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OPEN LETTER FROM THE SWEDISH OFFICIAL NON-NEGOTIATING DELEGATION TO COP31

Making NDCs Investable

Unlocking the Critical Middle for Resilient and Climate-Smart Food Systems

Prepared by Business Sweden, The Swedish Trade & Invest Council

During COP31, Business Sweden convened the Food Systems Summit with representatives from industry, government, multilateral organisations, financial institutions and research. Building on the COP30 Agrifood Systems Summit, the discussions focused on the "Critical Middle" of food systems: the processing, packaging, storage, cold-chain, logistics and distribution segments that connect producers to markets. This letter shares reflections from the summit and priorities for implementation through and beyond COP31.

The Critical Middle accounts for around 18% of global food-based emissions, a significant share of food loss and up to 40% of the economic value-add in food systems. Yet despite its importance for food security, climate resilience and economic development, it remains underfinanced and largely absent from climate and industrial policy. Discussions highlighted three persistent barriers: limited access to affordable capital for midstream SMEs, fragmented and unreliable infrastructure, and insufficient coordination across policy frameworks, value-chain actors and financial institutions. The COP31 Presidency and implementation partners are therefore invited to support coordinated approaches that connect food-system priorities in NDCs and NAPs with project development, investment and delivery across the Critical Middle. Building on existing initiatives, including the Climate Implementation Bridge and UNIDO's Coalition on the Critical Middle of Food Systems, efforts should focus on advancing practical pathways that support of the Food Security and Zero Waste agendas, clarifying responsibilities and establishing measurable next steps.

No single actor can unlock the Critical Middle alone. Governments, industry, financial institutions, development partners, multilateral organisations and local actors all have a role to play. The challenge is no longer identifying solutions. The challenge is mobilising partnerships, finance and implementation mechanisms that can bring proven solutions to scale.

Five implementation priorities for the COP31 Presidency

1. **Integrate the Critical Middle into NDCs, NAPs and industrial policy**
   Include processing, packaging, cold chains and logistics explicitly in NDCs, NAPs and national food security and industrial strategies. Establish Critical Middle indicators, standards and traceability systems that provide investors with greater visibility, confidence and certainty while creating a stronger enabling environment for implementation.

2. **Mobilise finance for midstream SMEs**
   Food systems receive a small share of climate finance relative to their mitigation, adaptation and development potential, while midstream SMEs remain the hardest to reach. Expand blended finance mechanisms, guarantees and SME-focused risk-sharing facilities, paired with technical assistance to make projects investment-ready and bankable.

3. **Cut food loss and waste at source**
   Accelerate deployment of proven processing, packaging, storage and cold-chain solutions where losses are highest. Prioritise investments that address food loss and waste while simultaneously improving resource efficiency, reducing emissions and increasing productivity across food value chains.

4. **Move new food solutions from pilot to commercial deployment**
   Bridge the gap between innovation and commercial deployment for alternative proteins, fermentation, circular aquaculture, algae and other bio-based solutions. Support shared industrial-scale facilities, demonstration platforms and early-stage links to offtake agreements, markets and financing mechanisms.

5. **Turn coalitions into country-level action plans**
   Leverage platforms such as the Climate Implementation Bridge and the UNIDO-led Coalition on the Critical Middle to develop country-level action plans with clear priorities, defined responsibilities and measurable milestones. Priority should be given to countries where strengthening the Critical Middle can deliver the greatest food security, climate and development benefits.

Swedish contributions and next steps

Swedish industry brings practical experience, proven solutions and implementation capabilities across resource-efficient processing, packaging innovation, cold-chain solutions, water and energy efficiency, nutrient and resource recovery, circular business models, sustainable sourcing and value-chain integration. Together with governments, financial institutions, multilateral organisations and local partners, Swedish companies can support project development, technology deployment and the development of investable project pipelines.

The next step should focus on delivery. By COP32, partners should work together to identify priority countries, establish implementation partnerships, build investment-ready pipelines and mobilise financing commitments for Critical Middle interventions that deliver measurable outcomes for food security, climate resilience and economic development.

Building on the COP30 Agrifood Systems Summit and the action plan discussions held during COP31, we invite partners to demonstrate tangible progress over the coming year through practical projects, financing initiatives and implementation partnerships that can be scaled and replicated across regions and value chains.

We invite partners across government, business, finance, research and the multilateral system to join us in advancing country-led Critical Middle action plans and investment pipelines. Together, we can demonstrate that practical collaboration across the food value chain can deliver measurable progress on food security, climate resilience and sustainable economic growth.



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The views and priorities expressed in this letter reflect the collective discussions convened by Business Sweden and should not be interpreted as representing the individual positions or formal endorsements of each delegation member or their respective organisation.

About the Swedish Official Non-Negotiating Delegation to COP31

The Swedish Official Non-Negotiating Delegation to COP31 brings together representatives from business, government agencies and other organisations working to advance climate implementation and international collaboration.

Delegation members: Adapteo, AFRY, Alfa Laval, AstraZeneca, Atlas Copco Group, Business Sweden, Climate-View, Confederation of Swedish Enterprise, EQT, Hitachi Energy, Inter IKEA, Investor, Munters, Myllium, Oatly, Scania, Sida (Swedish International Development Cooperation Agency), SKF, SSAB, Swedish Energy Agency, Swedish Export Credits Guarantee Board (EKN), Swedish Export Credit Corporation (SEK), Tetra Pak, TRATON GROUP, Volvo Group and Wallenberg Investments.

More information about the Swedish delegation and its activities at COP31 is available on Business Sweden's COP webpage: www.business-sweden.com/cop/