

Europe's Competitiveness Compass pointing in the right direction for our food chain

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The European Competitiveness Compass is a positive step forward, but success will depend on taking action. The EU food and drink industry – Europe's largest manufacturing sector – supports the goals of the Compass to simplify regulation and better align EU and national policies.

Competitiveness is critical for Europe's food and drink makers, who face rising costs, a fragmented Single Market, labour shortages, and supply chain disruptions. As a strategic industry, we need investment, innovation, and streamlined policies to ensure a resilient and sustainable food chain.

FoodDrinkEurope's Director General, Dirk Jacobs, said: "The Competitiveness Compass charts a promising direction for Europe's industrial future. As a strategic pillar of Europe's prosperity and social stability, the food and drink industry is ready to co-create solutions to drive investment, innovation, and resilience in our food chain. Now it is time to move on from words and take meaningful action."

While the awaited Vision for Agriculture and Food will set the strategic direction for our food systems, today's Competitiveness Compass and related proposals also need to prioritise the competitiveness of Europe's food chain by optimising the conditions for production, reducing excessive administrative burdens, fostering investment, and unlocking innovation in the agri-food sector. This is true also for the upcoming Omnibus proposal, which we await as an instrument that keeps the environmental ambition, while bringing simplification in the fields of sustainable finance reporting, sustainability due diligence and taxonomy.

The EU food and drink industry buys some 70% of all farm produce in Europe and is a driver of change in our food chain. We are hopeful that the Clean Industrial Deal will also look to secure agri-food competitiveness while advancing climate goals, especially for energy-intensive food processing. Measures like the Start-Up & Scale-Up Strategy will also be vital for supporting Europe's 300,000 food and drink companies, 99% of which are SMEs.

The Competitiveness Compass sets high ambitions, but the proof will be in the pudding. It is time to deliver results for Europe's economy.

Note to the editors

FoodDrinkEurope is the organisation of Europe's food and drink industry, the largest manufacturing sector in Europe, a leading employer and a key contributor to the economy (300,000 companies, 99% SMEs, 4.7 million employees).

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