of a multi-stakeholder platform on sustainable food systems, involving the CoR together with other relevant stakeholders.

The second speaker, Marion Maignan, European Commission, DG AGRI described the future Framework Law initiative and its building blocks. The Framework Law will:

- comprise enabling elements, such as definitions, principles and overarching objectives for food system sustainability, with a view to harmonising and mainstreaming sustainability in EU food-related policies, and reducing uncertainties and differences in the understanding of food system sustainability and in the EU market.
- propose governance provisions for the food system, as an additional enabling element.
- progressively introduce minimum sustainability requirements across EU food-related sectoral law to allow EU food system law to converge towards food system sustainability ("food system
law” meaning all the EU sectoral legislation that applies to the food system and especially deals with food system sustainability across the EU).

- cover two policy blocks relative to food environments, as those are essential to ensure accessibility and affordability of sustainable and healthy diets. The Framework Law will be aimed at improving food environments in the EU through:
  a) Sustainability labelling, better consumer information about the sustainability of the food available on the EU market.
  b) Public procurement: general framework and criteria to improve sustainability in public procurement. Local authorities, regions and cities have a key role to play on this topic. The objective of the Framework Law is to set a general mandatory requirement of procuring sustainably, in a way that remains flexible enough to take into account the situation of Member States and the need for food markets and suppliers to gradually adapt to the situation.

- Specific sustainability criteria would be further defined with the scientific and technical support of the European Commission’s Joint Research Centre (JRC). Criteria related to seasonal products, more plant-based food and organic food, could be considered and would be assessed for their impact.

- Additional mechanisms, including guidance, would be set up to support and accompany the implementation of the minimum mandatory criteria. They would support SMEs in particular and create opportunities for local producers to participate in the tendering procedures while respecting the rules of the internal market.

Regarding the governance mechanism for the Framework Law, Ms Maignan mentioned the following:

- While some dimensions of food-related policies are within the EU’s remit (e.g. conservation of marine resources) or a shared competence (e.g. agriculture, food safety), when it comes to food environments, responsibility lies primarily with Member States on the topics of education, social welfare, public health and taxation.

- As food has a strong social and cultural dimension, local authorities are also often best placed to engage in discussions with businesses, consumers and civil society.

- Therefore, governance elements would be put in place to support the Commission and Member States to engage with all parts of society and stakeholders representing different sectors to address food-related issues, including at regional and local level, and to support the creation of enabling food environments.

Against this background, the Framework Law would include the following governing provisions:

- a) Set up a monitoring framework on food environment;
- b) Invite Member States to support the creation of Food Policy Councils or similar organisations;
- c) Set up an EU network of local and regional Food Policy Councils (or similar organisations).

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6 Food Policy Councils (FPCs) are organisations that bring together diverse members of the community to inform food policy and systemic change and to coordinate or implement programmes that aim to increase food access. They are composed of representatives from many sectors of a local food system: producers, consumers, distributors, retailers, food processors, policy and decision-makers, public health practitioners, food waste collectors, and hunger advocacy groups. FPCs’ organisational missions vary, but they often aim to inform changes that lead to increased access to nutritious foods for all members of the local food system through changes to agricultural, economic, environmental, and social programmes and policies. FPCs may seek to inform policies and programmes within organisations, or more broadly through municipal, regional, or state-level policies.
The workshop proceeded with the experts engaging in a brainstorming exercise.

3.2 **Social benefits**

The experts identified a number of potential social benefits of sustainable food systems, such as increased food security, more affordable and accessible food, less food poverty, fewer food deserts and food swamps, and more food education (notably through sustainability labelling) which could lead to healthier diets.

Furthermore, the framework could help the population in rural areas to stay in these areas (no out-migration), with more rural jobs, more diversified activities for farmers and an increase in ecosystem services. This population could have more skills, leading to more innovation.

3.3 **Environmental impacts**

The experts identified positive environmental impacts. Although the Framework Law does not cover animal welfare or food waste, the experts considered that it could indirectly improve animal welfare and help reduce food waste, increase recycling and bring more circularity to the food system.

However, the experts drew attention to a possible side-effect leading to more imports and a possible increase in related indirect greenhouse gas emissions.

3.4 **Economic aspects and challenges around public procurement**

The experts considered that the Framework Law could help stop the decline in small family farms by ensuring fair income for farmers, create new markets in rural areas as well as tourism landscapes and enhance rural tourism and the local economy.

One expert spoke about the need to not destroy the existing informal sector through bureaucracy.

A debate took place on urban farming, with one expert considering that it was not an economically viable model (rather a "cash burner"), with other experts underlining the social aspect of such initiatives. In any case, the experts agreed that cities could not rely exclusively on urban farming and the legislative framework is expected to indirectly encourage peri-urban farming and urban-oriented agriculture.

The experts underlined the current limitations of the internal market rules, State aid regulation and EU competition law when it came to creating an ambitious sustainable food strategy. Currently, it is difficult for small farms to compete with big farms from the price point of view. Criteria on the origin of food in public procurement are only allowed if they are based on the environmental impact (e.g. best offer = offer with lowest footprint).

The Framework Law is aimed at facilitating small farms’ access to public procurement and short supply chains (local farmers). While the objective is to set a general mandatory requirement to improve sustainability in public procurement, the specific measures and criteria are not yet defined. Criteria on the share of seasonal products, plant-based food and organic food could be considered, but their impact may be very different depending on the Member State and region. For instance, in a region where there are no organic farmers, having criteria on organic products would result in procuring food from far away.
An expert stated her strategy would be to first fix problems associated with local producers (ensuring they can participate in tendering procedures) and then convince them to switch to organic farming. This is why criteria on the ecological footprint could also be considered, to avoid relying on imports and higher indirect greenhouse gas emissions.

Another challenge for sustainable food procurement is the ability of local and regional authorities to provide support platforms to deliver public procurement.

3.5 **Governance: resources and capacity-building at local and regional level**

The experts discussed the various dimensions of food-related policies, falling under the remit of different governance levels: EU competence or shared EU-Member State competence, Member States (e.g. education, social welfare, public health and taxation) or local authorities. Therefore, there is a risk that the legislative framework for sustainable food systems would be in conflict with national and local policies.

As the Framework Law will invite Member States to support the creation of Food Policy Councils (or similar organisations) and will set up an EU network of local and regional Food Policy Councils, the experts considered that more food policy councils will be created, meaning more food democracy, more awareness of food by citizens and decentralised knowledge about food systems.

These food councils (and the EU network providing for exchange of good examples) could contribute to coordination at territorial level.

The experts discussed the relationship between sustainable food systems and local governments' responsibility for urban and rural planning, land use planning and land strategy (including anti-land grabbing).

In addition, municipalities have to integrate food policy with other policies – and start from very different bases in that respect (some cities are well advanced while many small municipalities currently have no food policy).

The experts considered the overall increased administrative burden for LRAs and need for technical assistance.

Increased public funding may also be needed to facilitate direct sales of farmers through investment in storage and transport infrastructure.
4 Expected economic effects

Three indicators were selected by the experts, two of them are expected to see a positive effect and one a negative effect:

- Employment in agriculture, forestry and fishing
- Total overnight stays per thousand inhabitants
- Supermarket density

4.1 Employment in agriculture, forestry and fishing

This indicator depicts employment in the agriculture, forestry and fishing sectors as a share of total employment (reference year: 2019). It has been calculated on an ad hoc basis with data from Eurostat.

Measures linked to the Framework Law were expected by the experts to have a direct impact on employment, particularly in agriculture. Strengthening the sustainability of the food system is relevant, among other things, for the economic sustainability of agriculture and ensuring a fair income for farmers (especially small farmers). Furthermore, policies related to consumer behaviour and the promotion of healthy eating habits are expected to benefit smaller farms and less industrialised production facilities. Consequently, most of the experts saw a positive effect (eight strong and three weak). Four saw no relevant effect.

Figure 4: Expert judgement: impact of the Framework Law on territorial welfare with regards to employment in agriculture, forestry and fishing

The following map shows the potential territorial impact of sustainable food systems, taking into account employment in agriculture, forestry and fisheries. It combines the experts’ assessment of a strong positive impact with the given sensitivity of the regions. Regions with a higher share of employment in the primary sector are expected to be influenced more strongly by developing
sustainable food systems. Sensitivity is therefore directly proportional to the share of employment in agriculture, forestry and fishing.

Note: in all maps below, the regions marked by black lines correspond to predominantly rural regions according to the Eurostat classification of NUTS 3 regions.

Map 1: Impact of the Framework Law on territorial welfare with regards to employment in agriculture, forestry and fishing – expert judgement: strong positive effect

22% of regions could experience a very high positive impact. In particular, many rural regions in Eastern and South-Eastern Europe as well as in Portugal and Spain are expected to experience the highest impacts, although there is a strong regional differentiation in some of these countries. Other rural regions with very high positive impacts are found in Ireland, France, Austria, Italy, Slovenia and Finland. 46% of the regions would still experience a high positive impact and 32% of the regions a moderate positive impact.

See Methodology - Rural development - Eurostat (europa.eu)
4.2 Total overnight stays per thousand inhabitants

The indicator shows the total nights spent at tourist accommodation establishments per thousand inhabitants (reference year: 2019). This includes stays at hotels, holiday and other short-stay accommodation, camping grounds, recreational vehicle parks and trailer parks.

Improvements for rural tourism were considered by the experts to be indirect effects linked to positive impacts on the landscape and the countryside. Sustainability measures aimed at environmental sustainability might improve the quality of the landscape in the long term, thus benefiting nature-based outdoor tourism, which is more common in rural areas. The experts agreed that this effect is particularly pronounced in non-urban areas. Therefore, it was decided to assess this indicator with a fuzzy typology focusing on tourism in rural areas rather than tourism in regions in general, in order to disentangle rural effects from urban regions with strong tourism. Seven experts saw no relevant effect, while eight experts voted for a positive effect (three strong, five weak).

Figure 5: Expert judgement: Impact of the Framework Law on territorial welfare with regards to total overnight stays per thousand inhabitants (fuzzy typology “Rural areas”)

The following maps show the potential territorial impact of measures related to sustainable food systems on the total number of overnight stays, combining the expert judgement of a weak positive effect with the given sensitivity of the regions using the rural fuzzy typology. Regions with a higher number of overnight stays per thousand inhabitants are expected to be more sensitive. Sensitivity is therefore directly proportional to this indicator.
The majority of rural regions would see a small positive impact. Rural areas with the highest impact are located in France, northern Germany, western Austria, Italy and Croatia.

4.3 Supermarket density

The "supermarket density" indicator initially selected by the experts shows the number of supermarkets per 100 000 inhabitants for each region (reference year: 2023). The data has been extracted from OpenStreetMap and set in relation to the population data from Eurostat.

Supermarkets, as the main point of interaction between customers and the food production system, are crucial for supplying citizens. However, supermarkets are driven by size and customer volume and therefore tend to consolidate and concentrate rather than be spread across a range of locations. Some experts considered them to be unsuitable for alleviating "food deserts". In addition, some experts considered that supermarkets tend to provide less sustainable food options than other providers (e.g.
direct sales from farmers, sustainable grocery stores, etc.). Therefore, they may be insufficient for a sustainable food system.

All in all, the expert vote was ambiguous with most experts expecting no relevant effect by the legislative framework for sustainable food systems.

Instead of the indicator on supermarket density available at the time of the workshop, the experts felt that an indicator on sustainable food store density would be more relevant to show the potential for a sustainable supply of quality food. This would make it possible to address the impact on "food deserts" in terms of lack of healthy and sustainable food, rather than just food in general. As no such indicator had been prepared in advance due to concerns about data comparability, a proxy indicator of the density of this type of store was prepared after the workshop (indicator "Healthy food store density"). Therefore, the results for this indicator have not been validated by the experts and are outlined in the annex to this report.
Expected societal effects

Four indicators were selected by the experts. All of them were judged to have a positive effect.

- Food poverty
- Death rate due to poor nutrition
- Participation rate in education and training
- Old age dependency ratio

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Classification</th>
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<tr>
<td>Food poverty</td>
<td>Strong Positive effects</td>
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<td>Old age dependency ratio</td>
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5.1 Food poverty

This indicator depicts to what extent a region is affected by food poverty (reference year: 2019). It shows the result of a survey where people stated that there had been times in the past 12 months when they could not afford food that they or their family needed. The data is available as the percentage of people affected by food poverty, but not for all Member States. Therefore, the data illustrated in a map in the report referenced above has been used.

Numerous expected measures linked to the Framework Law were deemed by the experts to improve the availability of affordable food. In particular, shorter supply chains were expected to help increase the affordability of sustainable quality nutrition due to increased consumption. Furthermore, the package of measures expected to support farmers, educational measures to improve knowledge about affordable and healthy diets and new rules for public procurement were viewed as contributing to an improvement for this indicator. Therefore, the majority of the experts deemed the effect as positive (nine strong, four weak). One expert judged the effect as weak negative.

Figure 6: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Food poverty

Source: Territorial impact assessment expert workshop, Brussels, 22 June 2023

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The map below shows the potential territorial impact of sustainable food systems, taking into account food poverty. It combines the expert judgement of a strong positive impact with the given sensitivity of the regions. The category of the map in the report referenced above ranges from 1 (low share of people affected by food poverty) to 5 (high share of people affected by food poverty). Regions with a high share of people affected by food poverty are expected to benefit more from measures linked to sustainable food systems. Sensitivity is therefore directly proportional to the degree of the regional food poverty.

Map 3: Impact of the Framework Law on territorial welfare with regards to Food poverty – expert judgement: strong positive effect

40% of regions would experience a very high positive impact. Rural areas across Europe in Portugal, France, Ireland, Italy, Belgium, Estonia, Latvia, Poland, Croatia, Romania, Bulgaria and Greece are particularly affected. A further 43% of regions are expected to experience a high positive impact and 17% a moderate positive impact. The majority of regions with a high or very high positive impact are considered to be rural regions.
5.2 **Death rate due to poor nutrition**

The indicator depicts the death rate caused by endocrine, nutritional, metabolic (e.g. diabetes, malnutrition, obesity) or heart diseases (reference year: 2020). Poor nutrition is one of the main causes of these diseases.

The Framework Law is expected to contribute to the adoption of healthier diets and thus reduce the number of deaths due to poor nutrition. Increasing the availability of healthy food and improving the quality of the food produced will both contribute to this. In addition, the development of educational activities that increase knowledge about healthy diets is likely to contribute to this effect. Finally, an important aspect in supporting the uptake of healthy diets will be linked to an expected reduction in the price of healthy food options. As a result, most experts saw a positive effect (eight strong, three weak). One expert expected a weak negative effect. Three did not consider this indicator relevant.

Figure 7: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Death rate due to poor nutrition

The following map shows the potential territorial impact of sustainable food systems, taking into account the death rate from poor nutrition. It combines the expert judgement of a **strong positive impact** with the given sensitivity of the regions. Regions with a higher death rate caused by poor nutrition are more likely to be affected positively by measures linked to a sustainable food system. Sensitivity is therefore directly proportional to the death rate due to diseases associated with poor nutrition.
25% of regions would experience a very high positive impact, most of them in Eastern Europe and Germany. Most of the rural regions expected to have a high or very high positive impact are in Eastern Europe as well as in Finland, Germany and Croatia. The remaining regions are expected to see either a high positive impact (52%) or a moderate positive impact (23%).

5.3 **Participation rate in education and training**

The indicator shows the share of the population aged 25-64 who stated in a survey that they had received education or training in the last four weeks (reference year: 2019).

Knowledge and skills are seen as key elements in developing a sustainable food system. In addition to vocational training (e.g. in the agricultural sector), the implementation will potentially lead to citizens having better knowledge through formal and informal education, training and knowledge exchange. Most experts expected a positive impact (six strong, five weak). Four expected no relevant effect.
Figure 8: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Participation rate in education and training

Source: Territorial impact assessment expert workshop, Brussels, 22 June 2023

The map below shows the potential territorial impact of sustainable food systems, taking into account participation rates in education and training. It combines the expert judgement of a strong positive impact with the given sensitivity of the regions. Regions with a higher participation rate in education and training are expected to benefit more from measures linked to a sustainable food system. Sensitivity is therefore directly proportional to the share of this population group.
For 21% of the regions, the impact could be very high positive. Rural areas in the Scandinavian countries, Estonia, Austria and France would see the highest impact. 61% of the regions would experience a high positive impact and 18% a moderate positive impact. Most of the rural areas with the lowest impact are located in Eastern and South-Eastern Europe.

5.4 Old age dependency ratio

The indicator "Old age dependency ratio" illustrates the ratio between the number of population who are conventionally considered to be economically inactive (65 years and over) and the number of population conventionally considered to be working age (15-64). The reference year is 2019.

Experts expected that the framework law will increase the likelihood of younger people staying in rural communities and thus reduce the "overageing" effect. A number of factors will contribute to this. Increased farm incomes and support for smaller farms, the reduction of threats to local jobs due to the regionalisation of value chains, and the potential to develop infrastructure and educational facilities are
key among these factors. Secondary effects such as improved landscape quality and biodiversity and the attractiveness of rural areas in general also contribute to this effect. The experts viewed this effect as relevant mainly for rural areas. Therefore the effect was assessed with an indicator with a fuzzy typology focusing on old age dependency in rural areas rather than in regions in general, in order to disentangle rural effects from urban regions with significant "overageing". Six experts voted for "no effect", while nine experts voted for a positive effect (five weak, four strong).

Figure 9: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Old age dependency ratio (fuzzy typology "Rural areas")

The following maps show the potential territorial impact of sustainable food systems, taking into account the old-age dependency ratio including the rural fuzzy typology. As the majority of experts voted for a positive impact, a map is shown combining their assessment of a weak positive effect with the given sensitivity of the regions. Regions with a higher old age dependency ratio are expected to be more sensitive. Sensitivity is therefore directly proportional to this ratio.
Portugal and France are the most positively affected countries, with (almost) all rural regions falling into the highest positive impact category. Many rural regions such as central and south-eastern Germany, the Baltic States, Poland, Romania and Ireland would be relatively more affected.
Expected environmental effects

One indicator was selected by the experts, which is expected to have a minor positive impact:

![Change from open areas to built-up areas](image)

6.1 **Change from open areas to built-up areas**

This indicator shows the percentage change from open areas to built-up areas between 2012 and 2018. Open areas include agricultural, forest and seminatural areas as well as wetlands (Corine land cover classes 2, 3 and 4). Built-up areas comprise areas categorised as "Artificial surfaces" (e.g. urban fabrics, industrial, commercial and transport units).

The development of more sustainable food systems is expected to have an impact on land use planning and zoning, in particular due to changes in land structure and requirements for agricultural land. In addition, increased demand for agricultural land, particularly in urban and peri-urban areas, would require the development of differentiated approaches. As a consequence, changes in strategies to avoid land grabbing, to support urban agriculture and to coordinate regional planning to create the conditions for regionalised food value chains are expected. Areas with a high current loss of open space are considered particularly vulnerable to this effect. Consequently, the majority of experts expected a positive effect (three strong, seven weak). One expert saw the opposite effect and voted strongly negative. Four saw no relevant effect.

![Figure 10: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Change from open areas to built-up areas](image)

Source: Territorial impact assessment expert workshop, Brussels, 22 June 2023
The following map shows the potential territorial impact of sustainable food systems, taking into account the change from open to built-up areas. It combines the expert judgement of a weak positive effect with the given sensitivity of the regions. Regions with a higher percentage change from open areas to built-up areas are more likely to benefit from measures linked to sustainable food systems. Sensitivity is therefore directly proportional to the indicator.

Map 7:  Impact of the Framework Law on territorial welfare with regards to Change from open areas to built-up areas – expert judgement: weak positive effect

In 11% of the regions, the impact would be strongly positive. Unsurprisingly, almost all of these are (predominantly) urban regions with a high level of construction activity. The few rural regions with the highest impacts are, for example, in Germany, Poland and Greece. The majority of regions would see either a moderate positive impact (9%) or a small positive impact (80%).
Expected governmental effects

One indicator was selected by the experts, which is expected to see a weak positive effect:

Quality and accountability of government services

| Strong Positive effects | Minor positive effects | Neutral | Minor negative effects | Negative effects |

7.1 Quality and accountability of government services

This indicator is computed based on the results of a survey and the national estimates from the World Bank Governance Indicators. In the survey, people were asked to rate the quality of government-provided healthcare, education and law enforcement in their area.

The Framework Law, as a policy with a broad scope of action, is expected to place an additional obligation on the authorities to monitor and enforce its implementation in the regions. The capacities of public authorities in rural regions and municipalities tend to be more limited than in urban regions with (often) more dedicated staff. Implementing, monitoring and enforcing policies that require a wide range of expertise can therefore be particularly challenging for such rural regional governments, with the risk that other services provided by these governments may suffer. However, experts considered that empowering citizens to become more involved, in line with the idea of “food citizenship”, is a likely effect of the Framework Law. This greater involvement may limit the additional burden and ultimately lead to better, more democratic involvement of citizens and ultimately government services. Consequently, eleven experts voted for positive effects (two strong, nine weak). One expert rated the effect as weak negative. Two rated the effect as not relevant.

Figure 11: Expert judgement: Impact of the Framework Law on territorial welfare with regards to Quality and accountability of government services

Source: Territorial impact assessment expert workshop, Brussels, 22 June 2023
The following map shows the potential territorial impact of sustainable food systems, taking into account the quality and accountability of government services. It combines the experts' assessment of a weak positive effect with the given sensitivity of the regions. Regions indicating lower quality and accountability of government services may benefit more from measures linked to a sustainable food system. Sensitivity is therefore indirectly proportional to the indicator.

Map 8: Impact of the Framework Law on territorial welfare with regards to Quality and accountability of government services – expert judgement: weak positive effect

16% of regions could have a high positive impact. The rural regions with the highest impact can be found in Hungary, Croatia, Romania, Bulgaria and southern Italy, while in Poland, Slovakia and Greece, the highest positive impact can only be expected in some rural regions. 19% of the regions could have a moderate positive impact and the majority a minor positive impact.
8 Conclusions and policy recommendations

8.1 Need for clear definitions and data

- Clear definitions are needed to have a common understanding of concepts such as "food systems", "healthy" and "sustainable"; vague definitions may jeopardise the implementation of the legislative framework and the achievement of intended policy goals.
- Food policy touches on many fields. However, there are very few indicators available at regional level, which makes it impossible to reliably measure territorial impacts, especially for rural areas. Therefore, the Framework Law should include dedicated regional level indicators for monitoring.

8.2 Administration and governance – support and capacity-building

The legislative framework may be perceived as an administrative burden for local governments as well as entrepreneurs. Therefore, the legislative framework should focus on aspects which can be practically implemented (not try to cover all aspects and "promise everything").

It will be important to also support cooperation between small administrations and between small and big administrations (in cities). After all, small administrations may have the knowledge and experience but may be lacking capacities to implement the policies on the ground, and cooperation in terms of urban-rural exchange on administrational level is required for regional level integration and effective implementation. Urban centres need to think about how to connect with local farmers with the aim of creating functional areas for sustainable food systems, e.g through territorial development and land use strategies.

Multilevel approach: the EU level has limited competences and cannot put obligations on Member States in all areas related to sustainable food systems and in particular in important areas related to food environments (such as education, taxation, health and social welfare). Therefore, it is important to understand what is relevant and urgent at Member State level and to work with the local level on practical implementation.

Improving the resilience and sustainability of the EU food system is not just about the EU prescribing what has to be done ("hard" policymaking) but also about the EU giving guidance to Member States and local and regional governments by emphasising or mentioning elements.

Finally, if there are relevant effects linked to the overall strategy (for example on food waste reduction), then they should be included in the framework or else mentioned as a recommendation for the national, local and regional level (e.g. local food councils) to work on.

8.3 Food systems require a holistic, multi-level approach

Food systems are part of a broader policy-making context, not only at EU level but also linked to global food production and other policy areas at national, regional and local level. A transition to sustainable food systems also means coordinating and integrating food policy in a range of policy areas that until now have tended to work in silos. This includes, for instance, education as prerequisite for making
healthy and sustainable food choices. At the same time, the ability to make healthy food choices also depends on income. Furthermore, sustainable food systems are part of the circular economy concept.

Therefore, effective food policy should not be seen as another policy "on top" of other policies, but requires an integrated, multi-level approach.

Finally, public procurement laws and competition laws have to be revised to "think regional" in an EU-wide and globalised food system, allowing for implementation of "regional first".

8.4 Funding and supporting policies

To an extent, there is a need for funding to support the agricultural transition on different levels, in particular the private sector. All regions should be supported.

There are various possibilities for EU-level action. The EU has a clear mandate for the "supply side" through policies and funding (common agricultural policy). It has some competences for the middle part of the chain with trade policy, market organisation and market rules, and procurement law. Finally, the EU can attempt to influence demand through funding (CAP, cohesion policy) even if it cannot take legislative measures.
Annex: Healthy food store density

As explained in chapter 4.3, the experts indicated during the workshop that the Framework Law could have an effect on shops selling sustainable food (as opposed to supermarkets), linked to the potential for a sustainable supply of quality food.

The "healthy food store density" proxy indicator was prepared after the workshop; a vote by the experts was therefore not possible. It shows the number of healthy food stores per 100,000 inhabitants for each region (reference year: 2023). The data was extracted from OpenStreetMap (OSM) and set in relation to the population data from Eurostat. Healthy food stores are defined as stores selling fruit, vegetables, nuts and/or organic products or farms selling agricultural products.

The following map shows the potential territorial impact of the Framework Law for sustainable food systems, taking into account the density of healthy food stores. It is based on the assumption that experts would have voted for a weak positive effect. Regions with a lower density of healthy food outlets are expected to benefit more from sustainable food policies. Sensitivity is therefore inversely proportional to the density of healthy food outlets. The map allows for a regional assessment with a caveat, i.e. while the OSM guidelines for supermarkets ensure a high degree of comparability of information, the characterisation of "healthy food stores" is less clear. Variations in density may therefore be driven to a significant extent by OSM mapping practices rather than actual density. Nevertheless, the map can provide a first indication of high- and low-density areas.
12% of the regions are expected to see a high positive impact. Rural regions with a high positive impact can be found particularly in France and, for example, in Denmark, Germany, Austria, Hungary, Greece, Italy and Portugal. 20% of the regions, mainly located in these countries, would experience a moderate positive impact. The majority of regions, both rural and non-rural, would see a small positive impact.
Created in 1994, the European Committee of the Regions is the EU’s political assembly of 329 regional and local representatives such as regional presidents or city-mayors from all 27 Member States, representing over 446 million Europeans.

Brussels, September 2023

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