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System lansformation Policy recommendations for long-term support of

Living Labs contributing to food system transformation A joint initiative from the EU FOOD 2030 Project

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HORIZON RESULTS





LL - Living Lab\* FSLL - Food System Living Lab\* CAP - Common Agricultural Policy CRFS - City/Region Food Systems EU - European Union FPAC - Food Policy Action Canvas GHG - Green House Gas H2020 - Horizon 2020 HRB - Horizon Results Booster IRL - Innovation Readiness Level MUFPP - Milan Urban Food Policy Pact NGO - National Governmental Organization SDGs - Sustainable Development Goals

\*For distinction, refer to section 3.1 of this brief





# Executive Summary

This policy briefing offers recommendations for policy-makers to ensure the impact achieved by the Food System Living Labs (FSLL) continues beyond the EU Horizon 2020 (H2020) funded project's lifetime. This briefing a joint initiative from the EU FOOD 2030 Project Family, a collaboration of five H2020 projects: FoodSHIFT 2030, FoodE, Cities 2030, Food Trails and Fusilli. Our multi-actor collaboration involves over 140 organisations operating in 26 countries, aligned with the European Commission's FOOD 2030 and Farm to Fork Strategy.

We have played a crucial role in establishing Food System Living Labs in over 50 city-regions across 21 countries, which have become essential structures for extending EU funds and initiatives to local communities and governments in a targeted and impactful manner. Through this approach, we are helping integrate EU projects into the process of transitioning towards a more sustainable European food system. These labs bring together local stakeholders involved in food system innovation, offering place-based solutions to national and global challenges in our food system. These challenges include the nature and climate crisis, food insecurity, and declining incomes among farmers.

Across Europe, Food System Living Labs have developed local food strategies, implemented innovative food policies, influenced national policies, supported food system innovation and new pilot projects and boosted short supply chains and local economies. They are creating a positive impact across all stages of the food chain, including production, processing, distribution, consumption, food loss and waste, and governance.

Food System Living Labs (FSLLs) operate in a dynamic environment and face various challenges including economic fluctuations, legislative changes, and political developments in their countries. To ensure they continue to be frontrunners in the transformation to more sustainable food and farming, we recommend the European Commission, national governments and municipal leaders priortise long term funding of Food System Living Labs. Our recommendations for long-term funding of Food System Living Labs are centred on four key areas below with further details in section 3.

- **Establish match-funding mechanisms.** A shift away from project-based initiatives to an institutional finance framework for upscaling and mainstreaming FSLL and their activities with co-funding support by municipalities and EU
- Integrate Sustainable Food Systems into CAP reforms. Use CAP funding mechanisms to also reward actors of FSLLs as organisers and facilitators of innovation ecosystems at the interface between rural communities and urban stakeholders'
- **Utilise transitional funding in combination with public-private partnerships**. Prioritise funding for salaries and key personnel time in recognition of the critical role of skilled personnel in driving the success and impact of FSLLs
- Solution Initiate a paradigm shift towards circular economic models. Better capture the environmental and societal externalities of food, moving closer to the true cost of food through waste avoidance/upcycling and circular business models.

Setting the scene with a section 'State of Affairs', this Policy Brief highlights the role of FSLLs as unique and central points for a food system transition at the interface of cities/city regions and the wider countryside. This is followed the four key recommendations putting the emphasis on new funding mechanisms for FSLLs and a range of best practice guidelines for future implementation.





Innovation and diversity of food system actors in policy and practice is considered one of the key factors for overcoming shortages of our current food system. These shortages must actually be considered as fundamental threats to life and living (health), the environment at large (climate change and biodiversity) and social-economic stability (welfare). Targeting the social, governance, process and product dimensions of the food system, the EU projects FoodSHIFT2030, FoodE, Cities 2030, Food Trails and FUSILLI are cooperating closely with a wide range of stakeholders at the level of cities and city-regions involved in food system innovation. Following up on the concept of place-based solutions as a way of providing local solutions for global problems, all these projects are based on Food System Living Labs that serve as anchors in the real world of entrepreneurs, citizens, community and voluntary sector, policy makers and many other stakeholders. Without Food System Living Labs, these and many other projects would be just a string of academic and policy institutions searching for answers put forward by exactly the same organisations. However, through the cooperation with Food System Living Labs, a new quality of action-research in close exchange with stakeholders has brought these projects into direct contact - if not part of - the transition process itself. Through Food System Living Labs, the projects have their fingers at the pulse of socio-technological challenges, market dynamics, consumer attitudes and preferences as well as responding to crisis situations - be it the impact of COVID-19, the war in Ukraine or food price inflation.

They are frontrunners in the transformation to more sustainable food systems and in innovation including vertical farming, new cooperation in support of circular economy principles, new food governance strategies involving citizens and producers, new products and processes cutting down on meat consumption (e.g. the tempeh/ Domingo fermenter and fermentation), and short supply chains or investment in regional products have one thing in common: they have to have enough drive and energy to win the fierce uphill-battle against the current system. Though one might argue that these virtues are required for all great accomplishments at any scale, the position of many stakeholders in support of the transformation towards are more sustainable food system are actually taking on a much wider societal responsibility than just their personal ambition: namely to become the agents of change in one the most pressing global challenges that concerns us all.

However, the opportunities and chances for successfully launching food system change operations (whether products, tech, business plans, cooperation, governance structures etc) is hampered by a policy-business infrastructure that is still part of the linear economy, rewarding economic advantages over social and environmental assess (externalisation of costs) and the short-term nature of project funding infinite growth paradigms. It is evident that these food system innovators need support!

As the key policy framework affecting agriculture-food nexus in and outside of Europe, the Common Agricultural Policy is - despite all its reforms and improvements - a still rather linear, mainly producer-oriented and largely mono-sectoral driver with tremendous impacts on sustainability. This points at substantial opportunities for redistributing future subsidies to also include urban centres and stakeholders who concentrate demand and support a transformation towards a sustainable future.



HORIZON RESULTS BOOSTER

Since a food system transformation must actually be considered an inter-generational challenge, we put forward a string of recommendations for taking a different stand on the role of Food System Living Labs in order to provide cities and their partners with a more stable, agile, long-term and network-based support for achieving the goal of a food system transformation.

Food System Living Labs are essential for managing and monitoring local food system progress. They face challenges from economic shifts, policy changes and growing demands for sustainable practices. These obstacles arise due to conflict between linear economy's focus on profit and the need for a circular economy and sustainable food system. Food system actors must adapt to these changing circumstances to thrive.

To effectively guide and facilitate the transformation, Food System Living Labs must address several challenges.

- Maintaining FSLL communities, which operate as Innovation Ecosystems, is challenging post-project funding as tacit knowledge and knowledge infrastructure might get lost.
- There is a current mismatch between the short-term nature of funding cycles and the requirements of FSLLs. It takes considerable time to set up and establish a Living Lab, gain experiences, co-create knowledge and achieve concrete outcomes. This stop / start loop of FSLLs due to funding cycles can reduce credibility and interest from other stakeholders due to perceived risk / temporary nature.
- Many FSLLs have embarked on long-term strategy development, however, temporary Living Lab structures struggle with implementation due to uncertain funding and support.
- Temporal disruptions to FSLLs should be minimised to avoid duplication of work and loss of continuity between initiatives. Baseline research / monitoring results / lessons learned can be lost, requiring resources to be spent on re-establishing the FSLLs and repeating past efforts.
- Efficient communication is also challenged by the temporary nature of FSLLs projects, especially in large-scale multi-actor collaborations. It can take up to a year to establish effective communication infrastructures including personnel. And the more interdisciplinary the multi-actor network, the longer this takes.
- SFSLLs that receive local political support have higher chances to continue after the initial period of project funding through mobilisation of financial and in-kind support. However, the short-term nature of policy cycles means political support is not always guaranteed and national and EU-level support needs to be considered in the mix to ensure FSLLs continue to play their role.
- Despite developing rich sources of information and experience across EU-funded projects, it can be challenging to effectively disseminate this knowledge across FSLLS and relevant food systema actors. Efforts are being made through the Food 2030 Project Family to exchange and share information, enabling FSLLs to improve their word and reach wider audiences beyond the project's duration.





# 2.1 Living Labs: a variety of formats and objectives

According to the European Commission (2009), Living Labs (LLs) are "open innovation environments in real-life settings, in which user-driven innovation is fully integrated within the co-creation process of new services, products and societal infrastructures." Deriving from first applications in the private sector as part of the emerging open innovation approaches (Chesbrough, 2003) and the involvement of users in early stages of the design process (von Hippel, 2005), LLs can be considered as multi-stakeholder platforms "comprising different stakeholders, who perceive the same problem, realise their own respective interdependencies, and come together to agree on the best action strategies for solving it" (Molinari, 2011).

"A system of food production, processing, distribution and consumption that is actively seeking to reduce Greenhouse Gas Emissions (GHG emissions) and other negative impacts such as food waste, loss of biodiversity and lifestyle related diseases, while contributing towards effective food security, fair prices and nutritional wellbeing. Circularity and plant-based food, cross-sector collaborations, citizen involvement, inclusiveness and the education of future generations are considered as key principles of sustainable food systems."

Food System Living Labs (FSLL) bridge cities and rural areas, connecting producers and consumers directly to facilitate the transformation towards sustainable food systems. They can be based in administrative regions (e.g., metropolitan regions), food production areas, or rural regions. Food System Living Labs require a physical location for stakeholders to meet, exchange, and facilitate the transformation to a circular economy within the sustainable food system.

Food System Living Labs must be rooted in their region of origin but also connect to a wider network and international community for seamless operations. They should engage stakeholders from both the existing (mainstream) food system and the emerging sustainable food system, including citizens, retail, restaurants, food industry, NGO as well as government bodies. Food System Living Labs should be inclusive and open to all parties and encourage participation and involvement from under-represented groups in their mission.

## 2.2 Impacts of Food System Living Labs

The Food System Living Labs operational in FoodSHIFT 2030 project are, by their very nature, entities setup for continued long term food system transformation through diverse social, technological, business and governance innovation. All of the FoodSHIFT FSLLs have embedded themselves within their communities, forged strong, strategic partnerships both with local actors, totally 80+, and extended their collaboration internationally with 33+ fellow city-regions. Most FSLLs have established key personel, in some cases, whole teams to focus on the ongoing food system transformation. Selected achievements by the FSLL include: Out of nine city-regions, six (Barcelona, Bari, Berlin, Brasov, Ostend, Wroclaw) are developing food strategies or manifestos. Three of these regions (Brasov, Ostend, Wroclaw) have joined the Milan Urban Food Policy Pact. Other key achievements include Avignon's implementation of innovative food policies on waste management as part of an ambitious school food procurement strategy and Brasov's sharing of recommendations for improved public procurement with the



Ministries of Agriculture and Education. In the field of food education, Athens is focussing on schools acting as living labs through educational interventions and teacher trainings across Europe. The key objective of the FSLLs, namely to support food system innovation in their city-region, has been achieved as Figure 2, describing the trends according to Innovation Readiness Levels (IRL) over a period of three years.



Figure 1 Innovation Readiness Levels trend development in the nine Food System Living Labs from the FoodSHIFT 2030 Project.

FoodE - Food Systems in European Cities is a consortium of 24 organizations from 8 EU countries. The project aims to accelerate the growth of sustainable and resilient City/Region Food Systems (CRFS) by bringing together citizen-led local food initiatives across Europe. Sixteen pilot projects within FoodE showcase promising socio-environmental case studies, ranging from rooftop farming to urban agriculture, in an effort to promote a "Think global, eat local" mindset and address global food security challenges while boosting local economies.

Cities 2030 involves 19 Food System Living Labs with innovation actions, such as experiments, training, and workshops, focused on education, awareness, capacity building, and empowerment. These Living Labs adopt a multi-actor approach and tailor their efforts to the specificities of city-regions and related socio-economic features. The 41 partners of the Cities2030 project represent diverse stakeholders committed to contributing to future-proofing urban food systems and creating effective citizens-centered models. The project provides a knowledge-based framework and guidance to support decision-making and policy development, empowering local authorities to convene, connect, and support food system actors and citizens across their City-region Food System (CRFS).

Food Trails activates 11 Food System Living Labs to co-design, implement, and evaluate pilot actions in each partner city, serving as entry points for the development of integrated urban food policies. These labs aim to provide evidence-based policy narratives verified through their activities, addressing the four priority areas of the FOOD 2030 framework. Data management systems have been developed to assess the impact of the pilots and collect evidence and data during their implementation.





FUSILLI brings together 12 cities in a knowledge-sharing community to collectively address the challenges of food system transformation. The core ambition of this project is to overcome barriers in the development and implementation of integrated, systemic food policies. Each city is establishing a Living Lab as an open innovation ecosystem, with the objective of implementing innovative actions across all stages of the food chain, including production, processing, distribution, consumption, food loss and waste, and governance.





Long-term Living Lab Support towards Food System Transformation



# 3. Recommendations for long-term funding of Food System Living Labs

# 3.1 Establish match-funding mechanisms between municipalities/regions and European Union institutions to support Food System Living Labs

- A shift from project-based initiatives to an institutional finance framework for upscaling and mainstreaming FSLL and their activities.
- Mutual commitment to support FSLL between municipalities/regions and EU institutions as a requirement when entering mid-term (5 years) and/or long-term (10 years) projects.
- Solution in the scalability of FSLL innovations and knowledge across networks and cityregions, to stimulate radical, systemic change.

# 3.2 Integrate Sustainable Food Systems at the level of municipalities into the 2023-24 reform process of the Common Agricultural Policy (CAP)

- Servise the upcoming 'fairer income support' to include contributors to a more inclusive, plant-based, and citizen-driven transformation, by expanding the current farmer-based support.
- Use CAP funding mechanisms to also reward actors of FSLLs as organisers and facilitators of innovation ecosystems at the interface between rural communities and urban stakeholders;
- Drastically expand the transition towards more sustainable systems of food and farming, in line with the European Green Deal.

# 3.3 Identify and utilise transitional funding to bridge funding gaps in combination with continued stimulation of publicprivate partnerships for long term investment

- Explore funding sources such as EU funding, grants, crowdfunding, angel investments, partnerships with co-investors, and municipal funds.
- Serioritise funding for salaries and key personnel time in recognition of the critical role of skilled personnel in driving the success and impact of FSLLs.
- Sengage investors as partners and strengthen public-private partnerships to share risk and drive transformative change in food systems.
- Allow flexibility in funding like cascade funding to enable FSLLs to distribute funds on local levels and increased frequency to alleviate SME liquidity issues between payments.



# 3.4 Initiate a paradigm shift away from linear, externalisation and cost-price-driven economic models towards more circular, inclusive and fair-price approach

- Series Assist shifting societal norms by supporting the wide range of food actors whose contributions are fundamental in providing a healthy, sustainable diet.
- Z Revise financial and investor incentive structures to recognise the combined value of community-centred initiatives and emerging social enterprises.
- Better capture the environmental and societal externalities of food, moving closer to the true cost of food through waste avoidance/upcycling and circular business models.
- Sencourage philanthropy for supporting FSLLs accelerate societal engagement and innovation.

Promote FSLL community sponsoring by large companies or municipalities to reach crosslinked benefits in supporting vulnerable groups, provide opportunities for skill development, employment, and community







# 4. Guidelines for Food System Living Labs

The EU FOOD 2030 Project Family has developed best practice guidelines for establishing, exchanging knowledge and innovative governance models for Food System Living Labs. European Union institutions, national governments and municipalities should refer to these guidelines when considering investing in new or existing Food System Living Labs.

# 4.1 Establishment, Monitoring, Knowledge Sharing and Data Aspects

#### **Establishing Food System Living Labs**

- Sclear governance structure for FSLL, including core group, steering committee, and advisory board with defined roles and responsibilities.
- Pro-active involvement of diverse key stakeholders to join the core group or management board to benefit from their perspectives and expertise.
- A strategy for needs-analysis and managing contributions, providing recognition and rewards to sustain stakeholder commitment.
- Scollaboratively agree aims and co-create core activities of FSLL to align with community needs and priorities.
- Empower coordinators to provide strong overarching guidance from the start to help FSLL participants stay on track and always see the bigger aim that unites them. Develop clear vision statements, goals, and guiding principles for FSLLs to provide a common framework and sense of purpose.
- Sector partnerships with universities, start-ups, suppliers, and customers to promote innovation and knowledge exchange.
- Encourage activities to shift from individual towards collaboration or collective action. Foster a culture of cooperation, knowledge sharing, and joint problem-solving among participants and stakeholders.
- Solution Develop a clear Theory of Change that conceptualises how investment in FSLLs will help achieve specific goals.
- Soffer training/courses/excursions to interested partners to increase the relevance and longevity of FSLL
- Integration of FSLLs into major (local, cultural) events to raise awareness and promote socio-cultural approaches



#### **Dynamic Monitoring Methodologies**

- Draw upon existing dynamic methods to monitor the impact of activities, allowing flexibility to account for unique and diverse approaches. Encourage the use of monitoring frameworks, such as the Milan Urban Food Policy Pact (MUFPP) Monitoring Framework, which provides relevant indicators and outcome areas to track the impact of food policy actions and the achievement of sustainable development goals (SDGs) locally.
- Simplementing effective monitoring and evaluation practices by providing resources, technical assistance, and capacity building. This will enable continuous learning, adaptation, and evidence-based decision-making.

#### **Data Sharing and Privacy**

#### **Participatory Approaches:**

- Promote and incentivize the adoption of participatory approaches within FSLLs. This includes stakeholder dialogues, co-design workshops, citizen science, and participatory action research. Provide resources and capacity-building initiatives to enable meaningful engagement of stakeholders in the knowledge-sharing process.
- Establish knowledge-sharing platforms, open access to data, and collaborative efforts to co-create and disseminate knowledge and practices. Support the development of userfriendly tools and platforms that facilitate active participation and engagement of diverse stakeholders.

# 4.2 Knowledge exchange and networks between Food System Living Labs in European city-regions

#### Knowledge Exchange

- Subscription within and between FSFLL, by encouraging active sharing of knowledge, and provide financial and technical support for the operation of FSLL networks established within, across and independent from European, national, and regional projects.
- Sestablish knowledge-sharing platforms, open access to data, and collaborative efforts to co-create and disseminate living lab knowledge and practices
- Support the development of user-friendly tools and platforms that facilitate active participation and engagement of diverse stakeholders.

#### **Resource Sharing**

- Encourage resource sharing among FSLLs, including infrastructure, expertise, and best practices.
- arrow Establish funding mechanisms or grants to support resource sharing initiatives.





#### Food System Living Lab Twinning and Matchmaking

Encourage and support targeted knowledge exchange by setting up twinning or matchmaking between FSLLs based on common needs and topics of interest. Provide funding opportunities or grants specifically dedicated to twinning and matchmaking initiatives and promote cross-learning between FSLLs.

#### **Cultural, Linguistic, and Contextual Factors**

- Encourage FSLLs to consider the cultural, social, economic, and contextual factors of each city-region when aggregating, exchanging, and disseminating knowledge
- Support the development of localized knowledge exchange strategies and materials to ensure relevance and effectiveness in different contexts.

#### Utilisation of existing toolkits, methodologies and best practices

Encourage the utilisation and further development of existing toolkits, methodologies and best practices, e.g. the Food Trails Toolkit for Cities, which consists of tools such as the Food Policy Action Canvas (FPAC), Stakeholder Food Ecosystem Map, and Investors Service Model, and the Food System Transition Toolkit developed by the FoodSHIFT 2030 project

# 4.3 Food System Living Labs as sites for Multi-level Governance, Civic Engagement and Food Strategies

#### **Multi-Actor Governance**

- Ensure governmental connections (e.g. city, municipality, province, region and national) relate to relevant policy and governance contexts
- Subscription of mayors and elected officials in FSLL meetings, providing them with opportunities to contribute to as well as to learn from the initiatives.

#### **Multi-Level Governance**

- Align FSLL with local, regional, national, European (and international) policy frameworks (e.g. farm to fork strategy, green deal, SDGs, or similar)
- Securities Facilitate exchanges and interactions between representatives from multiple governance levels within the FSLL. Foster dialogue and collaboration to enhance policy alignment and learning across different levels of government.

#### **Cross-sectoral governance**

- Encourage Living Lab facilitators and key personnel to engage in policy advocacy, and promote cross-departmental and cross-sectoral collaborations on FSLL initiatives at all levels of government.
- Sector cooperation and information sharing among different sectors to drive systemic change.



#### **Participatory governance**

- arrow Leverage FSLLs as platforms for citizen engagement and empowerment
- Create opportunities for diverse formats, such as citizen dialogues, public consultations, citizen science, trainings, courses, and educational programs, to involve a broader public in FSLL activities.

#### Place-based / territorial governance

- SFSLL can offer an appropriate scale for geographic integration into local conditions, develop synergies and promote circular approaches within the food environment, (or city-region food system, or foodshed, or similar)
- Adapt public procurement regulations to better enable the competitiveness of more sustainable (e.g. regional, seasonal) options
- Integration of FSLL into major (local, cultural) events to raise awareness and promote socio-cultural approaches

#### Integrative governance

- $\overset{>}{>}$  Position FSLLs as spaces to develop and implement Food Strategies and/or Food Policies.
- Integrate FSLLs into existing or planned urban and rural spaces to provide visibility and educational opportunities.













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