

OFFICIAL FEEDBACK FORM

DIALOGUE DATE	Thursday, 10 June 2021 10:00 GMT +01:00
DIALOGUE TITLE	Small Businesses: Good Food for All - Europe
CONVENED BY	International Chamber of Commerce, EIT Food, International Agri-Food Network
DIALOGUE EVENT PAGE	https://summitdialogues.org/dialogue/14534/
DIALOGUE TYPE	Independent
GEOGRAPHICAL FOCUS	Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Spain, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland

The outcomes from a Food Systems Summit Dialogue will be of use in developing the pathway to sustainable food systems within the locality in which they take place. They will be a valuable contribution to the national pathways and also of interest to the different workstreams preparing for the Summit: the Action Tracks, Scientific Groups and Champions as well as for other Dialogues.

1. PARTICIPATION

TOTAL NUMBER OF PARTICIPANTS

98

PARTICIPATION BY AGE RANGE

0-18

19-30

31-50

51-65

66-80

80+

PARTICIPATION BY GENDER

Male

Female

Prefer not to say or Other

NUMBER OF PARTICIPANTS IN EACH SECTOR

Agriculture/crops

Fish and aquaculture

Livestock

Agro-forestry

Environment and ecology

Trade and commerce

Education

Communication

Food processing

Food retail, markets

Food industry

Financial Services

Health care

Nutrition

National or local government

Utilities

Industrial

Other

NUMBER OF PARTICIPANTS FROM EACH STAKEHOLDER GROUP

Small/medium enterprise/artisan

Large national business

Multi-national corporation

Small-scale farmer

Medium-scale farmer

Large-scale farmer

Local Non-Governmental Organization

International Non-Governmental Organization

Indigenous People

Science and academia

Workers and trade union

Member of Parliament

Local authority

Government and national institution

Regional economic community

United Nations

International financial institution

Private Foundation / Partnership / Alliance

Consumer group

Other

2. PRINCIPLES OF ENGAGEMENT

HOW DID YOU ORGANIZE THE DIALOGUE SO THAT THE PRINCIPLES WERE INCORPORATED, REINFORCED AND ENHANCED?

The dialogue was organised with full respect and commitment to the Principles of Engagement: Act with Urgency In light of this urgency, the Dialogue was organized as a contribution to the Food Systems Summit and to the elaboration of pathways to food systems transformation contributing to the 2030 Agenda for Sustainable Development. Commit to the Summit The Dialogue empowered stakeholders to participate in the preparation of the Food Systems Summit. All stakeholders were consulted about ways to move forward collectively and creatively, embracing the entire scope of opinions. The dialogue was organised around 2 main discussions which happened in small sub-groups to allow the most participative and safe open-discussions. Be Respectful Respect for one another is a foundation for genuine Dialogue. Participants in the Dialogues listened to each other and were open to the co-existence of divergent points of view. Each sub-group was facilitated by experienced facilitators who ensured everyone had an opportunity to express his/her opinions. Recognize Complexity Dialogues are an opportunity to embrace the complexity of food systems. They promote a systemic approach by involving multiple stakeholders to identify actions across the system together with potential synergies and trade-offs. Embrace multi-stakeholder inclusivity The Dialogue brought to the table a diversity of stakeholders from within SMEs, Ecosystem Support Organisations (ESOs), the broader business community, small-holder farmers and civil society – working across the food system from production to consumption. Complement the work of others The Dialogue built-on and added-value to existing policy processes and initiatives. It provided an opportunity to share promising innovations, connect stakeholders, and broaden partnerships to transform food systems for the common good. Build Trust The Dialogue was curated and facilitated in a way which created a “safe space” and promoted trust, encouraging mutual respect. The conclusions emerging from the Dialogue are not attributed to single individuals.

HOW DID YOUR DIALOGUE REFLECT SPECIFIC ASPECTS OF THE PRINCIPLES?

It included multiple stakeholders, from government and public agencies, to small businesses and support organizations.

DO YOU HAVE ADVICE FOR OTHER DIALOGUE CONVENORS ABOUT APPRECIATING THE PRINCIPLES OF ENGAGEMENT?

Ensure that all involved in the planning and organizing, curators, facilitators, speakers, are aware of these.

3. METHOD

The outcomes of a Dialogue are influenced by the method that is used.

DID YOU USE THE SAME METHOD AS RECOMMENDED BY THE CONVENORS REFERENCE MANUAL?

Yes

No

4. DIALOGUE FOCUS & OUTCOMES

MAJOR FOCUS

How to boost the role of SMEs in providing good food for all?

Small and Medium-sized Enterprises (SMEs) are vital to our food economies. Each country is different, but SMEs are often over 90% of businesses in the agri-food sector, creating half the economic value, providing more than half the sector's jobs, and handling more than half the food consumed. Their tenacity and agility sustain food supplies and access through the COVID pandemic.

What pathways will enhance the contribution of SMEs to the food system? Wasa◊ri here offers six promising pathways to boost the impact of food SMEs. Which are most important in your context? What is missing? What actions will advance them? How are they interdependent?

1. Elevate the Voice of SMEs

Food entrepreneurs are incredibly diverse. Hence, collectively they neither easily influence nor hear the policy decisions that determine their future. Policymakers are often simply unaware of this quiet majority and are instead swayed by more powerful voices that are easier to engage. Positive examples exist of institutions and processes that elevate the voice of SMEs. The best of these also manage to amplify more marginalised entrepreneurs such as women, youth and indigenous people. Replicating these efforts around the world will ensure our food systems are designed and managed in ways that realise the positive contribution of SMEs.

2. Reduce the Cost of Doing Business

In emerging economies, many basic challenges undermine the commercial viability of food SMEs, for example poor roads, intermittent power, red tape, corruption, unpredictable trade policy, and internet access. Wherever these improve, SMEs grow and proliferate. Access to ◊nance also improves as lenders and investors have more confidence. Cross-sector collaboration can strengthen this basic enabling environment, reducing the risks and costs of doing business in the agri-food sector, and accelerating the "quiet revolution" through which SMEs are already transforming food systems.

3. Reward Positive Outcomes

Our food systems are currently designed to reward the mass production of cheap calories. Different incentives are needed for markets to produce food that is more sustainable, nourishing and equitable. From impact investing to carbon credits, from product certification to sugar taxes, there are diverse mechanisms to reward positive outcomes and disincentivise negative ones. These must be designed and scaled in ways that work for SMEs, rather than adding complexity and cost.

4. Target Support at Food SMEs

Well-resourced business development support for SMEs is a proven driver of inclusive economic growth. Targeting such support at food SMEs offers additional benefits, due to the importance of the sector to public goods such as health, the environment, and livelihoods. Youth, women and other groups face additional barriers to starting and growing a business. Support to them unlocks fresh entrepreneurial energy into the sector and addresses equity gaps.

5. Democratise the Digital Food Revolution

COVID has accelerated a long-term trend towards digitisation of the food system. Whether it is digital farming, block chain for supply chain management, or virtual marketplaces, the food system is undergoing a tech revolution. The vast ◊ows of data could serve the common good or entrench control within a few powerful actors. By design and policy, the data services and digital markets must be accessible to SMEs. This could unlock myriad innovations from payment for ecosystem services, to direct farm-to-consumer sales.

6. Make Good Food Matter

For decades, the food system has been valued for its efficiency in feeding billions of additional mouths. This era witnessed the rise of industrial agriculture. The Summit marks an inflection point. Food systems must now also be valued for nourishing people, regenerating nature, improving equity and resilience to shocks. In this new paradigm, SMEs are in a stronger position with their closer, more nuanced relationships with communities and landscapes.

ACTION TRACKS

- ✓ Action Track 1: Ensure access to safe and nutritious food for all
- ✓ Action Track 2: Shift to sustainable consumption patterns
- ✓ Action Track 3: Boost nature-positive production
- ✓ Action Track 4: Advance equitable livelihoods
- ✓ Action Track 5: Build resilience to vulnerabilities, shocks and stress

KEYWORDS

- ✓ Finance
- ✓ Innovation
- Human rights
- ✓ Women & Youth Empowerment
- ✓ Policy
- Data & Evidence
- Governance
- Trade-offs
- ✓ Environment and Climate

MAIN FINDINGS

Discussion groups found innovators (who are normally SMEs) need to be at the decision-making table to drive policy towards ambitious climate targets. Currently SME voices are drowned out by large corporations who maintain the status-quo. One method of success has been SMEs using their large corporate partners, as well as joining together with other SMEs, to raise their profile and gain influence. Groups like EIT food and drink can help facilitate these relationships.

- SMEs have also found that consortiums made of different sized similar businesses have been useful. It enabled one SME to set up a pilot program for their packaging, and they were able to work productively with multiple larger businesses who were competitors.

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OUTCOMES FOR EACH DISCUSSION TOPIC

The way to boost the role of SMEs in food system transformation is by:
Rewarding positive outcomes.

- SMEs felt that there needs to be way to reward consumers as well as businesses for positive behaviors. This could be reducing the price of food products that are close to their sell by date in order to reduce food waste or choosing products with smart/eco packaging. Carbon taxing will be important going forward.
- For any of these schemes to be possible, a more advanced measurement system needs to be developed that looks at net impacts. For example, it must be able to identify the difference of the environmental impact between a kg of 'real' beef compared to 1 kg of 'cultured' meat.

Tailoring Support for Food SMEs

- A common problem was that grants available to SMEs are incredibly laborious and extensive to apply for. The bar for acceptance is also rising, and reporting/auditing once a grant has been secured is also extremely extensive. Therefore, some SMEs will not try to apply for certain funding they really need as they do not have the resources. The 'middle level' (£20-100k) of funding must be made more accessible to SMEs.
- One SME felt that although the barriers to access funding should be reduced to stimulate innovation, it may be beneficial to structure them as loans rather than grants. The commitment to pay all, or at least some money back will encourage businesses to think sustainability and will ensure that business models are profitable. They believe that profitable, sustainable SMEs will be able to scale and bring their innovative solutions to mainstream consumers.
- SMEs could be brought together to educate them about the Sustainable Development Goals. Once SMEs understand them, there may be opportunities that SMEs spot where they can innovate to meet goals. SMEs will be able to innovate in ways that large corporations cannot.

Making Good Food Matter.

- An SME from Bulgaria has set up a successful nationwide campaign that focusses on public attitudes to food, and food literacy. It is a good example of how public attitudes towards food can be changed. The campaign involves kindergartens, schools and professionals, and also includes awards for those who make positive contributions to the food systems. This campaign brings together government, NGOs, universities and farmers, and so ensures link-up across all areas of the food system. This system could be replicated.

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AREAS OF DIVERGENCE

Discussion among SMEs diverged when the topic of profit vs non-profit emerged. Some believed that companies should do good without seeking profit, while others insisted that in order to make business sustainable financially there must be a profit.

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