



The European food policy strategy at a time of crisis

Short to mid-term

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Lessons from COVID-19

A resilient EU food supply chain

- No food crisis on top of the public health crisis
- Supportive policies in place allowed EU to react quickly
- A strong food supply powerhouse and an open economy

But room for improvement

- Insufficient coordination between public authorities
- Lack of coordination channel dedicated to food supply
- Interdependencies in value chains
- Importance of communication

Risks to EU food security

Increasing uncertainty / volatility

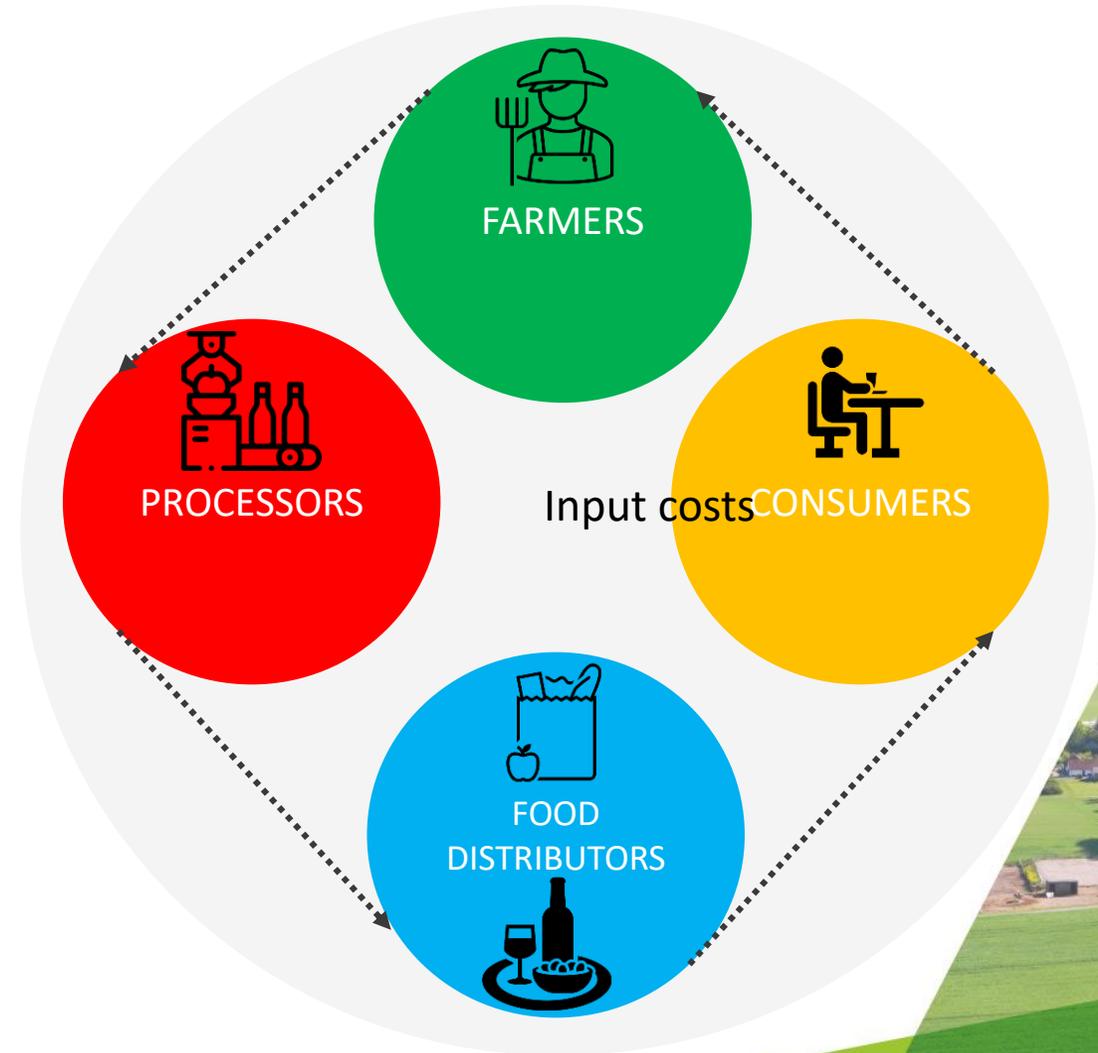
- Climate change, depletion of natural resources
- Higher likelihood of coinciding extreme events
- Emerging risks, ie cyber security, geopolitics...
- with direct or indirect (via energy for instance) impact on food supply

Dependencies and vulnerabilities

- Dependencies related to some imported commodities / food incl. fish & some inputs
- Increasing complexity & interdependencies of food supply chains

Before the war started...

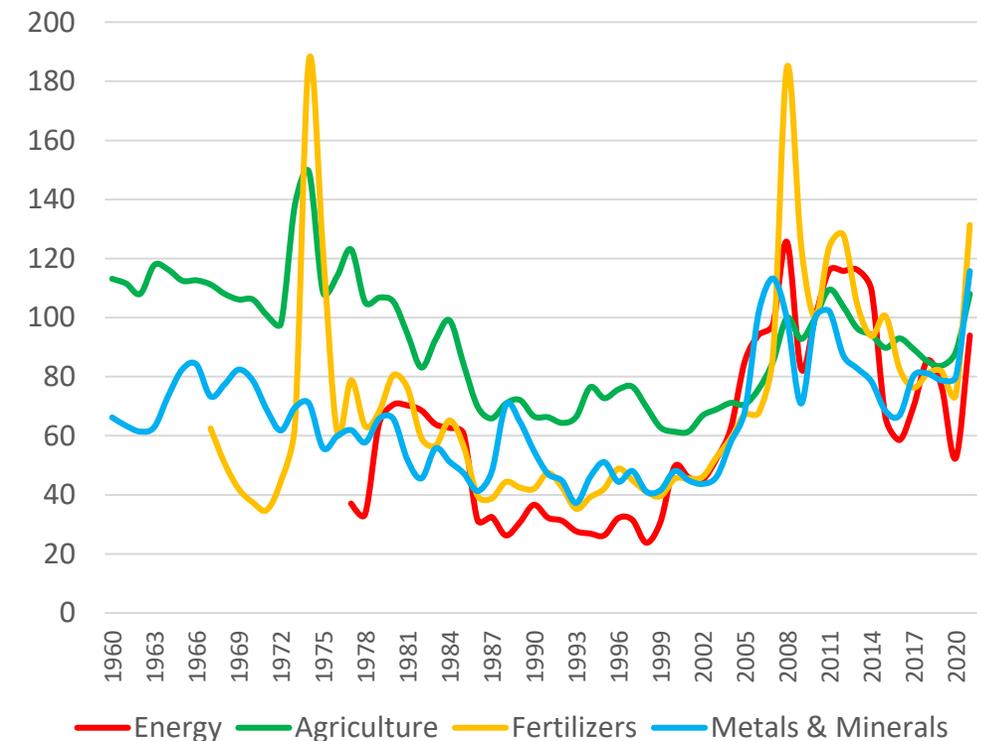
- ...the global economic recovery was already facing challenges:
 - **severe prices surges**
 - **an increase in freight costs**
 - **steadily increasing oil and gas prices**
 - **fertilisers' prices had jumped since mid-2021**
 - **Rising inflation, pressure on consumers' purchasing power**



... beginning of the war and immediate consequences and considerations

- **Energy and commodity prices**
 - Continued skyrocketing, also due to weights of Russia and Ukraine on energy and commodity markets
- **Logistic to/from/through Ukraine**
 - Disruptions caused by the war
 - Blockage of the ports on the Black Sea
 - Lack of workers
- **Ukrainian agriculture**
 - Considerations about the availability of seeds
 - Competition for uses and availability of fuel
 - Lack of workers
- **Food security considerations**
 - especially in Northern Africa and Middle East

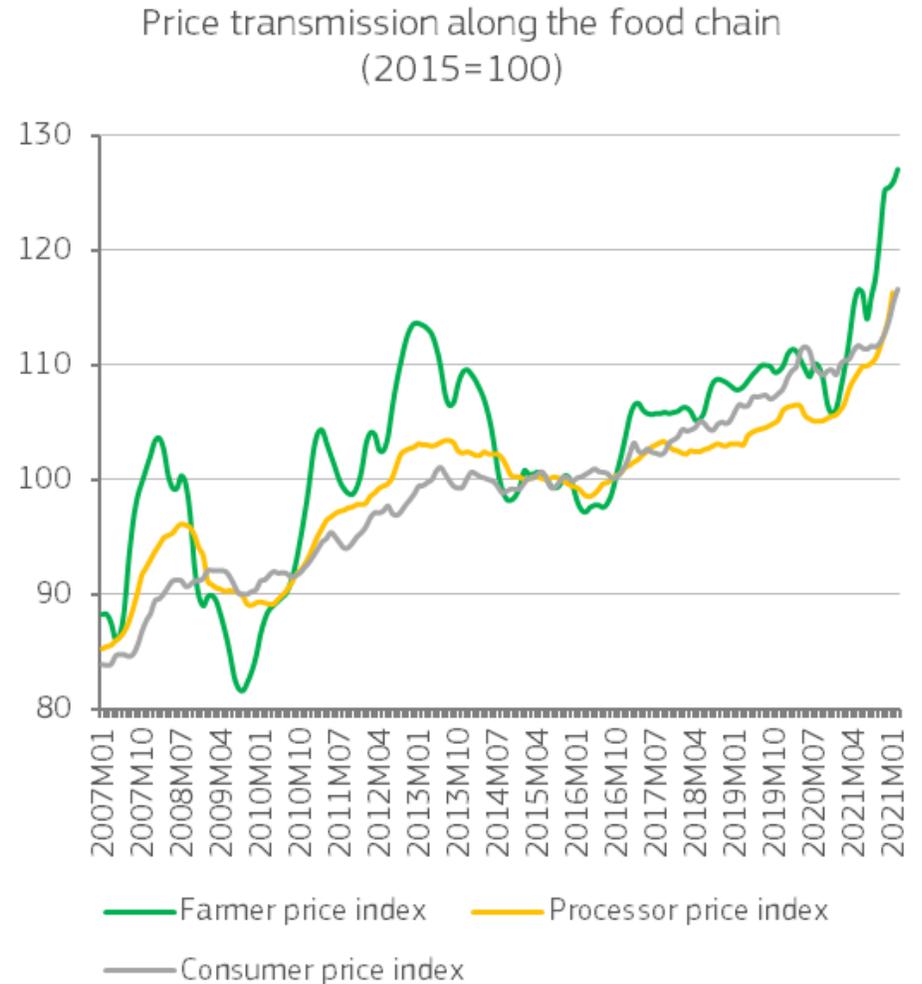
Commodity price waves (annual indices, 2010=100)



Source: World Bank

... impacts on the EU

- The EU is particularly exposed, due to its **proximity and trade relationships** with both Russia and Ukraine
- The EU is **largely self-sufficient** for most agricultural commodities
- **Reduced imports** of maize, wheat, rapeseed and sunflower oil and meals from Ukraine -> impacts on feed prices and food processing
- EU livestock producers looking for **alternative supplies and adjusting feed rations** to address high costs and compensate for the lack of imports
- **Prices remain the main concern**-> the farmers' capacity to purchase fertilisers, feed and to pay their energy bill
- Risk of **mineral fertilisers shortage**
- Concerns about **food affordability** for low-income households



Source: DG Agriculture and Rural Development (Spring 2022 Short-term outlook)

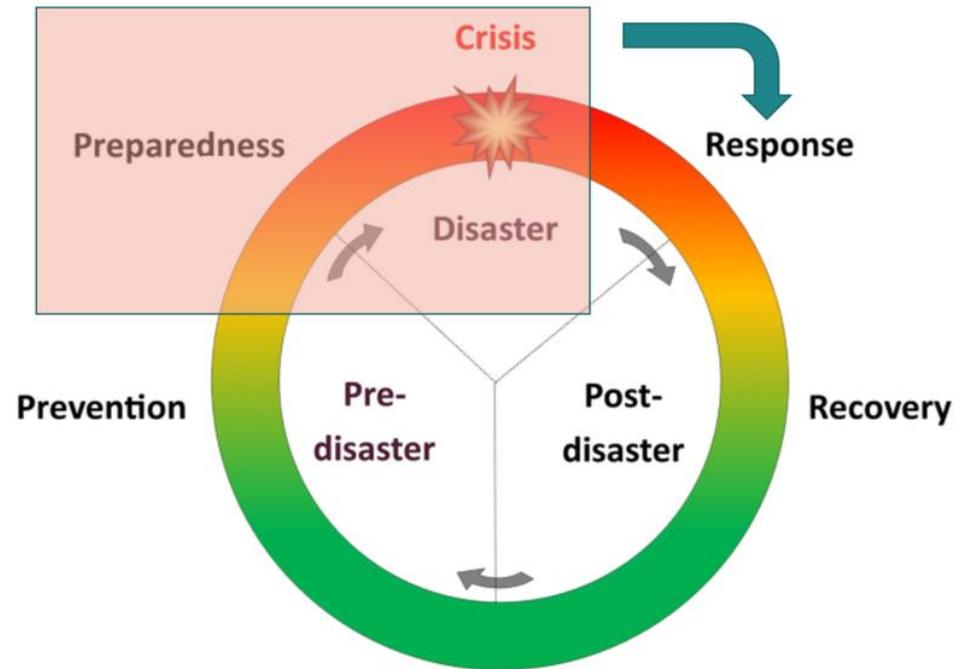
Improving EU preparedness

An EU contingency plan for food supply and food security...

Communication of 12.11.2021

Principles

- Collaboration
- Coordination
- Complementarity
- Monitoring
- Free circulation of goods and people
- Communication



Improving EU preparedness

... to be rolled out by a European Food Security Crisis preparedness and response Mechanism (EFSCM)

- Group of experts from MS, non-EU countries and stakeholders
- Medium term action plan
 - Exchange best practices and build trust between public and private actors of the food chain
 - Have communication channels in place
 - Improve knowledge (food security dashboard, digitisation, map vulnerability and risks)
 - Reflect together on reduction of vulnerabilities
- A mechanism for immediate reaction
 - Ad hoc meetings when food security in the EU threatened to gather information and inform responses

RESPONSE –Communication on “Safeguarding food security and reinforcing the resilience of food systems” adopted in March 2022

Short term

Actions for global food security

- no export restrictions, humanitarian assistance...

Actions for Ukrainian food security

- solidarity lanes, emergency support...

Actions for EU food security and farm income

- well-functioning Single Market, €500 million support package, derogation to EFA rules in 2022, TCF State aids, FEAD, VAT zero...



2023 GAEC 7 and 8 derogations

Long term

Transition to sustainable and resilient food systems -> Only path to long-term food security

- Green Deal - Farm to Fork and Biodiversity Strategies
 - food waste, soil health, nature restoration law, reduction of fertilisers and pesticides...
- Reformed CAP – CAP Strategic Plans
 - supporting our farmers in maintaining EU strategic production capacity, food safety and food security
 - while promoting more environmentally sustainable farming, with greater input efficiency and preservation of natural resources
- **Research & Innovation.....**

.....R&I as key enabler to achieve food security and Green Deal and Farm to Fork targets



- Essential to:
 - ✓ Make the sector more resilient to climate change
 - ✓ Reduce dependencies on energy
 - ✓ Reduce inputs like fertilizer, pesticides, antimicrobials etc.
 - ✓ Foster sustainable production methods (organic, agroecology, digital)

- **Research results and innovation resulting from previous EU R&I framework programmes**
- **2050 R&I results: need to step up our efforts as research takes time!**
- Think medium & long-term when we work on research and innovation needs:
 - ✓ research vs innovation > Innovation for short-term!
 - ✓ H2020 R&I projects ongoing that deliver new knowledge/technologies/practices solutions for farmers, foresters, rural population and industry
 - ✓ R&I to address emerging challenges AND anticipate future needs

Today's research will guide tomorrow's solutions in ever-changing and challenging conditions

Investment in R&I for food security: some figures

- 1,5 Bn in H2020 and HE relevant to food security projects
- Investment doubled from Horizon 2020 to Horizon Europe



Euro 7,7 M

A technical solution to convert organic residues from the fruit and vegetable sector into novel bio-based fertiliser products



Euro 10 M

Focused on diversification of cropping systems to deliver a reduction in the use of fertilizers and pesticides

RESPONSE – International

Objectives

- Solidarity
- Transition towards sustainable food systems
- Reducing dependency on fossil fuels
- Ensuring open markets while pursuing open strategic autonomy

How

- Team Europe approach (EU + MS)
- Engaging in multilateral bodies:
 - UN Food System Summit coalitions, UNGA
 - FAO, WFP
 - G20 Agri Ministers Meeting
 - 12th WTO Ministerial Conference
 - Green Alliances for Research & Innovation