European Climate Neutrality Observatory

Briefing:

Towards a Climate-Neutral EU Agrifood System

Opportunities for a Competitive and Resilient Transition

Executive summary

Europe is the world's fastest-warming continent, and the agricultural sector is experiencing increasingly severe impacts, with climate-related losses already estimated to cost the EU nearly half of its annual agricultural budget. Against this backdrop, the need for accelerated climate action and a more resilient food system is central to the EU's security and prosperity.

The agriculture sector holds significant untapped potential to contribute to the EU's climate neutrality goals. Yet, current and planned policies are expected to deliver only modest emissions reductions. Food waste reduction and an increase in plant-based foods are two key enablers that can drive deep emissions reductions while also advancing broader EU priorities. These shifts can improve public health, offer new income streams for farmers, and reduce reliance on imported feed and fertilisers. Innovation in food waste valorisation and plant-based proteins can position the EU agrifood sector as a global leader in sustainable production, enhancing its competitiveness and opening new market opportunities.

However, progress is hindered by a lack of economic incentives and Common Agricultural Policy (CAP) subsidies favouring animal-based production, discouraging farmers from diversifying to more plant-based proteins. Limited affordability, a lack of market incentives and regulatory and structural hurdles slow dietary shifts and sustainable protein innovation. Food waste reduction is constrained by data gaps, fragmented policies, and stalled regulatory reforms. **With targeted policies and investments, the agrifood sector can become a strategic asset in Europe's transition to a competitive and climate neutral economy.**

As the EU develops its post-2030 climate package, the agrifood sector can become a lever for enhanced action. The EU's long-term climate scenarios for agriculture largely rely on technological solutions and only envision moderate dietary shifts and reductions in food waste. However, the current declining trend in beef consumption, as analysed by ECNO to be on track to meet or exceed the benchmarks outlined in these scenarios, suggests that further progress is not only feasible but underway. This presents a timely opportunity for policy makers to reinforce and accelerate these trends, particularly through the upcoming CAP reform and the new Multiannual Financial Framework (MFF).

Table of Contents

1 Introduction

The EU's agrifood sector is facing multiple challenges—farmers are struggling to make a decent living, while a sizeable share of EU citizens are finding it hard to regularly afford high-quality meals. With Europe warming twice as fast as the world average, climate change-related impacts are increasingly affecting agricultural productivity, with losses already averaging EUR 28 billion annually, or around half of the EU's annual budget spent on agriculture.

At the same time, the agriculture sector is still lacking clear direction when it comes to contributing to climate neutrality and ensuring a resilient agrifood system in the decades to come. If all planned policy measures are implemented, agricultural emissions are only projected to decrease minimally. In this context, the European Commission's *Vision for Food and Agriculture* of February 2025 did not propose substantial changes to the way food is produced and consumed in the EU (EC, 2025).

ECNO identifies food waste reduction and greater incorporation of plant-based foods in diets as two key enablers that can drive further emissions reductions while supporting a competitive and sustainable agrifood system. The EU currently wastes just as much food as it imports, highlighting inefficiencies that impact the agrifood sector's resilience and security. There is also a growing demand for healthier, more sustainable diets, yet policymaking has been slow to respond to this trend. The ongoing negotiations around the next phase of the EU's Common Agricultural Policy (CAP) and Multiannual Financial Framework (MFF), the upcoming post-2030 climate package and Circular Economy Act, and the reopening of public procurement legislation stand out as opportunities to address these issues.

This paper takes stock of where the EU agrifood sector stands on these key enablers of a climate neutrality-aligned food system based on upcoming ECNO analysis and explores how the EU can raise its level of ambition by supporting and accelerating behavioural shifts that are underway, while contributing to current EU priorities. It outlines:

- **Progress, opportunities and barriers in food waste reduction,** highlighting data gaps, fragmented policy action, and the importance of supply chain dynamics
- **Progress, opportunities and barriers in sustainable protein production and consumption,** with early signs of change visible in consumption patterns and livestock numbers, but ongoing challenges related to the profitability, affordability, and availability of alternatives, as well as to market incentives, and regulatory and structural constraints
- **Opportunities to strengthen EU resilience, competitiveness, and rural development** through targeted policy action and investments to support food waste reduction and sustainable protein production

By closer examining these areas, the analysis highlights the opportunities to build on existing momentum to reinforce the EU's long-term environmental, economic, and social goals.

2 The current trajectory of the agrifood sector

The agriculture sector is responsible for 11% of the EU's domestic greenhouse gas emissions, while the agrifood system as a whole—including upstream and downstream activities such as fertiliser production, energy use, and transport—may contribute up to a third of total emissions (EEA, 2022).

Current and planned policy measures are projected to reduce agricultural emissions by just 5% below 2005 levels in 2030 (EEA, 2024), whereas the EU's Effort Sharing Regulation covering the sector sets an overall reduction objective of 30%. While the target does not specify a reduction target for the agriculture sector alone, this gap underscores the need for stronger policy action to transition the sector. By 2040, agriculture is likely to become the EU's largest source of emissions (Scheffler & Wiegmann, 2024).

As the EU moves to defining its post-2030 climate package, there is an opportunity to revisit agrifood policies. Analysis by ECNO suggests that the sector holds considerably more potential to contribute to the EU's climate neutrality objectives—particularly beyond technological mitigation options, which only address around a third of agricultural emissions (Scheffler & Wiegmann, 2024).

The most ambitious benchmarks for agriculture in the EU's long-term climate scenarios rely primarily on technological solutions and moderate dietary shifts and reductions in food waste (ibid). Notably, the benchmark for beef consumption included in the LIFE scenario—which considers a shift to more sustainable diets—appears to be less ambitious than current trends already indicate today, suggesting that further progress is both feasible and underway.

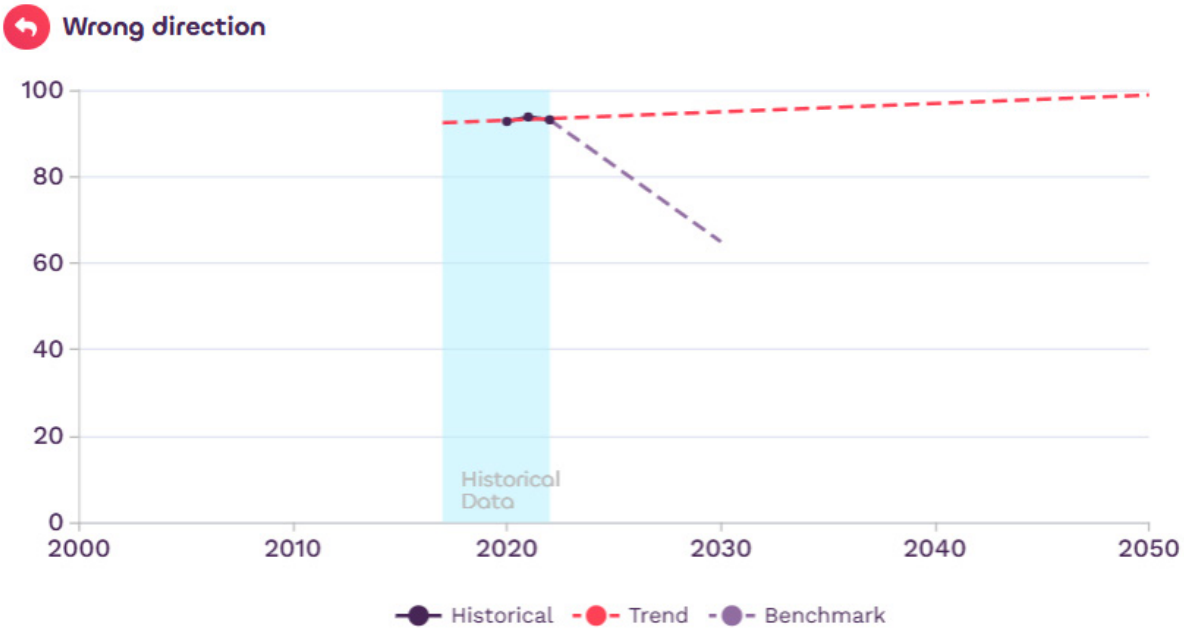
3 Important enablers for the agrifood transition

3.1 Food waste: a major blind spot

Food waste persists as a significant and growing problem across the EU. Roughly 10% of all food supplied to consumers in the EU is wasted, while over 37 million EU citizens struggle to afford a quality meal every other day (Eurostat, 2025). This imbalance reflects a systemic social failure and significant economic and environmental losses.

Food waste emissions are even higher, contributing 16% of total EU food system GHG emissions (EEA, 2022). Every wasted kilo of food represents wasted fertilisers, energy, and water and in the later stages of the supply chain, transport, refrigeration and packaging. All of these carry embodied emissions as well as other environmental and social impacts. The value of EU food waste is over EUR 132 billion (EC, 2023), reflecting considerable economic losses. Consumer-level waste (i.e. household and restaurants), which makes up 72% of total food waste, is particularly resource-intensive, accumulating embodied emissions from passing through the supply chain (ibid; Eurostat, 2025).

Figure 1: Volume of consumer food waste [kg/capita]



ECNO's analysis of trends in EU consumer food waste volumes and progress towards reaching the EU benchmark (30% reduction in consumer food waste in 2030 [compared to 2020 levels], from the legally binding target)

In early 2025, the EU agreed on its first legally binding food waste targets to reduce food waste by 10% in processing and manufacturing and 30% [per capita] at the retail and consumption (i.e. restaurant, food services, and household) stage (EC, n.d.). While the proposal references making a meaningful contribution towards Sustainable Development Goal (SDG) 12.3, the SDG targets a 50% reduction in food waste at the retail and consumer phase by 2030, making the targets misaligned with international agreements. Despite some commitments, upcoming ECNO analysis shows that both consumer and manufacturing food waste volumes are headed in the wrong direction (Figure 1). The *Vision for Food and Agriculture* makes only a brief reference to food waste, acknowledging it as a key priority but lacking concrete measures (EC, 2025).

Increasing action on food waste reduction presents new opportunities for farmers and the food industry and directly supports major EU strategic priorities:

1. **Resilience and food security:** The EU imports just as much food as it wastes (Foodrise, 2022). Reducing food waste can reduce the reliance on imported food and agricultural inputs (e.g. fertiliser and animal feed), which are often used to produce food that is ultimately uneaten. Lower food waste also results in less pressure on land, water, and energy resources that went into wasted food, making the agrifood system more efficient and resilient to external shocks such as disruptions in supply chains, market volatility, or adverse weather impacts (Flanagan et al., 2019).

2. **Competitiveness and innovation:** Reducing food waste presents a clear innovation opportunity with considerable economic benefits. Addressing food waste can unlock new value through circular business models, such as upcycling, composting or nutrient recycling, and surplus redistribution, which strengthens supply chain efficiency and reduces costs for both producers and consumers (ibid).

3. **Social cohesion and rural development:** Enhancing support for food donation schemes can improve access to nutritious food for vulnerable groups while reducing food waste, provided it is done in a way that does not unintentionally encourage companies to produce more waste. Incorporating surplus food into collective kitchens or catering programs can be an effective approach that also benefits communities (AMORCE, 2019).

   Addressing unfair power dynamics in the supply chain that can result in higher on-farm food waste, such as contract terms and pricing pressure, can empower farmers, promote fair market conditions, and strengthen rural economies.

Despite clear environmental and economic benefits, several barriers continue to hinder action on food waste, including:

- **Persistent data gaps and underreporting:** While food waste reporting became mandatory for EU Member States in 2020 under the Waste Framework Directive (WFD), significant gaps remain. Particularly in primary production, food losses are poorly tracked due to methodological challenges. Voluntary reporting on edible and inedible fractions, donated food, food that is diverted to animal feed, or food waste in wastewater could offer valuable insights to inform policy-making but is scarcely utilised (EEA, 2025).

  Improved tracking and reporting of food waste is essential, as effective reduction strategies rely on accurate measurement. A portion of food waste can be inevitable due to inedible parts, such as bones or peels, but edible food waste can account for up to half of total food waste in some countries – indicating significant potential for prevention, in addition to considering valorisation opportunities with the inedible parts (Bowman & Herzog, 2024).

- **Weak policy integration and fragmented action:** Reducing food waste is one of the most cost-effective ways to cut emissions, but the EU's current strategy to tackle food waste is fragmented and slow-moving. Only a handful of Member States currently link their food waste measures to their climate or biodiversity strategies, missing an opportunity to address food waste as a cross-cutting issue (EEA, 2025).

- **Unfair supply chain dynamics:** Retailer or food industry practices such as last-minute order cancellations, aesthetic standards, unfair contracts, and take-back agreements force overproduction and shifts the risks onto producers (Bowman & Herzog, 2024; Piras et al., 2018). While the EU has revised the Unfair Trading Practices (UTPs) Directive to address these imbalances, challenges remain in enforcement and scope (FTAO, 2024). Promoting shorter supply chains (e.g. farmer-to-consumer models) could further help rebalance power dynamics and empower farmers.

- **Regulatory inertia and lack of supportive food environments:** The Commission has continuously stated that it will revisit its date labelling regulations, which may account for up to 10% of EU food waste (EC, 2018), but progress has stalled. While there has been some action at the EU level, including the revision of some marketing standards and hygiene rules (EU CAP Network, 2024), these measures remain limited in scope. Consumer food waste behaviours are often shaped by their environment, including pricing, marketing, packaging, and portion sizes, but there are no comprehensive measures in place to address these.

These barriers and drivers underscore the need for more reliable, detailed food waste data, fairer supply chain practices, integrated policy frameworks, and a food environment that supports waste prevention rather than just downstream solutions.

3.2 Sustainable proteins: untapped potential for emissions cuts

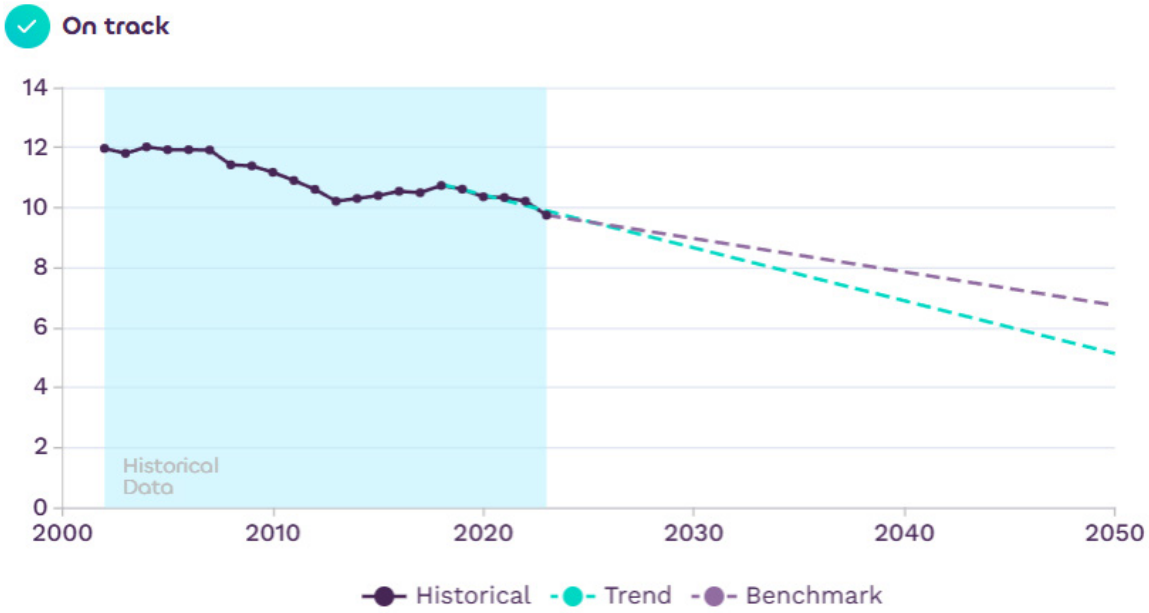
Upcoming analysis from ECNO's flagship report supports the idea that some change is underway with regards to animal-based protein production and consumption. Beef consumption has declined, and its trend is currently on track to meet the benchmark outlined in the EU's long-term climate target modelling scenarios, although progress in reducing dairy consumption and livestock emissions is still far too slow to meet benchmarks from the same scenario. Livestock numbers (i.e. cattle, sheep, and pig) are on a firm downwards trend, though largely due to structural and demographic shifts rather than targeted environmental policy.

The European Commission's *Vision for Food and Agriculture* published in February 2025 excludes any explicit reference to dietary shifts or livestock herd size reduction—although it does call for a plan for a "more self-sufficient and sustainable EU protein system" (EC, 2025).

Meanwhile, plant-based dairy and meat alternatives sales across Europe reached a market value of around EUR 5.8 billion in 2023, up by 5.5% compared with 2022 (GFI, 2025). Such food products are also approaching cost and taste parity in many member state markets. Sales increased further in some major EU economies in 2024, linked to a rise in affordable private-label (i.e. retailer brand) products. Almost 10% of all milk sold in Spain in 2024 was plant-based (ibid). Our upcoming analysis of the EU's progress on lifestyle changes shows that plant-based food sales have continued to increase and are on track with climate neutrality objectives, however, many data gaps remain.

The EU benchmark for beef consumption appears to be less ambitious than current trends suggest, indicating that there is greater potential for emissions reductions than envisioned (Figure 2). This opens the door to more ambitious target-setting that still retains broad societal support. There is high willingness among EU citizens to reduce their animal-based consumption, but the existing food environment often fails to support these intentions. Consumer decisions are strongly influenced by their food environment, or the physical, economic, political, and socio-cultural context in which they engage with the food system (HLPE, 2017). Rather than being perceived as disruptive, new policies can build on and accelerate existing behavioural shifts and amplify the momentum already underway.

Figure 2: Cattle meat consumption [kg/capita]



ECNO's analysis of trends in EU cattle meat consumption and progress towards reaching the EU benchmark (34% reduction in cattle meat consumption in 2050 [compared to 2013 levels] from the LIFE scenario)

Supporting plant-based protein production comes with multiple co-benefits in addition to direct GHG emissions reductions. Plant-based proteins require significantly less land, water, and energy compared to animal proteins (UNEP, 2023), freeing up valuable resources. Legumes in particular play an important role in agriculture. As a direct source of plant protein, they can be used as livestock feed and reduce the need for imported or more resource-intensive feed crops. Additionally, legumes' soil nitrogen-fixing properties can improve soil health and reduce the need for synthetic fertiliser (Murphy-Bokern et al., 2017).

Increasing support and action on plant-based proteins presents new opportunities for farmers and the food industry and directly supports major EU strategic priorities, including:

1. **Resilience and food security:** Climate-related risks are growing, and the EU already loses more than EUR 28 billion a year to adverse weather impacts (fi-compass, 2025). Legumes are more resilient to climate change impacts than many crops. Including them in crop rotations can improve soil health and reduce input needs (van Vugt & Nadeu, 2025). The EU heavily relies on imported inputs, particularly livestock feed and synthetic fertilisers, making the food system vulnerable to global supply or market shocks. Recent tariffs on imported fertilisers from Russia, which have accounted for up to a quarter of the EU's total fertiliser imports (Council of the EU, 2025), have put considerable economic pressure onto some farmers. Expanded domestic legume production can reduce this dependency and contribute to greater food system autonomy.

2. **Competitiveness and innovation:** The global market for sustainable proteins is rapidly expanding. Supporting their production allows EU farmers to access new income streams, such as planting protein crops on fallow land between seasons. Plant-based proteins can also complement existing livestock operations by supporting shifts towards higher value-added products, more extensive systems, and sustainable feed alternatives (EIT Food, 2024).

   The expanding market for sustainable proteins and shifting consumer preferences also presents opportunities for the food industry to benefit. With targeted policy and investment support, the EU can position itself as a global leader in plant-based and alternative protein innovation (ibid). The transition also holds considerable potential for job creation in the sustainable protein value chain, with the sector expected to generate almost 10 million new jobs globally by 2050 (IDDRI, 2020).

3. **Social cohesion and rural development:** A shift toward more plant-based diets is linked to considerable public health benefits, including lower risks of and spending on diet-related diseases (Giosuè et al., 2022). Sustainable protein production can create new income streams for farmers and can support the revitalisation of rural economies, especially if domestic pulses and legumes are integrated into regional food systems (van Vugt & Nadeu, 2025).

Despite these opportunities, several barriers continue to hinder support for sustainable protein production in the EU:

- **Lack of market incentive structures:** Following decades of underinvestment in European legume production, supply and demand are behind. While research shows that a greater availability of alternative protein products in supermarkets increases consumer uptake, stronger demand signals are needed from retailers and the food industry (Madre Brava, 2024). These actors play a critical role in shaping the availability, visibility, and pricing of products.
- **Economic disincentives for farmers:** Many farmers face high opportunity costs from crop diversification compared to competition from cheap, imported soy (van Vugt & Nadeu, 2025). Legumes and other protein crops are often less profitable, in part due to the CAP's current subsidy structure. An estimated 80% of CAP subsidies is allocated towards animal-based foods, with over half of that for animal feed (Kortleve et al., 2024). This creates strong incentives to maintain livestock production rather than diversify and include sustainable alternatives. Rebalancing subsidies could help level the playing field and make plant-based proteins an attractive option.

- **Unsupportive food environments:** Despite the considerable public readiness for dietary changes, current food environments in the EU often discourage sustainable and healthy consumption patterns. Challenges include the widespread availability and marketing of less healthy and sustainable options in retail shops, limited affordability and accessibility of plant-based alternatives, insufficient information to guide consumer choices, and unfavourable pricing structures (Agora Agriculture & IDDRI, 2025). Food environments that guide consumers to choosing more plant-based proteins can also support the farmers already producing or transitioning to these systems.
- **Regulatory and structural hurdles for innovators:** EU regulations such as the Novel Food Law can be especially hindersome for small or early-stage companies developing new protein sources, slowing down their commercialisation. As the EU is simplifying other areas of agricultural and food policy, this represents a potential avenue for supporting sustainable protein innovation (Lähteenmäki-Uutela et al., 2021).

  In parallel, structural limitations across the supply chain limit progress. The limited availability and uneven distribution of small- and medium-scale processing facilities can constrain the ability of innovators to transition from pilot to commercial-scale production, making it difficult to reduce production costs at scale (Malila et al., 2024).

Crucially, this transition is not about abandoning farmers or limiting consumer choices but instead expanding opportunities. Enabling healthier, more sustainable diets can increase the demand for plant-based and alternative proteins, helping farmers diversify their income, grow higher-value crops, and benefit from existing consumer trends. Through clear policy direction, investment, and a rebalancing of subsidies, the EU can help farmers adapt to rapidly shifting markets, increase resilience, and strengthen rural communities. Understanding the scale and scope of financial support needed for this transition will be key to ensuring this transition results in healthier diets and fairer farm incomes.

4 Key policy levers to drive change

4.1 Strengthen existing regulatory frameworks

A more coherent and supportive regulatory framework could enable the EU agrifood sector to make a greater contribution to the EU's climate targets, the resilience of agricultural systems and broader strategic objectives. While the current policy landscape emphasises simplification and reduced administrative burdens, such changes should maintain incentives and support for more sustainable practices.

The CAP remains the central governance and financing mechanism for EU agriculture and rural development, with recent simplification packages introduced in response to farmer protests. **While more flexibility can help address the diverse set of conditions EU farmers face, it should not undermine transparency and effectiveness.** Both simplification packages were proposed without a comprehensive impact assessment, raising concerns (Caiati & Pratelli, 2025). While the draft of the latest package likely benefits small, organic farms due to increased financial support and reduced compliance requirements for them, the further relaxation of environmental conditionalities risks the CAP's ability to contribute to climate and biodiversity objectives (ibid).

The upcoming Circular Economy Act represents a window of opportunity to **consider food systems more explicitly in broader resource efficiency and waste reduction policies**, particularly in relation to food waste reduction.

Although the food waste targets are currently scheduled for review in 2027, the Circular Economy Act could offer a chance to revisit and strengthen them sooner. Experts recommend aligning the manufacturing and processing food waste targets with those at later supply chain stages and restoring the initial proposal for a 40% reduction target for retail and consumption (Bowman & Herzog, 2024) – if not increasing it further to 50% to align with SDG 12.3. **Clearer and more consistent date labelling standards**, along with efforts to **enhance the reliability and accuracy of food waste data**, and **improved food surplus redistribution**, are additional measures that can drive substantial reductions.

With the EU set to revisit its public procurement legislation in late 2026 that aims to mainstream non-price criteria, this presents a timely opportunity to **leverage public sector purchasing power**. By embedding integrated climate and nutrition standards into

its tenders, institutional food procurement, such as in schools, hospitals, and public offices, can play a key role in promoting healthier, more sustainable options while also helping **normalise higher volumes of plant-based and alternative proteins in European's daily lives by reshaping everyday food environments** (IEEP, 2025; Agora Agriculture & IDDRI, 2025).

As it stands, several Farm to Fork (F2F) initiatives remain pending, such as a legislative framework for sustainable food systems (FSFS) announced for 2023 having never materialised. In the absence of an overarching framework, the EU lacks a unified approach to ensure alignment and consistency in food-related policies across the supply chain.

4.2 Advance new initiatives for transformative change

The Commission intends to develop a long-term livestock strategy and a broader strategy for a self-sufficient, sustainable, resilient protein supply (EC, 2025). These **strategies must go beyond production to integrate consumption-based measures and food waste reduction**, both of which are critical for reducing the dependence on imported feed and fertilisers and enabling a shift to more plant-based protein production. It should **support the diversification of protein sources, reduce environmental pressures, and ensure fair transition pathways for farmers**.

Some Member States are already demonstrating leadership, such as Spain's recent legislation on healthy and sustainable food in schools. The Royal Decree mandates daily servings of fresh fruits and vegetables (with at least 45% being seasonal and preferably local) and weekly servings of legumes, limits the availability of ultra-processed foods, and sets organic procurement requirements (Ministerio de Derechos Sociales, Consumo y Agenda 2030, 2025).

In Denmark, the Action Plan for Plant-based Foods established a EUR 90 million Plant-based Food Grant programme to support organic, plant-based production and innovation across the value chain (Agora Agriculture & IDDRI, 2025). The strategy also supports research and development, chef training for plant-based foods, establishing a network to foster collaboration and address regulatory barriers, and initiatives to boost plant-based exports. These examples will provide valuable lessons for an EU-wide approach and demonstrate that **integrating food system measures into broader climate policy is both politically feasible and publicly acceptable**.

As the EU moves towards developing its post 2030 climate package, there is an opportunity to consider new, innovative policies to advance positive transformative change in the agrifood sector.

4.3 Mobilise strategic investments

Despite being the EU's largest expenditure and having a significant portion of its budget dedicated to climate outcomes, the CAP has yet to deliver meaningful emissions reductions (ECA, 2021). With discussions on the 2027 CAP reform beginning, there is an urgent need to go beyond maintaining the status quo when it comes to financing. **Eco-schemes, conditionalities and rural developments should be explicitly oriented to incentivise sustainable protein production and low emission, agroecological farming practices.** Around 80% of CAP subsidies are currently directed to animal-based foods, with over half of that going to animal feed production (Kortleve et al., 2024). This not only risks locking in emissions-intensive practices, but also raises public health concerns since it reinforces dietary habits with higher red and processed meat consumption, which is associated with increased risks of chronic disease.

The post-2027 Multiannual Financial Framework (MFF) will be pivotal for the future of the EU agrifood sector, since it will determine the scale and direction of agricultural support. Amid growing fiscal pressures, the CAP budget is expected to stagnate at best or decline. Current political dynamics suggest that the structure and conditions surrounding CAP payments will not significantly change. However, perpetuating the status quo will leave the EU agrifood sector ill-equipped to grapple with long-term challenges such as increasing climate impacts (IDDRI, 2025).

Instead of continuing to fund schemes that have not resulted in emissions reductions, investing in measures that will reduce the dependence on external inputs such as fertiliser and animal feed can position the EU to progress in its resilience, competitiveness, and sustainability objectives. The new MFF presents an opportunity to **shift CAP spending towards more investment-based and performance-oriented measures** such as crop diversification and increased circularity in food systems (ibid).

5 Unlocking the potential of the EU agrifood sector: opportunities for a positive transformation

The EU agrifood sector stands at a crossroads. If the Commission invests in the agrifood sector – where there is a considerable financing gap – today and with foresight, the sector can support climate neutrality objectives while also bolstering farmers' and the agrifood industry's global competitiveness and resilience.

A reformed CAP should be central to this transition. Funding should pivot away from emissions-intensive, industrial farming models and towards agroecological practices on small- and medium-sized farms, which are often more sustainable but face the greatest barriers in accessing capital to maintain this. Supporting this shift in the status quo will not only deliver considerable environmental benefits, but strengthens rural livelihoods and ensures a just transition. The CAP and MFF processes represent a valuable opportunity to better align financial flows with the EU's broader agriculture and food vision to ensure the sector's long-term viability.

Reducing food waste is a vital, yet often underleveraged, measure to advance the EU's climate neutrality and strategic objectives. As one of the most cost-effective strategies to cut emissions and save resources across the supply chain, particularly at the consumer level, targeted food waste reduction efforts can contribute to food sovereignty by reducing reliance on imports and external inputs, unlock economic opportunities through new circular business models, and support rural revitalisation by addressing unfair market conditions that generate food waste. However, progress remains slow due to fragmented policies, and regulatory gaps. A stronger, integrated EU approach to food waste can be a stronger lever for climate action, innovation, and social cohesion.

Consumer preferences are evolving in the EU. Acceptance of plant-based alternatives is growing, particularly as products are becoming more accessible, tasty, and affordable. Rather than imposing alien change, EU policies can accelerate this consumer-led shift by helping make the healthy, sustainable choice the easiest one via shifting public procurement legislation and evolving food environments.

Ultimately, a climate neutrality-aligned EU agrifood system is not only compatible with EU priorities, but it advances them. By strengthening regulatory frameworks, advancing coherent long-term planning, and mobilising strategic investments, the EU agrifood system will bolster competitiveness, resilience, and fairness. This trajectory can reduce emissions, bring significant environmental co-benefits, support innovation and economic prosperity, revitalise rural communities, improve public health and other social impacts, and promote food security and autonomy. With the right policy and investment choices now, the EU agrifood sector can deliver lasting economic and social value that is also future-fit.

However, many challenges remain. Achieving these outcomes will considerably change how food is produced, consumed, and supported through EU policy. Shifting production models, evolving dietary patterns, and a rebalancing of subsidies can carry far-reaching economic and social implications, in particular for farmers and rural communities. Ensuring these changes are fair, inclusive, and supported by coherent policies and well-aligned investments is essential to securing broad public support for measures and sustaining progress.

References

Agora Agriculture & IDDRI. (2025). Towards food policies that support healthy and sustainable consumption. https://www.agora-agriculture.org/fileadmin/Projects/2024/2024-03_national_food_strategies_SWu/A-AGR_364_Towards_food_policies_that_support_sustainable_and_healthy_consumption_WEB.pdf

AMORCE. (2019). Réduire le gaspillage alimentaire en restauration collective: Recommandations et bonnes pratiques pour ajuster les grammages des portions. https://librairie.ademe.fr/economie-circulaire-et-dechets/769-reduire-le-gaspillage-alimentaire-en-restauration-collective.html#

Bowman, M., & Herzog, M. (2024). Feasibility of ambitious legally binding EU food waste reduction targets. Prevent Waste Coalition. https://zerowasteeurope.eu/wp-content/uploads/2024/05/Prevent-Waste-Coalition-Policy-Briefing-Feasibility-of-ambitious-legally-binding-EU-food-waste-reduction-targets.pdf

Caiati, S., & Pratelli, A. (2025, May 26). The EU's simplification package on the Common Agricultural Policy: Simplification or Deregulation? Europe Jacques Delors. https://www.europejacquesdelors.eu/news/the-eus-simplification-package-on-the-common-agricultural-policy-simplification-or-deregulation

Council of the EU. (2025). Trade: Council adopts negotiating position on tariffs for a number of agricultural products and fertilisers from Russia and Belarus. https://www.consilium.europa.eu/en/press/press-releases/2025/03/14/trade-council-adopts-negotiating-position-on-tariffs-for-a-number-of-agricultural-products-and-fertilisers-from-russia-and-belarus/

EC. (n.d.). Food waste reduction targets. European Commission. Retrieved March 21, 2025, from https://food.ec.europa.eu/food-safety/food-waste/eu-actions-against-food-waste/food-waste-reduction-targets_en

EC. (2018). Market study on date marking and other information provided on food labels and food waste prevention. European Commission. https://op.europa.eu/en/publication-detail/-/publication/e7be006f-0d55-11e8-966a-01aa75ed71a1/language-en

EC. (2023). Impact Assessment Report: Directive of the European Parliament and of the Council amending Directive 2008/98/EC on waste. European Commission. https://environment.ec.europa.eu/system/files/2023-07/IMPACT%20ASSESSMENT%20REPORT_SWD_2023_421_part1_0.pdf

EC. (2025, February 19). A Vision for Agriculture and Food: Shaping together an attractive farming and agri-food sector for future generations. European Commission. eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025DC0075

ECA. (2021). Common Agricultural Policy and climate: Half of EU climate spending but farm emissions are not decreasing. European Court of Auditors. https://www.eca.europa.eu/Lists/ECADocuments/SR21_16/SR_CAP-and-Climate_EN.pdf

EEA. (2022). Transforming Europe's food system: Assessing the EU policy mix. European Environment Agency. https://www.eea.europa.eu/en/analysis/publications/transforming-europes-food-system

EEA. (2024). Historical (1990-2020) and projected (2020-2040) emissions from the agriculture sector in the EU-27. European Environment Agency. https://www.eea.europa.eu/en/analysis/maps-and-charts/historical-1990-2020-and-projected

EEA. (2025). EU waste prevention checkup: More effective measures needed to tackle food waste. https://www.eea.europa.eu/en/newsroom/news/eu-waste-prevention-checkup-more-effective-measures-needed-to-tackle-food-waste

EIT Food. (2024). Towards a Resilient and Sustainable Future: The Role of Protein Diversification in the EU Agri-Food Sector. European Institute for Innovation & Technology. https://www.eitfood.eu/files/PD-Narrative-paper-10.11.pdf

EU CAP Network. (2024). Preventing food waste with CAP Strategic Plans. https://eu-cap-network.ec.europa.eu/publications/policy-insights-preventing-food-waste-cap-strategic-plans_en

Eurostat. (2025). Food waste and food waste prevention by NACE Rev. 2 activity—Tonnes of fresh mass [Dataset]. Eurostat. https://doi.org/10.2908/ENV_WASFW

fi-compass. (2025). Insurance and Risk Management Tools for Agriculture in the EU. https://www.fi-compass.eu/sites/default/files/publications/EAFRD_AGRI_Insurance_Risk_MA.pdf

Flanagan, K., Robertson, K., & Hanson, C. (2019). Reducing Food Loss and Waste: Setting a Global Action Agenda. World Resources Institute. https://doi.org/10.46830/wrirpt.18.00130

Foodrise. (2022). No time to waste: Why the EU needs to adopt ambitious legally binding food waste reduction targets. https://foodrise.org.uk/wp-content/uploads/2022/09/Feedback-EU-2022-No-Time-To-Waste-report.pdf

FTAO. (2024). Position paper on the evaluation of Directive (EU) 2019/633 regarding Unfair Trading Practices in business-to-business relationships in the agricultural and food supply chain: Coalition against Unfair Trading Practices. Fair Trade Advocacy Office. https://fairtrade-advocacy.org/storage/documents/HQGehTBJOybYtJHMsPrsUxhlRAAz6tU9fLNzizCr.pdf

GFI. (2025). European plant-based sales data. Good Food Institute. https://gfieurope.org/european-plant-based-sales-data/

Giosuè, A., Recanati, F., Calabrese, I., Dembska, K., Castaldi, S., Gagliardi, F., Vitale, M., Vaccaro, O., Antonelli, M., & Riccardi, G. (2022). Good for the heart, good for the Earth: Proposal of a dietary pattern able to optimize cardiovascular disease prevention and mitigate climate change. Nutrition, Metabolism and Cardiovascular Diseases, 32(12), 2772–2781. https://doi.org/10.1016/j.numecd.2022.08.001

HLPE. (2017). Nutrition and food systems. High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security. https://openknowledge.fao.org/server/api/core/bitstreams/4ac1286e-eef3-4f1d-b5bd-d92f5d1ce738/content

IDDRI. (2020). Pour une transition protéique réussie: Quelles mesures prendre? Institute for Sustainable Development and International Relations. https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20Iddri/Rapport/transition%20prote%CC%81ique.pdf

IDDRI. (2025). Agriculture in the next European budget: Avoiding the status quo. https://www.iddri.org/en/publications-and-events/issue-brief/agriculture-next-european-budget-avoiding-status-quo

Kortleve, A. J., Mogollón, J. M., Harwatt, H., & Behrens, P. (2024). Over 80% of the European Union's Common Agricultural Policy supports emissions-intensive animal products. Nature Food, 5(4), 288–292. https://doi.org/10.1038/s43016-024-00949-4

Lähteenmäki-Uutela, A., Rahikainen, M., Lonkila, A., & Yang, B. (2021). Alternative proteins and EU food law. Food Control, 130, 108336. https://doi.org/10.1016/j.foodcont.2021.108336

Madre Brava. (2024). Europe's top supermarkets race towards plant-rich diets – but the finish line is far. https://www.madrebrava.org/latest/european-supermarkets-race-to-lead-global-protein-transition

Malila, Y., Owolabi, I. O., Chotanaphuti, T., Sakdibhornssup, N., Elliott, C. T., Visessanguan, W., Karoonuthaisiri, N., & Petchkongkaew, A. (2024). Current challenges of alternative proteins as future foods. Npj Science of Food, 8(1), 53. https://doi.org/10.1038/s41538-024-00291-w

Ministerio de Derechos Sociales, Consumo y Agenda 2030. (2025, April 15). El Gobierno aprueba un real decreto para garantizar que todos los niños y niñas tengan cinco comidas saludables a la semana en los centros escolares. https://www.dsca.gob.es/es/comunicacion/notas-prensa/gobierno-aprueba-real-decreto-garantizar-todos-ninos-ninas-tengan-cinco

Murphy-Bokern, D., Peeters, A., & Westhoek, H. (2017). The role of legumes in bringing protein to the table. In D. Murphy-Bokern, F. L. Stoddard, & C. A. Watson (Eds.), Legumes in cropping systems (1st ed., pp. 18–36). CABI. https://doi.org/10.1079/9781780644981.0018

Piras, S., García Herrero, L., Burgos, S., Colin, F., Gheoldus, M., Ledoux, C., Parfitt, J., Jarosz, D., & Vittuari, M. (2018). Unfair Trading Practice Regulation and Voluntary Agreements targeting food waste: A policy assessment in select EU Member States (REFRESH Deliverable 3.2). https://eu-refresh.org/sites/default/files/REFRESH_D3.2_UTPs%20and%20VAs%20targeting%20food%20waste_07.2018.pdf

Scheffler, M., & Wiegmann, K. (2024). EU 2040 Climate Target: Contributions of the agriculture sector. Oeko-Institut. https://www.ecologic.eu/sites/default/files/project/2024/60028-EU2040-Sector-Paper-agriculture.pdf

UNEP. (2023). What's Cooking? An assessment of potential impacts of selected novel alternatives to conventional animal products | UNEP - UN Environment Programme. UN Environment Programme. https://www.unep.org/resources/whats-cooking-assessment-potential-impacts-selected-novel-alternatives-conventional

van Vugt, T., & Nadeu, E. (2025). European protein diversification: Growing opportunities for farmers. Institute for European Environmental Policy. https://ieep.eu/wp-content/uploads/2025/03/European-Protein-Diversification-Growing-opportunities-for-farmers-IEEP-2025.pdf

This briefing was written by Natalie Pelekh, Mia Moisio and Markus Hagemann, NewClimate Institute.

We acknowledge the contributions and review by Paula Schöberlein, Matthias Duwe, Myriam Castanié, Niklas Höhne and Finn Hossfeld.

Date: 14. July 2025

ecno

European Climate
Neutrality Observatory