

## General News

### IGFA Annual Dinner



The IGFA Annual Dinner is planned for **Thursday 26 January 2023** at the Crowne Plaza in Santry, Dublin. Please note the date for your diaries. Booking forms and further details will follow shortly.

### EU State of the Union Speech

Ursula Von der Leyen, European Commission President, delivered her State of the Union speech in September. She said that “Europe’s solidarity with Ukraine will remain unshakeable” and that “this is a war on our energy, a war on our economy, a war on our values and a war on our future”. The energy crisis was a major theme and Von der Leyen emphasised “Making ends meet is becoming a source of anxiety for millions of businesses and households” adding that the energy companies need “to pay a fair share – they have to give a crisis contribution” and that “it is wrong to receive extraordinary record profits benefitting from war and on the back of consumers”. The EU Green Deal, which includes the EU Farm to Fork Strategy for agriculture, was highlighted as a key tool to deal with the huge challenge of climate change. The full speech is [here](#).

### Energy Crisis and Food security

The impact of the energy crisis on food security was discussed at the recent European Food Security Crisis Preparedness and Response Mechanism (EFSCM) meeting in Brussels. FEFAC highlighted the impact of uncertain energy supplies and future prices on energy intensive sectors and SMEs and quoted an extra cost in the range of €20-€60/t compound feed for energy. FEFAC also noted that feed mills have very limited options for energy savings or timed shutdowns of feed production if they want to maintain feed deliveries to livestock farms.

FEDIOL the EU vegetable oil and protein meal industry association referred to the “no choice” option of an economic shutdown of EU soybean crushing plants in as energy prices account for €50 – €60/t. This is up to 10 times higher than in the US, which makes EU production uncompetitive and could lead to outsourcing of EU soy crushing to third countries. The Commission stressed the severe consequences if Europe fails to provide affordable, high-quality food to citizens and said that Member States would have their full support to apply protected status to all Agri-Food chain partners using the provisions of the proposed EU Council regulation on emergency intervention to address high energy prices.

### Energy Crisis - Energy Ministers meet in Brussels

At a meeting on 30 September EU energy ministers reached a political agreement on a regulation on an emergency intervention to address high electricity prices. The following is a summary of the three measures agreed

#### 1. Reducing electricity use

- Voluntary measures to cut overall energy use by 10% in the EU by the end of March 2023

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#### WHAT'S ON

- Teagasc Oct events [read more](#)
- Signpost Series Webinars - Teagasc [read more](#)
- FEFAC premix/mineral committee meeting 4 Oct
- Civil Society Forums EU-UK [TCA](#) 4 Oct
- IGFA energy workshop 5 Oct
- FEFAC animal nutrition committee meeting 5 Oct
- Green labelling Task force 28 Oct

#### RASFF 'S Sept 2022

Total food & feed	344
Total feed	19
Feed materials	11
Compound feed	1
Animal by product	2
Pet food	5

[read more](#)

Read the September Teagasc Signpost newsletter [here](#)

Read Lyons Systems Research Notes [here](#)



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- Obligation to reduce by at least 5% during peak hours. This will have an overall positive effect on prices by specificity targeting peak hours

## 2. Capping revenues of electricity producers

This new measure will allow the introduction of cap of €180 per MWh for companies producing power with low operating costs on market revenues and curb the profits of producers for the benefit of households and companies.

## 3. Securing a solidarity contribution from fossil fuel business

Fossil fuel companies have generated additional profits from high energy prices. This measure aims to ensure that these companies contribute their fair share to providing relief to people and business struggling to pay their energy bills.

The new rules will apply from 1 December 2022 to 31 March 2023. See [here](#) for full details.

## Global Organisations Call for Action on Food Security

A joint statement was published by the Heads of the FAO, IMF, World Bank Group (WBG), World Food Programme (WFP) and WTO in mid-September on food security. It calls for urgent action to address the global food security crisis, highlighting the impact of the Ukraine war on energy, fertilisers, grain and supply chains. Despite some positive developments such as the Black Sea Grain Initiative, they say that further action is needed. Specifically, they call for increased support from governments to make production and trade more efficient, improved transparency so data is available on food crops and markets and accelerated innovation and joint planning. They also emphasised the need for increased investment in food systems transformation, not only to improve the current situation but to ensure those systems are resilient to deal with future crises.

## Update on Ukrainian Agri-Commodities Exports

The Ukrainian Ministry of Agrarian Policy and Food claimed in August, that 10 million tons of agri-commodities left Ukraine since the beginning of the Russian invasion. From 24 February to 31 July, these commodities exports were only possible through inland “Solidarity Lanes”, mainly heading to Ukraine’s neighbouring countries. The Ukrainian government published the figures for this 5-month period, and it shows a significant progression:

March: 331,557 t exported	April: 968,316 t exported	May: 1 742,621 t exported	June: 2 168,434 t exported	July: 2 751, 656 t exported
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The European Commission supported the implementation of these Solidarity Lanes with Ukraine through managing a stakeholder’s platform to facilitate joined up action between exporters, logistics operators and others. MEPs also voted in favour of a dedicated budget line of €900 million to support transport infrastructure.

The signature and implementation of the “Black sea trade agreement” between Ukraine, Russia, Turkey and the United Nations on 27 July is also playing a crucial role in this increase of agri-commodities. From 1 August to 2 September, 1 838 471 t of agri-commodities were exported through the Black Sea from Ukrainian ports. EU27 is the first destination of the shipments (34,1%) followed by Asia (30,6%) and Turkey (20,2%). Maize is the main commodity exported (62,9% – 1 156 190t) followed by wheat (18,7% – 344 232t).

## Ukrainian Exports - Agri Ministers discussion

The availability and access to agri commodities from Ukraine was discussed by Agriculture Ministers at their Council meeting in September. Describing the solidarity lanes as “a lifeline for Ukraine,” Agriculture Commissioner Wojciechowski said that the measure was not only vital for the EU so that grain and other products were available on EU markets, but “these exports are vital for Ukrainian farmers, who desperately need income to finance inputs for next year’s harvest”. He added that huge progress had been made to improve the efficiency of the solidarity lanes but we need to “continue our efforts to improve capacities and upgrade infrastructure, from railway connections, to road routes, inland waterways and maritime links to EU ports.”

On the Black Sea trade agreement he said that Putin’s current behaviour was particularly worrisome ahead of discussions on an extension of the deal, which expires end of October. He described the deal at ‘fragile’ and although exports through Ukrainian ports have had a huge impact on trade flows, he stressed the necessity to keep the solidarity lanes operational and the benefits of long-term connectivity with Ukraine. Ukrainian Farm Minister Mykola Solskyi also attended the Agriculture Council and echoed the concerns on the long-term functioning of the maritime export routes. He emphasised the importance of developing the solidarity lanes and the need for continued improvement in the infrastructure.

## IGFA Welcomes New Member

IGFA welcomes NUEVO Animal Nutrition Ltd who became an ancillary member this month.

## Environment News

### European Parliament Finalise Position on Deforestation-Free Supply Chains

The European Parliament adopted its negotiating position on the proposal for an EU Regulation on deforestation-free supply chains in mid-September. Overall, the Parliament has increased the level of ambition of the proposal in nearly all aspects and received strong support from MEPs. The lead MEP on the dossier will therefore have a solid mandate when negotiating the final version of the report with the Commission and Council over the coming months.

Key elements part of the European Parliament's position include:

- Extension of the scope of products (from soy, beef, palm oil, wood, cocoa and coffee) to include maize and poultry, as well as palm oil-based derivatives, swine products and more cattle products.
- Inclusion of human rights provisions.
- Elevated penalty system, foreseeing fines up to 8% of annual turnover for non-compliance.
- Increased controls by custom authorities, from 15% to 20% for operators importing from high-risk countries and 5% to 10% for standard-risk countries
- Companies must engage meaningfully with vulnerable stakeholders, including smallholders, and ensure that they receive adequate assistance and fair remuneration so that their commodities and products can comply with the rules (in particular the geolocation requirement).

Environment Commissioner, Mr Virginijus Sinkivicius, has pushed back on some of the proposed level of ambition in the Parliament position highlighting that "overburdening the system at the outset will risk its failure". On a positive side, the Parliament adopted an amendment requesting the Commission to develop clear guidelines to help operators and traders, in particular SMEs, to comply with the requirements of this Regulation with the aim to minimise the admin and financial burden. They also agreed an amendment highlighting that the checks carried out by the competent authorities should be done in a manner which is the least disruptive to trade and to the operations of operators and traders.

### Industry letter to EU Czech Presidency on deforestation

European industry groups FEDIOL, FEFAC and COCERAL sent a letter in September on the proposed new legislation for deforestation-free supply chains to the Czech Presidency. The presidency will be part of the upcoming negotiations with the Commission and the Parliament on the final text of the regulation. The letter outlines concern about the potential chaos the legislation could cause in supply chains, the excessive administration and the impact on current commodity markets. It says that the regulation risks provoking supply shortages, fuelling additional food inflation and risks huge disruption in countries producing the relevant commodities. Specifically, it recommends the following

- Reconsider cost-effective and forest-positive chain of custody models, such as 100% deforestation-free claimed volumes through mass balance
- Anticipate the impact through partnerships with producing countries
- Elaborate commodity-specific guidelines for operators
- Provide a credible implementation timeline

### Green Feed Labelling

IGFA is a member of the FEFAC Task Force on Green Labelling. At a meeting in September the taskforce agreed to focus firstly on Environmental Footprint (EF) labelling of feed production and in a second stage, look at claims related to feed digestion. The PEF/PEFCR feed methodology will remain the unique reference method to support EF labelling. The objective of the task force is to create a practical guidance document that will be embedded into the [FEFAC/Copa-Cogeca Code of Good Labelling Practice](#) in the first quarter of 2023. FEFAC will seek to have this endorsed by SCoPAFF by the end of Q2 2023.



## Animal Health

### Avian Influenza (AI) Update

AI is highly contagious for birds. A further forty-one cases of AI H5N1 in wild birds (gannets) found in coastal regions of counties Dublin, Louth, Cork, Kerry and Waterford have been confirmed since the last update on 9 September 2022.

There have been no further outbreaks of Highly Pathogenic Avian Influenza (HPAI) H5N1 in poultry or captive birds since December 18, 2021. Ireland's self-declared disease-free status for AI was published by the OIE on January 21, 2022. Maintenance of this status, which is important for international movements and trade of poultry and poultry products, will remain dependent on the absence of any further outbreaks of AI in poultry in Ireland. For more information see the latest info issued by DAFM 16 September 2022 [here](#).

## Medicated Feed - Setting of Maximum Levels For Antibiotics in Non-Target Feed



Contamination of non-target feed with active substances contained in medicated feed should be avoided or kept as low as possible. In order to protect animal health, human health and the environment, maximum levels of cross-contamination for active substances in non-target feed should be established, based on a scientific risk assessment performed by the European Food Safety Authority (EFSA) and in cooperation with the European Medicines Agency, as well as taking into account the application of good manufacturing practice and the 'as low as reasonably achievable' ('ALARA') principle. Until the completion of this scientific risk assessment, national maximum levels of cross-contamination for

active substances in non-target feed should apply.

It was expected that by the end of 2022 the assessments would be complete by EFSA and limits would be set at an EU level. However, we understand that this will be delayed as a result of the fact that the first levels EFSA had calculated was around 1 ppb for seven antibiotics which would automatically mean the end of production of medicated feed by feed compounders. This is not what the EU Commission is aiming for, in particular for certain species like fish where in-feed delivery is the only practical route for group treatments. IGFA will keep the medicated feed members informed of these developments and will keep an eye on progress in this area in 2023.

## Technical News

### Vitamin B12 – Will we only have one Source Authorised?

[Regulation \(EU\) 2022/1249](#) authorises vitamin B12 produced by ensifer adhaerens CNCM I-5541 and provides for a transition period for existing products until 9 February 2023 for the placing on the market of additive and premix and 9 August 2023 for compound feed. There was concern that, at the expiration of this transition period, there would be only one vitamin B12 authorised on the market place.

However, we received clarification from the EU Commission services as follows; the transitional measures apply only to vitamin B12 produced by ensifer adhaerens CNCM I-5541 and feed containing it. The other forms of vitamin B12 which are 'existing products' are not in the scope of Regulation (EU) 2022/1249. A 'withdrawal regulation' is needed to rule the withdrawal of these other forms of vitamin B12 and they will benefit from the usual transitional measures to be laid down in that measure (i.e. 12 months after entry into force of the regulation for the additive, 15 months for the premixtures and 24 months for compound feed). This 'withdrawal regulation' is unlikely to be adopted before the end of 2022. It is also expected that by spring 2024, at least one other source of vitamin B12 will have undergone the authorization process.

### Feed Additives – Legislation for the authorisation of feed additives

The publication of the proposal for a new feed additives regulation has been postponed again officially until the end of 2022 but more likely the end of Q1 2023. Among the key expected changes, the extension of the duration of authorization from 10 to 15 years (even 20 for vitamins) was mentioned, as well as the ability to make claims in relation to the functions for which the additive is made (primary and secondary claims), with rules on justification mirroring the principles already existing for compound feed. A special procedure allowing the EU Commission to authorise generic "sustainability" claims is also foreseen for certain types of feed additives (e.g. phytase) upon advice from EFSA. IGFA is following this topic closely.



The first additive under the category "substances which favourably affect the environment. (reduction of enteric methane production)" is now listed on the EU Feed Additive Register i.e. 3-nitrooxypropanol. DSM Nutritional Products Ltd, holder of the authorisation, gave an update on the current situation at the IGFA Feed Committee in Portlaoise on 6 September. The latest edition of the [EU feed additive register](#) was issued on 30 August 2022.