



## The Vital Link in the Food Chain

Brussels, 17 December 2025

### A Year-End Open Letter: Europe's Primary Food Processors Warn of Rising Competitiveness Pressures

As presidents of organizations representing Europe's Primary Food Processing Industry, we write to close the year with a clear and united assessment of our sector's viability. The resilience of primary processing is essential for Europe's food security, rural economies and the strategic autonomy the EU seeks to strengthen. The pressures we face have shifted from temporary strain to structural pressure, with serious consequences for future investment, production and food security. To ground this discussion in evidence, we commissioned a study with Wageningen University earlier this year:

Raw material processing in sugar, starch, cocoa and flour has contracted since 2022, driven by higher input prices, weakening consumer demand and increasing climate-related volatility. These trends show that the sector is no longer experiencing temporary fluctuations but a sustained structural pressure.

At the same time, economic viability is eroding.<sup>1</sup> Real turnover has fallen by nearly 10% since 2021, underscoring a significant loss of competitiveness and financial resilience.<sup>2</sup>

#### We need a primary food processing industry in Europe

Primary food processors convert over 220 million tonnes of agricultural commodities each year into essential ingredients, generating €70 billion in turnover and supporting more than one million farming families and 120,000 industrial direct jobs. This first industrial link is indispensable to Europe's food security, rural economies and the functioning of downstream food and feed supply chains.

Yet rising production costs, heavy decarbonisation pressures in an intensified global competition are undermining the viability of these operations. At the same time, our sector is not recognised within EU industrial policy frameworks, limiting access to state aid, transition finance, accelerated permitting and other instruments available to competing sectors.

If this trend continues, Europe risks losing its processing capacity, shifting value creation outside the EU, weakening the economic backbone of rural areas and increasing dependence on imported processed ingredients. Protecting primary processing is therefore essential to safeguard Europe's food security, competitiveness and strategic autonomy.

#### Our Call to EU Policymakers: Ensure Primary Processing Can Compete and Deliver

Acknowledging that primary food processors are strategic for the EU food-security, we urge the European Commission, Member States and European Parliament to start 2026 with a clear signal for our industries:

- Recognise that primary processors and farmers are equally essential and deeply interdependent parts of the EU food supply chain, and ensure both sides have predictable, competitive conditions so that farmers can grow and processors can transform the raw materials that keep Europe's food value chains functioning

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<sup>1</sup> Virág Szijjártó, Michiel van Galen, Irina Verweij-Novikova, *Primary food processors in the EU – an essential and efficient engine of the food chain*, Wageningen Social & Economic Research, April 2025

<sup>2</sup> Eurostat



## The Vital Link in the Food Chain

- Establish a competitiveness-proof decarbonisation framework which recognises the unique needs (e.g. rurality, seasonality, thin margins) and contribution of our sectors to food systems resilience
- Reduce Europe's structural energy cost disadvantage - Europe must ensure affordable clean energy for primary processors, speed up the infrastructure needed for their transition, and close the competitiveness gap with global producers that puts the future of EU industries at risk.
- Recognise primary food processors within EU industrial policy frameworks: It is imperative to include our sector in strategic value chain and industrial competitiveness initiatives alongside other priority industrial sectors.
- Provide regulatory predictability and reduce compliance burden: set the right framework for farmers and primary food processors to deliver sustainable, competitive, and affordable food that benefit European citizens.

We stand ready to work with EU institutions to ensure that Europe retains the industrial capacity essential to feeding its citizens — but urgent action is now required.

Giovanni Tamburini, CEFS President

Emiel Van Dijk, ECA Board Member

Francesco Vacondio, EFM President

Christophe Lescroart, Starch Europe President

Sophie Verpoort, EUVEPRO President

Christophe Beaunoir, FEDIOL President

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](#))

PFP members process approximately **220 million tons** of raw materials (cereals, sugar beet, rapeseeds, soybeans, sunflower seeds, crude vegetable oil, cocoa products, starch potatoes...) **employing over 120 000 people** in the European Union.