

Facilitating the
implementation of the



FEED SUSTAINABILITY CHARTER

PROGRESS REPORT 2024

CONTRIBUTE TO
CLIMATE-NEUTRAL
LIVESTOCK &
AQUACULTURE
PRODUCTION
THROUGH FEED



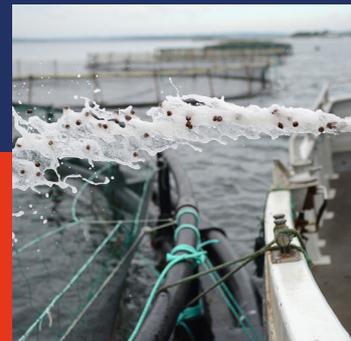
FOSTER SUSTAINABLE
FOOD SYSTEMS
THROUGH INCREASED
RESOURCE &
NUTRIENT EFFICIENCY



PROMOTE
RESPONSIBLE
SOURCING
PRACTICES



CONTRIBUTE
TO IMPROVING
FARM ANIMAL
HEALTH &
WELFARE



ENHANCE THE
SOCIO-ECONOMIC
ENVIRONMENT
AND RESILIENCE OF
THE LIVESTOCK &
AQUACULTURE SECTORS



Introduction

A message from FEFAC President, Pedro Cordero

I would like to welcome all readers to our 4th FEFAC Feed Sustainability Charter 2030 Progress Report, where we continue to monitor the pace of development and implementation of our 5 key ambitions and actions which we initiated in September 2020. Taking into consideration that the EU is at the start of its new, 2024–2029 legislative mandate, we would also like to look forward and project our views and goals for the years towards 2030. FEFAC successfully delivered on the initial commitments it included in the 2020 publication, and for this 4th Progress Report, FEFAC has updated the commitments pertaining to the respective five ambitions.



Like many EU agri-food value chain partners, FEFAC is very supportive of the new orientation towards agriculture in the EU Political Guidelines for the new European Commission as well as in the EU Strategic Agenda 2024–2029 endorsed by Heads of State at the last EU summit under the Belgian EU Council Presidency. At times of rising geopolitical challenges, our EU decision makers are facing multiple challenges, but we are encouraged to see that food security, the transition to a more circular bioeconomy and a reduction of strategic dependencies have been clearly identified as key policy objectives.

The EU Member States have reflected on the importance of a resilient, sustainable and competitive EU Agri-food chain in the EU Strategic Agenda 2024–2029, clearly highlighting the ambition of increasing the autonomy of EU food production, while maintaining an open trade-based economy. FEFAC fully supports the drive for a so-called Open Strategic Autonomy, where political attention for effective long-term measures to reduce strategic dependencies on critical raw materials lead to structural solutions to incentivise re-shoring of industrial production to the EU. The

European compound feed production sector has been increasingly exposed to heavy import dependencies for a range of feed additives, including essential synthetic amino acids and vitamins. Solving these issues requires a different mindset towards EU industrial production, as was also called for in the Antwerp Declaration that FEFAC co-signed.

The imminent implementation of the EU Deforestation Regulation (EUDR) is another critical challenge which has driven concerns about feed security and competitiveness of EU feed and livestock production. For FEFAC members it has been a challenging year with many legal uncertainties for companies around the practical functioning of the EUDR, which effectively led to a disruption of future markets for soybeans for 2025. FEFAC remains committed to assisting its members with the implementation of the EUDR and fulfilling the objective of deforestation-free supply chains. You will read more about the FEFAC EUDR Professional Recommendation for feed compounders further in this publication as well as our long-running FEFAC Soy Sourcing Guidelines and benchmarking programme, facilitated by ITC. However, we truly hope that serious efforts continue to be made by the European Commission and competent control authorities at Member State level to support its feed and food value chain partners with operational guidance on how to achieve EUDR compliance.

FEFAC also remains committed to providing effective feed sustainability solutions, which you will find throughout this Progress Report in our renewed commitments, such as continuously increasing the circularity of feed production and decarbonising livestock and aquaculture production systems. In that sense, we also stay true to the aspirations of the **EU Code of Conduct for Responsible Business & Marketing Practices**, which is one of the key Farm to Fork Strategy deliverables dedicated to agri-food chain actors. Irrespective of EU political actions and objectives, increased sustainability remains a strong market and business driver for new investments, while our sector solutions are always relevant at global level too, for example in relation to the UN Sustainable Development Goals and UN Climate Change Conferences.



Pedro Cordero
FEFAC President



Linking the FEFAC Feed Sustainability Charter Ambitions with other overarching goals and objectives

Ambition 1

Contribute To Climate-Neutral Livestock & Aquaculture Production Through Feed

UN Strategic Development Goals



EU Green Deal objectives

- Achieving Climate Neutrality
- Reduce the environmental & climate footprint of the EU food system

EU Code of Conduct for Responsible Business & Marketing Practices

A climate neutral food chain in Europe by 2050



Ambition 2

Foster Sustainable Food Systems Through Increased Resource & Nutrient Efficiency

UN Strategic Development Goals



EU Green Deal objectives

- Reducing the excess of nutrients
- Boost a circular bio-based economy
- Reduce food waste

EU Code of Conduct for Responsible Business & Marketing Practices

- Enhancing circularity and resource efficiency
- Prevention and reduction of food loss and waste



Ambition 3

Promote Responsible Sourcing Practices

UN Strategic Development Goals



EU Green Deal objectives

- Reduce the EU's contribution to global deforestation & forest degradation

EU Code of Conduct for Responsible Business & Marketing Practices

Sustainable sourcing in food supply chains



Ambition 4

Contribute to Improving Farm Animal Health & Welfare

UN Strategic Development Goals



EU Green Deal objectives

- Reduce overall EU sales of antimicrobials for farmed animals & in aquaculture by 50% by 2030
- Improve animal welfare

Enhance the Socio-Economic Environment and Resilience of the Livestock & Aquaculture Sectors'

Ambition 5

UN Strategic Development Goals



EU Green Deal objectives

- A robust and resilient food system
- Improve the incomes of primary producers
- Reinforce the EU's competitiveness

EU Code of Conduct for Responsible Business & Marketing Practices

Sustained, inclusive and sustainable economic growth, employment and decent work for all

Sustainable value creation in the European food supply chain through partnership





FEFAC 68th Public Annual Meeting

On 31 May 2024, FEFAC held its 68th Public Annual Meeting in Brussels at ACE Events, welcoming over 120 participants. The conference theme was “How to boost EU feed autonomy and strengthen Circularity of the EU feed and livestock sector?”.

During his keynote speech, FEFAC President Pedro Cordero highlighted the EU's priority setting and key policy objectives, culminating in the adoption of the Open Strategic Autonomy declaration under the Spanish EU Council Presidency in Granada last year. He expressed satisfaction with the recent publication of the EU feeding strategies study and the latest EU Protein Balance Sheet, which is expected to be key references for the new comprehensive EU protein plan. He showcased the recently published FEFAC fact sheet outlining 12 FEFAC Key recommendations to the EU Strategic Agenda 2024–2029, for a prosperous and competitive EU feed and livestock and aquaculture sector.

Pierre Bascou (DG AGRI Acting Deputy Director General) emphasized that efforts at the EU and national levels have led to significant progress in reducing dependency on imported plant proteins, particularly through increased EU production. The recommendations from the 2018 Commission report on the development of plant proteins in the European Union have resulted in improvements in the current Common Agricultural Policy (CAP). The Commission is also investing in research and innovation in protein crops and feeding systems through its research programs and the European Innovation Partnership on Agriculture, aiming to make livestock production systems more sustainable, resilient, circular, and efficient.



Patrick Pagani (Copia-Cogeca Deputy Secretary General) welcomed the improved political climate for discussions on how to address sustainability concerns with farmers. He called on the feed industry to support the EU livestock sector by offering creative solutions that can increase circularity and assist with achieving carbon neutrality by 2050. He stated that we find ourselves in a period of transition after the significant challenges posed by the COVID-19 pandemic and the war in Ukraine, which underscored the importance of food, feed, and energy security. The war has demonstrated that global market interlinkages can disrupt the supply of animal feed to EU farmers, emphasizing the need to diversify sources and reduce dependency on single importers. He reminded us that the recent farmer protests across the EU have aimed to reposition agriculture at the core of EU policies, restoring its strategic importance alongside energy and defence. He called for a vision of a vibrant livestock sector that acknowledges its valuable contributions to landscape management, wildfire prevention, and its interconnection with crop production.

Boosting the EU feed autonomy as part of the EU Open Strategic Autonomy

Andre Negreiros (CORTEVA Agriscience Business Leader for Central and Eastern Europe) provided a scene-setting introduction, where he emphasized the urgent need for the EU to accelerate support for the development of protein crops suited to its agronomic conditions, to enhance EU self-sufficiency. Highlighting the longstanding discussions about the need for an EU protein plan, he pointed out that the focus on genetic improvement of these crops within the EU remains



insufficient, with no effective plant protection solutions available. He called for a swift movement towards adopting new technologies, including New Genomic Techniques (NGTs), which require regulatory approval.

In the discussion part, Patricia De Clercq (Belgian EU Council Presidency) pointed to recent discussions at the EU Agricultural Ministers informal council, where ministers exchanged views on the necessity of integrating various elements of the protein plan at the EU level. Birthe Steenberg (AVEC Secretary General) welcomed discussions on increased sustainability in EU poultry production, pointing to the 4 key commitments of the AVEC Sustainability Charter. She emphasised the need also to maintain cost-effective poultry production, as consumers' willingness to pay more for sustainability and animal welfare is very limited. Erik Wibholm (Senior Managing Director Oilseeds, Cargill) emphasized the economic and environmental benefits of importing 30 million tons of soy into the EU, given the region's limited production capacity, including for alternative protein sources.

Market & regulatory drivers to increase the circularity and reduce carbon emissions of EU livestock production

During the second session, dedicated to key market and regulatory drivers to increase circularity and reduce carbon emissions, Christian Holzleitner (DG CLIMA) highlighted the need for the agriculture sector to make further efforts in carbon emissions reductions and removals. He stressed the European Commission's objective to integrate the livestock sector into the carbon certification framework by 2025 while exploring the possibilities for emissions trading in the agricultural sector, as part of the effort to stimulate the uptake of innovative business solutions. Annick Pleysier (BAYER Head of EMEA Public Affairs, Science & Sustainability, Crop Science Division) and Severine Deschandelliers (FEFANA President) pointed to necessary improvements in the regulatory framework that would remove hurdles to increase investments in innovative farmers "toolbox" solutions (seeds, plant protection products and feed

additives). Alexander Romme (EFFPA President) raised awareness of the solutions former foodstuffs can deliver to both increased circularity and reduced carbon emissions in livestock farming, calling for consistency across EU sectoral policies to ensure nutritional feed resources are not diverted to biomethane production.



Ambition 1

Contribute To Climate-Neutral Livestock & Aquaculture Production Through Feed

With the PEFCR Feed for Food-Producing Animals and the GFLI Database, feed companies have two complementary tools to help them model, calculate and report the environmental impacts of their compound feed production, up to the farm gate level. FEFAC has developed updated commitments to ensure their relevance in the market, whereas in particular, the GFLI itself has been adapting its Database to the evolving needs of compound feed manufacturers.

**EU Green Deal
Achieving Climate
Neutrality**

Reduce the environmental & climate footprint of the EU food system

**UN Strategic
Development Goals**



**EU Code of Conduct
for Responsible
Business &
Marketing Practices**

A climate neutral food chain in Europe by 2050



NEW FEFAC COMMITMENT:
Provide PEFCR Feed-aligned guidance for green feed labelling, enabling the communication of environmental footprint information by compound feed manufacturers to livestock farmers.

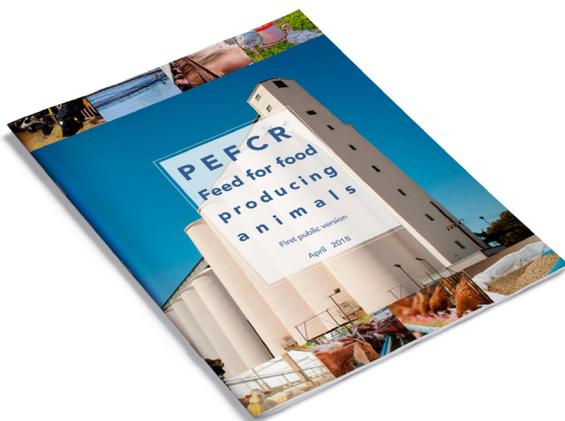
European livestock farmers are increasingly faced with demands to improve their environmental performance, with the feed production stage as the most effective approach to decarbonising livestock production, in combination with animal breeding, and improved animal health/welfare management and housing conditions. Obtaining access to environmental performance data from feed suppliers as well as communicating information on the environmental performance of animal products to downstream partners is looking to be administratively very demanding, therefore having a harmonised framework for voluntary green feed labelling would be greatly beneficial to livestock farmers. With Green Feed Labelling Guidance, livestock farmers will have access to an informed choice of feed formulations/strategies that are effective in helping the

transition to more sustainable livestock production systems.

The PEFCR Feed for Food-Producing Animals provides the methodology for the measurement of the environmental performance of compound feed sourcing and production, however, it lacks information about the communication of this information towards livestock farmers. Over the past year, FEFAC has worked jointly with Copa-Cogeca and FEFANA on professional Guidance to perform Green Labelling. This Guidance to practitioners would be referenced in the upgraded Copa-Cogeca / FEFAC Code of Good Labelling Practice.

In November 2023, the draft Guidance was submitted to the SCoPAFF Animal Nutrition for validation and endorsement. In December 2023 a joint Copa-Cogeca, FEFAC and FEFANA delegation presented the draft to the SCoPAFF Animal Nutrition, which was followed by a webinar in January 2024 to provide information and training to national authorities on the PEF/PEFCR feed methodologies, to further enable them to effectively review the draft guidance to operators. In July 2024, a joint Copa-Cogeca, FEFAC and FEFANA delegation held an exchange with the SCoPAFF Animal Nutrition on comments and recommendations received. The Member States have welcomed the initiative while noting that the Guidance is expected to be reviewed based on experience gained in the coming years. A particular challenge going forward will be how official controls would be implemented on this specific matter, considering the need for controllers to be trained and have access to additional resources. According to the current timeline, endorsement of the Guidance is foreseen for the 2nd half of 2024.

In the past year, FEFAC also advanced with the light review of the PEFCR Feed for Food-Producing Animals, ensuring that it becomes aligned with updated modelling and other technical requirements from the overarching PEF methodological framework. This work is expected to be finalized in the second half of 2024.



NEW FEFAC COMMITMENT:

Contribute to a GFLI Database that serves as the key reference for high-quality datasets, in line with legal and market expectations.

The development and maintenance of high-quality datasets of feed ingredients is an area that is even more dynamic than the methodological aspect. FEFAC is a founding member of the **Global Feed LCA Institute** (GFLI), which hosts a Database that aims to deliver on that objective. In the past year, numerous additional FEFAC members (AIC, DAKOFO, DVT) have become members of the GFLI and stepped up their involvement in supporting the development of the GFLI Database. This has brought the total GFLI membership to over 40 members. In the meantime, the GFLI Database has grown to 1851 datasets covering main ingredients for European countries and North American and Brazilian states/provinces, as well as regional averages (Global, Europe, North America).



FEFAC has contributed to ensuring that the GFLI Database keeps pace with market developments, such as scope 3 emissions reduction commitments made by value chain partners through the Science-Based Targets Initiative (SBTI). The GFLI Database has its origin in catering to data requirements aligned with the PEF methodology, with environmental footprint information divided over 16 individual impact categories. The SBTI FLAG (Forest, Land & Agriculture) emissions reporting requirements have a slightly different approach, to which the GFLI Database needs to adapt.

Ambition 2

Foster Sustainable Food Systems Through Increased Resource & Nutrient Efficiency

FEFAC has fully embraced the ambitions around increasing circularity in animal feed production. The upcycling of nutrients from by- and co-products from other industrial processes (both food and non-food) sectors through feed for food-producing animals is increasingly recognized as a key pillar for sustainable livestock and aquaculture production. New commitments have been developed to reach the next level for circular feed.

EU Green Deal
 Reducing the excess of nutrients
 Boost a circular bio-based economy
 Reduce food waste

UN Strategic Development Goals



EU Code of Conduct for Responsible Business & Marketing Practices

Enhancing circularity and resource efficiency
 Prevention and reduction of food loss and waste



NEW FEFAC COMMITMENT:
 Facilitate a mapping exercise for materials from the circular economy that could be safely used in animal feed.

FEFAC has already pointed to examples of innovative new streams of circular feed in previous Progress Reports, where competent authorities and chain partners may need to reflect on whether current regulatory obstacles are justifiable. Fefac has taken the initiative to bring together relevant chain partners in a 'Circular Feed Platform', to jointly put together a reflection paper that could be submitted to the European Commission to foster the development

of an EU policy roadmap to boost circular feed use. With the knowledge of circular feed representing organisations, FEFAC would be able to make concrete recommendations for changes to the regulatory framework. It also provides an opportunity to install a 'circular feed culture', where at an early stage a common understanding and vision of what the objectives, means and pathways should be to fully explore the circular feed potential to provide a common benchmark for any newcomer. The development of basic guidance to operators of the circular feed chain, in particular new actors, regarding the prerequisites for the safe, lawful, environmentally friendly and socially accepted use of new circular feed ingredients, would contribute to maintaining a high level of responsibility and credibility of the circular feed

chain and its public image. This includes in particular a good understanding of the trade-offs, in particular in terms of maintaining the highest level of feed safety, logistics and market acceptance.

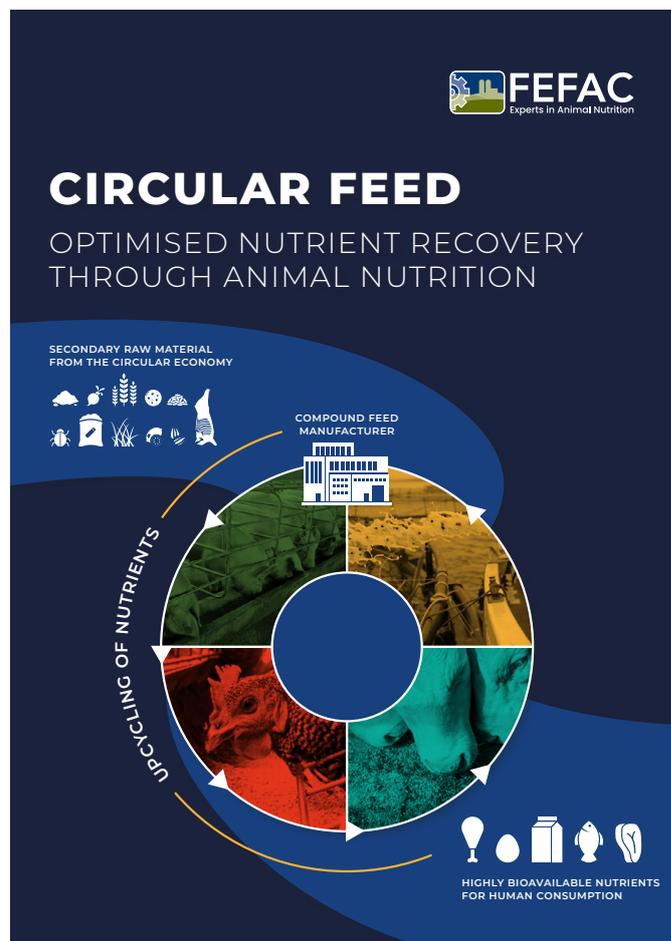
A key element in the EU regulatory framework that poses challenges to more circularity is the Animal By-

Products legislation. In April 2024, FEFAC co-signed a **joint letter** with 16 other organisations that asked the European Commission to reflect on Animal By-Products legislation in the light of boosting circularity and the uptake of the food and feed chain of materials of animal origin.

NEW FEFAC COMMITMENT:

Contribute to the development of a circular feed indicator.

In the FEFAC **publication on Circular Feed** in 2022, FEFAC gave an overview of the 4 key elements that determine the level of circularity of materials used in feed; land use ratio, food grade ratio, distance to feed manufacturer and nutrient digestibility. FEFAC commits to further reflect on the development of a single circular feed indicator, which could have potential for inclusion in the Farm to Fork Strategy Monitoring Framework. A clear challenge to harmonising the 4 key elements into a single indicator is that each 'circular feed ingredient' can score differently across the 4 key elements, triggering the need to put more weight on certain aspects. In that regard, the elements related to land use ratio and "food grade" ratio/score (also referred to as human edible feed) seem to hold the most importance in the political and societal debate.





AFCC and ELV release recommendations for future approaches towards agriculture and livestock production in the EU

Agri-Food Chain Coalition presents its recommendations for EU Strategic Agenda 2024–2029

In November 2023, the Agri-Food Chain Coalition (AFCC) published its **recommendations for the EU Strategic Agenda 2024–2029** calling for the strengthening of European food autonomy and resilience as well as enhancing the competitiveness and sustainability of the entire EU-Agri food chain. In the interest of EU food autonomy and resilience, the AFCC calls on the EU to foster sustainable growth opportunities, strengthen single market regulations with more efficient and digital administrative practices, pursue balanced trade agreements to diversify EU partnerships while decreasing reliance on external markets for critical products and evaluate targeted measures for handling market volatility and crises. The sustainability and competitiveness of the EU-Agri food chain would benefit from facilitating the decarbonisation and digitalisation of the entire agri-food supply chain, fostering market demand for green

products (B2B and B2C) through green innovation, using financial support mechanisms beyond the CAP instruments to support the transition to a Green Digital Economy and recognising industry standards and guidelines for sustainable production and processing.



European Livestock Voice Manifesto 2024

The European Livestock Voice is a coalition of organizations representing various sectors of the livestock industry within the European Union. This coalition includes farmers, veterinarians, feed producers, and other stakeholders involved in the production and processing of meat, dairy, and other animal-based products. In May 2024, the European Livestock Voice (ELV) launched its **five-point Manifesto**, ahead of the European Parliament elections, to call on the EU institutions to make an effort in putting livestock production central in their considerations.



Animal Agriculture is the Fabric of Life

- 1 Promoting strong agricultural representation in EU politics
- 2 Supporting the development of an EU Strategy for Sustainable agri-food, products and services
- 3 Assessing in full potential impacts of future proposals
- 4 Reconnecting urban and rural Europe
- 5 Empowering global agriculture through the EU's vision on livestock farming and sustainability

Ambition 3

Promote Responsible Sourcing Practices

Initiatives around responsible sourcing, such as the FEFAC Soy Sourcing Guidelines, are unavoidably seen through the light of the EU Deforestation Regulation (EUDR). FEFAC aims to find the synergies, while also looking at how to support the implementation and uptake of both items individually.

EU Green Deal

Reduce the EU's contribution to global deforestation & forest degradation

UN Strategic Development Goals



EU Code of Conduct for Responsible Business & Marketing Practices

Sustainable sourcing in food supply chains



NEW FEFAC COMMITMENT:
Facilitate the implementation of the EU Deforestation Regulation for compound feed manufacturers.

During the conception of the EUDR and the foreseen entry into application throughout the transition period, there were always many uncertainties and questions about how the legislation would function in practice. In the past year, FEFAC was involved in numerous joint stakeholder calls for clarifications, while FEFAC also raised the risk of market disruption and challenges to feed security. FEFAC has been working on the development of a Professional Recommendation for feed operators, containing scenarios and recommendations for how they could best handle it. It must be noted that the placing on the EU market of compound feed is not in the scope of the EUDR, even if it contains a relevant product such as soybean meal. The most relevant element applicable to compound feed manufacturers is when they act as downstream traders towards livestock farmers (in particular cattle farmers) of 'Annex I relevant products' such as soybean meal and palm kernel expeller. It must also be noted that the EUDR will be subject to review in

the coming years (e.g. scope of nature protection, scope of products), therefore FEFAQ commits to continuous assistance to its members to facilitate the implementation of the EUDR. In that regard, FEFAQ will also seek opportunities to present solutions provided through certification as a means to help with meeting EUDR information collection requirements.

NEW FEFAQ COMMITMENT:

Keep the FEFAQ Soy Sourcing Guidelines in line with market and policy expectations.

In July 2023, FEFAQ released its updated Soy Sourcing Guidelines, with as a key change that 'conversion-free soy' has now become an essential (mandatory) criterion for responsible soy schemes in order to pass the benchmarking exercise, performed by the International Trade Centre (ITC). Throughout 2023 and 2024, numerous responsible soy schemes & programmes have been positively benchmarked, with final results expected in the 2nd half of 2024. Despite the attention that is drawn to the EUDR, FEFAQ believes the Soy Sourcing Guidelines remain relevant and ambitious. The Guidelines provide a broader spectrum of sustainability, such as responsible working conditions and good agricultural practices, but by including the protection of natural ecosystems they go beyond forests.



Ambition 4

Contribute to Improving Farm Animal Health & Welfare

The contribution of animal nutrition in supporting gut health and thereby reducing the need for veterinary treatment is now increasingly recognised in the EU by all relevant stakeholders, which means FEFAC delivered on its previous commitment. The challenge now is to give that need for recognition a global dimension and achieve the same level of success there.

EU Green Deal objectives

Reduce overall EU sales of antimicrobials for farmed animals & in aquaculture by 50% by 2030

Improve animal welfare

UN Strategic Development Goals



NEW FEFAC COMMITMENT:

Promote animal nutrition solutions as a means to enhance animal health and reduce the need for veterinary treatment in the EU and globally.

Antimicrobial Resistance (AMR) remains of high societal and political importance due to its significant impacts on human and animal health and well-being. The Political Guidelines of the new European Commission also point to the need to complete the European Health Union, where AMR is a key focus point. The data from ESVAC (European Surveillance of Veterinary Antimicrobials Consumption) shows a continued trend in reduced sales of antibiotics for farm animal treatment, with a reduction of 53% in 25 European countries between 2011 and 2022, including a further 12.7% drop in 2022 compared to 2021. The part sold in the form of premixtures fell even more, with 40% fewer premixtures with antibiotics sold in 2022 compared to 2021 and 81% less compared to 2011. These achievements can be partly attributed to the role of animal nutrition to enhance animal health, which has

seen increased recognition as part of the solution, at EU and national level.

FEFAC now regularly participates in meetings of the AMR-One-Health network and the Stakeholders Committee for the European Partnership on Animal Health and Welfare. FEFAC also continues to support EPRUMA, the European Platform for the Responsible Use of Medicines in Animals.



The key challenge now is to see achievements on a global level, bearing in mind that antimicrobial resistance on other continents can equally impact Europe. As an active member of the International Feed Industry Federation (IFIF), FEFAC provides its support and expertise to raise awareness at global level about the potential of Animal Nutrition Innovations to help animals cope with pathogens and thereby reduce the need for antibiotics. In doing so, FEFAC brings its contribution to the 3rd



pillar of the EU Action Plan on AMR (antimicrobial resistance), i.e. “Shaping the Global Agenda” and the Quadripartite cooperation on One Health (FAO, UNEP, WHO, WOA). These four international agencies signed a groundbreaking agreement in March 2022 to strengthen cooperation to sustainably balance and optimize the health of humans, animals, plants and the environment. This partnership extended the former Tripartite (FAO, WHO and WOA) and marked a new era of One Health collaboration. The Quadripartite

agencies develop and implement multi-sectoral and interdisciplinary approaches to complex health challenges at the animal-human-plant-environment interface, with a particular focus on antimicrobial resistance and emerging zoonotic diseases. Initial areas of cooperation also include emerging and endemic zoonotic diseases (including foodborne AMR and diseases), antimicrobial resistance, food safety, environmental determinants of health and strengthening of health systems.



NEW FEFAC COMMITMENT:

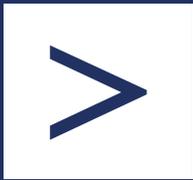
Continue stimulating the uptake of Good Hygiene Practices all along the feed chain and the adoption of biosecurity measures along the feed chain to minimise the risk of transmission of pathogens, especially viruses, via feed deliveries to farmers.

African Swine Fever (ASF) and Avian Influenza (AI) have continued to make significant impacts on the pig and poultry markets in the past year. Several European countries experienced significant outbreaks of AI, most notably Denmark, the Netherlands and Belgium. As regards ASF, particularly in Romania, Poland, Germany and the Baltic states saw significant outbreaks in domestic pigs. These outbreaks led to a profound

economic impact, with particularly substantial losses in the pork industry due to trade restrictions imposed by third countries. Though the vectors for the spreading of these diseases are mainly related to non-feed related elements, it is a stark reminder to maintain a high level of biosecurity all along the feed supply chain, requiring the need to keep drafting and disseminating guidance on the establishment and implementation of a biosecurity plan in the feed industry.

Again, the international dimension is of great importance for containing the risk of pathogen spreading as low as possible. FEFAC is working together with other IFIF member associations worldwide on the drafting of an International Biosecurity Guide for the feed sector in consultation with FAO.





Animal Task Force vision paper for a sustainable livestock sector in Europe

The Animal Task Force is a gathering of European lead research institutes active in livestock science and key EU organisations of the animal health, animal breeding and animal feed sectors, including FEFAC and FEFANA. In May 2024 it updated its **Vision Paper** for a sustainable livestock sector in Europe: challenges, ways of progress and suggested priorities for research for Horizon Europe to enhance innovation and sustainability in the livestock production sector of Europe's food supply.

The update specifically considers recent evolutions of the European context concerning the sustainability and resilience of food systems, including the re-emergence of food security / sovereignty as a key priority. The vision paper reminds the ambitious targets set in the Green Deal, i.e. carbon neutrality by 2050, reduction by 50% of pesticides and antibiotics use as well as nutrient losses, and points to the weaknesses of the EU livestock sector as regards in particular the environmental impact. It makes clear however that, as

far as climate change is concerned, methane does not accumulate in the atmosphere and therefore, livestock in developed countries should not be regarded as responsible for global warming since methane emissions have decreased in these countries. ATF stressed nevertheless that further progress to decrease methane emissions may contribute to the COP 26 Methane Pledge.



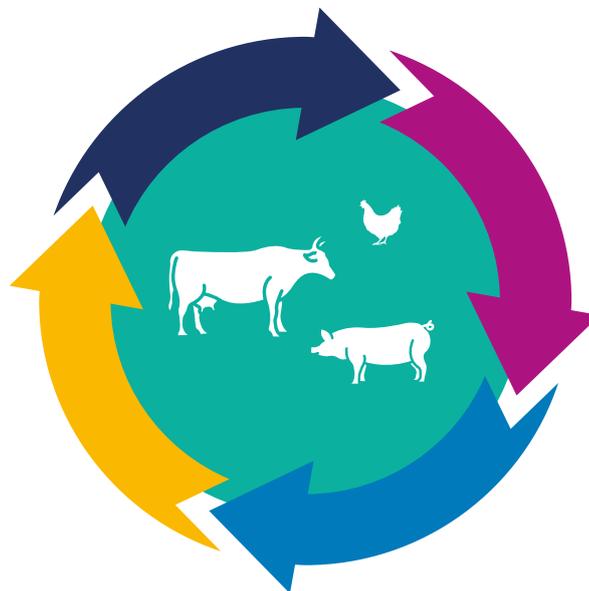
The negative (red) and positive (green) impacts of livestock farming

Society

- Farmer income
- General renewal
- Perception of farming system
- Consumption of Animal Source Food
- European economy
- Rural vitality
- Cultural issues
- Landscape preservation

Health & Welfare

- Animal welfare
- Zoonosis & epizootics
- Antimicrobial resistance
- Consumption of Animal Source Food



Climate

- GHG emissions
- Soil carbon sequestration

Resource use, Ecosystems, Biodiversity

- Feed/Food competition
- Land & water use
- Ecosystems degradation
- Recycling non-edible biomass
- Value from no cropping area
- Landscape management
- Closing nutrients cycles

Source: ATF Vision Paper

Ambition 5

Enhance the Socio-Economic Environment and the Livestock & Aquaculture Sectors' Resilience

Due to the Russian's war of aggression in Ukraine, the EU has become more aware of its geopolitical dependencies for the import of critical raw materials. Under the Spanish EU Council Presidency, the concept of Open Strategic Autonomy was promoted in the Granada Declaration, pointing also to the importance of addressing strategic import dependencies for feed production, such as high-pro feed materials and critical feed additives. At the same time, the increasing use of biomethane products of residual flows suitable for feed production is creating additional pressure on available biomass which could increase EU dependencies on feed imports.

EU Green Deal

A robust and resilient food system

Improve the incomes of primary producers

Reinforce the EU's competitiveness

UN Strategic Development Goals



EU Code of Conduct for Responsible Business & Marketing Practices

Sustained, inclusive and sustainable economic growth, employment and decent work for all

Sustainable value creation in the European food supply chain through partnership



NEW FEAC COMMITMENT:

Contribute to the development of an EU Open Strategic Autonomy that includes feed security.

Growing geopolitical tensions create huge pressure on EU feed and food supply chains in the context of ongoing climate change pressure on agricultural production. This combined pressure requires a deep review and rethinking of the EU's policy frameworks which need to address the systemic nature of biomass production and biorefining. In the wake of the EU

elections in June 2024, FEAC published its **key sector recommendations** to support the EU institutions' reflection on how to strengthen the competitiveness, resilience and circularity of the European agricultural sector, including livestock farming in order to leverage significant investment to accelerate the green transition while fostering sustainable growth opportunities and helping to strengthen the EU's strategic autonomy. The publication included 12 recommendations on:

- How to ensure our food security through a vibrant agriculture sector
- How to decrease strategic dependencies

and increase resilience by developing a more circular and resource-efficient economy

- How to promote innovation and research, including in the field of defence and to accompany Europe towards climate neutrality
- How to diversify and secure our strategic supply chains

Apart from the call to invest in the strategic EU feed protein autonomy, a recommendation also included the promotion of investment in essential feed additives manufacturing capacity within Europe (vitamins, amino acids) by recognising their status as critical materials will enhance the feed industry's resilience.

Throughout the past year, FEFAC participated in two open dialogues between the EU and the US. The Transatlantic Initiative on Sustainable Trade (TIST) is a work programme under the framework of the **EU-US Trade and Technology Council (TTC)**. At the January 2024 TIST meeting, in Washington DC, FEFAC co-organised a breakout session with its US partners AFIA and USSEC on resilient sustainable feed trade. This allowed for high-level discussion on the alignment of feed sustainability criteria, best practices, and certification programs for responsible sourcing of feed ingredients and the role of independent benchmarking tools to ascertain the robustness of relevant verification and certification programs as well as the harmonization of regulatory standards for the environmental footprinting of feed ingredients including green feed labelling guidance and GLFI Database development.

The second open dialogue is the **EU-US Collaboration Platform on Agriculture (CPA)**, where FEFAC participated in a stakeholder meeting in Washington in April 2024, where it was proposed to further intensify the CPA cooperation with the US, pointing to the strategic importance of this relationship for feed and food security and the global leadership of the US/EU in assisting the farm sector with the transition to “climate neutral” production method in particular for livestock production systems.

The Antwerp Declaration for a European Industrial Deal

The call for a business case for investments in Europe is supported by:

1271 organisations	25 sectors
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In February 2024, FEFAC became a signatory to the Antwerp Declaration, which includes 10 concrete actions necessary to make Europe competitive, resilient, and sustainable. Through a comprehensive action plan that integrates the EU Industrial Deal into the broader European Strategic Agenda 2024–2029, signatories confirm the necessity for an Open Strategic Autonomy to strengthen the resilience of Europe's industry sector in an ever-changing geopolitical landscape.

NEW FEFAC COMMITMENT:

Obtain a level playing-field between animal feed manufacturers and biomethane producers.

In the past years, there have been growing concerns from the compound feed sector about the loss of access to certain streams of feed materials, which are increasingly being absorbed by the biomethane production sector. These residual flows from other industrial processes, which would typically be considered circular feed, tend to be considered as a ‘waste’ in terms of renewable energy production and a means to reduce carbon emissions related to overall energy production. The functioning of the EU Emissions Trading System (ETS), with the possibility of owners of these residual flows to sell carbon credits,

provides an additional driver for the energy outlet. FEFAC will continue to advocate for a level playing field between animal feed manufacturers and biomethane producers, given that animal feed under normal conditions is the most sustainable choice.

In the past year, FEFAC coordinated the development of a biomass factsheet, which is an exercise to boost transparency between the different users of biomass in the bioeconomy and clarify respective uses in i.a. food, feed and fuel. The biomass factsheet work was submitted to DG AGRI in March 2024, including the recommendation to DG AGRI to obtain a direct mandate to perform data collection and develop a ‘fully operational’ EU biomass balance sheet. In response, DG AGRI pointed to an upcoming publication (Q3/4 of 2024) of a study on competition for land use and sustainable farming as well as the continuous work of the EU JRC biomass flow project.



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