

The Vital Link in the Food Chain

Brussels, 29 April 2022

PFP members must be considered as priority sectors in possible gas rationing

Background – The EU regulation EU 2017/1938¹ on the safeguarding of gas supplies required Member States to cooperate and to set up and agree on joint preventive and emergency measures. Over possible gas supply disruption, as a consequence of the Russian invasion of Ukraine and applied EU sanctions, few EU countries have triggered the first stage of their emergency plans. They are urging consumers and companies to reduce consumption in anticipation of possible shortages, as the first of three steps designed to prepare countries for a potential supply shortage. In their final stage, emergency plans of governments would bring in gas rationing. The issue will be addressed at national level, although the EU may provide guidance, if the situation escalates. The decision by the Russian operator to suspend gas deliveries to Bulgaria and Poland is likely to trigger a coordinated response from the EU beyond targeted Member States.

PFP views - In a context of tight supplies in certain commodities (wheat, sunflower oil, maize) due to the war in Ukraine which has already led to tightening of available food ingredients for manufacturers and for consumers, Members of PFP are concerned by the additional strain which potential gas rationing would trigger for availability and prices of food and feed that are essential for EU citizens and for livestock.

This calls for specific treatment of priority sectors, as was the case during the COVID-19 crisis for "essential goods such as food supplies including livestock, vital medical and protective equipment and supplies". Specific treatment of priority sectors should aim to avoid serious disruption of supply chains, essential services of general interest and of national economies and the EU economy as a whole.²

Primary producers are processing agricultural commodities in a continuous process which is not compatible with a stop-and-go approach. For certain processing plants a shut-down and restart implies following precise protocols with gradual steps that are necessary to meet safety requirements. The negative impact on the overall volume that can be processed would, hence, be more important.

¹ Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, pp. 1-56)

² 16 March 2020 European Commission "Guidelines for border measures to protect health and keep goods and essential services available"



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The continuous availability of flour, vegetable oil, starch, sugar, cocoa products, and plant-based protein is crucial for further processing of food products as well as for feed and industrial outlets. Lack of continuous supplies of main food ingredients would put at risk our food chains and the availability of food supplied to EU consumers, potentially affecting all products containing one or more of above-mentioned ingredients. Lack of continuous supplies of many co-products that are used as processed feed materials in compound feed would have devastating impact on animal husbandry and livestock farmers, hence affecting products of animal origin on the shelves as well.

end

The **Primary Food Processors of the EU** (**PFP**) is composed of:

European Committee of Sugar Manufacturers (CEFS)
European Cocoa Association (ECA)
European Flour Milling Association (European Flour Millers)
European Vegetable Protein Association (EUVEPRO)
European Vegetable Oil and Proteinmeal Association (FEDIOL)
European Starch Industry Association (Starch Europe)