



# GrAins

Greening Agrifood  
in Social Economy



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Capacity building on Greening Agrifood in Social Economy

# BRANDING AND GREEN LABELLING

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# Abbreviations

CAP	Common Agricultural Policy
CREA	Council for Agricultural and Economy Research
DOP	Protected Designation of Origin
EC	European Commission
EU	European Union
EFI	European Forest Industry
FAO	Food and Agriculture Organisation
EAFRD	European Agricultural Fund for Rural Development)
IGP	Typical Geographical Indication
GPP	Green Public Procurement
STG	Guaranteed Traditional Specialty
MASAF	Ministry of Agriculture, Food Sovereignty and Forests (Italy)
PDO	Protected Designation of Origin
PGI	Protected Geographical Indication
PGS	Participatory Guarantee Systems
SDG	Sustainable Development Goals
SME	Small and Medium Enterprise
SRPP	Socially Responsible Public Procurement
WHO	World Health Organisation

# CHAPTER 1. The European Commission and the New Sustainable Labelling Framework

## 1.1 Labelling Framework in the European Union

Labelling provides consumers with essential information about products, helping them make informed decisions. Producers to provide consumers with more information about products/services, enabling consumers to make informed choices. In the European Union countries, it has become increasingly important for consumers to know where a certain product comes from, whether it is not grown with chemicals, whether it is a local product, etc. All these characteristics are certified by the label that a product has, which is an attribute that increases the confidence of customers that they will purchase a quality product. The label requires a third-party certification carried out by an independent body (private or public) that is not involved in the product's production, marketing, or consumption.

At the European Union level, labelling represents an instrument for promoting sustainable development goals. Many labels are for products that are more environmentally responsible, more eco-friendly, but also for those that respect the social and ethical criteria. Many quality systems certify and provide labels for products/ services/ works from various economic activities (social, environment, education, construction, agriculture, energy etc.).

At the EU level are various regulations for labelling, but in the case of the agrifood system one of the most important is related to organic food and organic production<sup>1</sup> (Regulation (EU) 2018/848 on organic production and labelling of organic products). This EU regulation establishes the objectives of the organic production that should be considered also in the labelling process (Regulation 2018/848, art. 4):

- a) contributing to protection of the environment and the climate;
- b) maintaining the long-term fertility of soils;
- c) contributing to a high level of biodiversity;
- d) substantially contributing to a non-toxic environment;
- e) contributing to high animal welfare standards and, in particular, to meeting the species-specific behavioural needs of animals;

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<sup>1</sup> ([Regulation \(EU\) 2018/848 on organic production and labelling of organic products](#))



- f) encouraging short distribution channels and local production in the various areas of the Union;
- g) encouraging the preservation of rare and native breeds in danger of extinction;
- h) contributing to the development of the supply of plant genetic material adapted to the specific needs and objectives of organic agriculture;
- i) contributing to a high level of biodiversity, in particular by using diverse plant genetic material, such as organic heterogeneous material and organic varieties suitable for organic production;
- j) fostering the development of organic plant breeding activities to contribute to favourable economic perspectives of the organic sector.

The European Union adopted the EU ecolabel scheme to prevent the overgrowth of environmental labelling schemes and to promote improved environmental performance across all sectors where environmental impact influences consumer decisions. The EU ecolabel scheme is part of the sustainable consumption and production policy of the European Community “which aims at reducing the negative impact of consumption and production on the environment, health, climate and natural resources” (Regulation 66/2010). EU ecolabels promote goods and services that have a high quality and high level of environmental performance and are defined at the EU level by Regulation (EC) No 66/2010 on EU Ecolabel.

As part of the *Farm to Fork Strategy*<sup>2</sup>, the European Commission introduced a proposal for a sustainable labelling framework aimed at empowering consumers to make informed, sustainable food choices. The sustainability labelling framework is a key component of the Sustainable Food System Framework initiative and will regulate the information provided to consumers regarding the sustainability of food products: information on the nutritional, climate, environmental, and social dimensions of food products. The European Commission's sustainable labelling framework aims to foster a market where consumers are empowered with detailed, reliable information about the environmental, social, and health impacts of products. This initiative not only targets food products but also extends to textiles, electronics, and other consumer goods. The goal is to standardize labelling practices across the EU, reduce greenwashing, and encourage producers to meet higher sustainability standards<sup>3</sup>.

In case of food and feed products, based on the findings of the *Feasibility study EU Ecolabel for food and feed products* (Oakdene Hollins, 2011)<sup>4</sup>, the European Commission has not developed a separate EU ecolabel mainly because there is already an EU-level regulation related to organic products.

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<sup>2</sup> Farm to Fork strategy for a fair, healthy and environmentally-friendly food system [https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy\\_en](https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en)

<sup>3</sup> [https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy/legislative-framework\\_en](https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy/legislative-framework_en)

<sup>4</sup> [https://static1.squarespace.com/static/5a60c3cc9f07f58443081f58/t/5ab3c1896d2a73f09efe3419/1521729946668/EC--03\\_251\\_v3.pdf](https://static1.squarespace.com/static/5a60c3cc9f07f58443081f58/t/5ab3c1896d2a73f09efe3419/1521729946668/EC--03_251_v3.pdf)

## 1.2 The Role of Labelling

Food labelling is the primary means of communication between the producer and the consumer. One of the most vexatious problems that exporters of food are likely to encounter is the wide disparity between different countries' requirements regarding labelling. The FAO's Codex first adopted in 1985, called must be regarded as a landmark, a major achievement, in international recommendations for food legislation<sup>5</sup>.

The Food and Agriculture Organisation's *Guidelines for the production, processing, labelling, and marketing of organically produced foods* sets out the principles of organic production at the farm level<sup>6</sup>, preparation, storage, transport, labelling and marketing stages, and provides an indication of accepted permitted inputs for soil fertilizing and conditioning, plant pest and disease control, and food additives and processing aids. For labelling purposes, the use of terms inferring that organic production methods used are restricted to products derived from operators under the supervision of a certification body or authority (Casadei and Albert, 2003)<sup>7</sup>.

Certifications distinguish products that meet rigorous standards, ensuring consumer trust in their quality and sustainability. In particularly regarding food safety and environmental impact. Additionally, certifications can streamline compliance with international trade regulations, thus simplifying market entry for SMEs and enhancing their global competitiveness

Certifications can play a crucial role in helping small and medium enterprises (SMEs) in the agrifood sector transition toward more sustainable, competitive, and market-accessible operations. Certifications facilitate this transition through the following ways:

### 1. Market access and competitiveness

- **Access to new markets:** Certification to recognized standards (like organic, Fair Trade, GlobalGAP, or ISO 22000 for food safety) can open doors to international markets. Many retailers and distributors require certification as a prerequisite for doing business, particularly in Europe and North America.

<sup>5</sup> [https://www.fao.org/fao-who-codexalimentarius/sh-proxy/es/?lnk=1&url=https%253A%252F%252Fworkspace.fao.org%252Fsites%252Fcodex%252Fstandards%252FCXS%2B1-1985%252FCXS\\_001e.pdf](https://www.fao.org/fao-who-codexalimentarius/sh-proxy/es/?lnk=1&url=https%253A%252F%252Fworkspace.fao.org%252Fsites%252Fcodex%252Fstandards%252FCXS%2B1-1985%252FCXS_001e.pdf)

<sup>6</sup> Food and Agriculture Organisation. (1999). GUIDELINES FOR THE PRODUCTION, PROCESSING, LABELLING AND MARKETING OF ORGANICALLY PRODUCED FOODS. Adopted 1999. Revisions 2001, 2003, 2004 and 2007. Amendments 2008, 2009, 2010, 2012 and 2013. [https://www.fao.org/input/download/standards/360/cxg\\_032e.pdf](https://www.fao.org/input/download/standards/360/cxg_032e.pdf)

<sup>7</sup> Casadei, E., Albert, J. (2003). FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS in Caballero, B., Finglas, P., Toldra, F. (eds.). Encyclopaedia of Food Sciences and Nutrition (Second Edition), p. 2587-2593, <https://doi.org/10.1016/B0-12-227055-X/00502-2>





- **Competitive edge:** Certified Products are often perceived as higher quality, safer, or more sustainable, giving SMEs an advantage over uncertified competitors.

## 2. Consumer trust and demand:

- **Certification boosts consumer confidence by verifying that products meet quality and sustainability standards.** Certification provides assurance to consumers that the products meet certain quality, safety, or sustainability standards. This is especially important as consumers become more conscious of food safety, sustainability, and ethical production.
- **Meeting demand for transparency:** Certifications often require transparency in sourcing, production, and labour practices, which can be appealing to consumers looking for ethical and traceable food products.

## 3. Improved operational efficiency:

- **Adoption of best practices:** Certification processes often require SMEs to adopt industry best practices related to production, quality control, environmental management, and food safety. This can improve operational efficiency and product quality.
- **Waste reduction and sustainability:** Environmental certifications (e.g., organic or Rainforest Alliance) encourage sustainable practices like reducing chemical inputs or minimizing waste, which can lead to long-term cost savings.

## 4. Compliance with regulations:

- **Meeting regulatory requirements:** Certification helps SMEs comply with international regulations on food safety and quality, particularly for exports. This can prevent costly delays or rejections at international borders.
- **Simplified documentation:** Some certifications can streamline compliance with complex international regulations, reducing the administrative burden for SMEs.
- **Grants and subsidies:** Many government and non-government organizations offer financial incentives, grants, or subsidies to help SMEs in the agrifood sector achieve certain certifications, recognizing their role in fostering sustainable development and food security.

## 5. Access to funding and investment:

- **Attracting investors:** Certified agrifood SMEs often attract more investment because certifications can act as a third-party verification of good business practices, reducing the perceived risk for investors.

#### 6. Supply chain integration:

- **Partnerships with larger corporations:** Many larger agrifood companies and retailers prioritize certified suppliers in their supply chains. Certification can enable SMEs to integrate into larger, more lucrative supply chains.
- **Traceability and food safety:** Certification often requires better tracking and documentation of inputs and processes, which enhances the traceability of products throughout the supply chain, improving food safety and quality control.

#### 7. Risk management:

- **Minimising risks:** Certifications related to food safety (e.g., HACCP or ISO 22000) help SMEs identify, assess, and manage risks in the production process, preventing costly food recalls or reputational damage.
- **Crisis preparedness:** Implementing the systems required for certification can help SMEs be better prepared for crises, whether related to food safety, environmental regulations, or market disruptions.

#### 8. Enhanced reputation and brand value:

- **Building a responsible brand:** Certifications can enhance the reputation of an SME by aligning it with ethical, sustainable, and responsible business practices. This reputation can translate into stronger customer loyalty and brand equity.
- **Recognition and differentiation:** Certifications differentiate an SME from competitors who may not have the same level of verified commitment to quality, sustainability, or social responsibility

In summary, certifications can significantly aid SMEs in the agrifood sector by providing access to new markets, improving operational efficiency, ensuring compliance with regulations, enhancing brand reputation, and attracting investment. They serve as tools for growth and transformation, especially as the agrifood sector becomes more globalized and consumer demands shift toward sustainability and transparency<sup>8</sup>.

## 1.3 CAP Strategic Plan 2023 – 2027

With the “*European Green Deal*”<sup>9</sup>, European Union will be the first climate-neutral continent by 2050, almost radically transforming the economies and societies of all 27 Member States and committing to reduce emissions by at least 55% by 2030 compared to 1990 levels.

<sup>8</sup> [https://www.etf.europa.eu/sites/default/files/2022-11/Edited%20green%20transition%20policy%20brief\\_EN.pdf](https://www.etf.europa.eu/sites/default/files/2022-11/Edited%20green%20transition%20policy%20brief_EN.pdf)

<sup>9</sup> [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en)

The Coronavirus Crisis has underlined the importance of a robust and resilient food system that is able to ensure a sufficient supply of affordable food for citizens, while also protecting the ecosystem that is already severely compromised by droughts, floods, fires and pests. The strategy 'From Farm to Fork: From Producer to Consumer' addresses the global challenges of achieving sustainable food systems, recognising the inseparable links between healthy people, healthy societies and a healthy planet<sup>10</sup>.



Figure 1. Sustainable Development Goals

Today the new European Agricultural Policy, "Farm to Fork" strategy, has introduced also an important innovation by introducing a principle of **social conditionality**<sup>11</sup> aimed at improving the conditions and quality of work as a critical element of success for the competitiveness of enterprises and capable of ensuring compliance with the social rules and labour regulations proper to each Member State.

The objective of social conditionality is to link CAP payments to respect for workers' rights. This principle is reflected in the definition, in the CAP Strategic Plans, of administrative sanctions, in the form of reduction of payments, to be applied to beneficiaries of FEASR, direct payments and area payments, if they are found not to comply with the requirements on working and employment conditions defined by the same Regulation (EU) 2021/2115 in Annex IV. Specifically, Social Conditionality covers compliance with certain articles of the following EU Directives: 2019/1152/EU, on transparent and predictable working conditions 2009/104/EC, on minimum safety and health requirements for the use of work equipment by

<sup>10</sup> <https://www.agenziacoazione.gov.it/comunicazione/agenda-2030-per-lo-sviluppo-sostenibile/?lang=en>

<sup>11</sup> [https://www.alpconv.org/fileadmin/user\\_upload/Projects/EUSALP/Territorial\\_Brands/Day\\_1/Antonia\\_Luetteken\\_PPT.pdf](https://www.alpconv.org/fileadmin/user_upload/Projects/EUSALP/Territorial_Brands/Day_1/Antonia_Luetteken_PPT.pdf)

workers, and 89/391/EC, on measures to encourage improvements in the health and safety of workers".

The aim of the *Farm to Fork* is to accelerate towards an environmentally friendly food system that preserves biodiversity and contributes to curbing climate change, first and foremost by reducing the use of chemical and hazardous pesticides by 50 per cent by 2030 and by promoting the placing on the market of biopesticides and the adoption of alternative methods for crop protection. On the energy front, the *Farm to Fork Strategy* envisages a gradual shift from fossil to renewable sources, precisely because to date only a few agri-food sectors on clean energy. The *Farm to Fork Strategy* also considered methane emissions from livestock, inviting member states to develop policies that reward farmers who intend to invest in anaerobic digesters to produce biogas from agricultural waste and residues, such as manure. All goals for an ecological transition that has too often been postponed. In fact, among the programmes listed is consumer protection, and manufacturers and retailers are urged to include more information on food origin and nutritional aspects on labels. The adoption of a common labelling standard will enable supermarket customers and canteen users to know what they are eating. Food prices have risen in recent years due to various factors including geopolitical issues. On the trade side, the *Farm to Fork Strategy* calls on states to improve current international cooperation relations.



Figure 2 Farm to Fork Strategy. Source: [https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy\\_en?](https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en?)

# CHAPTER 2: How much is important a green brand image in agriculture

Green branding in agriculture is not merely a trend but a strategic approach that aligns with the growing consumer demand for transparency and sustainability. It involves adopting practices that reduce environmental impact, such as minimizing pesticide use, enhancing biodiversity, and supporting fair trade. A strong green brand can lead to increased market share, customer loyalty, and the ability to command premium prices. Moreover, green branding helps mitigate risks associated with environmental regulations and shifts in consumer preferences towards more sustainable products.

## 2.1. The Role of the Green Brand

Promoting green agriculture is a successful method for attaining sustainable growth in the agricultural sector. Ensuring food security, enhancing the agricultural product supply capacity, encouraging sustainable land development, and fostering green growth are crucial goals for all nations. Climate change, air pollution, waste generation, and natural disasters create challenges for sustainable agricultural development by impacting the environment where crops are grown. This impacts not just the organisms, but also the economic and social standing of individuals. The consumer movement is urging governments and businesses to do more to tackle climate change, resulting in changes in consumer preferences.

Consumption of green products can somewhat lessen the impact on the environment. The green products, also known as eco-friendly products, are created following the principles of sustainability, ensuring they are safe to purchase and of high quality. Recently, there has been a large rise in the global desire for environmentally friendly products. As a result, there has been a substantial increase in the manufacturing of eco-friendly products.

In a market economy, producers are motivated to create and market green agriculture products based on consumers' interest in purchasing them. Due to the rapid development of production technology, competition in the agricultural products market has grown increasingly fierce. The intense competition seen in the green agriculture products market involves not just price conflicts but also battles over quality, popularity, and reputation. The brand image is a crucial factor that shows consumers' perception of a brand and if there is a positive connection between the brand and the consumer (Uikey and Baber, 2023). Business managers can assess brand images, recognize positive associations within brand images, and concentrate on developing those images in their brand management strategy. With this in mind, it is

crucial for business managers to grasp consumers' perceptions of brands in order to effectively manage them.

Implementing a branding strategy has become crucial for companies looking to enhance their brand competitiveness in the market. Businesses must consider the consumer's point of view to establish a positive brand reputation, which is crucial for driving consumer product selection. Hence, it is crucial to assist companies in cultivating a positive brand reputation for green agricultural goods to boost intention to consume such products, encourage green purchasing, and attain sustainable development promptly. A brand is seen as a commitment to customers regarding the advantages they can expect from the product offered by the company. Consumers views of a brand comprise its brand image, and consumers are more likely to be loyal to brands with positive images because they are easier to remember. Consumers will rely on the brand image in the absence of any other product information.

Having a strong brand image that is environmentally friendly can give a company a competitive edge, it can boost consumer awareness and, in turn, raise consumer willingness to a certain degree. Customer perceived value is critical, as it balances the cost incurred with the benefits they believe a product or service provides. Therefore, perceived value is a key determinant influencing brand image and consumption intent (Wu et al., 2018). Recently, customer perceived value theory has been increasingly used in agricultural economics to examine the factors affecting farmers' intentions and behaviors, indicating a connection between green agriculture product brand image, customer perceived value, and consumption intention.

## 2.2 How procurement can support to the transition of the green labelling?

Public procurement represents one of the most powerful policy instruments at the EU level for promoting sustainable and social development considering that it is around 14% of the EU GDP. The EC twin digital and green transition<sup>12</sup> objectives are enforced by public procurement policy through green public procurement (GPP), socially responsible public procurement (SRPP), or innovation procurement.

Public procurement refers to the process by which public authorities/ institutions purchase goods, services, and works. Considering the common policy objectives of the EU member states, the economic regulations and the amount of money spent on public purchasing, in 2014 it was adopted a new directive on public procurement (Directive 2014/24/EU on public procurement) that includes some measures dedicated to environmental protection (green

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<sup>12</sup> [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_1467](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1467)



procurement) or social development (socially responsible procurement). To promote green transition and sustainable development, the EU Directive 2014/24/EU on public procurement focuses more on quality criteria instead of lowest price ones and introduces different criteria for awarding contracts that take into account the environmental impact (green criteria, eco-labels, etc.) and the social impact of products and services.

According to the Directive 2014/24/EU on public procurement, in the purchase process, public authorities can ask for specific labels in case of products, services or works with specific environmental, social or other characteristics:

*“Contracting authorities that wish to purchase works, supplies or services with specific environmental, social or other characteristics should be able to refer to particular labels, such as the European Eco-label, (multi-)national eco-labels or any other label provided that the requirements for the label are linked to the subject-matter of the contract, such as the description of the product and its presentation, including packaging requirements. It is furthermore essential that those requirements are drawn up and adopted on the basis of objectively verifiable criteria, using a procedure in which stakeholders, such as government bodies, consumers, manufacturers, distributors and environmental organisations, can participate, and that the label is accessible and available to all interested parties.”* (Directive 2014/24/EU on public procurement, point 75)

Public procurement and ecolabelling play pivotal roles in promoting sustainability within the agrifood sector, focusing on environmentally responsible practices and supporting eco-friendly food production. In the context of agrifood products or services, it focuses on how governments can use their purchasing power to promote sustainable farming, reduce environmental impact, and encourage the supply of high-quality, eco-friendly food products.

Article 43 of the Directive 2014/24/EU is dedicated to Labels. It defines better the characteristics of labels that can be used in the public procurement process as award criteria or contract performance conditions. EU ecolabels, defined by Regulation no. 66/2010 of the European Parliament and of the Council on the EU Ecolabel<sup>13</sup> can be used in public procurement processes because is a recognized as the only EU-wide ISO 14024 Type I ecolabelling scheme that promotes goods and services that “demonstrate environmental excellence, based on standardised processes and scientific evidence”. According to the methodology of EU ecolabels, a product/ service/ work is verified by independent experts (third-party verification) to check its compliance with the EU ecolabel criteria.

Green Public Procurement (GPP) refers to the process by which public authorities purchase goods, services and works with a reduced environmental impact throughout their life cycle (Communication COM 2008 400 Public procurement for a better environment<sup>14</sup>). By life cycle, all the consecutive and/ or interlinked stages of a product/ service/ work are understood from

<sup>13</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32010R0066>

<sup>14</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52008DC0400>

“raw material acquisition or generation of resources to disposal, clearance and end of service or utilization” (Directive 2014/24/EU on public procurement).

The European Commission (EC) developed Green Public Procurement (GPP) criteria<sup>15</sup> for some clusters of products/services/ works in order to help the public authorities define them in the procurement process and methodologies. One cluster of products/ services/ works for which are defined GPP criteria is food, catering services and vending machines. Agriculture and food production have several key environmental impacts, including energy consumption in farming and food processing, land use changes such as deforestation that increase CO<sub>2</sub> emissions, depletion of fish stocks and biodiversity loss, excessive use of fertilizers and pesticides, high water consumption and pollution, emissions of pollutants like methane and nitrites from agricultural activities, and waste disposal that contributes to environmental degradation. Considering all these environmental impacts, there were established some green criteria for food purchases that include organic food production (that can be certified by an EU ecolabel or other international certification), more environmentally responsible marine and aquaculture food products, more environmentally responsible vegetable fats, food and beverage waste prevention etc.

Considering agrifood system characteristics, public procurement processes could encourage:

- **Organic food** by prioritising products that are organic, locally sourced, or produced using environmentally sustainable methods.
- **Local agriculture** by prioritizing locally grown products, reducing the carbon footprint related to food transportation, and stimulating local economies.
- **Eco-friendly farming** by requiring that suppliers meet specific sustainability standards, such as organic certifications, eco-friendly farming practices, or ethical sourcing methods.

## 2.3 The EFI Project: Agroforestry in Italy

The European Forest Institute (EFI)<sup>16</sup> was established in 1993 in Joensuu, Finland, with the aim of improving international forest research and providing decision-makers with science-based information on forests on a pan-European level. To date, EFI has grown and developed into an important and recognised international network organisation with approximately 130 member organisations from 40 countries.

<sup>15</sup> [https://circabc.europa.eu/ui/group/44278090-3fae-4515-bcc2-44fd57c1d0d1/library/f69e60f9-9dc6-4345-aa18-b9a4b6dfdbf0?p=1&n=10&sort=modified\\_DESC](https://circabc.europa.eu/ui/group/44278090-3fae-4515-bcc2-44fd57c1d0d1/library/f69e60f9-9dc6-4345-aa18-b9a4b6dfdbf0?p=1&n=10&sort=modified_DESC)

<sup>16</sup> <https://efi.int/about>

The objectives of EFI are:

- facilitate and stimulate forest-related networking and promote the dissemination of science-based and policy-relevant information on forests and forestry.
- support forestry research and the use of scientifically sound information as a basis for forestry policies.

In this framework, we find it as an example that deserves attention with respect to innovation as a driver of development for the many Italian companies and others that are trying to maintain their identity and distinctiveness, while at the same time needing and wanting to be increasingly competitive, in national and international markets, thus responding to numerous challenges:

- starting with globalisation;
- climate change;
- food and water security;
- the circular economy;
- the sustainable and resilient agri-food systems.

The project for the Agroforestry was realised by CREA<sup>17</sup> and want to support the company that residing in Apulia. The focus is on cultivating sustainable cotton in collaboration with one on the symbols of Italian fashion in the world is emblematic with the: Apulian Regenerative Cotton Project.

CREA is an Italian research organisation dedicated to agri-food supply chains. It operates as a legal entity under public law and is supervised by the Ministry of Agriculture, Food Sovereignty and Forests (MASAF). It has a scientific activity that covers crops, livestock, fishery, forestry, agro-industry, food science – and socioeconomics. CREA was established in 2015, from the merging of CRA (Council for Agricultural Research) and INEA (National Institute of Agricultural Economics), two country-wide institutions active since mid of last century

The **Apulian Regenerative Cotton Project** is certainly an experimental project that aims to obtain sustainable cotton that is entirely made in Italy, both in the traditional way and with the original approach of agroforestry, in collaboration with peach trees the first year and with pomegranate and white poplar trees from the second, for a green supply chain to support Italian fashion.

The project managed by EFI (European Forest Institute) in synergy with CREA's Agriculture and Environment Research Centre was also financed by a well-known fashion house. It is therefore a five-year experimental project, which at the moment could be described as the only one of

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<sup>17</sup> <https://www.crea.gov.it/en/about-crea>

its kind in Italy and perhaps an annex, aimed at producing cotton with a reduced environmental impact thanks to the use of agroforestry systems.

In May 2023, cotton was planted on one hectare of land, making it the first field experiment in Europe to test cotton in agroforestry with alternative tree species. To better define agroforestry, it is an agricultural system that provides for the cultivation of herbaceous species in the interfiles of tree or shrub plants, contributing to environmental protection processes in agro-rural, peri-urban and urban areas in a logic that is also agro-ecological conversion and countering land consumption. This approach, in fact, makes it possible to reduce evapotranspiration, thus saving irrigation water, and at the same time increasing agricultural biodiversity and introducing more organic matter into the soil, thus increasing its fertility.

The project was implemented in the Apulian territory because:

1. it is an area whose mild climate and peculiar characteristics of environment help the territory in the reintroduction of this crop - it should be noted that the same culture was already present since the 12th century, which is then abandoned in the last fifty years - with a positive impact on local communities;
2. experimental field establishment was initiated in this area, also implementing regenerative farming practices, respectful of natural cycles, with seedbed preparations that involved minimal impact on the soil to avoid consumption of organic matter and the use of the fertigation technique with organic fertilizers;
3. Regular monitoring will be carried out to assess the properties of the cotton grown, as well as to verify the environmental impact and production levels of the areas involved.



Figure 3 The field before cultivating cotton. Source: <https://www.esg360.it/agrifood/arco-il-progetto-di-agroforestry-per-il-cotone-sostenibile/>





*Figure 4 The field after cultivating cotton. Source: <https://www.esg360.it/agrifood/arco-il-progetto-di-agroforestry-per-il-cotone-sostenibile/>*

This project is clearly in full alignment with the agreement put in place by the Green Deal deploying nationwide directed toward sustainability and eco-innovation, to encourage a transition toward circularity in production systems, in all sectors, from those in the primary sector such as agribusiness to the energy sector and other sectors. Product, process, and system eco-innovation are necessary for a circular and regenerative production model and a use/consumption system characterized by life extension of products, reuse of components, and recycling systems that can ensure high-quality standards of recycled materials and products.

# CHAPTER 3: What is a certification? Good practices from Italy and Spain

Certifications such as Protected Designation of Origin (PDO) and Protected Geographical Indication (PGI) play a crucial role in safeguarding the heritage of traditional and sustainable agricultural products. These certifications ensure the preservation of unique production methods and help sustain local economies by protecting products linked to their regions of origin. They guarantee authenticity and quality, thus supporting local producers and providing assurance to consumers about the origins and quality of the products they purchase.

Food traceability for agrifood products refers to the ability to track the entire journey of a food item from its origin (farm) to its final destination (table or consumer). This system is essential for ensuring food safety, quality, sustainability, and transparency in the food supply chain. It allows for the monitoring of each step in the production, processing, and distribution process, providing crucial information in case of contamination, recalls, or regulatory compliance. Food traceability systems, therefore, represent a critical component of modern agrifood supply chains, supporting safety, quality, sustainability, and consumer trust.

The certification framework for organic products from Spain illustrates how these schemes operate, highlighting the challenges and opportunities for the growth of the agrifood sector.

## 3.1 Explaining the certification - how the date can help the sustainability of the products

The quality and variety of agricultural products, often obtained at the outcome of specific and traditional processes, represent, not as of today, important competitive advantages for agricultural enterprises. Promoting the quality of agricultural production means responding to and stimulating a growing demand for unique products on the European market. In this sense, the EU has regulated special "quality schemes" for agricultural products and elaborated specific information tools, useful for communicating to consumers the peculiar characteristics and methods of production, complying with strict specifications, as well as, through proper identification of quality productions and adequate commercial valorization, protecting producers from unfair practices.



The acronym POD (Protected Designation of Origin) designates a product originating from a region and a country whose qualities and characteristics are essentially due to the geographical environment. All production, processing and preparation of the product must take place in the defined area.



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The acronym PGI (Protected Geographical Indication) introduces a level of quality protection that focuses more on production techniques than on territorial constraints. The acronym identifies a product originating from a region and a country whose quality, reputation and characteristics can be traced back to its geographical origin and at least one stage of production, processing and preparation of which takes place in the defined area. The Traditional Specialty Guaranteed (TSG) is a mark of origin introduced by the European Union aimed at protecting productions that are characterized by traditional compositions or production methods. This certification is aimed at agricultural and food products that have a specificity linked to the production method or composition linked to the tradition of an area, but which are not necessarily produced only in that area. The organic logo can only be used on products that have been certified as organic by an authorized inspection body or agency. This means that they have met strict conditions for production, processing, transportation and storage. A code number of the control body must be indicated next to the EU organic logo, as well as the place where the agricultural raw materials were grown.

The current debate following the new objectives of the UN Agenda means that the business world is also called to make its contribution by promoting the change of its organization towards sustainable organizational models.

In this scenario, the SMEs occupy a strategic position as they have always represented an alternative model to the lucrative one. The main activity of the cooperative enterprise consists, in fact, depending on the sector of operation, in providing goods or services or job opportunities directly to the members, at more advantageous conditions than those they would obtain on the market: this is the mutualistic purpose, aimed at satisfying a specific need of the members other than subjective profit.

A cooperative approach therefore guarantees the return to the producer of adequate added value, combining environmental and economic sustainability. Furthermore, a business aggregation helps make the use of new tools in the field of technological innovation more effective and widespread.

## 3.2 The food traceability and the role of the consumers

Food traceability systems are evolving with the integration of blockchain technology, which provides an immutable record of a product's journey from farm to table. Blockchain allows consumers to access detailed information about food origins, processing, and distribution via QR codes or other digital tools.



This transparency enhances trust and empowers consumers to make informed choices that reflect their values, such as sustainability and ethical sourcing.

At present, there is a growing number of consumers focusing on food safety and environmental sustainability. Nevertheless, the impact of agricultural markets globalisation means that consumers are exposed to a vast array of food options. Despite this, while food market globalisation allows consumers to access products from other countries, it has also led to an increase in the perception of inauthentic products. As a result, customers start requesting details and guarantees regarding the source and the ingredients of food items, as well as the way they are grown and processed. In recent times, there has been an increase in awareness regarding the source and authenticity of food products, which are now considered important factors influencing consumer decisions (Liu and Wang., 2022).

**Traceability** is recognized as a vital factor for the agri-food industry in providing assurances about all these aspects. Tracking food from production to origin ensures control over the entire process of food production and marketing. Truly, for the purpose of safeguarding public health and the environment, it is an essential tool to prevent intentional or unintentional mislabelling, including food adulteration, deceit, and controversies.

Supply chain management is crucial for achieving sustainability in the food industry. Food traceability systems play an important role here. Traceability systems allow for better tracking and management of the supply chain, providing companies with a greater understanding and control over the entire supply chain - from farm to consumer<sup>18</sup>.

By using food **traceability systems**, companies can identify the exact source of their ingredients, which is essential for ensuring that they are sustainably sourced. Additionally, traceability systems allow companies to track the movement of products through the distribution channels, which helps them identify and address any bottlenecks or inefficiencies in the supply chain.

Food traceability systems provide companies with valuable information that allows them to make more informed decisions about sourcing and distribution, ultimately leading to a more efficient and sustainable supply chain (Khan et al., 2022). By implementing such systems, companies can ensure that they are using sustainable practices throughout the entire supply chain and making a positive impact on the environment.

Traceability systems give consumers in-depth details on where and how their food is produced, enabling them to make better-informed decisions about their dietary choices. This increased level of transparency enables consumers to make more informed decisions and also drives the need for sustainable practices in food production. Consumers can guarantee that their food is environmentally friendly by being aware of its source. Consumers are able to determine if the food comes from

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<sup>18</sup> <https://www.foodnavigator.com/Article/2024/01/08/eu-sets-the-gold-standard-for-supply-chain-traceability>

nearby farms, uses organic farming techniques, or is produced sustainably. This information can also assist consumers in recognizing products that might have been made with harmful methods, like too much pesticide use, or those that could have been transported long distances, leading to increased carbon emissions.

Additionally, food traceability systems offer consumers details on the ethical practices of food producers. They have the ability to determine if the food is from fair-trade certified organizations and if workers in the farms and production facilities are given fair wages, safe working conditions, and other perks. This enables customers to select options that reflect their beliefs and support equitable treatment of employees.

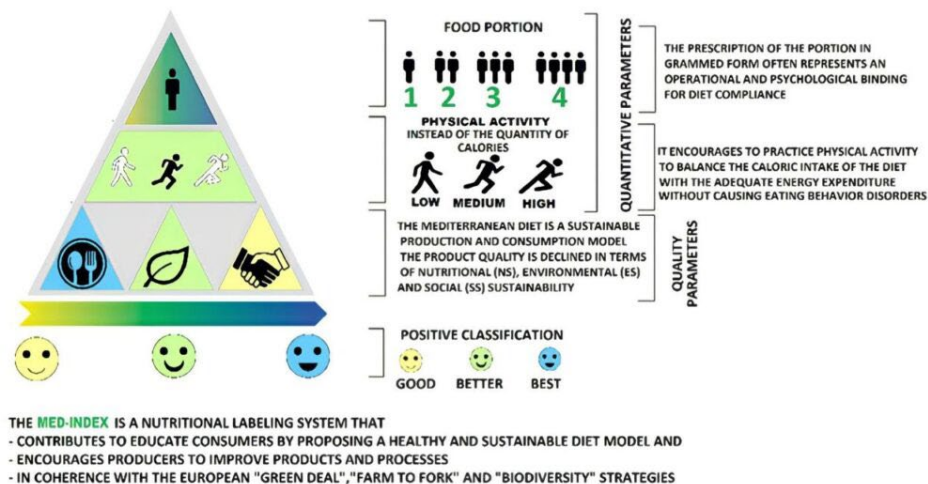


Figure 5: Med Index Labelling System, Source: <https://www.lindipendente.online/2023/06/20/med-index-letichetta-alimentare-per-tutelare-ambiente-salute-e-dieta-mediterranea/>

### 3.3 Participatory Guarantee Systems (PGS) for Certification in Spain

#### Participatory Guarantee Systems (PGS) for certification in Spain

Participatory Guarantee Systems (PGS) represent an alternative model of certification for organic products, particularly suited to small-scale farmers and local markets. Unlike third-party certification systems, PGS is built on principles of participation, transparency, trust, and direct engagement between producers, consumers, and other stakeholders. It is a decentralized, community-based approach that allows producers to ensure compliance with organic standards through mutual evaluation and cooperation.

## ***The context in Spain***

In Spain, the demand for organic products has been steadily growing, driven by increased consumer awareness about health, environmental sustainability, and the desire for locally sourced food. However, small and medium-sized organic producers often find it challenging to meet the stringent and costly requirements of third-party certification systems, which are typically administered by external agencies. PGS provides a solution to this, particularly in rural and localized settings where producers and consumers can engage directly.

## ***How PGS works***

PGS is a collaborative and inclusive approach where all stakeholders—farmers, consumers, agricultural technicians, and sometimes even representatives of local authorities—participate in the certification process. In Spain, as in other countries where PGS is implemented, the system operates on a foundation of trust and mutual learning. Farmers are evaluated not by external auditors but by their peers and the consumers who directly buy their products. This process ensures that organic practices are upheld and allows producers to improve through feedback from the community. Farmers within a PGS network typically visit each other's farms to inspect compliance with organic standards. This hands-on approach ensures a deep understanding of organic practices and provides immediate opportunities for education and improvement. The inspections are documented, and decisions regarding certification are made collectively within the group. The transparent nature of PGS is key to its success, as everyone involved has access to the process, fostering a shared responsibility for maintaining standards.

## ***Legal framework in Spain***

Spain is part of the European Union (EU), which regulates organic farming through strict legislation, including requirements for certification. While the EU primarily recognizes third-party certification systems, there is growing interest in promoting more accessible certification models like PGS. However, PGS does not yet hold the same legal recognition as third-party certification for export or labelling under EU law. Nevertheless, some regions in Spain, particularly those with strong traditions of organic agriculture and community-based food networks, have embraced PGS as a viable system for the local market.

## ***PGS and local markets***

PGS in Spain plays a crucial role in supporting the development of local, sustainable food systems. It strengthens the relationship between producers and consumers by allowing consumers to actively participate in the certification process and to know the farmers personally. This system encourages local consumption and shortens the supply chain, making it easier for small-scale farmers to sell their products directly to consumers through farmers' markets, local cooperatives, and community-supported agriculture (CSA) programs.



In regions like Catalonia, Andalusia, and Valencia, where local organic movements are particularly vibrant, PGS has found fertile ground. Here, networks of small producers and consumers collaborate not only to certify organic products but also to create a sense of community around sustainable agriculture. In these areas, PGS has also been a tool for social innovation, fostering cooperative models that go beyond certification to include shared ownership of land or resources, collective marketing efforts, and mutual support during crises.

### ***Challenges and opportunities***

One of the main challenges PGS faces in Spain is the lack of formal recognition at the national level within the broader framework of organic certification. For products to be labelled as organic in accordance with EU law, they must undergo third-party certification, which limits the use of PGS-certified products in larger retail channels and for export. However, PGS is highly effective in smaller, more localized markets where trust and direct relationships are prioritized.

The opportunity for PGS lies in the growing movement towards more localized food systems and increased consumer demand for transparency in how food is produced. By providing an affordable, accessible, and community-driven certification model, PGS supports small producers in maintaining organic practices while also fostering a strong sense of connection between producers and consumers.

In conclusion, while PGS is still a niche certification model in Spain, it holds significant potential for promoting organic agriculture at a local level. It offers grassroots, cooperative alternative to the more formalised third-party certification systems and aligns closely with the values of transparency, sustainability, and community that are increasingly valued by both producers and consumers in Spain's organic food landscape.

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- Participatory Guarantee Systems in Spain: Motivations, Achievements, Challenges and Opportunities for Improvement Based on Three Case Studies - This paper provides insights into PGS initiatives in Spain, highlighting their benefits and the challenges faced, such as the lack of official recognition at the national level. It also discusses the potential of PGS in supporting local, sustainable food systems in regions like Valencia, Murcia, and Granada. You can read more [here](#).
- Wu, H.-C., Cheng, C.-C., Chen, Y.-C. and Hong, W. (2018), "Towards green experiential loyalty: Driving from experiential quality, green relationship quality, environmental friendliness, green support and green desire", *International Journal of Contemporary Hospitality Management*, Vol. 30 No. 3, pp. 1374-1397. <https://doi.org/10.1108/IJCHM-10-2016-0596>

#### Internet resources:

- Environmental labels - <https://www.iso.org/publication/PUB100323.html>
- ETF communication material on the future of work and sustainability: available online at <https://youtu.be/pvSXVZO62W4>
- European Commission, Legislative framework for sustainable food systems - [https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy/legislative-framework\\_en](https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy/legislative-framework_en)
- European Green Deal - [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en)
- Farm to Fork Strategy - Food Safety - [https://food.ec.europa.eu/document/download/472acca8-7f7b-4171-98b0-ed76720d68d3\\_en?filename=f2f\\_action-plan\\_2020\\_strategy-info\\_en.pdf](https://food.ec.europa.eu/document/download/472acca8-7f7b-4171-98b0-ed76720d68d3_en?filename=f2f_action-plan_2020_strategy-info_en.pdf)
- Questions and Answers: Farm to Fork Strategy - building a healthy and fully sustainable food system - [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_20\\_885](https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_885)
- SDG Resource Document. Targets Overview - [https://sdgs.un.org/sites/default/files/2020-09/SDG%20Resource%20Document\\_Targets%20Overview.pdf](https://sdgs.un.org/sites/default/files/2020-09/SDG%20Resource%20Document_Targets%20Overview.pdf)

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