

TASTEMAKERS GUIDEBOOK

SUSTAINABLE AND GREEN BUSINESS PLANNING STEPS

A Practical Guide for Youth and Entrepreneurs in the Food Industry

Co-funded by the European Union

ACKNOWLEDGMENTS & CREDITS & DISCLAIMER & COPY RIGHTS

ACKNOWLEDGEMENT

This guidebook has been developed as part of the ERASMUS+ Small Scale Partnership project “TasteMakers: Empowering Green Entrepreneurship for Youth to Sustain Green Food Industry” co-funded by the European Commission under Grant Agreement number 2024-1-PT02-KA210-YOU-000247090. The project has a duration of 12 months, and this publication was released on 01 April 2025.

CREDITS

This project was made possible through the collaborative efforts of our partners:

UAB BOIRA - (Lithuania)
info@boira.lt

AJEA (Associação Jovens Empreendedores Agrícolas) - (Portugal)
geral@ajea.pt

Asociatia GEO CLUB - (Romania)
geoclubassociation@gmail.com

DISCLAIMER AND COPYRIGHT NOTICE

The European Commission support for the production of this publication does not constitute an endorsement of the content which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

CC BY-NC-SA
This license enables reusers to distribute, remix, adapt, and build upon the material in any medium or format for noncommercial purposes only, and only so long as attribution is given to the creator. If you remix, adapt, or build upon the material, you must license the modified material under identical terms.

CC BY-NC-SA includes the following elements:
BY: credit must be given to the creator.
NC: Only noncommercial uses of the work are permitted.
SA: Adaptations must be shared under the same terms. Date of publication 01/04/2025

All visuals used in this publication are copyright-free and sourced from Canva.

Disclaimer:
Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Education and Culture Executive Agency (EACEA). Neither the European Union nor EACEA can be held responsible for them.

TABLE OF CONTENTS

MODULE 1
INTRODUCTION TO SUSTAINABLE BUSINESS PLANNING 5

MODULE 2
ENVIRONMENTAL CONSIDERATIONS IN BUSINESS PLANNING 12

MODULE 3
SOCIAL RESPONSIBILITY AND INCLUSIVITY 19

MODULE 4
GOVERNANCE AND ETHICAL BUSINESS PRACTICES 27

MODULE 5
PRACTICAL TIPS FOR SUSTAINABLE SOURCING 37

MODULE 6
FINANCIAL VIABILITY AND LONG-TERM SUSTAINABILITY 44

Co-funded by the European Union

INTRODUCTION

About Tastemakers Project

TasteMakers, an Erasmus+ project, promotes entrepreneurship by integrating sustainability. It supports young entrepreneurs, immigrants, and refugees through training, mentorship, and case studies, empowering them to create eco-friendly businesses.

What is Sustainable Business Planning?

Sustainable business strategy integrates environmental, social, and economic factors for long-term success. It reduces waste, minimizes environmental impact, and promotes ethics. This approach boosts resilience, enhances brand reputation, attracts investors, and ensures compliance, making businesses more competitive in a fast-changing economy.

Why Focus on the Food Industry?

The food industry has a significant environmental impact, consuming resources and generating waste. Sustainability reduces emissions, improves food security, and promotes circular economies. Solutions include renewable energy, sustainable packaging, and responsible sourcing. As demand for eco-friendly products grows, businesses prioritizing sustainability gain a competitive edge while benefiting the planet.

Who is this Guidebook for?

This guidebook is for youth (18-30), young entrepreneurs, youth workers, and business owners seeking sustainable business strategies. It benefits immigrants, refugees, and those in youth centres, education, policy, and sustainability sectors, promoting green practices and economic resilience.

How to Use This Guidebook?

Start with the introduction to learn sustainability principles, then explore industry challenges. Use the success story for insights, follow planning steps to structure your business, complete the activity, and use annexes for resources and templates.

Co-funded by the European Union

Taste Makers

MODULE 1

INTRODUCTION TO SUSTAINABLE BUSINESS PLANNING

Co-funded by the European Union

DESCRIPTION

Sustainable business planning is a crucial aspect of modern business strategy, especially in the food industry, where responsible resource use, waste reduction, and ethical sourcing have a significant impact. By adopting sustainable practices, companies can achieve long-term success, protect the environment, and enhance social well-being. Businesses prioritizing sustainability are better equipped to address global challenges, meet evolving customer expectations, and comply with regulations. Sustainability is no longer optional—it is essential for future-proofing businesses and fostering a responsible economy.

The food sector is vital to global sustainability due to its reliance on natural resources and environmental impact. The main challenges include:

- Resource Management: The industry depends on water, land, and energy.
- Waste Reduction: Food waste is a major global issue. Companies must adopt better storage solutions, donation programs, and upcycling initiatives to reduce waste.
- Carbon Footprint: Food production, processing, and transportation contribute to greenhouse gas emissions.
- Consumer Awareness: Growing demand for ethical sourcing, fair trade, and transparency pushes businesses to adopt more sustainable practices.

Companies that embed sustainability into their business models gain several advantages:

- Cost Savings: Efficient resource use and waste reduction lower operating expenses.
- Brand Loyalty: Consumers prefer brands that align with their values and engage in corporate responsibility.
- Investment Opportunities: Investors increasingly favour businesses with substantial environmental, social, and governance (ESG) principles.
- Regulatory Compliance: Green business strategies help meet local and international environmental regulations, reducing legal risks.
- Employee Engagement: Companies with strong sustainability programs attract and retain employees who value social and environmental responsibility.

SUCCESS STORY FROM LITHUANIA



Biržų Duona, a private bakery in Lithuania, has embraced sustainability through energy efficiency, waste reduction, and social responsibility. The 25-year-old business is a pioneer in sustainable practices in the food industry. One of the first significant actions of Biržų Duona toward sustainability was improving energy efficiency. Between 2015 and 2014, the bakery implemented an excess heat recovery system from their baking ovens.

In 2019, Biržų Duona invested in solar energy by constructing a solar power plant with an innovative tracking system to maximize energy generation. It allowed the company to produce up to 30% of its annual electricity needs and contributing to lower CO2 emissions.

The company has identified an innovative means of utilizing unsellable bread, converting it to liquid glucose syrup. The by-product is applied in making bread, reducing waste but adding value to the production process.

Biržų Duona's success proves that business sustainability benefits the world and enhances a company's brand, operations, and social relationships.
Watch here our Tastemakers Talks Podcast with Andrius Kurganovas.

STEP-BY-STEP PLANNING

Integrating sustainability into business is a gradual and strategic development process where environmental, social, and economic factors are considered in all business decisions. The following steps are a guideline to integrating sustainability from conception to implementation.

Develop a Sustainable Business Model – Integrate sustainability into core business operations, including procurement, manufacturing, logistics, and waste management, to ensure environmentally sound decision-making at every level.

Implement Eco-friendly Solutions – Adopt renewable energy sources, minimize resource consumption, and implement waste reduction measures that enhance environmental efficiency without affecting business performance.

Engage Stakeholders – Foster collaboration among employees, customers, suppliers, and investors to build a shared commitment toward sustainability and corporate social responsibility.

Monitor and Measure Impact – Track sustainability progress using key performance indicators (KPIs) such as energy savings, waste reduction, carbon footprint, and social impact metrics.

Continuously Improve – Stay informed about new technologies, regulatory updates, and industry best practices to refine sustainability strategies and drive long-term innovation.

Co-funded by the European Union

SUSTAINABLE BUSINESS PLANNING ACTIVITY

Description

The **Sustainable Business Model Canvas (SBMC)** supports the development of an idea into a viable business model. It follows a holistic approach regarding the relationships within and outside the business. Participants will develop a sustainable business idea using the SBMC framework to structure and analyze their sustainable business concept.

Objectives

1. Understand the key elements of a sustainable business model.
2. Develop critical thinking around integrating sustainability into business planning.
3. Apply sustainability principles to a real-world business scenario.

Materials

1. Sustainable Business Model Canvas (SBMC) template (please find in Page 11).
2. Pen, markers, paper, and sticky notes (if working in a group setting).

Duration

Introduction (10 min) – Briefly explain the SBMC framework and its components.
Application (40-50 min) – Participants will
Group Discussion (10-15 min) – Participants share their business models.
Feedback & Refinement (10-15 min) – Peers and facilitators provide feedback for improvement.
Total – (60-90) minutes.

Participants

Young entrepreneurs, students, youth workers

SUSTAINABLE BUSINESS PLANNING ACTIVITY

Instruction

1. **Briefly explain the SBMC framework and its components:**
- Value Proposition – Customer Relationships – Channels – Customer Segments
- Key Partners – Key Activities – Key Resources
- Cost Structure – Revenue Streams
- Eco-Social Costs – Eco-Social Benefits

2. **Application (40-50 min) – Participants will:**
- Identify a business idea or use a given case study.
- Work through each SBMC section, focusing on integrating sustainability into their business plan.
- Use sticky notes or digital tools to brainstorm and map out their model.

3. **Group Discussion (10-15 min)** – Participants share their business models.
4. **Feedback & Refinement (10-15 min)** – Peers and facilitators provide feedback for improvement.

Reflection

- What challenges did you face when integrating sustainability?
- How does sustainability impact each section of the business model?
- What trade-offs did you have to make between profitability and sustainability?

Evaluation

- Assess the feasibility and innovation of the presented business models.
- Provide constructive feedback and suggest improvements.
- Identify key takeaways from the activity.

Annex

How to fill SBMC template: LINK
Business Plan Presentation Template: LINK

Co-funded by the European Union

THE SUSTAINABLE BUSINESS MODEL CANVAS

Taste Makers

Business name:

Vision & Mission:

Key activities:

Key partnership:

Value proposition:

Key resources:

Customers:

Competitors:

Other relevant stakeholders:

Cost structure:

Revenue model:

Co-funded by the European Union

Taste Makers

MODULE 2

ENVIRONMENTAL CONSIDERATIONS IN BUSINESS PLANNING

Co-funded by the European Union

DESCRIPTION

Integrating environmental considerations into business planning is essential for sustainable entrepreneurship within the EU. This includes assessing environmental impacts, adopting circular economy principles, and implementing eco-friendly strategies to ensure compliance and promote sustainability. Therefore, the EU promotes a circular economy, where waste is minimised, and materials are reused or recycled. The European Green Deal and Circular Economy Action Plan aim for a climate-neutral economy by 2050, encouraging businesses to design products for durability, repairability, and recyclability.

To align with EU directives and promote sustainability, businesses can adopt several eco-friendly strategies:

- Resource Efficiency: Optimize the use of materials and energy to reduce waste and lower operational costs. The EU's Circular Economy Action Plan encourages resource efficiency to foster a sustainable economy.
- Sustainable Sourcing: Prioritize procurement from suppliers who adhere to environmental standards, thereby reducing the ecological footprint of the supply chain. The EU Regulation on Deforestation-free Products mandates due diligence to ensure commodities like palm oil, soy, and coffee do not contribute to deforestation.
- Pollution Reduction: Implement measures to minimize emissions and waste, contributing to cleaner air, water, and soil. The EU's Zero Pollution Action Plan aims to achieve no pollution from all sources by 2050.
- Product Design Innovation: Develop products with longer lifespans that are easier to repair, upgrade, or recycle. The EU's Sustainable Product Policy aims to reduce material waste and promote product longevity.

Incorporating environmental considerations into business planning is not only a regulatory requirement within the EU but also a strategic advantage. By conducting thorough environmental impact assessments, embracing circular economy principles, and implementing eco-friendly strategies, businesses can achieve sustainability, compliance, and long-term success.

SUCCESS STORY FROM LITHUANIA



Ekofrisa is a Lithuanian company that has set an example in sustainable green entrepreneurship by integrating eco-friendly practices into food production. Established in 2003, Ekofrisa specializes in producing high-quality organic and conventional grain products, including buckwheat, oats, and other cereals. Ekofrisa has implemented several key sustainability initiatives to minimize its environmental impact:

- Sustainable Sourcing: The company collaborates with local farmers, ensuring sustainable agricultural practices.
- Energy Efficiency: Their facility is powered by renewable energy sources, aligning with Lithuania's green energy goals.
- Waste Reduction: The company has adopted a zero-waste approach, where by-products from grain processing are repurposed into animal feed, reducing overall food waste.
- Eco-Friendly Packaging: Ekofrisa has shifted to biodegradable and recyclable packaging to lower plastic waste and carbon emissions.

Ekofrisa's commitment to sustainability has made it one of the leading eco-conscious food producers in the Baltic region.

Watch here our Tastemakers Talks Podcast with Vaida Jančiauskienė.

SUCCESS STORY FROM LITHUANIA



Senatorių Pasažas, founded by Danish entrepreneur Niels Peter Pretzmann, is a groundbreaking sustainable business in Vilnius Lithuania that combines organic farming, ethical sourcing, and circular economy principles. Pretzmann, a strong advocate for sustainable agriculture, established Senatorių Pasažas as a way to connect consumers with ethical food production. His approach revolves around:

- Farm-to-Table Philosophy: The business sources its produce from Farmers Circle, an organic farm owned by Pretzmann, ensuring sustainable farming practices.
- Eco-Friendly Operations: The restaurants and shops within Senatorių Pasažas emphasize local, organic, and seasonal ingredients, reducing food miles and promoting biodiversity.
- Zero Waste Approach: Food waste is minimized through composting, efficient meal planning, and using every part of the ingredient.

Senatorių Pasažas has become a model for sustainable food businesses in Lithuania and Europe.

Watch here our Tastemakers Talks Podcast with Niels Peter Pretzmann.

STEP-BY-STEP PLANNING

For young entrepreneurs looking to build sustainable businesses, reducing environmental impact is essential for long-term success. These five key steps provide practical methods to assess and minimize a business's ecological footprint while aligning with EU sustainability goals.



Assess Environmental Impact
Start by evaluating energy use, water consumption, waste production, and emissions. Tools like Life Cycle Assessment (LCA) and the EU Eco-Management and Audit Scheme (EMAS) help measure and improve sustainability efforts.



Adopt Sustainable Resource Management
Switch to renewable energy, invest in energy-efficient equipment, and reduce water usage. Choosing biodegradable or recycled materials for packaging and production minimizes waste.



Minimize Waste with Circular Economy Principles
Follow the EU Circular Economy Action Plan by reducing, reusing, and recycling materials. Compost organic waste and collaborate with local recycling initiatives for responsible waste management.



Sustainable Sourcing and Ethical Supply Chains
Work with local, ethical suppliers to reduce emissions and ensure responsible production. Use Fair Trade, EU Organic, or Rainforest Alliance-certified products, and comply with EU deforestation-free regulations.

ENVIRONMENTAL IMPACT ASSESSMENT ACTIVITY

Description

This activity introduces young entrepreneurs to the SDG Mapper Tool, helping them analyze how their business ideas align with the Sustainable Development Goals (SDGs). Participants will upload business-related documents or descriptions into the tool and explore which SDGs their projects contribute to. They will then reflect on ways to improve their environmental impact based on the results.

Objectives

- Understand the connection between sustainable business planning and the UN SDGs.
- Learn how to use the SDG Mapper Tool for assessing business impact.
- Foster critical thinking about environmental responsibility in business.

Materials

- A computer/laptop with an internet connection.
- A EU Login account for using the SDG Mapper (SDG Mapper Tool).
- Pre-prepared sample business idea descriptions
- Paper or digital tools for reflections and group discussions.

Duration

10 minutes: Introduction of the SDG Mapper tool.
20 minutes: Uploading business ideas and analyzing results.
20 minutes: Group discussion and reflections
10 minutes: Presentation of insights and feedback.
Total: 60 minutes

Participants

Young entrepreneurs, students, youth workers.

ENVIRONMENTAL IMPACT ASSESSMENT ACTIVITY

Instruction	**Introduction to SDG Mapper** Facilitator explains the importance of SDGs in sustainable business planning and short demonstration of how the SDG Mapper Tool works. **Exploring the Tool** Participants log into the SDG Mapper Tool and upload a business idea description. They analyze which SDGs the tool identifies in their project. **Discussion & Improvement** In groups, participants discuss how their business aligns with SDGs. **Presentation & Feedback** Each participant/group presents their findings and suggested improvements. Facilitator gives feedback on enhancing sustainability practices.
Reflection	What surprised you about how your business idea aligns with the SDGs? Which SDGs are most relevant to your business, and why? How can your business improve its contribution to environmental sustainability?
Evaluation	Self-assessment: Rate their understanding of SDGs and sustainability in business before and after the session. Group discussion: Share key takeaways and how they will apply SDG insights to their projects. Facilitator feedback: Guide participants in setting practical sustainability goals based on SDG alignment.
Annexes	SDG Mapper Tool: LINK

Taste Makers

MODULE 3

SOCIAL RESPONSIBILITY AND INCLUSIVITY

Co-funded by the European Union

DESCRIPTION

In the food industry, responsible and inclusive business practices are essential for long-term success. Three key aspects: social responsibility, inclusivity, and ethical workforce policies, help businesses enhance their reputation, foster consumer trust, and contribute to a fair and sustainable industry.

Companies must consider their environmental and social impact. Sustainable sourcing, reducing food waste, and minimizing carbon footprints are crucial strategies. Supporting ethical labor practices and regenerative agriculture ensures respect for both workers and the environment.

An inclusive business model promotes diversity, equity, and accessibility, ensuring that all individuals, regardless of background, can participate in and benefit from the food industry.

Equitable employment is essential, fair wages, safe working conditions, and equal opportunities for all employees should be a priority. Encouraging supplier diversity by collaborating with minority-owned and small-scale businesses fosters a more inclusive supply chain.

Additionally, accessibility in food production and retail benefits both employees and consumers. This includes clear product labeling, dietary accommodations, and disability-friendly facilities. By prioritizing inclusivity, businesses enhance both their ethical standing and customer loyalty.

Ethical workforce policies are a vital component of social responsibility. Providing fair wages, healthcare, and safe working conditions ensures employee well-being. A culture of respect, inclusion, and professional growth leads to a motivated workforce. Preventing discrimination, harassment, and exploitative labor practices strengthens a company's reputation and operational integrity.

By integrating social responsibility, inclusivity, and ethical workforce policies into their models, food industry entrepreneurs can contribute to a more sustainable and equitable future while strengthening their market presence and consumer trust.

SUCCESS STORY FROM PORTUGAL



For over a decade, Sara, chef and CEO of “Semente”, has been reshaping the food industry through health-conscious, sustainable, and inclusive practices. Her macrobiotic restaurant is more than just a place to eat—it is a hub for well-being, education, and community engagement.

Running a business with a strong social purpose has not been without obstacles. From navigating public health regulations to adapting after the COVID-19 pandemic, Sara has continuously evolved while staying true to her mission. She understands that creating impact requires more than just serving food—it’s about educating people, fostering inclusivity, and promoting mindful consumption.

With an eye on the future, Sara remains committed to expanding Semente’s influence, setting new goals, and proving that ethical business practices and success go hand in hand. Her journey highlights the importance of resilience, adaptability, and purpose-driven entrepreneurship in today’s ever-changing world.

STEP-BY-STEP PLANNING

Creating an inclusive and ethical workplace is essential to fostering a positive corporate culture and ensuring long-term success. A diverse and fair environment increases employee satisfaction, innovation and productivity. By following these five key steps, organisations can create a fairer and more respectful workplace for all.



1. Define values and policies:
Establish clear policies on diversity, inclusion and fair labour practices. Communicate these policies transparently to all employees.



2. Promote inclusive recruitment and fair pay:
Use unbiased recruitment methods and diverse hiring panels, and ensure fair wages and benefits to support employee well-being.



3. Promote a safe and accessible work environment:
Implement anti-discrimination policies, provide necessary accommodations, and create a culture of respect and open communication.



4. Support employee growth and development:
Provide training, mentoring and career development opportunities to empower all employees and encourage professional growth.



5. Monitor, evaluate and improve:
Regularly evaluate workplace policies, gather feedback and adjust practices to continually improve inclusivity and ethical responsibility.

CHALLENGE: ETHICAL DILEMMAS IN BUSINESS

Description

Participants will explore real-world ethical dilemmas in business and collaborate to develop socially responsible solutions. Through discussion and problem-solving exercises, they will enhance their critical thinking and decision-making skills while understanding the importance of ethical business practices.

Objectives

- Develop awareness of ethical challenges in business.
- Strengthen critical thinking and problem-solving skills.
- Encourage socially responsible decision-making.
- Promote discussion and teamwork in ethical analysis.

Materials

- Case study scenarios (printed or digital).
- Whiteboard or flipchart.
- Markers and sticky notes.
- Handouts with guiding ethical principles.

Duration

The activity lasts around 2 hours, allowing ample time for discussion, problem-solving, and reflection.

Participants

This activity is designed for groups of 8-20 individuals, fostering interactive discussions and collaborative learning among entrepreneurs, business students, and professionals.

CHALLENGE: ETHICAL DILEMMAS IN BUSINESS

Instruction

1. **Introduction** (15 min): Explain the purpose of the activity and discuss the importance of ethics in business.
2. **Case Study Analysis** (30 min): Distribute ethical dilemma scenarios and allow participants to analyze them in small groups.
3. **Solution Development** (30 min): Each group develops socially responsible solutions based on ethical principles.
4. **Presentation & Discussion** (30 min): Groups present their solutions, followed by an open discussion.
5. **Conclusion** (15 min): Summarize key learnings and emphasize ethical business responsibility.

Reflection

- What were the key challenges in resolving the dilemmas?
- How do ethical decisions impact business success and reputation?
- What values guided your decision-making process?

Evaluation

- Active participation in discussions and group work.
- Ability to articulate ethical reasoning in proposed solutions.
- Constructive engagement in feedback and reflection.

Annexes

Sample Ethical Dilemmas: LINK
Guiding Principles for Ethical Decision-Making: LINK
Checklist for Ethical Business Practices: LINK

Co-funded by the European Union

SAMPLE ETHICAL DILEMMAS

1. Exclusion of local suppliers in favour of lower prices

Context: An entrepreneur in the food industry is considering buying ingredients from local suppliers, but the costs are higher than from foreign suppliers who offer lower prices. Local suppliers are committed to sustainable practices, while foreign suppliers are not.

Ethical dilemma: Should the entrepreneur prioritise sustainability and support local suppliers, even if this increases costs, or choose the cheaper option that may have a negative environmental impact?

Ethical consideration: This dilemma involves a social responsibility to support local and sustainable businesses, but it also raises the challenge of balancing cost with an ethical commitment to the environment and community.

2. Discrimination in recruitment

Context: A young entrepreneur opening a green restaurant has the opportunity to hire a diverse team, but is reluctant to hire a person with disabilities due to concerns about accessibility and the training required.

Ethical dilemma: Should the entrepreneur hire people with disabilities despite the potential additional challenges, or continue to hire people without disabilities to ensure operational efficiency from the start of the business?

Ethical consideration: This dilemma is about inclusivity in recruitment and how business decisions can help or hinder the integration of people with disabilities in the food industry.

3. Suppliers in countries with unfair working conditions

Context: A food entrepreneur is looking for suppliers of certain key ingredients that are essential to his organic menu. However, he discovers that these suppliers are located in countries with poor labour regulations and where workers are paid unfair wages.

Ethical dilemma: Should the entrepreneur work with these suppliers to maintain low prices and higher profit margins, or should he look for more ethical alternatives that may involve higher costs but respect labour rights?

Ethical consideration: This is a social responsibility issue, as the entrepreneur must decide whether he/she is willing to indirectly contribute to unfair working conditions in order to be competitive in the marketplace.

4. Including animal products in a green menu

Context: A restaurant promoting sustainable food is debating whether to include animal products on its menu, such as organic eggs or dairy from local farms, despite their environmental impact compared to fully vegan options.

Ethical dilemma: Should the restaurant include animal products that come from responsible sources but still have an environmental impact, or should it adopt a fully vegan policy, prioritising animal welfare and sustainability?

Ethical consideration: This dilemma involves social responsibility towards the environment, animals and consumers, balancing business decisions with sustainability values.

5. Inclusive marketing in a diverse market

Context: An organic restaurant wants to launch a marketing campaign to appeal to different demographics, including youth, families and diverse communities. However, the creative team is considering using images of people that do not adequately represent the cultural and ethnic diversity of the community the restaurant wants to serve.

Ethical dilemma: Should the restaurant focus on a campaign that is inclusive and representative of all the communities it wants to reach, even if this requires additional effort in terms of design and budget, or should it opt for a simpler approach that may not reflect the diversity of its audience?

Ethical considerations: This dilemma touches on inclusivity in marketing, the appropriate representation of different communities, and how communication decisions can affect the public's perception of the company's social commitment.

Taste Makers

MODULE 4

GOVERNANCE AND ETHICAL BUSINESS PRACTICES

Co-funded by the European Union

DESCRIPTION

In the current context, where sustainability and social responsibility have become indispensable requirements for any company, governance, ethics and transparency in the supply chain are fundamental pillars for the creation and consolidation of companies in the food industry.

These three elements strengthen a company's image and credibility by ensuring that it operates on the basis of principles of fairness, responsibility and commitment to the environment and society.

Governance is defined as the set of structures, processes and policies that govern decision-making in an organisation. In the food sector, where products essential to health and well-being are handled, it is essential to have a robust system that ensures accountability and the active participation of all stakeholders, from top management to employees and external partners.

Good governance involves the establishment of clear structures and the formulation of defined policies and protocols that address sustainability, quality and food safety issues, ensuring that every decision and operation is aligned with the company's environmental objectives.
In essence, effective governance guides business strategy towards sustainable practices and creates an environment of trust, which is essential for long-term growth.

The value of ethics in business lies in a company's ability to act with integrity, fairness and transparency in all its activities. In the food sector, ethics takes on an even greater dimension, as every decision has a direct impact on the health of consumers and the community.

Adopting ethical practices means ensuring transparency in decision making, from the selection of suppliers to the formulation of pricing policies, which builds trust with customers and partners.

It also means assuming social and environmental responsibility through policies that respect labour rights, promote equal opportunities, minimise environmental impact and ensure that every product meets rigorous quality and safety standards.

The food supply chain is a complex web, from production and processing to distribution and marketing. Transparency in each of these links is essential to ensure that sustainable and ethical practices are maintained throughout the process. This means having systems in place that allow full traceability of each ingredient, which is essential to ensure quality and sustainability. Openly informing consumers about the origin of products and the production methods used helps to build trust and loyalty.

By creating a supply chain where key information is shared and risks are proactively managed, companies demonstrate an unwavering commitment to sustainability and ethics, which are increasingly valued by consumers and the global community.

Integrating a sound governance structure, a strong ethical commitment and transparency in the supply chain is essential to building sustainable, responsible and competitive businesses in the food industry.

For young entrepreneurs and future leaders in the sector, embracing these principles means committing to a business model that not only seeks economic success, but also contributes to social well-being and the preservation of the environment.

SUCCESS STORY FROM PORTUGAL



Fernando, an ecological agriculture manager, is redefining sustainable farming through ethical and innovative practices. His farm specialises in physalis cultivation, adhering to Global Gap standards and integrating renewable energy and resource-efficient technologies to minimise environmental impact while ensuring high-quality production.

Sustainability in agriculture comes with challenges, particularly balancing profitability with responsible practices. However, by embracing cutting-edge technology and strict quality control, Fernando has demonstrated that environmentally conscious farming can be both ethical and economically viable. His work not only preserves natural resources but also sets a high standard for the future of sustainable agriculture.

Through his leadership, Fernando proves that responsible governance in farming isn't just a trend—it's a necessity for long-term success. His story is an inspiration for entrepreneurs looking to align business growth with ecological responsibility.

STEP-BY-STEP PLANNING

Establishing clear ethical guidelines, a strong governance structure and ensuring transparency in the supply chain are key steps in building a sustainable and responsible business. In today's competitive environment, consumers increasingly value business practices that prioritise ethics and sustainability. This step-by-step plan provides guidance on how to implement these three key areas to ensure that your company's decisions and operations are profitable, responsible and consistent with the principles of social and environmental justice.



1. Define Ethical Guidelines and Values:
Establish clear ethical guidelines reflecting fairness, transparency, sustainability, and social responsibility, ensuring alignment with the business's core values.



2. Create a Governance Framework:
Develop a governance structure with defined roles, leadership for sustainability, and transparent decision-making for long-term success.



3. Integrate Sustainability into Business Processes:
Incorporate sustainability into all business areas, including product development, sourcing, and operations, and monitor supplier compliance.



4. Implement Supply Chain Transparency Mechanisms:
Track and share product origins and processes using technology like blockchain, and communicate transparency to customers to build trust.



5. Monitor, Evaluate, and Adjust Regularly:
Monitor and evaluate efforts with audits, feedback, and assessments, adjusting policies as needed to maintain sustainability and ethical goals.

CHALLENGE: A REAL-WORLD ETHICAL BUSINESS SCENARIO

Description

In this activity, participants will analyse and make decisions about an ethical dilemma related to governance and sustainability. They will work in groups to discuss how to deal with ethical and transparency situations, then share their decisions and reflect on what they have learned.

Objectives

1. Understand the importance of governance and ethics in business decision making.
2. Analyse the challenges between sustainability, profitability and ethical responsibility.
3. Practice critical thinking and problem-solving skills in real-life ethical scenarios.
4. Develop strategies to address ethical dilemmas related to supply chain governance and transparency.

Materials

- Scenario instructions (detailing the ethical dilemma and business context)
- Whiteboard or flipchart (to record key points and decisions)
- Markers
- Timers (to manage discussion time)
- Feedback forms (for evaluation)

Duration

Around 90 minutes, divided into 10 minutes of introduction, 40 minutes of group work for analysis and decision making, 20 minutes of presentation of decisions and 20 minutes of reflection and wrap-up.

Participants

From 6 to 12 people, organised in small groups to facilitate collaboration and exchange of ideas, allowing each participant to actively contribute to the discussion and decision making. This ensures a diversity of perspectives and enriches the analysis of ethical dilemmas.

CHALLENGE: A REAL-WORLD ETHICAL BUSINESS SCENARIO

Instruction

Introduction (10 minutes): Explains the ethical scenario and reviews the key concepts of governance, ethics and transparency.

Group work (40 minutes): Divide the participants into small groups. Each group discusses an ethical dilemma and makes decisions taking into account the stakeholders involved.

Presentation (20 minutes): Each group presents its decisions and justifications to the others, explaining how it would deal with the ethical issues.

Reflection and wrap-up (20 minutes): Lead a group discussion on the approaches taken, what has been learnt and how it can be applied in real situations.

Reflection

- How did your group approach the ethical dilemma?
- What challenges did you face in balancing ethics with business goals?
- What lessons did you learn about governance and ethical decision-making?
- How would you handle a similar situation in your own business?

Evaluation

1. Active participation in the discussion and analysis of the scenario.
2. Quality of decisions made, considering the ethical and governance implications.
3. Clarity and reasoning during group presentations.
4. Engagement in the reflection and debriefing session.

Annexes

- Scenario Handouts
- Feedback Forms
- Evaluation Criteria

LINK

Scenario 1: Sustainability vs. Profitability
Your company is offered a cheaper alternative material by a new supplier that claims to be more cost-effective. However, the material has a higher environmental impact than your current one. Should you switch suppliers to maximize profit, or stay with your current supplier to maintain your commitment to sustainability?

Scenario 2: Labor Rights and Ethical Sourcing
Your company sources raw materials from a supplier that has been accused of violating workers' rights. The supplier offers you a significant discount if you continue doing business with them. Should you continue the partnership, or find another supplier that aligns better with your values on labor rights?

Scenario 3: Governance and Accountability
A senior executive in your company is found to have violated company policies for personal gain. There is pressure to cover up the issue to avoid public scandal, but doing so would compromise the company's values of transparency and ethics. Should the violation be addressed publicly, or should you take steps to protect the company's reputation?

Scenario 4: Supply Chain Transparency
Your company discovers that one of your suppliers has been using unethical labor practices, although you have not been directly involved in these practices. Should you continue to work with this supplier, knowing it could harm your brand's reputation, or should you sever the relationship, risking supply disruptions?

Co-funded by the European Union

FEEDBACK FORM

Participant Name: _____
Date: _____

Please rate the following aspects of the activity:
(1 = Strongly Disagree, 5 = Strongly Agree):

1. The scenarios presented were relevant to real-world business ethics.

□ 1 □ 2 □ 3 □ 4 □ 5

2. The group discussions were engaging and valuable.

□ 1 □ 2 □ 3 □ 4 □ 5

3. I feel more confident in making ethical business decisions.

□ 1 □ 2 □ 3 □ 4 □ 5

4. The activity helped me better understand the importance of governance and ethics in business.

□ 1 □ 2 □ 3 □ 4 □ 5

5. The instructions were clear and easy to follow.

□ 1 □ 2 □ 3 □ 4 □ 5

Additional Comments:

EVALUATION CRITERIA

Criterion	Description	Rating (1-5)
Group Discussion Participation	Actively contributed to group discussions and considered diverse viewpoints.	
Decision-Making and Justification	Demonstrated thoughtful analysis of the ethical dilemma and provided solid justifications for decisions.	
Presentation Clarity	Presented decisions clearly and logically to the rest of the group.	
Teamwork	Collaborated effectively with group members, listening and integrating ideas.	
Reflection on Learning	Reflected thoughtfully on the ethical dilemma and the learning experience.	
Total Score:	_____/25	



MODULE 5

PRACTICAL TIPS FOR SUSTAINABLE SOURCING

Co-funded by the European Union

DESCRIPTION

Especially in the food sector, developing a sustainable business depends to a high extent on finding local, sustainable products. This strategy minimizes transportation and packaging waste, therefore supporting local economies while simultaneously lowering environmental effects.

Local sourcing has many advantages and it will benefit not only your business, but also the local suppliers, who depend on you. For example, by eliminating the requirement for long-distance travel, it lessens the carbon footprint and hence the carbon emissions. Furthermore, it aids regional economic development directly by helping nearby farmers and producers, therefore supporting local economies. Since this strategy motivates suppliers to follow environmentally friendly ways, it also supports sustainable agricultural and production techniques. It also improves traceability and openness, therefore guaranteeing better sources of components and encouraging responsibility across the supply chain.

As a small business owner, you can visit farmers markets to personally interact with local farmers and create close ties in order to properly obtain local products. Another great tactic is keeping menus seasonal since it guarantees freshness by matching menu items with seasonal availability, therefore simplifying supply chains. This will also enhance the image of your business and guarantee the customers that the products are indeed fresh and local. Working with nearby vendors is also important since it guarantees a continuous supply and lets companies build solid ties and negotiate better rates.

In terms of establishing a healthy supply chain, it all comes down to good supplier cooperation. This entails defining specific sustainability objectives, offering encouragement, and promoting mutual understanding. By telling suppliers certain environmental, social, and governance criteria, businesses should clearly define their sustainability expectations. Frequent assessment of supplier sustainability successes is essential since it helps to provide helpful comments that direct development. The key is also cooperation and support since providing tools and training would enable suppliers to raise their performance of sustainability.

SUCCESS STORY FROM ROMANIA



Petru Cozan shared with us his journey of establishing and growing a sustainable trout stream business called Pastravaria Neagra. Cozan's venture began out of curiosity and evolved into an important initiative for both the community and the environment. He discusses the challenges faced in this unique business, such as balancing environmental sustainability with economic viability, and highlights the opportunities it presents, particularly in contributing to a more sustainable future. It is important to emphasize how Cozan's business model supports a greener future, aligning with broader themes of sustainable agriculture and eco-friendly entrepreneurship. By focusing on sustainable practices, his business not only provides a unique product but also helps preserve natural resources and promote biodiversity.

Young entrepreneurs could be inspired by his story, and maybe even consider starting a sustainable business that can positively impact the environment and food systems. It showcases the potential for innovation and growth in the sustainable food industry. His resilience and motivation, especially to succeed in a rural area of Romania, are an inspiration for everyone who is wondering if they can start and manage a sustainable business.

Co-funded by the European Union

STEP-BY-STEP PLANNING

Finding, evaluating, and maintaining relationships with suppliers are crucial steps in building a sustainable and effective supply chain. Here's a 6-steps guide that will help you to achieve these goals:



Use sustainability databases and platforms like EcoVadis, SEDEX, B Corp, or the Global Reporting Initiative (GRI) to identify verified sustainable suppliers for your business.



Network and get referrals from other business owners, make sure to engage with industry associations, sustainability forums, and trade events to discover reliable suppliers.



Send supplier questionnaires to evaluate their work and request detailed sustainability data (waste management, energy efficiency, and responsible sourcing policies).



Negotiate sustainable contracts by establishing agreements that ensure long-term sustainability commitments, compliance, and performance tracking.



Foster open communication by scheduling regular meetings to discuss performance, issues, and opportunities for improving your collaboration in the future.



Maintain transparency and trust, which will ensure clear contractual commitments. Honor them to build trust and avoid conflicts, so you can continue the good partnership.

ACTIVITY: SUPPLIER NEGOTIATION ROLE-PLAY

Description

This activity involves a role-play scenario where participants act as business owners tasked with negotiating contracts with sustainable suppliers. The goal is to practice negotiation skills while prioritizing sustainability criteria.

Objectives

- Develop negotiation skills in the context of sustainability
- Understand the importance of sustainability in supplier selection
- Enhance critical thinking and problem-solving abilities in real-world scenarios

Materials

- Role-play scenario handouts
- Whiteboard or presentation software (such as MiroBoard or Padlet)
- Markers or digital drawing tools
- Printed copies of sustainability criteria (e.g., eco-friendly practices, ethical sourcing)

Duration

Approximately 60 minutes:

- 10 minutes to explain the task, assign the roles and answer any questions from the participants
- 20 minutes to let the participants prepare for the role-play
- 30 minutes for the role-play

Participants

8-12 participants, divided into small groups

Co-funded by the European Union

ACTIVITY: SUPPLIER NEGOTIATION ROLE-PLAY

Instruction

1. Distribute role-play scenario handouts and explain the objectives
2. Assign participants roles such as business owners, suppliers, or sustainability advisors
3. Present a scenario where a business needs to negotiate a contract with a sustainable supplier. Discuss key issues like pricing, delivery terms, and sustainability standards
4. Allow participants to engage in the negotiation role-play, encouraging them to prioritize sustainability criteria
5. After the role-play, facilitate a discussion on challenges faced, strategies used, and lessons learned

Reflection

- How did sustainability criteria influence your negotiation decisions?
- What challenges did you face in balancing business needs with sustainability goals?
- How can you apply these negotiation skills in real-world scenarios?

Evaluation

Observe participants' ability to integrate sustainability into negotiations. Assess their critical thinking and problem-solving skills during the role-play. Collect feedback on the effectiveness of the activity in enhancing negotiation skills.

Annexes

- Role-Play Scenario
- Sustainability Criteria Checklist

Co-funded by the European Union

Annex 1: Role-Play Scenario

Scenario: A sustainable fashion brand seeks to negotiate a contract with a supplier for eco-friendly textiles. The brand wants to ensure that the supplier meets specific sustainability standards, such as using renewable energy and reducing water waste. The supplier is concerned about the cost implications of these standards.

Roles:

- Sustainable Fashion Brand Representative: Focus on securing sustainable materials while maintaining profitability.
- Supplier Representative: Emphasize the cost implications of sustainability standards and seek incentives for compliance.

Goals: Reach an agreement that balances sustainability requirements with economic feasibility.

Annex 2: Sustainability Criteria Checklist

- Renewable Energy Use: Suppliers must use renewable energy sources for at least 50% of their operations
- Waste Reduction: Implement recycling programs to reduce waste by 20% annually
- Ethical Labor Practices: Ensure fair wages and safe working conditions for all employees
- Supply Chain Transparency: Regularly report on sustainability practices throughout the supply chain
- Water Conservation: Implement measures to reduce water usage by 15% annually.
- Material Sourcing: Use sustainable materials that are certified by recognized environmental organizations

MODULE 6

FINANCIAL VIABILITY AND LONG-TERM SUSTAINABILITY

Co-funded by the European Union

DESCRIPTION

Maintaining financial viability while including environmental responsibility into corporate activities means juggling sustainability with profitability. This method sees sustainability as an investment instead of a cost. Companies such as Patagonia and Unilever have effectively included sustainability into their main business plans, therefore strengthening brand recognition and drawing environmentally minded customers. Businesses can save a lot of money and increase profitability by concentrating on environmentally friendly methods that lower running costs, such waste reduction and energy efficiency.

Getting this balance depends critically on financial planning. By use of a cost-benefit analysis, one can assess the long-term financial gains of sustainability projects including lower running expenses and higher brand value. Investing in renewable energy and smart building systems among other sustainable technology will help to lower expenses and improve environmental stewardship. Adopting sustainability also creates new business prospects and draws environmentally minded consumers ready to pay extra for eco-friendly goods.

Maintaining this equilibrium calls on long-term plans. Clearly defined sustainability goals in line with corporate goals guarantees that initiatives in sustainability help to assure long-term profitability. Starting with affordable methods and then progressively moving towards more major investments, small-scale implementation of sustainability initiatives lets companies start with cost-effective techniques. Maintaining competitiveness and promoting development depend also on constant innovation in environmentally friendly goods and services. These techniques will help companies to strike a harmonic balance between sustainability and profitability, therefore guaranteeing long-term prosperity and environmental care.

SUCCESS STORY FROM ROMANIA



Laurentiu Lostun and his business called Casa Brazilor is a perfect example of how one can balance sustainability with profitability in a business. During our discussion, Lostun emphasized the importance of integrating environmental responsibility into operations while maintaining financial viability. This approach involves viewing sustainability as an investment that can enhance brand reputation and attract eco-conscious consumers, ultimately leading to cost savings and new market opportunities.

The discussion also highlighted the role of long-term strategies in achieving this balance. Setting clear sustainability goals and implementing incremental changes are key to ensuring that environmental efforts contribute to long-term profitability. Continuous innovation in sustainable practices and products is crucial for staying competitive and driving growth.

The guest house is notable for using in-house food products and eco-friendly practices, contributing to a greener future. Laurentiu's story serves as an inspiration for others interested in starting their own sustainable ventures, particularly in rural or mountainous areas.

STEP-BY-STEP PLANNING

In today's business landscape, integrating sustainability into financial planning is crucial for long-term success. A well-crafted financial strategy that supports sustainability goals not only enhances environmental stewardship, but also drives profitability and growth. By aligning financial decisions with sustainable practices, businesses can reduce risks, capitalize on new opportunities, and build a resilient future.



Integrate ESG criteria (Environmental, Social, and Governance) into financial decisions to manage risks and capitalize on sustainability opportunities.



Set clear targets to establish measurable sustainability goals and track progress with key performance indicators (KPIs) to ensure transparency and accountability.



Use sustainable financing, which means to leverage green bonds, impact investing, and sustainability-linked loans to fund projects that support environmental objectives.



Implement cost-saving measures that enhance sustainability, such as energy efficiency and waste reduction, to reduce operational costs and improve environmental performance.



Collaborate with stakeholders and maintain transparency through regular reporting to foster trust and support for sustainable practices.

ACTIVITY: FINANCIAL SIMULATION GAME

Description

Sustainable Business Challenge is a non-formal education activity where participants engage in a financial simulation game. The game challenges teams to balance sustainability costs with profitability, mirroring real-world business scenarios.

Objectives

- To understand the importance of integrating sustainability into business operations.
- To develop decision-making skills that balance environmental and social considerations with financial goals.

Materials

- Game software or board game materials
- Computers or tablets for each team
- Whiteboard and markers for feedback sessions
- Printed copies of game rules and KPIs

Duration

Approximately 2 hours:

- 10 minutes for introductions and explanations
- 15 minutes for game setup and questions
- 60-70 minutes for gameplay
- 20-25 minutes for reflection and evaluation

Participants

Ideal for groups of 8-16 participants, divided into teams of 2-4 members each.

ACTIVITY: FINANCIAL SIMULATION GAME

Instruction

1. Introduction (10 minutes): Introduce the game concept and objectives. Explain the roles and responsibilities within each team.
2. Game Setup (15 minutes): Distribute materials and ensure each team has access to the game environment.
3. Gameplay (60-90 minutes): Each round represents a business quarter. Teams make decisions on investments, resource allocation, and sustainability initiatives. Provide feedback after each round on financial performance and sustainability impact.
4. Collaboration and Competition: Encourage teams to collaborate on sustainability projects or compete to achieve the best balance between profitability and sustainability.

Reflection

- What were the most significant challenges in balancing sustainability with profitability?
- How did teamwork contribute to success?
- What insights can be applied to real-world business scenarios?

Evaluation

- Observe active participation during the game and discussion.
- Evaluate the quality of decisions made by teams during the game.
- Distribute forms to gather feedback on the activity's effectiveness and suggestions for improvement.

Annexes

Game Rules and KPIs: Detailed document outlining game mechanics and performance metrics.

Game Rules

1. Game Objective: Each team must balance profitability with sustainability to achieve the highest overall score by the end of the game.

2. Roles and Responsibilities:
- CEO: Oversees overall strategy and makes final decisions.
- CFO: Manages finances and resource allocation.
- Sustainability Officer: Focuses on environmental and social impact.

3. Gameplay:
- Each round represents a business quarter.
- Teams receive a budget and must allocate resources across departments procurement, production, logistics).
- Decisions include investments in sustainability initiatives, supply chain
- management, and product development.

4. Challenges and Scenarios:
- Teams face random events such as supply chain disruptions, changes in demand, or new environmental regulations.
- Teams must adapt their strategies in response to these challenges.

5. Feedback and Consequences:
- After each round, teams receive feedback on their financial performance and sustainability impact.
- Poor decisions may result in financial penalties or negative publicity for customer satisfaction.

Co-funded by the European Union

Key Performance Indicators (KPIs)

1. Financial KPIs:

- Profit Margin: Net profit as a percentage of total revenue.
- Return on Investment (ROI): Return on investment in sustainability initiatives.
- Cash Flow: Availability of liquid assets for future investments.

2. Sustainability KPIs:

- Carbon Footprint: Total greenhouse gas emissions from operations.
- Waste Reduction: Percentage reduction in waste generated by operations.
- Social Responsibility Index: Measures employee satisfaction, community engagement, and ethical sourcing practices.

3. Customer Satisfaction KPIs:

- Customer Retention Rate: Percentage of customers retained over time.
- Product Quality Rating: Customer satisfaction with product quality and sustainability features.

Scoring System

- Financial Performance (40%): Profit margin, ROI, and cash flow.
- Sustainability Impact (30%): Carbon footprint, waste reduction, and social responsibility index.
- Customer Satisfaction (30%): Customer retention rate and product quality rating.

Winning Conditions

The team with the highest overall score at the end of the game is declared the winner. In case of a tie, the team with the best sustainability performance wins.

This annex provides a comprehensive guide to the game's mechanics and how success is measured. It ensures that participants understand the objectives and criteria for winning the game.

Co-funded by the European Union

CONCLUSION

Summary of key takeaways

Sustainable business planning enhances efficiency, reduces waste, and strengthens community ties. This project increases knowledge and skills in green entrepreneurship, promotes collaboration among key stakeholders, and raises awareness of sustainability in the food industry. By fostering a new generation of sustainable entrepreneurs, this guidebook equips businesses with practical strategies to contribute to a greener economy and a more resilient future.

Call to action for entrepreneurs and stakeholders

Take the next step in building a sustainable future! Entrepreneurs—apply these strategies to make your business eco-friendly and profitable. Stakeholders—support sustainability initiatives, foster collaboration, and invest in green entrepreneurship. Together, we can create a more resilient, responsible, and innovative food industry. Start today by engaging with local networks, adopting best practices, and sharing this guidebook's insights.

The future of sustainable entrepreneurship in the food industry

The future of sustainable food business entrepreneurship is sustainable business, innovation, and collaboration. New technologies, circular economy values, and consumers' sustainability demands will trigger future change. Sustainability - adopting entrepreneurs will capture the market and establish companies that endure profitability alongside delivering environmental and social value, securing future generations' food security and long-term wealth.

Stay tuned for the further news on our website:

https://tastemakers-project.eu/

Co-funded by the European Union



TASTEMAKERS GUIDEBOOK

Sustainable and Green Business Planning Steps

A Practical Guide for Youth and Entrepreneurs in the Food Industry

Co-funded by the European Union