

A glass half empty? Commission downplays the risk of supply disruption by proposing a solution for feed only

Member States soon to consider a proposed technical solution for the low level presence of not yet EU authorized GM events for feed only

The Commission services have now presented to Member States for consideration a long awaited “technical solution” for the low level presence (LLP) of not yet EU authorized events for feed only.

This points into the right direction after the summer 2009 crisis, when about 180.000 tons of soybeans were denied access to the EU because of traces of not yet authorized GM maize. However, the proposal to apply this method only to feed and not to food will leave industry players still operating under legal uncertainty and will expose them to the high risk of supply disruption. Numerous players, food industry sectors and consumers, may be negatively affected by product recalls, supply disruptions and additional costs. FEDIOL is disappointed that the Commission services have not listened to the call made by the sectors concerned to seek a solution for food and feed. It is critical that the scope of the Commission proposal is extended to food.

The “feed only” approach looks more like a “glass half empty” because it does not address the reality of the problem on the ground. The food and feed supply chains are deeply interconnected and their total separation is not workable or economically viable. Numerous oil crops are imported to complement EU production and supplies which are used for both food and feed applications (soybean, sunflower seeds, rapeseeds). The absence of a technical solution for food is likely to lead to outsourcing of some crushing capacities, raising a fundamental question over the future of primary food processing in Europe. The risk of finding traces of unauthorised events will be too high to continue supplying the food market. This will affect the economic viability of soybean crushing in Europe, forcing the EU crushers to considerably reduce or even abandon their soybean crushing activities, which represent about 28% of the sector’s roughly 20 billion euro turnover. As a consequence, FEDIOL members fear the deterioration of the competitiveness of the crushing sector and of the overall investment climate.

FEDIOL strongly believes that the so-called “technical solution” must include food in addition to feed and calls on the European Commission and Member States to consider a solution based on the realities of the commodity and the food manufacturing markets.

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