

# FEED ISSUES

## IGFA MONTHLY NEWSLETTER



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### General News

#### Brexit negotiations – progress limited



Brexit talks between the UK and the EU in mid-August delivered little progress and left EU chief negotiator Michel Barnier feeling pessimistic about achieving an agreement from January 1st 2021. You can listen to his press statement [here](#) where he mentions that he was “disappointed, concerned and surprised” that things are not moving forward at a faster pace. “We still haven’t seen any willingness from

the UK to take on the EU’s priorities” he said, adding that these priorities have not changed since 2017. He emphasised that “the need for a level playing field is not going to go away,” and that the UK was “asking for a level of access to the internal market comparable to Member States”. David Frost, the UK negotiator, was a bit more upbeat and said that an agreement is still possible but will not be easy to achieve. All parties referred to the time pressure with Michel Barnier concluding his press conference with a familiar phrase - “the clock is ticking”. The next round of talks will take place in London on 7-11 September.

#### IGFA Feed Committee Meeting



The IGFA feed committee meeting was held remotely on 1 September. First Vice-President of the European Parliament, Mairead McGuinness MEP, joined the meeting to discuss concerns about the impact of Brexit on the sector and the progress of negotiations between the EU and the UK.

Speaking at the Committee Ms McGuinness said, “Reaching a trade agreement of any real substance will be a huge challenge and time is not on our side. The EU is continuing to move things forward in good faith but we have to prepare for all outcomes. One thing is certain: there will be change on 1st January 2021, as the UK leaves the single market and customs union.”

She added, “The uncertainty is putting pressure on a range of businesses and it is not always easy to find the time and resources to do the scenario planning necessary for the changes that might come. However, we all

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#### WHATS ON

Sept	<a href="#">Teagasc Events</a>
Sept 1st	<a href="#">Igfa Feed Committee</a>
Sept 4th	<a href="#">Inap Committee</a>
Sept 8th	<a href="#">Fefac Sustainability</a>
Sept 24th	<a href="#">XXIX Fefac Congress</a>

#### USEFUL LINKS

<a href="#">Igfa Covid 19</a>	<a href="#">Gov Covid 19</a>
<a href="#">HSE Covid 19</a>	<a href="#">CDC Covid 19</a>
<a href="#">Crop Forecast</a>	<a href="#">Irish Fbo's</a>
<a href="#">Protein Balance</a>	<a href="#">Fbo Forms</a>
<a href="#">Oeju</a>	<a href="#">Dafm Brexit</a>
<a href="#">Fsai Amr</a>	<a href="#">Dafm Amr</a>
<a href="#">Compound feed Labelling Code</a>	
<a href="#">Dafm Trader Notices</a>	<a href="#">Pig Innovation</a>
<a href="#">WASDE</a>	

#### RASFF Aug 2020

Total Food & Feed	260
Food	242
Food Contact Materials	7
Total Feed	11
Feed Materials	10
Feed Premixtures	0
Feed Additives	0
Compound Feed	1
Nuts, products and seeds	0
Pet food	0

must aim to prepare as much as possible to limit negative economic consequences. The European Commission has published a detailed communication on changes that will happen regardless of the outcome of negotiations, alongside over 80 sector-specific notices: I advise all businesses to study these documents carefully.” Chairman of the IGFA Feed Committee John Coleman said “We are facing into another very important period on Brexit and our members want to ensure that their businesses continue to provide essential and professional services to their customers. The progress and pace of the discussions between the UK and the EU is a huge concern but our industry will need to adapt and manage trading activities in time for future changes.

Many of our members trade in Northern Ireland and throughout the UK. This trade has been frictionless and our customers rely on that efficiency. We are therefore continuing to seek clarity on a range of scenarios and talk to government about the specific challenges for our sector”.

Ms McGuinness also discussed other priorities for all members of the food chain, noting the importance of delivering on environmental goals. She said, “Tackling climate change and improving sustainability is top of the agenda for the EU and for the European Parliament. Feed companies and the whole farming sector will be asked to deliver more on these issues, which will also be a vital component of future trade agreements.”

## **Impact Report on EU Mercosur Trade**

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A report carried out on behalf of the European Commission was published last week entitled '[Sustainability Impact Assessment for the Trade part of the EU Mercosur Association Agreement](#)'. The Mercosur trading bloc is made up of Argentina, Brazil, Paraguay and Uruguay. The report looks at the impacts of the agreement on both trading partners and specifically at the economic, social, environmental and human rights aspects.

On deforestation it highlights that the two products most associated with deforestation in Brazil are beef and soy. It concludes that the evidence from Brazil suggests that beef and soy production can be successfully decoupled from deforestation and that measures taken between such as the introduction of the forest code, the creation of an enforcement agency and the Amazon Soy Moratorium helped to reduce deforestation. It therefore concludes that 'concerns about the expected expansion of animal and agricultural production are limited if the policy environment that allowed past reductions in deforestation is maintained'.

The impact of the agreement on various sectors is also assessed in the report which highlights that EU imports of beef from Mercosur could increase by 30% in a conservative scenario, rising to 64% in the most ambitious scenario. This would mean that EU beef output would fall by 0.7% and 1.2% in these scenarios. EU dairy exports to Mercosur are expected to expand by 91% and 106% in conservative and ambitious scenarios respectively. The report recommends that the EU should consider the use of quotas and partial liberalisation to minimise the impact in sectors such as beef adding that this will allow farmers and producers to reduce their exposure and limit the impact of the agreement.

## **Maize/Sorghum/Rye levy**

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Due to decrease of maize prices on the global market in early August, the import duty for maize, sorghum and rye in the EU is set to €5.48 per tonne as of 12 August 2020. The tariff is calculated based on the difference between the European reference price and the world benchmark for maize (i.e. the US cif price – cost, insurance and freight included – at the port of Rotterdam), in line with the rule set in the EU Regulation 642/2010. The tariff for maize, sorghum and rye has been updated four times in the last four months. At first, it was adjusted, due to a significant drop of the US cif maize price, as a result of the collapse of demand in the US bioethanol market, the import duty increased from €0 to €5.27 per tonne in April.

It was further updated and set at €10.40. Later, in early summer the, the US maize price reversed and began to increase again. A forecast for a lower maize harvest in the US in 2020/21 lifted maize prices further. This led to a significant increase in maize prices on the global market and the import tariffs in the EU came back to €0 per tonne at the start of July. More recently, the US cif maize price at the port of Rotterdam started decreasing again due to both the US price for maize and the value of the US dollar falling against the dollar, triggering the automatic calculation mechanism for setting import duties for maize, sorghum and rye in the EU.

# Technical News

## Pesticides – France avails of the derogation to use Neonicotinoids

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On 6 August the French Government announced a series of measures to support the 'unprecedented crisis' facing French sugar beet growers, including for the first time a derogation to use neonicotinoid seed treatments for the 2021 season and if necessary for 2022 and 2023. This follows similar derogations in other EU countries such as Belgium, Spain and Poland. Beet growers in France were facing production losses of 30% – 50 % due to the rapid spread of yellow rust and aphid spread disease. France is a major producer of beet for the EU and has acknowledged that at the moment there are simply no other control methods effective enough to save the beet crop and upstream industry.

The derogation is being granted under the provision of article 53 of regulation 1179/2009. It will permit the industry time (120 days) each season if necessary, to prepare and use seed dressings containing neonicotinoids. France was the first country to ban the use of all 5 neonicotinoid in 2018, initially based on concern around the collapse of bee numbers.

## Notification Number 2020/308/A (Austria) calls for a ban on the sale of plant protection products (PPP) containing glyphosate

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In July 2019, the Austrian Parliament passed legislation calling for a total ban on glyphosate-based products. The ban was notified to the European Commission under the "Technical Regulation Information System" (TRIS). The Commission determined the Austrian government did not correctly follow the TRIS process – the TRIS process requires the notification of a draft law, but Austria notified an already-adopted law which was therefore not legal. Since then, Austria has formed a new coalition government of greens and conservatives. In May the new government sent a new glyphosate ban notification to the Commission. IGFA submitted the following in support of a science based harmonised approach.

*The Irish Grain & Feed Association members support access for EU cereal growers to a diverse tool box of crop husbandry measures. Access to sufficient feed materials from within the EU is of vital importance to the viability of our livestock sector. We support and respect the scientific decisions of EFSA and the ECHA. These scientific bodies inform and support our regulatory framework on food/ feed safety and product authorisation. Given that the authorisation and risk assessment of products is harmonised at EU level, as the Austrian ban is based on the precautionary principle, we ask for a full review of any new data that may be available to support this decision. A unilateral ban undermines the EU institutions, our science-based approach to decision making and sets doubts in the mind of consumers. We also believe the proposal has the potential to interfere with the internal EU single market and has the potential to become a trade barrier for goods. We therefore fully support the Austrian Chamber of Agriculture's appeal against a potential national ban of glyphosate in Austria (or any other member state).*

## GMOs

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### Approvals

The approval of all products stopped due to corona virus during the early phases of the European lock down. Most dossiers have now moved forward apart from the GMO approvals. As no votes have been taken since January some dossiers have now been published for over 12 months. The next SCoPAFF dealing with the GMO authorisations takes place on September 15<sup>th</sup>.

IGFA members are reminded that at SCoPAFF meetings there generally is a 'No Opinion' as member states **continue to vote politically rather than on science. The Commission then, has the right to adopt the authorisation based on the EFSA opinion and best available science.** To complicate the issue further the Commission proposal from 2017 to amend the voting system comes to the table in the European Parliament in September / October. It is expected the Parliament will aim to take away the right of the Commission to adopt authorisation on foot of a "No Opinion" from member states.

### New Plant Breeding Varieties Moving To Trial Stages

An agricultural bioscience company, (yield 10 Bioscience) announced that it has obtained a positive response from USDA-APHIS's Biotechnology Regulatory Services (BRS) for its CRISPR genome-edited trait C3007

in canola plant lines developed for increased oil content. In June 2020, Yield10 submitted a “Am I regulated?” letter to the BRS, requesting confirmation of the regulatory status for canola plant lines containing the Company's novel, CRISPR genome-edited C3007 trait. The positive USDA-APHIS response came in the form of a published letter indicating that the plant lines do not meet the definition of a regulated article under 7 CFR Part 340. This confirmation of the regulatory status of the plants will enable Yield10 to conduct field tests of CRISPR genome-edited canola plants in the US for the 2021 growing season. The European Court of Justice has previously ruled that crops produced using gene editing techniques such as CRISPR fall under EU GMO regulations and must be authorised.

### Research Institutions and New Breeding Techniques

The European Sustainable Agriculture through Genome Editing network (EU-SAGE) is an organisation set up to provide information about genome editing. It is made up of 26 networks, with members from 132 European research institutes and associations. In June EU-SAGE wrote to all of the EU institutions strongly recommending a revision to the existing GMO Directive to reflect current scientific knowledge and evidence on genome editing. It highlighted that genome editing, leading to the introduction of changes that can also occur naturally and which do not introduce foreign DNA, should be exempted from the application of the GMO legislation. It recommended that in regulating genome editing, the legislator should consider the benefits of this technology and emphasised that genome editing offers an increasing range of solutions for a more efficient selection of crops that are climate resilient, help preserve natural resources and are less dependent on fertilizers and pesticides.

The letter calls for an urgent need for harmonization of the regulatory framework noting that while the legislation of many non-EU countries facilitates the use of genome editing, EU law distinguishes fundamentally between crops according to whether they are produced by genome editing or by traditional breeding methods. It continues by drawing attention to calls in the EU for food production techniques that are innovative and more efficient and cites examples of innovative new traits now made possible by precision breeding such as mildew resistant wheat, fungal resistant grapevine, fungal resistant rice and broad-spectrum bacterial disease resistant tomato. In addition, precision breeding accelerates the introduction of healthy traits into vegetables and fruits cereals that we currently consume, e.g. high-fibre wheat, low-acrylamide potato, low gluten wheat, increased contents of beneficial secondary metabolites, reduced contents of allergens, and toxic heavy metals in cereals, legumes, and oilseeds.

### Red 11/ Advanced Biofuels and Feed Material Supplies



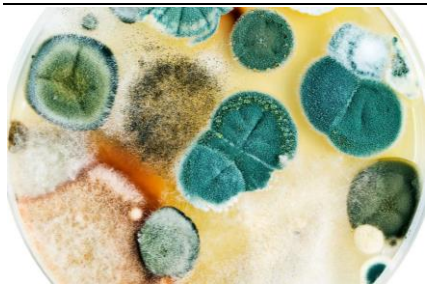
The European Commission has launched a consultation to expand the list of the so-called advanced or second-generation biofuels of the Renewable Energy Directive (RED II). RED II has been adopted but needs to be transposed into national legislation by **July 2021** before it can take effect. It aims, among other things, to decarbonise the EU transport sector by 2030. An important part of RED 11 is the need to use advanced biofuels. The feed stocks for these Biofuels are listed in ANNEX IX of the legislation.

The European Commission has a legal mandate to review the list of advanced biofuels (ANNEX IX) regularly, but the Commission is only empowered to add feedstock, but not to remove feedstock from Annex IX. In preparation for the stakeholder consultation a study has been initiated aimed at preparing the evidence base for the review, foreseen for June 2021. Some stakeholders have been asked to submit comment on the proposed list of material in the Annex and others have not.

In 2018, environmentalists successfully argued that some crop co-products, such as sugar molasses, were not sustainable and should not count towards the EU's 2030 objective on renewables. In light of the Green Deal and the need to prioritise the Circular Economy, NGOs are alert to the danger of unsustainable feedstocks being diverted to the production of biofuels. The EU feed industry figures estimate that approximately 5 million tonnes of valuable feed materials could be impacted if the list is adopted. As the final decision will be taken by the Commission in consultation with member states (expert groups) and in conjunction with the European Parliament, national associations are being asked to highlight their views as early as possible with the relevant authorities



## Mycotoxins



EFSA published several updated opinions on mycotoxin and in particular the exposure assessment to the food chain of DON and its modified forms (masked). The Commission is bound to react and the reduction of levels for H2 / T2, Don (food & Feed) Zearalenone and Fumonosins (feed) are now being considered.

The levels for food have been proposed for H2 T2 and for DON they will be discussed at the SCoPAFF meeting on 15 September . It is expected that some countries will struggle to remain within the new levels in high incident years. It has been suggested that the Commission should prepare a “derogation level “in anticipation of spike years.

### Current Feed levels (Aug 2020)

As a reminder the proposal for **Fumonosins (2006/575)** in feed is:

- A reduction of the recommended levels from 60 ppm to 30 ppm for cereal feed materials
- A reduction from 5 ppm to 1 ppm for compound feed for pigs
- A reduction from 50 ppm to 30 ppm feed for adult ruminants

**H2 T2** the guidance levels proposed for are as follows

- Oats 1ppm, for oat by product 3ppm and other cereal 0.2.ppm
- Compound feed levels for poultry (layers) are proposed at 0.1ppm 0.2ppm for pigs and ruminant and 0.2 for all other species

**Zearalenone** has levels reduced by 50% for cereal and cereal by products with the introduction with levels for sugar beet pulp and soy hulls 0.5ppm

In the case of **DON** there are significant changes and these are to take into account the fact that DON occurs in different modified forms. It is estimated that the modified form can make up 30 - 40 % of the total burden. A ratio of 0.69 is therefore assumed and this factor is applied to set an overall lower guidance level for DON. The EFSA opinion highlights the sensitivity of certain species and these levels are also reduced. In summary when the 0.69 factor is applied the levels for feed material is lowered to 5.5 ppm for cereal and cereal by products. A level of 8ppm for Maize by products and a level of 3ppm is introduced for beet pulp.

An increasing number of member states consider animal welfare is an issue to be considered. On the other hand, there is a recognition that the EU is dependent on domestic cereals for the livestock industry and in years of high mycotoxin incidents it is not acceptable to waste valuable resources.

The next step for the Commission is to hold an online work shop in September to discuss the issue. Industry will be expected to put forward data and clear examples as to why guidance levels are working and should be maintained. The EU association have drafted a joint paper and members views are welcomed. DAFM has indicated its intention to support a request from industry to support this call for guidance levels only in feed.

## Igfa Frequently Asked Questions

### What is the difference between being a registered or an approved FBO

Regulation (EC) No 183/2005 Feed hygiene regulation (see [link](#) to latest consolidated version) is of relevance to importers, hauliers and storers of feedingstuffs; manufacturers of additives, premixtures and compound feeds; intermediaries engaged in trade in additives, premixtures, mineral mixtures and nutritional supplements; primary producers of feed materials and the feeding of animals. These are collectively known as 'Feed Business Operators' or FBO's



Article 9 (EC) No 183/2005 states that all FBO's must

- (a) notify the DAFM of any establishments under their control, active in any of the stages of production, processing, storage, transport or distribution of feed
- (b) provide the competent authority (DAFM) with up-to-date information on any establishments under their control, including notifying the competent authority of any significant change in activities and any closure of an existing establishment

### DAFM will register the FBOs and maintain a list

Article 10 (EC) No 183/2005 states that if an FBO is involved in the following activities they must be **approved** by DAFM

- (a) manufacturing and/or placing on the market of **feed additives** covered by Regulation (EC) No 1831/2003 or products covered by Directive 82/471/EEC and referred to in Chapter 1 of Annex IV to this Regulation
- (b) manufacturing and/or placing on the market of **premixtures** prepared **using feed additives referred to in Chapter 2** of Annex IV of Regulation (EC) No 183/2005
- (c) manufacturing for placing on the market, or producing for the exclusive requirements of their holdings, **compound feedingstuffs using feed additives or premixtures containing feed additives and referred to in Chapter 3** of Annex IV of Regulation (EC) No 183/2005

### DAFM will approve the FBOs and maintain a list

#### Where can I find the lists of Irish approved FBOs?

DAFM maintain lists of FBOs - Registered and Approved on their web site. We also have the link to this page in our USEFUL LINKS section above [Irish FBOs](#) or click on list in this table to download

<ul style="list-style-type: none"><li>o <a href="#">Approved Manufacturers (xls 84Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Grain Intake (xls 91Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">Approved Wholesalers (xls 55Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Suppliers (xls 72Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">Approved Retailers (xls 482Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Hauliers (xls 449Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">Registered Manufacturers (xls 60Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Importers (xls 131Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">Registered Wholesalers (xls 100Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Storekeepers (xls 90Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">Registered Retailers (xls 188Kb)</a></li></ul>	<ul style="list-style-type: none"><li>o <a href="#">Registered Renderers (xls 20Kb)</a></li></ul>
<ul style="list-style-type: none"><li>o <a href="#">EU Representatives for Third Country Establishments (pdf 110Kb)</a></li></ul>	

### Back to School



Why not start September with some revision and complete the IGFA developed online course on Feed Regulations & HACCP for Animal Feed Manufacturing.

To book the course go to <https://www.macra.ie/macra-skillnet>. IGFA is committed to ensuring members have access to relevant industry training. We are in the process of developing a new course on Feed Labelling and Claims that will be available before Christmas.