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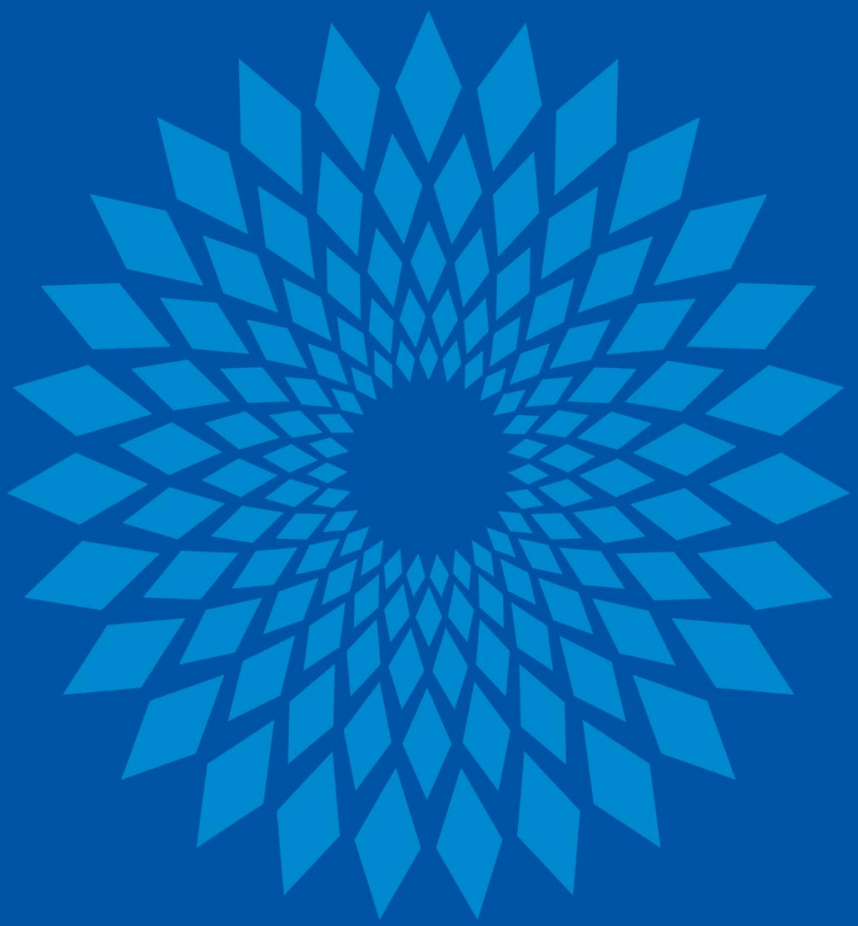

"ENSURING FOOD SECURITY – THE ROLE OF EU AGRICULTURE AND FOOD INDUSTRY IN SUSTAINABLE GLOBAL FOOD PRODUCTION"

Informal Meeting of Ministers of Agriculture
Prague, the Czech Republic, 16 September 2022

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To the memory of the 200th anniversary of the birth of Johann Gregor Mendel, "The Father of Genetics"

The humble genius Johann Gregor Mendel was born on 20 July 1822 into a German-speaking family in Hynčice, Moravia, eastern part of the Czech Republic. By joining the Augustinian order in Old Brno, Gregor Mendel received new opportunities of education and research. His superior sent him to study in Vienna, which was a key factor in his later experiments with the common pea and with other plants. It is there that he was educated in the exact sciences. Through mathematics and physics, he learnt to make statistical analyses, to plan experiments, and in general to apply the scientific methods. He made his experiments for 9 years the results of which led to the formulation of three principles, which we now know as Mendel's laws. He did not receive recognition until 1900, when his discoveries were confirmed and Johann Gregor Mendel was dubbed the "Father of Genetics".[1]

[1] *Gregor Johann Mendel.* (n.d.). Masaryk University - Mendel Museum https://mendelmuseum.muni.cz/en/about-the-museum/gregor-johann-mendel (Accessed: 26 August 2022).

Introduction

The world is facing a global food crisis that is worsening by the day. With less than a decade left to achieve Zero Hunger as a key element of the UN Sustainable Development Goals (SDGs), we are moving backwards on eliminating hunger and malnutrition. In 2021, as many as 828 million people (9.8% of the world population) were affected by hunger (46 million more than in 2020 and 150 million more than in 2019).[2] This alarming trend has continued through 2022. In their latest joint outlook report on 'hunger hotspots',[3] the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP) warn that acute food insecurity globally continues to escalate and is set to deteriorate further in 20 countries and territories in 2022.

SDG 2 clearly recognizes the inter linkages among sustainable agriculture, small farmers production, gender equality, poverty, healthy lifestyles and climate change. Advancing climate change, currently in the form of drought in many regions, causes further uncertainty. The United Nations High Commissioner for Refugees (UNHCR) research[4] suggests that climate-related disasters could double the number of people requiring humanitarian assistance annually to 200 million by 2050.

As the world population continues to grow, much more effort and innovation are urgently needed to sustainably increase agricultural production, improve the global supply chain, decrease food losses and waste, and ensure that all people suffering from hunger and malnutrition have access to nutritious food. In this regard we should take into account that according to FAO, in 2020 the world produced about 4 billion metric tons of food per year – but about 1.3 billion tons went to waste.

The consequences of food shortages are not only direct but also indirect such as political instability, conflicts and migration from the affected regions. As discussed in the Informal meeting of Home Affairs Ministers in Prague on 11 July 2022 and the Informal meeting of Ministers of Foreign Affairs on 30 August 2022, the European Union (EU) experiences perhaps the most challenging times in its history, in terms of the geopolitical situation but also in terms of migration, conflicts and displacement.

With many low-income countries and vulnerable populations still struggling with the lingering effects of Covid-19, the Russian aggression against Ukraine has led to escalating price shocks in the global food, energy and fertilizer markets, which are further exacerbating the dire food security situation in many countries. Moreover, the shortages of commodities or raw material supplies cause significant inflationary pressures.

While food security in the EU is not at risk, it is becoming a growing concern for EU Member States to ensure the affordability of food in times of increasing inflation for low-income households

[2] *FAO, IFAD, UNICEF, WFP and WHO.* (2022). The State of Food Security and Nutrition in the World 2022. Repurposing food and agricultural policies to make healthy diets more affordable. Rome, FAO. https://doi.org/10.4060/cc0639en (Accessed: 26 August 2022).

[3] *WFP and FAO.* (2022). Hunger Hotspots. FAO-WFP early warnings on acute food insecurity: June to September 2022 Outlook. Rome. https://www.fao.org/3/cc0364en/cc0364en.pdf (Accessed: 26 August 2022).

[4] *UNHCR.* (2020, November 30). Climate change is the defining crisis of our time and it particularly impacts the displaced. https://www.unhcr.org/en-us/news/latest/2020/11/5fbf73384/climate-change-defining-crisis-time-particularly-impacts-displaced.html (Accessed: 26 August 2022).

in particular. The EU and its Member States also have a decisive contribution to make to global action aimed at alleviating the immediate humanitarian needs caused by the food crisis in vulnerable low-income countries.

As Russia's invasion of Ukraine has significant consequences for European agriculture and more broadly for global food security, it has not put an end to the biodiversity crisis and the climate change crisis. The Farm to Fork (F2F) Strategy remains our roadmap to make our food systems more sustainable and resilient.

Record high global food prices

The impact of Russia's invasion of Ukraine on world commodities markets has been immediate. Supply disruptions coupled with market uncertainty, amplified by export restrictions implemented by more than 20 countries, have driven food prices up to record levels. The FAO Food Price Index reached an all-time high in March 2022 (up by almost 30% compared to 2021). Since then, there has been a decrease, but prices remain high above pre-war levels. The Covid-19 pandemic tested the functionality and efficiency of the commodity market at EU and global level. Unfortunately, it can be assumed that the current crisis is of a deeper nature than the one triggered by the pandemics and that food security could be affected more severely.

Russia and Ukraine are among the biggest producers and exporters of agricultural commodities. In 2021, at least one of the two countries ranked amongst the top three global exporters of wheat, maize, rapeseed, sunflower seeds and sunflower oil. Russia and Ukraine account for some 30% of global wheat exports, and the Black Sea region is truly a breadbasket for a great number of countries, in particular in the Near East and Africa. According to FAO data, almost 40% of total African wheat imports come from Russia and Ukraine and over 30 countries depend on Russia and Ukraine for at least 30% of their wheat import needs (for at least 20 countries, the percentage is even above 50%). WFP, which feeds some 125 million people, buys 50% of its grain from Ukraine.

The first ships since the Russian invasion in late February have left Ukraine's Black Sea ports laden with wheat and maize, under the deal brokered by the UN, but still some uncertainties remain as to Ukraine's capacity to resume its grain exports at a normal rate of 4.5 million tons per month, as 90% of Ukraine's agricultural commodities are normally shipped from these ports.

Addressing food security crisis

Since the beginning of the war in Ukraine, the international community has expressed its concerns about the severe impact of the war on food security, especially for vulnerable countries and populations, and has stressed the need for urgent action. This has resulted in two resolutions being adopted by the UN General Assembly[5] and a great number of initiatives being introduced

[5] *United Nations.* (2022, March 2). Resolution adopted by the General Assembly, ES-11/1. Aggression against Ukraine. https://digitallibrary.un.org/record/3958976?ln=en (Accessed: 23 August 2022).
United Nations. (2022, May 23). Resolution adopted by the General Assembly, ES-76/264. State of global food insecurity. https://digitallibrary.un.org/record/3975428?ln=en (Accessed: 23 August 2022).

by international organizations, UN agencies,[6] groups of countries and a range of partnerships, to address the consequences of the war for global food security, such as the Global Crisis Response Group on Food, Energy and Finance, G7 Global Food Security Alliance, FARM (Food and Agriculture Resilience Mission), G20 Agricultural Market Information System (AMIS), WTO Declaration on the Emergency Response to Food Security and OECD Policy Responses on the Impact of the War in Ukraine.

At EU level, the European Council (under French as well as current Czech Presidency) has addressed the issue of food security as a key priority for this year, expressing the EU's full commitment to working with its global partners and calling for effective international coordination.

In order to help Ukraine to bring its grain to the world markets through alternative routes, the EU has implemented an action plan on EU-Ukraine Solidarity Lanes in record time aimed at facilitating the export of Ukrainian commodities over land and by inland waterways. It provides for a series of concrete actions ranging from easing customs controls and export certificates to providing the necessary equipment and ensuring transhipment facilities. Thanks to the great efforts of the European Commission and the active involvement of the authorities and economic operators in Member States, many of the major bottlenecks have been tackled effectively and grain exports over land are now steadily increasing.

The EU also mobilizes significant resources to provide short-term support to countries most in need, including a pledge of EUR 2.5 billion in humanitarian assistance for 2021-2024, the EU Emergency Support Programme (EUR 300 million) and a EUR 225 million Food and Resilience Facility for the Southern Neighbourhood Partners.

Food security in the EU

Food security in the EU is not at risk thanks to the stable production supported by the Common Agricultural Policy (CAP). The EU is self-sufficient in cereals as it is in most food commodities as meat dairy and eggs.

The EU exports of cereals, which were already on the rise before the Russian invasion of Ukraine, increased by 9% to 46.9 million tons in 2021/22. However, EU cereal production in 2022/23 looks less promising and could reach only 278.5 million tons (-5.2% year-on-year and -2.4% below five-year trimmed average), cereal exports are still forecasted at one of the highest levels ever thanks to continuing decreased feed use and the comfortable stocks levels.

To ensure sustainable agricultural and food production in the EU as a contribution to global food security, the viability and competitiveness of the European agri-food industry need to be maintained. Given the ambitions to reduce agricultural inputs significantly, in line with the F2F and Biodiversity strategies, this will be a huge challenge for both the farmers and food producers and suppliers of agricultural inputs in the whole of the EU. The objective of reducing use of chemical pesticides in EU agriculture by 50% by 2030 will put big pressure on farmers who are

[6] *FAO* (2022, March 8), Report of the Council of FAO, Impact of the Ukraine-Russia conflict on global food security and related matters under the mandate of the Food and Agriculture Organization of the United Nations (FAO). https://www.fao.org/3/ni778en/ni778en.pdf (Accessed: 23 August 2022).

faced with a number of new pests and diseases coming to the EU territory from other continents. Even today, the decreasing range of active substances makes the EU plant production and storage more and more difficult while a number of producer countries around the world do not aim at reducing amounts of pesticides used and allow for using substances that are not authorised in the EU, thus creating competitive advantage for their production. Therefore, a complex approach to plant protection against pests and diseases must be applied by the EU.

The European Commission has already presented a range of short-term and medium-term actions to enhance global food security and to support farmers and consumers in the EU in light of rising food prices and input costs, such as energy and fertilizers. However, efforts to increase EU production should be also accompanied by food waste mitigation. The EU wastes vast amounts of food every year, estimated to be as high as 173 kg of food per person, therefore is firmly committed to achieving the global target of halving food waste by 2030 and reducing food losses along the production and supply chains. The forthcoming legislative proposal will provide further impetus to drive reduction of food waste. While there is a growing drive to address food waste at the retail and consumer level, food loss at farm levels is often overlooked. In line with the F2F Strategy, the European Commission intends to investigate this issue further by assessing the amounts of food loss and waste in agriculture and by analysing the measures to reduce these.

Science and Innovation in the context of the Green Deal objectives

In the last twenty years, there have been significant developments in biotechnology including new genomic techniques (NGTs) that allow producing alterations of the genetic material with higher precision and speed. In theory, similar alterations could also be obtained by natural mutations or conventional breeding techniques, but it would take much longer and the result would not be guaranteed.

Studies carried out by the European Commission so far on NGTs show that they have the potential to positively influence food security, sustainable agriculture and food systems in the context of the European Green Deal and the F2F Strategy by reducing the use of agricultural inputs.

The use of NGTs develops rapidly, with some products already marketed in third countries. In the current global food crisis, the EU cannot afford to miss opportunities these modern breeding techniques can provide. The EU should respond as quickly as possible to developments in biotechnology in order to reflect new scientific knowledge, not to hinder innovation and not to jeopardize EU's competitiveness. In light of the different regulatory oversight in other countries, not exploiting the potential benefits of NGTs could put EU operators at a competitive disadvantage, with negative consequences.

The initiative to create a new legal framework could ensure legal certainty for all stakeholders on the European market while not lowering European food safety standards. In September 2021, the Commission published an Inception Impact Assessment[7] for a policy initiative which would establish proportionate regulatory oversight, consider sustainability benefits, and appropriate

[7] *European Commission - DG SANTE (Unit E3 – Biotechnology)* (2021, September 24). Inception Impact Assessment - Legislation for plants produced by certain new genomic techniques. https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=PI_COM:Ares(2021)5835503 (Accessed: 23 August 2022).

traceability and labelling requirements. The Commission is currently working on its Impact Assessment and may present a legislative proposal in mid-2023.

The way forward

A great number of actions and initiatives has been launched at international, EU and UN levels to address the unfolding food crisis and avoid further escalation. The EU and its Member States will also continue to ensure that the sanctions packages adopted at EU level do not target food and that they are not affecting flow of food, agricultural products and inputs such as fertilizers and seeds, and the delivery of humanitarian assistance.

The EU should also fight against Russia's disinformation which falsely blame sanctions for the deteriorating global food security. There is a need to continue to clearly and effectively communicate EU actions to the global public and prevent Russia's efforts to use food as a weapon with global repercussions.

Not only the EU, but also the entire international community must respond with strong and coordinated humanitarian, development and peacebuilding efforts, strengthening nutrition, food security and health. The EU Member States are a solid part of the international community and important actors in these efforts. Although the EU is unlikely to face real food shortages, the further price increases are turning the current food crisis into a socio-economic problem. This global crisis is having a particular impact on food prices and affordability for the majority of the world's population, and this trend could continue in the future.

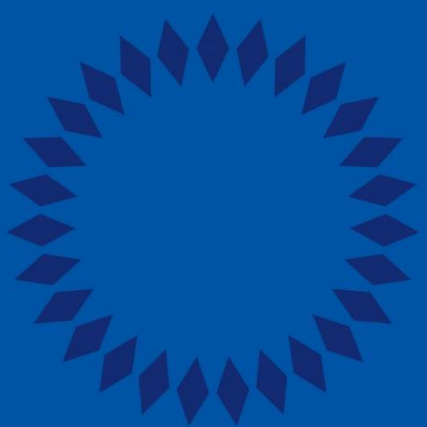
Due coordination at all levels remains critical to ensure that ongoing initiatives to address the global food security crisis are closely linked. This will require an integrated EU approach aimed at maximizing synergy and complementarity. Trade policies, based on both multilateral and regional approaches, can address today's challenges for sustainable development by ensuring fair and open international trade based on international rules.

Given expected changes in temperatures, precipitation and pests associated with climate change, we should increase our efforts and investment in research, development and demonstration of technologies to improve the sustainability of EU and global food system. Wise management of scarce water through improved irrigation and storage technologies, combined with development of new crop varieties, can contribute to sustaining productivity. In the light of future challenges related to global food insecurity and associated risks, the time may have come to reconsider some traditional approaches in favour of the modern ones including the use of new genomic techniques.

Questions for discussion

- With regard to current and future challenges (climate change, war, inflation etc.), how to coordinate better within the EU and worldwide to achieve more synergies and efficiency of all actions to ensure global food security?

- Actions discussed to develop more sustainable food systems are often focused on de-intensification. What could be the contribution of new technologies and new breeding techniques to reach more sustainable food systems?



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