



## General News

### IGFA Annual Dinner 2023

The IGFA 48<sup>th</sup> Annual Dinner will take place on Thursday 26 January 2023 at 7pm in the Crowne Plaza Dublin Airport Hotel, Santry, Dublin 9. Download the booking form and guidance document here [booking form](#) / [guidance document](#).

### Understanding Environment Footprinting in the Animal Feed Sector

IGFA will host a workshop on “Understanding Environment Footprinting in the Animal Feed Sector” on Thursday 26th January 2023, 2-4 pm at the Crowne Plaza Dublin Airport Hotel. The event is free to IGFA members. See full details and register [here](#).

### EU adopts 9th package of sanctions against Russia

On 16 December 2022, the Council adopted the ninth package of sanctions against Russia which includes new export controls and restrictions on goods and technology that contribute to the technological enhancement of Russia’s defence and security sector. In previous packages, feed ingredients, including beet pulp, were added to the list of products that are “prohibited to sell, supply, transfer or export, directly or indirectly, goods which could contribute in particular to the enhancement of Russian industrial capacities”. IGFA and FEFAC raised this with Brussels officials, highlighting the damaging impact on the Irish and EU feed sector.

The Council confirmed after the December meeting that “None of the measures adopted in view of Russia’s actions destabilising the situation in Ukraine target in any way the trade in agricultural and food products, including wheat and fertilisers”. With food security now higher on the political agenda, the Council added that “In view of the Union’s determined stance to avoid and combat food insecurity around the world... it was decided to introduce a new derogation allowing to unfreeze assets of, and to make funds and economic resources available to, certain individuals who held a significant role in international trade in agricultural and food products, including wheat and fertilisers, prior to their listing”.

### TABLE OF CONTENTS

IGFA Annual Dinner	1
Environment footprinting workshop	1
EU 9 <sup>th</sup> package of Sanctions	1
Agri Commissioner highlights uncertain market situation	2
Latest EU trade data	2
Key figures on European food chain	2
Deforestation-Free Supply Chains	2
Biofuels – updated list	3
Avian influenza update	4
Vitamin D3 from third countries	4
Reviewed position on coccidiostats	4

### Good News

Well-earned congrats to Roches Feeds, Aurivo and Pat Denn Feeds for successfully completing their recent Tesco audits. Many thanks to those in the industry who supported and encouraged them along the way.

Read December Teagasc Signpost newsletter [here](#)

Read Lyons Systems Research Notes [here](#)



For more information or useful links visit [www.igfa.ie](http://www.igfa.ie) or <https://twitter.com/IGFAie>

## Agriculture Commissioner highlights uncertain market situation

Agriculture Commissioner Wojciechowski and EU Agriculture Ministers met on 12 December and discussed the uncertain market situation as we head into 2023. The commissioner highlighted the high energy, fertiliser and feed costs on EU domestic markets and the impact of disruptive weather and animal disease outbreaks. He specifically mentioned that EU maize production was down 20 million tonnes compared to last year and that maize imports into the EU were reaching record levels. Milk, beef and sheep prices remain high but margins are under pressure due to high input costs. Pigmeat production continues to fall in many major pig producing countries and exports to China fell by more than half. Poultry production is being affected by high input costs but Avian flu is also having a massive impact and creating significant uncertainty for the sector.

Although emphasising the efforts made by the EU to ensure agri food imports from Ukraine, he said there were significant concerns that “two million hectares of maize remain unharvested in Ukraine,” relating this to the difficulty and high costs of drying grains as a result of the attacks on Ukraine’s energy infrastructure. He added that he was concerned about the grain availability from the region in 2023 to 2024 as Ukrainian farmers were hesitant to plant due to a combination of surging transport costs, damage to farming infrastructure and high fuel and fertiliser prices.

## Latest EU trade data

The commission published its latest report on agri food trade at the end of November.

The report covers market developments until August 2022. The full report is available at the following [link](#) but it highlights that EU exports reached €20.3 billion in August 2022 which represents a 6% increase compared to July 2022, and 27% more than in August 2021. With the fresh 2022 harvest of wheat, EU export values increased by 40% compared to last year to the Middle East and North Africa and by 80% to sub-Saharan Africa.

EU imports expanded and reached €14.7 billion in August 2022, a 3% increase compared to the previous month. EU maize imports particularly increased in August 2022, following hot and dry EU conditions and reached 2.8 million t, mainly coming from Brazil and Ukraine. Full data, including information on origin and destination of agri food products, is detailed in the report.

## 2022 edition of the key figures on the European food chain

Eurostat, the statistics body of the European Commission, published the second edition of the above report on 7 December. This document provides “a selection of recent data from the domains of agriculture and fisheries statistics, as well as the wider farm-to-fork chain”. The publication responds to interest in the European Commission’s Farm to Fork Strategy, which aims to establish a sustainable food system in the EU that is fair, healthy and environmentally-friendly. This year, the publication has a specific focus on the consequences of the war in Ukraine.



## Environment News

### Agreement reached on EU Regulation on Deforestation-Free Supply Chains

The European Commission, Parliament and Council reached a compromise agreement on the EU Regulation on deforestation-free supply chains in the first week of December. The final text will now have to be signed off by the whole parliament and the council over the coming months. The regulation applies to imports and EU production with the aim to prevent commodities associated with deforestation being marketed in the EU. It is hoped this will send a strong signal to businesses and governments around the world that the EU will continue to fight against deforestation.

The key elements include:

- The initial proposal included soy, palm oil, coffee, cacao, timber, cattle and beef but rubber, charcoal, leather and printed paper were added to the scope. The Parliament wanted maize and poultry and swine meat also included but this did not make the final agreement.
- A cut-off date of 31 December 2020 was agreed meaning that any products sold on the EU market or exported and produced after that date must have been produced on land that has not been subject to deforestation.
- A benchmarking system, which assigns to third and EU countries a level of risk related to deforestation and forest degradation (low, standard or high), has been agreed. The risk level will determine the level of inspection and controls that are necessary. Controls will have to be made on 9% of operators and traders trading products from high-risk countries, 3% from standard-risk countries and 1% from low-risk countries. National authorities also have

to check 9% of the quantity of each of the relevant commodities and products placed, made available on, or exported from their market by high-risk countries.

- New provisions taking into account human rights aspects of deforestation.
- Commodity-specific guidelines to help implementation should be developed within 12 months of the publication of the legislation.
- A public list of non-compliant businesses.
- Penalties may include a maximum fine of at least 4% of a company's annual turnover in the EU, as well as confiscation of products and revenues, temporary prohibitions and exclusion from public funding.
- The regulation will be reviewed after 2 years of implementation.

There have been reactions from all sides to the agreement. Industry, including FEFAC, has welcomed that the agreement does not broaden the scope to maize, the lower percentage of checks for low-risk countries and the commitment to the development of commodity-specific guidelines. However, they have raised concerns about the admin burden and additional complications associated with the new rules and said that the requirement for traceability and implied chain of custody will have “unintended consequences, such as the exclusion of smallholders or disinvestment from high-risk areas”.

## **The Commission opens consultation “Biofuels – updated list of sustainable biofuel feedstocks”**

Under Regulation 2018/2001 the Commission is obliged to review the list (and add but not remove) feedstocks permitted for the production of sustainable biofuels. These feedstocks must meet the criteria set out in the third subparagraph of Article 28(6). Feedstocks that can be processed into biofuels, or biogas for transport, only with advanced technologies are added in Part A of Annex IX to Directive (EU) 2018/2001, while feedstock that can be processed with mature technologies are added in Part B of Annex IX to that Directive.

In addition, the regulations states “that Feedstocks fit for use in the food or feed chain should not be added in Annex IX to Directive (EU) 2018/2001, as their use may cause market distortions and additional demand for land. However, the suitability of a feedstock category as food or feed may depend on the detailed characteristics as well as local circumstances. It is therefore appropriate to include a qualification in the description of the feedstock that reflects this complexity and requires a case-by-case assessment determining whether a feedstock is fit for use in the food and feed chain. Such assessment should be based on indicators such as the nutritional value of the feedstock compared to other alternatives as well as existing demand for such feedstock in the local food and feed chain.”

The ambiguity in this paragraph provides little reassurance and we believe, could be open to massive market distortion depending on the season, crop or indeed prices. At what point does the levels of ergot in rye or wheat make it not fit for feed? Who decides and arbitrates on the matter? At what point does a cereal admix in another grain sample constitute “not fit for” especially if there is a big price differential? Also, the list of feedstock uses the words “residue” and “waste” interchangeably and there is a real danger that the lack of clarity may never be resolved if our position is not clear.

In particular we draw your attention to the following feedstock as proposed by the COM:

### **Part A**

(r) Alcoholic distillery residues and wastes (fuel oils) not fit for use in the food or feed (when?)

### **Part B**

(d) Drink production residues and waste not fit for use in the food and feed chain;

(e) Fruit and veg residues and waste are not fit for use in the food and feed chain, excluding tails, leaves, stalks and husks;

(g) Brewers' Spent Grain is not fit for use in the food and feed chain (definition?)

(h) Liquid whey permeate;

(j) Damaged crops that are not fit for use in the food or feed chain, excluding substances that have been intentionally modified or contaminated in order to meet this definition;

(n) Vinasse excluding thin stillage and sugar beet vinasse;

The Commission consultation to update the list of feedstocks is open for feedback but only until 2nd January 2023. We would encourage members to urgently view the entire list [here](#), choose Annex – Ares (2022)8413323. FEFAC will prepare feedback questioning some feedstocks and terminology such as “not fit for use in the food and feed chain”. However, if members have comments or are involved in discussions with other organisations on this issue, please let us know. Given our dependence on imported feed material this could be an increasing area of difficulty in the future. We therefore appreciate any info that members can provide.

# Animal Health

## Avian Influenza Update

The 3km protection zone introduced following the outbreaks of Highly Pathogenic Avian Influenza (HPAI) in two poultry flocks in Co. Monaghan was lifted on 13 December 2022. On 14 and 22 November outbreaks of HPAI H5N1 were confirmed in two poultry flocks in Co. Monaghan. No further outbreaks of HPAI H5N1 in poultry have occurred since 22 November.

To mitigate the risk of spread of the disease, a 10km surveillance zone remains in place around the outbreaks of HPAI in Co. Monaghan. This places additional controls on the movement of poultry and poultry products within the zone. Movements into and out of the zone are also subject to licensing. Additional surveillance measures also apply within the restricted zone. There remains a significant risk of further outbreaks and strict biosecurity is essential on all poultry and captive bird holdings. All poultry and captive bird owners are reminded to review and, where necessary, improve biosecurity procedures on their premises to ensure that all appropriate measures are in place. For more information see DAFM bulletin of 13 December 2022 [here](#).

# Technical News

## Medicated Feed

DAFM have published a guidance document containing Information for Veterinary Practitioners on the changes brought in by EU Regulation 2019/6 on Veterinary Medicinal Products (VMP) and EU Regulation 2019/4 on Medicated Feed. This document is available on [gov.ie](http://gov.ie) - [Veterinary Medicine & Residues \(www.gov.ie\)](http://www.gov.ie) and it has also been circulated to VCI Veterinary Council of Ireland .

## Update on imports of Vitamin D3 from Third Countries

In September legal clarification was provided that vitamin D3 should be regarded as a product of animal origin. This meant that imports from third countries would be subject to existing rules for imports of products of animal origin destined to feed i.e.

- no imports permitted of Vit D3 from China for feed use (decision (EU) 2002/994), only imports of vitamin D3 for use in food supplements are authorised
- Imports from other origins than China must be performed in compliance with Animal By Products (ABP) legislation i.e. imports via Border Control Posts from ABP registered establishments and accompanied by health certificates.

This has caused concern in the EU feed sector about supply and the industry has been trying to find a solution with Brussels decision makers for months. Fortunately, in mid-December the commission informed FEFAC that a political agreement was reached to proceed with a revision of Decision 2002/994 to allow for imports of vitamin D3 from China for use in feed and the aim will be to publish that revised decision in the next 3-6 months. FEFAC has said that this legislative measure is essential to allow for imports of vitamin D3 for feed use from China and expects to receive official confirmation of the move at the start of January.

## European Veterinarians Federation (FVE) reviewed position on coccidiostats

The FVE reviewed its position on coccidiostats at its latest General Assembly. In short, they no longer openly call for a transfer of coccidiostats from the feed additives to the veterinary medicine's legislative framework - the in-feed or in-water use of coccidiostats or anticoccidial medicinal products remains for the time being a necessary option for the rearing of short-living birds such as broiler chickens in the EU due to their short grow out and for turkeys due to the unavailability of an EU-licensed vaccine.

They call for better veterinary oversight of coccidiostat use in poultry production with monitoring of polyether ionophores coccidiostats sales and ask that the potential use should be included in the European Surveillance of Veterinary Antimicrobial Consumption (ESVAC) system. This change in position was prompted by the ban on prophylactic use of antimicrobials veterinary medicinal products directly or in medicated feed introduced by Regulations (EC) No 2019/6 and 2019/4.