



The Vital Link in the Food Chain

## Making the vital link in the food & feed chain increasingly sustainable: PFP policy priorities for the new EU legislative mandate

EU Primary Food Processors (PFP) represent a vital link in the food and feed chain, turning agricultural raw materials from farmers into a range of safe and high-quality primary food products for human consumption, animal feed materials, and bio-based non-food products.

Our industries transform over 220 million tonnes of agricultural raw materials every year, sourced from the EU but also from third countries. We are the largest users of domestic cereals, starch potatoes, sugar beet and oilseeds in the EU. We are also sizable users of imported commodities, such as cocoa, soybeans, tropical oils and, to a certain extent, high-quality wheat.

With the energy crisis on the back burner and the climate and geopolitical challenges ahead, the PFP sectors call on public authorities to put in place supportive policies so that we can continue to deliver efficiently produced, high-quality food and feed to customers and consumers in an increasingly sustainable way.

### 1. Energy and climate policies that support the sustainable transition of our sectors

Primary food processing is the most energy-intensive link in the EU agri-food supply chain. Our sectors are already investing long-term resilience through renewable energies, energy efficiency, such as combined heat and power installations, and other decarbonisation technologies, and will continue doing so where feasible. Decarbonisation of our sectors will be critical to the sustainability of the EU's entire food system. This means:

- ❖ Unlocking **access to financing opportunities** for our sectors, for example EU and national grants and loans for capital-intensive investments, and support for higher operational expenditure associated with decarbonisation, such as Carbon Contracts for Difference, as well as mobilising development funds to support the transition to sustainable production in third countries.
- ❖ Delivering the **framework conditions** necessary to electrify our production processes (where this is possible), such as expanded **electricity grid infrastructure** (especially in rural areas) and **lower electricity prices**, e.g. via cutting taxes, tariffs and levies and ramping up the installation of new renewable energy capacity.
- ❖ Fostering policies that promote the **use of own biomass streams** as a source of renewable energy generation (e.g. biomethane and solid biomass). Such policies are necessary if we are to get to zero carbon emissions.
- ❖ An incentive-based framework to drive reduction of our **scope 3 (i.e. farm-level) emissions**. Certification of carbon removals should provide adequate incentives for



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farmers to remove and reduce carbon emissions. Any ETS for agriculture must be carefully designed to avoid increasing costs for farmers and primary food processors.

### 2. An enabling food and trade policy environment

The transition to sustainable food systems necessitates a collaborative approach involving institutions and stakeholders across various sectors. The Strategic Dialogue on the future of EU Agriculture is a real opportunity to find common ground within the agri-food supply chain and develop comprehensive and effective policies to improve EU food security and sustainability. This means:

- ❖ Supporting farmers' resilience via an **adequate agricultural toolbox** supporting greater yield stability and quality in a context of climate change and declared ambition to reduce pesticide use. It is essential to have access to non-chemical alternatives when removing plant protection products for agricultural raw materials sourced by PFP sectors.
- ❖ Policy initiatives to scale up **sustainable farming practices** by promoting carbon farming, precision agriculture, redefining sustainable ways of using farmland, and improved farm-level monitoring of sustainability indicators.
- ❖ Swift progress on **New Genomic Techniques (NGTs)** legislation, which will be a cornerstone of the EU's agricultural competitiveness in the years to come, thereby supporting the competitiveness of the EU's primary food processing industries.
- ❖ A **trade policy framework** that recognises the higher social and environmental standards with which our sectors must comply. Policy decisions should not increase trade uncertainty and production costs, and if they do, the cost they incur to European primary food processors, compared to their international competitors, must be recognised. The EU must uphold high social and environmental standards, whilst encouraging global cooperation to drive the convergence of sustainable food systems to ensure a level playing field.
- ❖ A **framework for cooperation with third countries** with a view to raising sustainability standards in agriculture and to avoid undesired indirect effects such as leakage.

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

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

Primary Food Processors  
Avenue de Tervueren 168, B-1150 Brussels  
Transparency Register n° 71338036982-24  
[www.pfp-eu.org](http://www.pfp-eu.org)