

Information gathering notice under Regulation (EU) No 654/2014 on new US tariffs on imports of various products originating in or from the EU, and possible EU measures in response

IGFA Response to the EU Survey

9th June 2025

Introduction

IGFA represents the compound feed manufacturers, feed material importers, grain intake and premix companies in Ireland. Ireland produces approximately 5 million tonnes of animal feed annually. Our members provide employment for thousands of people throughout the country and are an essential partner in the Irish rural economy.

Proposed list of products subject to possible tariffs

On 8 May the Commission published a list of products which could become subject to EU countermeasures. IGFA welcomes the opportunity to respond to the Commission's public consultation on this list as it includes a number of essential products for the Irish animal feed sector.

While we understand the rationale behind the Commission consulting on US imports which could become subject to EU countermeasures, we are concerned about the impact of these measures on Irish feed and livestock businesses. We strongly urge the Commission to remove animal feed products, and specifically soya bean flour and meal (12081000), cane molasses resulting from the extraction or refining of sugar (17031000) and beet pulp (23032010) from the list.

- **Imports are vital for the Irish feed sector**

It is well documented that Ireland has a deficit in all types of feed materials. Our import deficit can be as high as 60% and imports of product from third country suppliers are therefore absolutely vital for Irish livestock. As a result, sharp market shocks such as tariffs have a significant disproportionate impact on the Irish feed industry.

The US has traditionally been a major supplier of the Irish feed industry. These supplies are a key factor in the cost competitiveness of Irish feed and as a consequence, our livestock sector. The additional costs associated with these proposed tariffs will impact negatively on the whole feed and food supply chain.

- **Lack of alternative supply**

Sourcing some of the feed products on the Commission's list from other origins is simply not possible due to lack of availability. This is particularly the case for cane molasses where origins have been increasingly disappearing over time due to ethanol policies. We currently see little to no molasses coming out of the origins that traditionally supplied the European market (India/Pakistan/East Africa) and this trend looks set to continue. Irish feed manufacturers are completely reliant on imports and Floridian molasses has

therefore played a crucial role in making up the short fall from other origins. In addition, the quality of the Floridian molasses is important for Irish feed manufacturer that develop feed blocks and equine feeds as it is a safe and consistent product.

- **Feed and Food Security**

While IGFA understands the reasons that the EU is imposing countermeasures on US imports, it is vital that EU strategic goals such as feed and food security are not compromised by the move. In recent years agricultural products have been caught in the crossfire of trade disputes that are totally unrelated to the sector. This has added costs, caused disruption and impacted our competitiveness. The list of products which could become subject to EU countermeasures should not penalise EU agricultural producers further and every effort should be made to ensure that these countermeasures do not damage EU businesses.

In the case of soya bean meal, which is a vital feed material for Irish feed manufacturers, alternatives origins are available. However, narrowing sourcing options leaves Irish and EU feed production reliant on fewer origins and therefore more vulnerable to risks created by crop failures, weather events and geopolitical challenges. In addition, the availability of U.S. feed ingredients is not only crucial to ensuring feed and food security but helps our sector in terms of environmental and sustainability challenges.

- **Wider implications of the possible EU rebalancing measures**

Geopolitical challenges over the past number of years have had a significant impact on the EU and Irish feed supply chains. Feed chains have had to adapt to the challenges of Brexit, Russia's war in Ukraine and trade tensions with key international partners, not to mention the impact of EU and global weather events. Balancing the supply and demand of feed ingredients in a cost effective and sustainable way is a challenge and tariffs on US feed products will limit the capacity of EU animal feed manufacturers to do this effectively. These tariffs risk creating unnecessary economic and operational challenges and could result in tighter markets and limited supply flexibility, thereby increasing EU vulnerability.

In addition, Ireland is in the unique position of having a land border with the UK. There is concern about the impact of the proposed countermeasures on the competitiveness of the Irish feed sector in relation to our UK neighbours.

- **Timing**

It is clear that the EU is not in favour of tariffs and did not instigate events over recent months. However, the uncertainty created is having a huge impact on an already volatile feed market. Challenges created by tariffs are only exacerbated if the feed sector is not given enough time to adapt, prepare and plan. Tariffs introduced at short notice result in unexpected additional costs that have to be borne by Irish feed supply chains. Forward buying is common practice to ensure a stable supply and if tariffs are introduced, significant extra, unrecoverable costs will unfairly fall on businesses that purchased the products in good faith. If introduced, the commission should take steps to limit the impact of tariffs on Irish and EU businesses and phase them in over time in consultation with industry.

Conclusion

IGFA requests that the commission removes soya bean flour and meal (12081000), cane molasses resulting from the extraction or refining of sugar (17031000) and beet pulp (23032010) from this latest list of proposed EU countermeasures. These products are vital for the Irish feed sector and the cost implications of tariffs on these products would be hugely detrimental to the Irish livestock sector and agricultural economy. IGFA believes that tariffs increase costs for consumers and businesses, create uncertainty and reduce competitiveness. We therefore support the EU's approach to continue a dialogue with the US and urge the Commission to find a negotiated solution.