FEED SUSTAINABILITY CHARTER

FEFAC
Experts in Animal Nutrition

PROGRESS REPORT 2021

CONTRIBUTE TO CLIMATE-NEUTRAL LIVESTOCK & AQUACULTURE PRODUCTION THROUGH FEED

FOSTER SUSTAINABLE FOOD SYSTEMS THROUGH INCREASED RESOURCE & NUTRIENT EFFICIENCY

PROMOTE RESPONSIBLE SOURCING PRACTICES

CONTRIBUTE TO IMPROVING FARM ANIMAL HEALTH & WELFARE

ENHANCE THE SOCIO-ECONOMIC ENVIRONMENT AND RESILIENCE OF THE LIVESTOCK & AQUACULTURE SECTORS

Introduction

A message from FEFAC President, Asbjørn Børsting

Welcome to the 1st FEFAC Feed Sustainability Charter Progress Report. This will be our public annual reporting format on the road towards 2030. I am very pleased with how the publication of our Feed Sustainability Charter was received and how often I see it used as a reference when it comes to the topic of sustainability in feed and livestock production. Our efforts to go from vision to practical implementation are already bearing fruit, with a new batch of FEFAC members ready to present their agenda for action on sustainable feed production at a national level.

Needless to say, the outbreak of COVID-19 has led to a strange and exhausting year. The impacts on animal production value chains have been large, however, I am sure that in the feed industry we are in general quite relieved that industrial compound feed production has stayed relatively stable. As much as I value the importance of sustainability, this year has managed to put the spotlight on strengthening the resilience of our food production system to boost food security and tackle vulnerabilities. It is perhaps a silver lining in a troublesome year caused by COVID-19, as in Europe the availability of food is in principle taken for granted.

It's also been a full year of debate on transitioning to more sustainable food systems, following the release of the European Commission Farm to Fork Strategy Communication in May 2020. Livestock production as

well as meat and dairy consumption are often at the heart of the debate. There is a powerful lobby force out there that looks at the Farm to Fork Strategy as the long-anticipated opportunity to do as much legislative damage as possible to our value chain partners. It is key that the message on increased sustainability in livestock production remains heard in the cacophony of calls to make plant-based diets the only way forward.

Since the release of our Feed Sustainability Charter in September 2020, we have tried to take the publication forward in the most practical way possible in these digital times. FEFAC organised a series of #FEFACCharter2030 webinars, which are further highlighted in the upcoming chapters. Using these kinds of communication tools was new to FEFAC, but I am very pleased to see how this allowed us to reach audiences well beyond the usual Brussels "EU stakeholder setting". In addition to the organisation of events with FEFANA, FEDIOL, UECBV and EDA, it also led to a first-ever joint event with AFIA, our friends from the American Feed Industry Association.

We are now at the doorstep of some legislative proposals of key importance to our sector. First of all, the foreseeable future of EU agriculture is entering a decisive stage, as the new Common Agricultural Policy is looking to be agreed upon by the end of this year. From a broader economic perspective, the expectations for what will be considered "sustainable production" will receive a milestone push with legislative proposals that are expected to put the Product Environmental Footprint (PEF) method at the core of "green claims". We've been strongly reminded, including at the FEFAC Congress event in September 2020, that everybody is looking at us to 'solve' the issue of embedded deforestation in soy supply chains. With the release of the FEFAC Soy Sourcing Guidelines 2021 in February, we are fortunately looking well prepared before entering the upcoming legislative process led by the European Commission. Innovative strategies and feed formulation are also expected to help reduce livestock emission and support animal health and welfare. The announced revision of the feed additives legislation with a clear objective to facilitate market access for innovative products is highly welcomed.

As stated in the original publication, the FEFAC Feed Sustainability Charter 2030 is there to facilitate the 'feed sustainability journey' in FEFAC member countries. It is not about asking everybody to run a marathon tomorrow, it is about getting everybody to start running and make progress. Given that the Feed Sustainability Charter with all the FEFAC member commitments was released so shortly ago, it proved difficult to already include progress reporting from the national level in this publication. I'm very pleased however that we are able to include several new national Sustainability Agendas and Roadmaps, this time from our members from France (EUROFAC), Ireland (IGFA), Poland (IZP) and Spain (CESFAC).

This first Charter Progress Report is the next milestone in FEFAC's sustainability journey, which is in fact having an impact beyond the world of feed. It is encouraging to know that our Charter publication from September 2020, even inspired several value chain partners to also start developing a sectoral Sustainability Charter or Vision at EU level! All the more crucial to maintain a high level of performance and deliver a Progress Report that continues to inspire.

Asbjørn Børsting
FEFAC President

Ambition 1

Contribute To Climate-Neutral Livestock & Aquaculture Production Through Feed

With the PEFCR Feed for Food-Producing Animals and the GFLI Database, feed companies have two complementary tools to help them model, calculate and report the environmental impacts of their compound feed production, up to farm gate level. FEFAC has been delivering on its commitment to facilitating the uptake of these tools by feed companies, with a webinar held for an international audience. In the past year FEFAC has started its engagement to share its expertise for the modelling of emissions at livestock farm level in relation to feed digestion, with a particular focus on methane and ammonia emissions.

EU Green Deal objectives

Achieving Climate Neutrality

Reduce the environmental & climate footprint of the EU food system

UN Strategic Development Goals

The livestock sector is keenly aware that if it wants to stand a chance at mitigating its environmental impacts, it must look at what happens with the feed. The largest share of the total GHG footprint of particularly pig & poultry meat, fish and egg production is concentrated in the feed sourcing stage. For the compound feed sector there lies an undeniable responsibility, but at the same time a clear opportunity to present solutions to increase sustainable feed production. On 17 March 2021, FEFAC co-organised a webinar with the American Feed Industry Association (AFIA) on the practical implementation of the PEFCR Feed and the GFLI

Database, the two key tools to assist compound feed manufacturers in calculating and reporting their environmental footprint over 16 LCA impact categories. FEFAC foresees that the PEFCR Feed will become the official methodological reference for substantiating green claims in compound feed production.

The new frontier in environmental impact modelling is the accurate and truthful measurement of the impact of innovative feed ingredients and feeding strategies on reduced GHG and ammonia emissions at livestock farm level, following feed digestion. It may sound logical that scientifically confirmed solutions made available on the market function as promised, but developing an EU harmonized method for assessing and reporting reduced methane and ammonia emissions based on the feed digestion is still a very complex task that needs to be completed. In the PEF Technical Advisory Board Agricultural Modelling Working Group (PEF TAB AWG) led by the European Commission, FEFAC is directly engaged on the modelling of methane and ammonia emissions at farm level following feed digestion. Through its membership to IFIF, FEFAC is also keeping track of discussions in the FAO LEAP Technical Advisory Group on Methane.

Methane is attracting most attention either way, also because the European Commission released a Methane Reduction Strategy on 14 October 2020 which included the recommendation from its 2030 Climate Target Plan Impact Assessment to accelerate efforts to reduce methane emissions up to 35–37% by 2030 compared to 2005 levels. The release of the methane strategy has educated people on the fact that agriculture is not the only economic sector where methane is emitted, however, it can be expected that cattle production will be required to show progress in methane emissions reductions. It is estimated that at global level agriculture is responsible for 53% of the total human-made methane emissions, where enteric fermentation in ruminant animals play a significant role.

Source: European Commission Factsheet Methane Strategy

> **Agriculture, waste and energy account for up to 95% of human-made methane emissions worldwide.**

On 12 April, FEFAC hosted a webinar on managing methane emissions in livestock farming, with support from the European Dairy Association (EDA) and the European Livestock and Meat Traders & Processors Union (UECBV) as well as the participation of the EU Farmers & Cooperatives organization (Copa-Cogeca). It showcased several animal nutrition strategies to help reduce methane emissions and highlighted what it takes to make them fully operational and accessible for all livestock farmers. It is essential that the farm modelling that is developed for calculating methane emissions reduction from enteric digestion of feed is adequately capable of capturing innovative feed solutions and feeding strategies. In the PEF TAB AWG, FEFAC advocates for the required reporting at IPCC Tier 3 level as the favoured option (i.e. reporting takes place at operational level and not at regional or country level). Of course, for the method to work, access to data will be crucial.

Nick Major elected GFLI Chair

On 12 November 2020, the GFLI elected Nick Major as its new Chair. Major is a former FEFAC President and sits on the GFLI Board on behalf of FEFAC. He fulfilled the role of Vice-Chair of the GFLI since its foundation.

gfli
Global Metrics for Sustainable Feed

CESFAC – Confederacion Espanola de Fabricantes de Alimentos Compuestos para Animales

CESFAC sets out the way forward with its CESFAC Sustainability Agenda 2030

Animal feed manufacturers, joining forces with our partners in the food chain, have the opportunity to enhance their collaboration towards obtaining ambitious results: a production and transformation more sustainable, efficient, resilient and aware of the environmental and social problems.

As a sign of commitment, strategies and actions have been carried out framed in the CESFAC Sustainability Agenda 2030. For its development, several tools have been designed with the administration and in collaboration from other stakeholders, such as the National Roundtable of Sustainable Feed Materials chaired by the Spanish Ministry of Agriculture, Fisheries and Food.

As part of our Sustainability Agenda 2030, CESFAC has advocated for **feed materials responsible sourcing and committed to the fight against deforestation**. As a commitment of the sector, CESFAC with the support of IDH (Sustainable Trade Initiative), have carried out a project that reflects the current situation with sustainable supply in the compound feed industry in Spain, mapping out soy related to responsible soy supply and soy flows from Brazil and Argentina to Spain. The results of the study are the basis for the advancement of the sector towards a responsible soy market that ensures the future increase of sustainable soy and committed to the fight against deforestation aimed at reaching 100% of imported soy of low deforestation soy origins by 2030, which will include intermediate milestones, evaluation and pertinent actions in 2024 and 2027.

In addition, the CESFAC Sustainability Agenda 2030 includes additional actions to contribute to a more sustainable feed production such as promote the **Spanish Protein Plan** or contribute to the circular economy through the valorisation of co-products. Moreover, CESFAC is developing a **communication strategy** as part of the CESFAC Sustainability Agenda 2030. CESFAC is a founding member of a Spanish platform initiative to counter misinformation about the livestock sector, **Somos Ganadería**, which brings together a group of associations linked to animal production in Spain and similar to EuropeanLivestockVoice. Recently, the **#REALIDADGANADERA** campaign was launched through the following webpage: https://realidadganadera.es/

Ambition 2

Foster Sustainable Food Systems Through Increased Resource & Nutrient Efficiency

The origin of a feed ingredient, or the way it becomes available to the feed industry, says a lot about its sustainability. The resources used by the feed industry can be specifically produced for feed production, although often enough the feed industry absorbs the by-products and co-products that remain from industrial purposes geared primarily towards other destinations. A key question that FEFAC has addressed in the past year is to which extent the production of animal feed is in direct competition with food production and consumption.

EU Green Deal objectives

Reducing the excess of nutrients

Boost a circular bio-based economy

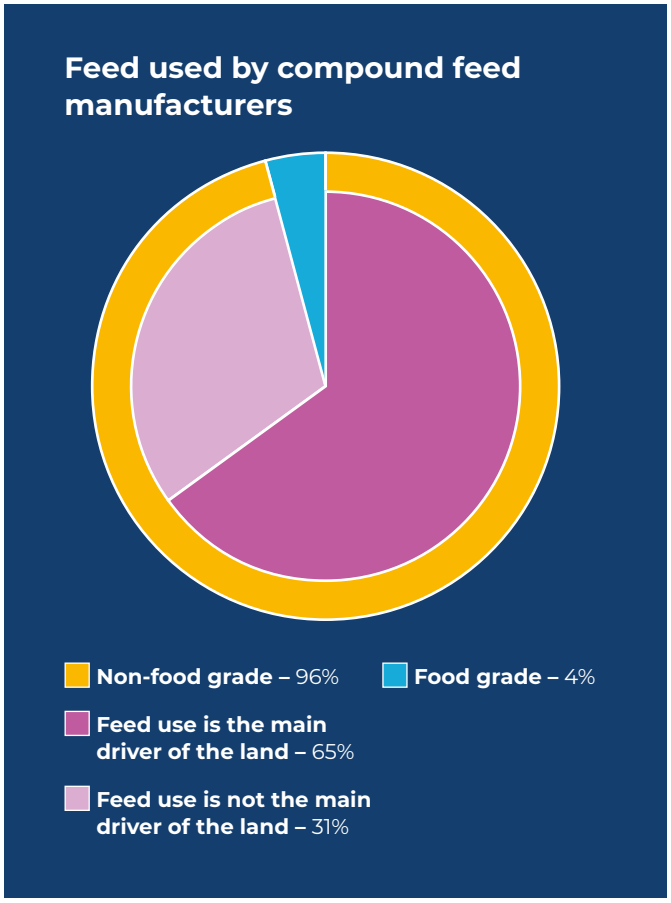
Reduce food waste

UN Strategic Development Goals

FEFAC took key inspiration from the FAO publication on human inedible feed from 2017, which indicated that at a global level of 86% of what livestock eats is effectively not food that could have been eaten by humans. FEFAC applied the reasoning of the FAO exercise to the European context and compound feed manufacturing in specific (e.g. no inclusion of grass). Rather than considering what feed is "human edible" or not, FEFAC preferred to put the initial emphasis on whether the feed is of "food grade" nature or not, meaning designed primarily for the use as food and subsequently redirected to the feed destination. FEFAC believes this provides a better understanding of the quality of the bio-resource used by the feed industry, rather than what is 'consumable' from a literal point of view.

From FEFAC's analysis it can be concluded that practically none of the feed used by compound feed manufacturers can be considered food grade. In general feed ingredients do not meet the minimum standards required for direct food production, based on their presentation or their technical characteristics. When a feed ingredient that is food grade is sold to a feed operator, this is normally always the result of surpluses for which demand from the human consumption market could no longer be accommodated.

FEFAC experts have indicated that from an economic point of view, animal feed production is per definition never in direct competition with human consumption, hence the significantly lower quotations on the feed market. In that sense, the feed use of a material will in general never drive shortages on the food market. The use of "food grade feed ingredients", effectively no longer destined for human consumption, should therefore not be automatically considered as something 'unsustainable', but more often a means to keep food grade bio-resources in the food value chain through feed for food-producing animals. This is a way of resource efficiency that clearly also prevents supply chain food waste from occurring.



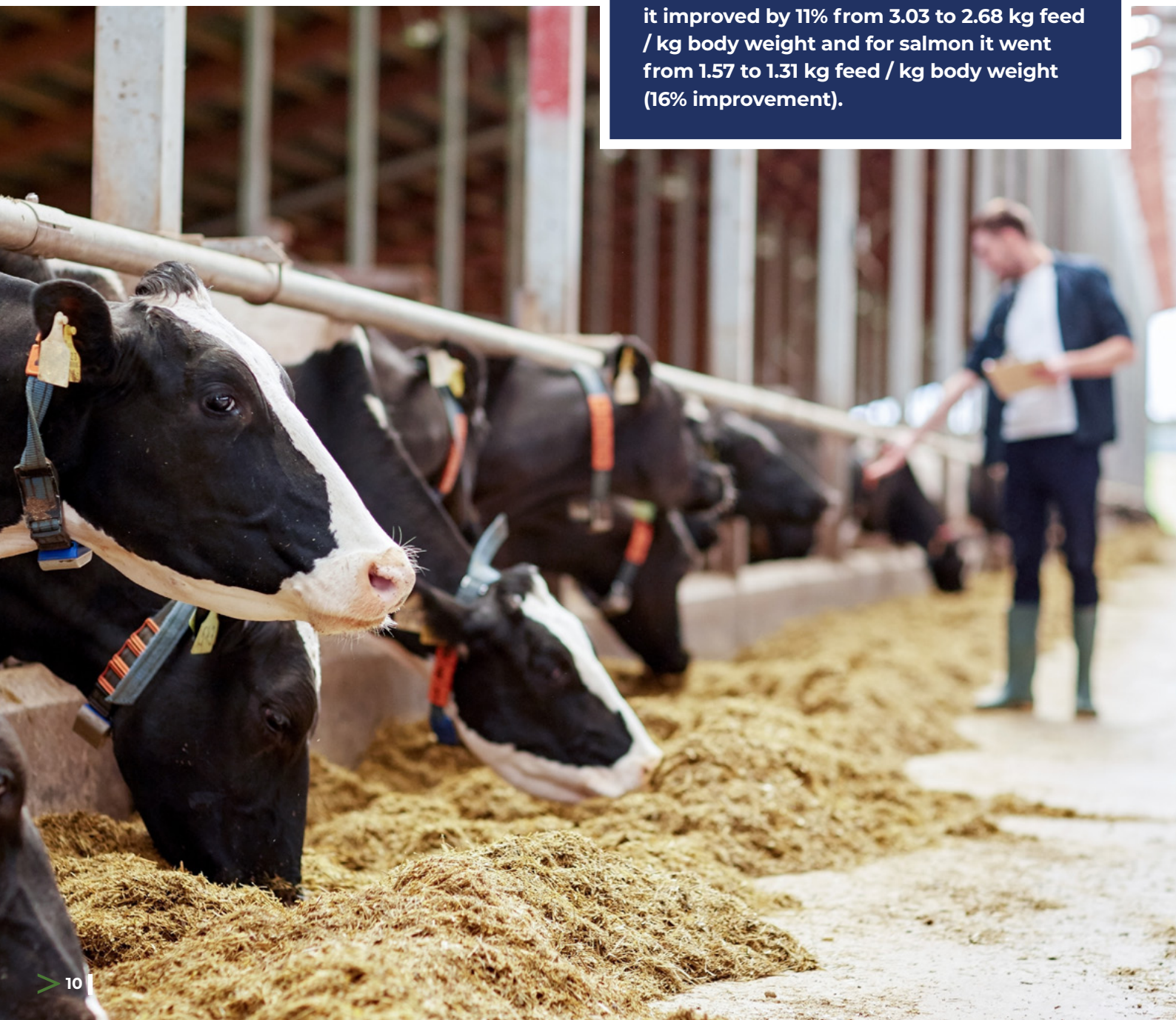
As the graph indicates, there is something to be said about the degree of sustainability between the feed ingredients that are not considered to be of food grade nature. A distinction must be made between non-food grade feed ingredients that drive (arable) land use and the ones that does not, the latter being of more traditional co-product nature (e.g. sugar beet pulp, brewers grains, sunflower meal – see the FEFAC publication on co-products from 2018). The cereals, soybean products and pulses destined to animal feed production are predominantly not of a quality that are suitable for human consumption, but it must be acknowledged that an element of competition for land is present.

The cereal use by the feed industry deserves dedicated attention. Determining the sustainability of using cereals in feed is not a black and white story. First of all, there should be better awareness about the fact that the cereal varieties grown for animal feed purposes do not meet the quality requirements that are needed to produce bread, beer or pasta, and a significant share of the cereals used in feed are in fact cereals that were downgraded from food grade status to feed grade status because food grade requirements were not met. It is a common misunderstanding that when the feed industry speaks of maize use in feed, that this would be sweet corn for example, and that all 'cereals' used in feed could de facto be directly consumed by humans. In a next stage, the land competition element deserves to be further addressed, as it is the observation of many FEFAC experts that arable farmers also have their reasons to produce feed grade cereals on their land and not food grade ones (e.g. soil fertility).

It is FEFAC's experience that each feed ingredient has its own story and this preliminary assessment cannot tell the full picture in terms of overall sustainability, but the exercise does already address unfounded accusations that feed production is in direct competition with food consumption. This overwhelming use of non-food grade feed ingredients should also be placed in the context that animal feed production is part of food production itself. This preliminary assessment provides a new starting point for FEFAC, and the feed supplying sectors, to further refine the approach and improve the accessibility to data. An outcome of this exercise is that in the compiling of statistics, also for example in the case of the European Protein Balance Sheet of the European Commission, the lack of distinction between what is feed grade and what is food grade is leading to misconceptions. It may also be worth considering if the concept 'circular feed' would provide a better key performance indicator in the domain of resource efficiency in compound feed manufacturing.

While FEFAC is addressing and clarifying the level of competition between food and feed production, it could be worthwhile for non-food production sectors to consider the extent to which they compete with food production, such as animal feed production. From a bio-economy perspective, FEFAC is taking note of pressure in for example the sourcing of advanced biofuels for renewable energy purposes, where bio-resources of feed grade nature are being considered. If the European Commission and Member States do not adequately consider the direct competition between new advanced biofuels and feed production, this will undoubtedly impact sustainable feed production indicators, such as reduced dependence on imports for protein.

The feed conversion ratio (FCR) is an indicator used to measure the efficiency of feed turned into a kg of animal product (kg of body weight, milk, egg mass). It remains an indicator that is key to determining the sustainability of livestock production. For the first time, FEFAC has collected data from various sources (literature review and primary data from members) to compile information at EU-level on the improvement made on the feed conversion ratio for several farm animal species between 2000 and 2019. On average, for fattening chickens it went from 1.86 to 1.60 kg feed / kg body weight (14% improvement) and for laying hens it went from 2.30 to 2.12 kg feed / kg egg mass (8% improvement). For fattening pigs it improved by 11% from 3.03 to 2.68 kg feed / kg body weight and for salmon it went from 1.57 to 1.31 kg feed / kg body weight (16% improvement).



EUROFAC, committed to sustainability through the Duralim platform

Duralim is a collaborative platform, open to all those who act on a daily basis in favour of sustainable farm animal feed. It involves all the links in the agricultural and agri-food chain, from the production of raw materials to the distribution of animal products to consumers. Its 86 members are companies or professional organisations, signatories of the Duralim charter, through which they work each at their level to promote and improve the sustainability of farm animal feed.

The three French feed associations gathered within EUROFAC are all members of the Duralim platform.

In January 2018, Duralim members committed to achieving 100% sustainable sourcing for animal feed by 2025 with a goal of no deforestation. Since then, the platform has been involved in a number of projects aimed at fighting imported deforestation: participation to the SNDI taskforces, mapping of the soy flows from Brazil, economic assessment of the cost of sustainable soy and palm sourcing, etc.

A new Duralim commitment charter published in 2021:

Common core

Commitment # 1: Recognising, supporting and promoting the quality and safety of ingredients (raw materials, premixtures and additives), feed and animal products, guaranteed by voluntary and collective schemes.

Examples of certification standards (non-exhaustive list): csa gtp, oqualim-rcna, good farming practices...

Commitment # 2: Having responsible professional practices in business and with stakeholders, within a demanding regulatory framework.

Examples : human resources management ; commercial contracts; control of risks to human health and safety...

Commitment # 3: Contributing to the implementation of the commitment made in 2018 to achieve 100% sustainable sourcing of animal feed, with a target of no deforestation by 2025 and no conversion by 2030 for vegetable raw materials.

Examples : Contribution of vegetable raw material supplies to the fight against imported deforestation; Valuation of raw materials of French origin...

Animal feed sector

Specific commitment: Improving the environmental performance of feed and livestock production.

Examples : feed formulation as close as possible to animal needs ; valorisation of co-products; environmental impact assessment of feed ; improvement of feed manufacturing practices...

The Duralim members of the upstream and downstream sectors also have specific commitments for their sector.

Focus: Creation of an Observatory on the risk of imported deforestation within Duralim

Goals

- **TARGETING** the major French animal sectors that consume soya and the associated animal products.
- **ASSESSING** the share of soy in the French livestock feed for the different animal sectors.
- **EVALUATING** the share of soy without « deforestation-free or conversion-free» guaranty in French feed sourcing.
- **PROVIDING** an individual tool for Duralim's downstream member companies to calculate their "soy at risk of deforestation" footprint.

The first results of the Observatory will be published in July 2021.

Ambition 3

Promote Responsible Sourcing Practices

In February 2021, FEFAC delivered on its commitment to release an upgraded version of its Soy Sourcing Guidelines, first released in 2015. The publication was accompanied by a webinar with speaker participation from IDH, the Consumer Goods Forum, the Soft Commodities Forum and WWF. A key new feature of the FEFAC Soy Sourcing Guidelines 2021 is the inclusion of a desired criterion on conversion-free soy, thereby linking up with market and policy expectations. At the time of publication of this Charter Progress Report, 6 schemes had successfully passed the ITC benchmarking process against the Guidelines.

EU Green Deal objectives

Reduce the EU's contribution to global deforestation & forest degradation

UN Strategic Development Goals

The FEFAC Soy Sourcing Guidelines 2021 now contain 73 criteria in total, with 54 essential and 19 desired criteria. They cover Responsible Working Conditions, Environmental Responsibility, Good Agricultural Practices, Respect for Legal Use of Land and Protection of Community Relations. Responsible soy schemes and programmes applying for benchmarking must meet all 54 essential criteria and at least 8 out of the 19 desired criteria to be aligned with the required level set in the Guidelines. This comparison benchmark is independently performed by the International Trade Centre (ITC – a WTO subsidiary to facilitate sustainable trade).

The Guidelines include a desired criterion on conversion-free soy, which FEFAC hopes will give a next level push to facilitating the mainstream market transition of sustainable and conversion-free soy supply chains. This desired criterion was developed to be in line with the internationally recognised Accountability Framework Initiative, hence a reference is made to the protection of "natural ecosystems", rather than only "forests". In relation to deforestation covered in the Guidelines from 2015, this new criterion concerns both legal and illegal conversion. Hopefully, the FEFAC Soy Sourcing Guidelines can help with reinforcing trust in sustainable feed production with the inclusion of responsible soy, rather than resorting to removing soy from a feed formulation. In June 2021, FEFAC launched its updated tool on ITC Standards Map, making it visible which responsible soy schemes have passed the benchmarking process against the FEFAC Soy Sourcing Guidelines 2021 and which schemes meet the desired criterion on conversion-free soy.

The current experience is that responsible soy schemes and programmes are eager to highlight the availability of their market solutions for conversion-free soy through becoming benchmarked against the FEFAC Guidelines including this desired criterion. This may alleviate concerns from certain stakeholders that a desired criterion for conversion-free soy may not have the expected market impact. In fact, it may speed up the process in which FEFAC considers the desired criterion should become essential. So far, several FEFAC members have also reported a positive new dynamic on their engagement with value chain partners in the objective to ensure deforestation & conversion-free supply chains by a certain target date.

The European Commission is expected to publish its legislative proposal on tackling embedded deforestation in supply chains later in 2021, thereby setting the scene for the discussions in the years to come. It is already evident that obligations for market operators to perform due diligence will be part of the package. In cooperation with FEDIOL and COCERAL, FEFAC has been actively contributing to the discussions on the draft legislative proposal on deforestation in the past year. Jointly we've highlighted that putting a too strong focus on enforcing 'deforestation-free supply chains' could drive risk avoidance in sourcing strategies, particularly if severe penalties are part of the proposal. Certification of soy commodities must be able to play a role to adequately mitigate risk exposure for soy sourced from South America in particular. In addition, if the European Commission proposal is not combined with commitments and measures that aim to stimulate local action to implement environmental legislation, it is unlikely that the 'cleaning' of European supply chains will effectively impact deforestation reduction at producer country level.

FEFAC acknowledges that current expectations will require the feed sector to be able to verifiably demonstrate that at least any soy-containing feed did not lead to any deforestation, triggering the need to take responsibility and action. Legislation may help in this regard to reach a common understanding of when sufficient responsibility and action have been taken. There is, however, still a need for more cross-sectoral transparency on supply chain traceability. This is an essential step for feed manufacturers to determine the deforestation risk exposure of their soy use, allowing for proportionate certification use that allows them to adequately manage the risk.

FEFAC estimates that for the marketing year 2018/2019 at least 78% of soy imported to the EU comes from origins where no or negligible deforestation risk exists. This soy should therefore be considered de facto 'deforestation-free'. FEFAC also estimates that 44% of the soy used in European compound feed manufacturing in 2019 was in line with the criteria for responsible soy in the 2015 version of the FEFAC Soy Sourcing Guidelines.

IGFA Sustainability Action Plan

Members of IGFA have committed to a sustainability action plan that will focus our work on a range of topics over the coming year. The plan outlines commitments on key environmental themes for our industry including crude protein, methane reducing additives, sustainable soy, environmental footprinting and expanding our expertise.

Many of these themes are also highlighted in the Irish government's 'Ag Climatise Roadmap' which outlines priority actions necessary for the agriculture sector to achieve climate change targets. It is an important 12 months ahead as the government plans to start discussing with industry how to deliver Ag Climatise priorities and what measures will actually be necessary on the ground.

> ***"The IGFA Sustainability Action Plan is designed to ensure that our industry makes positive progress in key areas and that we can work collaboratively with government and align on the best way forward".***
>
> ***Maeve Whyte, IGFA Director General***

Some examples of our commitments:

- IGFA Members have committed to once again gather and share information on crude protein levels in feed rations for all sectors in 2021 so that trends can be identified. This data will be vital to shape policy development in this area.
- We will continue to explore new ways to support our farm customers with practical and science-based advice on optimising protein in the diet to reduce environmental impact.
- We will conduct a survey amongst our full membership on the use of soy in livestock diets to determine the needs of the market and the views of Irish customers in relation to soy sourcing.
- We will collate information on the sustainability status of the soy used in Ireland.
- We plan to increase member awareness and knowledge of environmental footprinting tools in the feed industry through member briefings, training and workshops with relevant experts.
- We will assess the scope of training options on environment issues available to advisers within the feed industry and look specifically to develop a route to more consistent and extensive continued professional development within the Irish feed industry.

This plan will build on the many activities currently being undertaken by the Irish Feed Industry to enhance its environmental performance. The delivery of the commitments agreed will form the building blocks for a longer-term sustainability plan and help us down the path to continuous improvement.

> ***"The FEFAC Feed Sustainability Charter 2030 has helped us plan and shape our work on sustainability issues. Sustainable feed production is key to ensuring the success and the resilience of the Irish feed and food industry. We will continue to use the Charter as a handbook to help direct our activities at national level and guide our future work".***

Ambition 4

Contribute to Improving Farm Animal Health & Welfare

Antimicrobial Resistance (AMR) is a topic that continues to be of key importance, with the European Commission committed to the full implementation of the European One Health Action plan against AMR. This is also done with help of the EU Farm to Fork Strategy, which includes an aspirational target of reducing overall EU sales of antimicrobials for farmed animals and in aquaculture by 50% by 2030. FEFAC remains committed to highlight the role of animal nutrition as a key solution to enhance farm animal health and a preventative way to reduce the need for veterinary treatment, such as antibiotics.

EU Green Deal objectives

Reduce overall EU sales of antimicrobials for farmed animals & in aquaculture by 50% by 2030

Improve animal welfare

UN Strategic Development Goals

On 19 May 2021, FEFAC held a webinar together with FEFANA which underlined the importance of animal nutrition as part of the solution to enhance animal health & welfare and tackle AMR at livestock farm level. European Commissioner for Health & Food Safety, Stella Kyriakides, reiterated the statements she made at the launch of the FEFAC Feed Sustainability Charter back in September 2020, highlighting that contributions to the aspired lower use of antibiotics at farm level is one the key asks from the European Commission to the European feed industry. Other speakers from the Danish competent authorities, FAO, Copa-Cogeca, Ghent University and Cargill Animal Nutrition contributed to an informative and insightful discussion on the way forward.

The use of antibiotics in European livestock farming have shown a steady decline (mg/PCU) over the past decade (-35% from 2011 to 2018). This decrease of course must be attributed to the entire range of measures that have been taken at livestock farm level to increase the resilience of animals against pathogens (incl. housing, hygiene practices, vaccination), but developments in animal nutrition have certainly played a role as well as a preventative measure. ESVAC reporting also shows that in the EU the 'in-feed inclusion' of antibiotics via medicated feed was reduced by 51% between 2011-2018. This represents a clear trend towards a reduction of prophylactic use of antibiotics for larger groups of farm animals.

> ***"Modern feedings regimes focussing on gut health and microbiome management have shown excellent results allowing farm animals to cope with stress factors as well as pathogens"***
>
> **Stella Kyriakides, European Commissioner for Health & Food Safety, at Animal Health & Welfare Webinar on 19 April 2021**

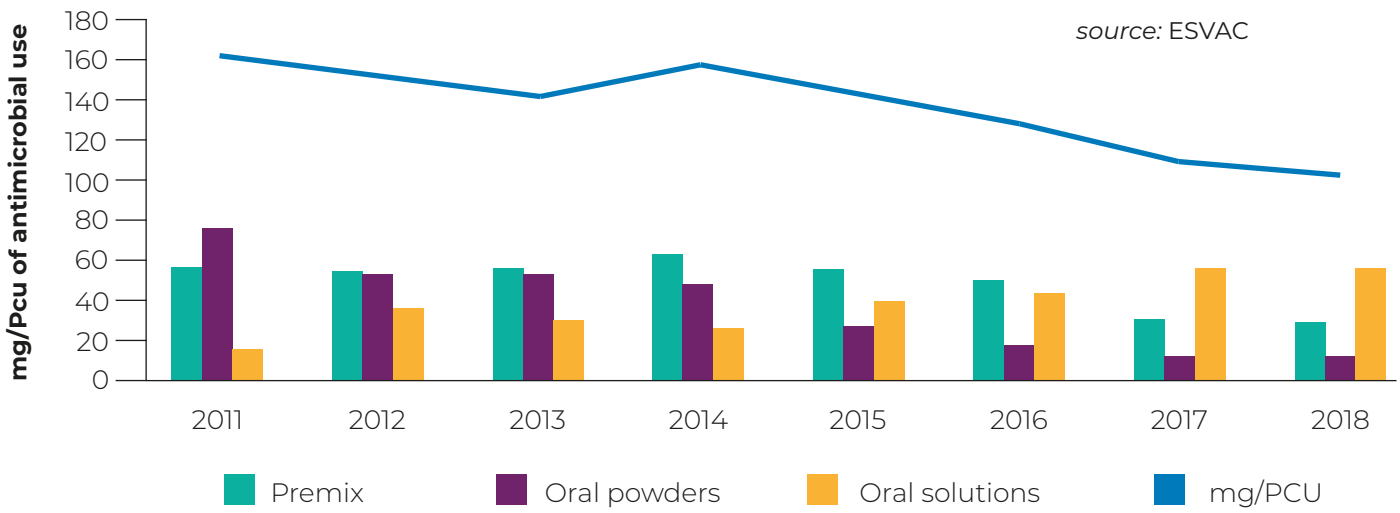
Best practices in the veterinary sector in the past years have delivered clear results in several Member States. Gains made by animal nutrition solutions could be the next frontier as a preventative measure to further drive the ability of animals to cope with pathogens of farm animals. The animal nutritionist remains one of the key advisors to livestock farmers that enter the farm premises on a professional level. Many national authorities in Europe can still do more to reap the benefits of animal nutrition solutions. Several FEFAC members have highlighted positive experiences when engaging

with the regulatory forces and scientific community. FEFAC continues to call on all national authorities to include a chapter on animal nutrition in their national AMR strategies on prevention.

The feed industry has had to turn challenges, such as the ban on antibiotic growth promoters in 2006 and now zinc-oxide, into opportunities for farmers, focusing on "early age" diets. In addition, the implementation of digitalisation and precision-feeding tools are allowing for "real time" adaptations of animal diets to increase farm animal resilience to stressors and pathogens. Animal nutrition science and research continue to advance in the search to support control over the gut microbiota, for example, through pathogen-specific approaches and the use of phytochemicals.

The upcoming review of the feed additives legislation can help to add an important element to the toolbox of animal nutrition solutions. FEFAC expects that the review will provide more clarity on claims and the efficacy testing regime. In addition, new functional groups and a quicker approval process are needed to improve the range of innovative feed additives available on the market for compound feed manufacturers.

Evolution of antimicrobial use in European livestock farming



Polish chamber of traders, grain processors & feed manufacturers

GRAIN AND FEED CHAMBER

Member of COCERAL, FEFAC & European Commodities Exchange

The Grain and Feed Chamber's set of initiatives concerning the fulfilment of commitments deriving from the signed Feed Sustainability Charter 2030

1. Contribute to Climate-Neutral Livestock & Aquaculture Production Through Feed

- Introduction by end of 2023 to feed optimization of accessible databases to calculate carbon footprint in the feed sector by using GFLI (*Global Feed LCA Institute*), FAO LEAP (*FAO Livestock Environmental Assessment and Performance*), PEFCR (*Product Environmental Footprint Category Rules*).
- Developing of systems for optimizing the distribution and recycling of packaging used in the compound feed production.
- Introduction of energy consumption monitoring system of equipment used in feed manufacturing in order to streamline production processes and reduce energy consumption of compound feed production.
- Initiation of an industry agreement with cattle associations to develop a methodology for calculating current methane emissions and opportunities for their reduction.
- Reduction of phosphate pollution through the use of alternative or new raw materials and feed additives while adapting the composition of compound feeds to the nutritional needs of new genetic lines of husbandry animals.

2. Foster Sustainable Food Systems Through Increased Resource & Nutrient Efficiency

- Establishing the branch agreement with other stakeholders to promote and support the development of domestic production of protein plants and their greater usage in compound feed production.
- Feed optimization to reduce total protein content and the possibility of lowering ammonia levels in livestock production.
- Monitoring and increasing the share of by-products (non-edible raw materials) in the production of compound feeds.

3. Promote Responsible Sourcing Practices

- Increasing the traceability of soy' and palm oil' purchasing (deforestation-free) in compound feed production.
- Introduction and dissemination of purchasing practices in line with the FEFAC Soy Sourcing Guidelines.
- Monitoring of European-origin raw materials usage in the total amount of feed raw materials.

4. Contribute to Improving Farm Animal Health & Welfare

- Reduction of antibiotic-medicated feed by 50% from 2020 to 2030.
- Development, introduction and promotion of a biosecurity systems in animal production, which will allow to reduce antibiotics usage in livestock by at least 50%.
- Introduction of alternative raw materials and feed additives to maintain animal welfare and reduce the use of antibiotics, e.g. after the withdrawal of ZnO.
- Developing good production practices to reduce the risk of salmonellosis transmission in livestock production.

5. Enhance the Socio-Economic Environment and the Livestock & Aquaculture Sectors' Resilience

- Implementing and monitoring of best practice systems reducing the number of accidents at workplace.
- Increasing public awareness of the safety of compound feed production and its impact on the environment.
- Increasing public awareness about the nutritional values of animal products.

Ambition 5

Enhance the Socio-Economic Environment and the Livestock & Aquaculture Sectors' Resilience

The COVID-19 pandemic stayed with us for the entire year, which has had a severe effect on the socio-economic environment of the livestock and aquaculture sectors. The feed sector was included in the scope of essential economic activities at a relatively early stage of the outbreak. It is a laudable achievement that feed manufacturers managed to ensure the continuation of feed production and delivery, ensuring that livestock farmers were never faced with shortages. In a sense, feed manufacturers were well prepared to implement biosecurity measures thanks to experiences of handling the transmission of viruses such as African Swine Fever and Avian Influenza.

EU Green Deal objectives

A robust and resilient food system

Improve the incomes of primary producers

Reinforce the EU's competitiveness

UN Strategic Development Goals

Due to the COVID-19 pandemic, the topic of food security, fortunately, made it to the EU policy table when discussing sustainable food systems. Since the beginning of the year, difficult market circumstances related to COVID-19 outbreaks and unilateral trade restrictions have led to a strong increase in feed prices on global commodity markets. The EU Farm to Fork Strategy will now include the development of a contingency plan based on the lessons learned from the COVID-19 pandemic and other recent events.

By the end of 2021, the European Commission foresees the publication of a set of procedures to be followed in times of crisis, including an EU crisis response mechanism to effectively prepare and respond to critical events that could threaten the EU's food security.

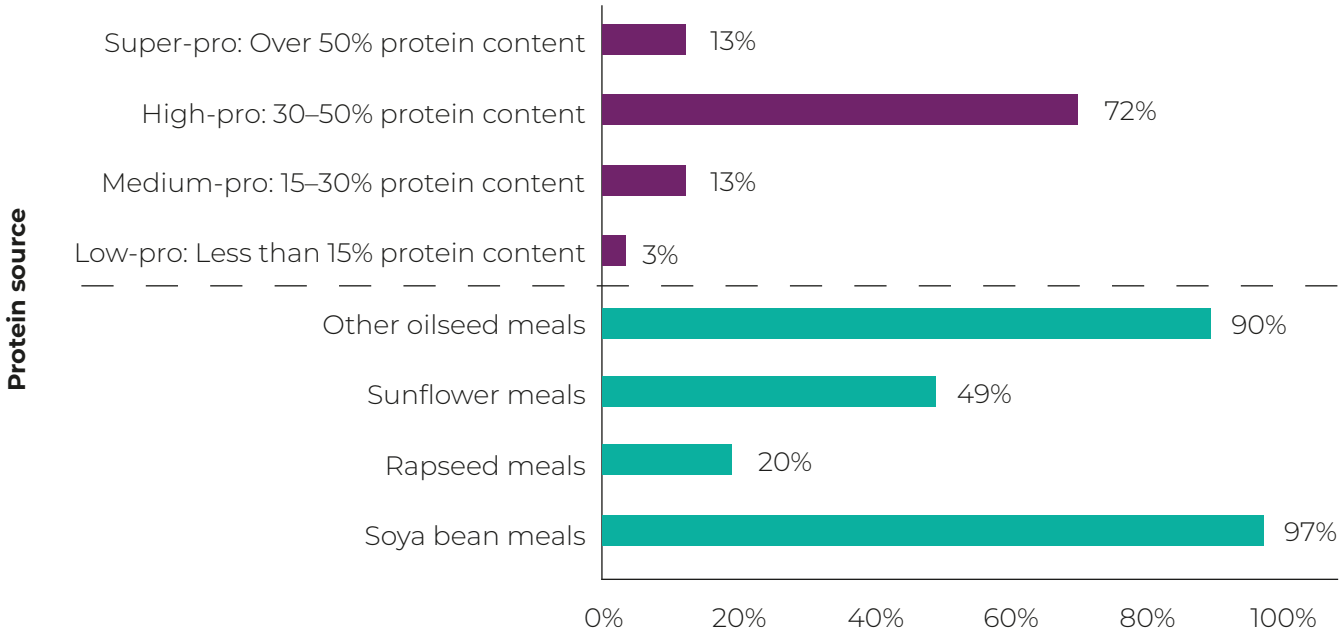
> **Throughout the COVID-19 crisis, European feed manufacturers have ensured that livestock farmers could always count on their feed supplies**

In the shadow of COVID-19, FEFAC has been actively contributing in meetings and stakeholder consultations, specifically pointing to the EU's dependency on micro-ingredients (e.g. feed additives) and protein-rich feed materials for both conventional and organic supply chains as food security vulnerabilities in European compound feed manufacturing. The lockdowns in European countries that affected beer consumption and production for example also affected the availability of protein-rich co-products usually sourced by the feed industry such as brewers' grains, which needed to be compensated with protein imports. On a 5 year average, the reliance on 'high-pro' protein materials of foreign origin for example is 72%, while it's 97% soybean meals specifically. As regards the central crisis response system, FEFAC recommended the establishment of central contact points at both EU and national levels for feed and food industry associations and operators.

In the light of increasing the resilience and competitiveness of European livestock production, FEFAC supports the efforts to make EU-based alternative protein ingredients available (when authorised), such as single cell proteins, algae, insects, yeasts or biomass. FEFAC, therefore, also welcomes the European Commission's action to partially lift the feed ban, aimed at recovering processed animal proteins of porcine and avian origin in feed for poultry and pigs respectively. The potential for increased plant protein to become available to the feed sector and reduce the dependency on imports largely depends on the possibilities for EU crop farmers to make use of plant breeding innovation. In this light, FEFAC would welcome improvement of the EU regulatory framework to the benefit of the uptake of new genomic technologies. At the same time, FEFAC has reminded the European Commission of the potential negative impacts on access to feed materials on the global market if the EU starts to deviate too much from approaches on other continents.

FEFAC is committed to communication initiatives to address misinformation about the livestock sector and the consumption of animal products. The European Livestock Voice initiative, of which FEFAC is a member, ran a series of webinars in the past year to counter the narrative that plant-based diets are 'de facto' sustainable and healthy and the future of livestock farming and meat consumption is limited. It also released a video about the 9 paradoxes of the EU Farm to Fork Strategy.

% feed use of foreign origin (5 years average)



FEFAC – The voice of the European Compound Feed & Premix Industry

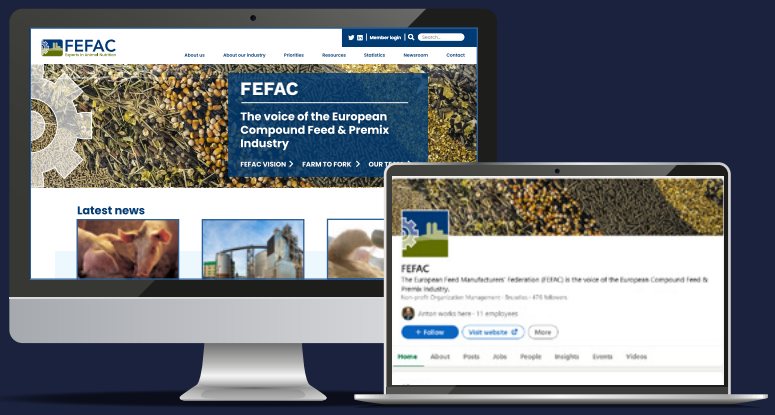
FEFAC
Experts in Animal Nutrition

New FEFAC website

In July 2020 FEFAC launched a new website, part of its new visual identity!

FEFAC can be now found on LinkedIn!

In November 2020 FEFAC launched a page on LinkedIn.



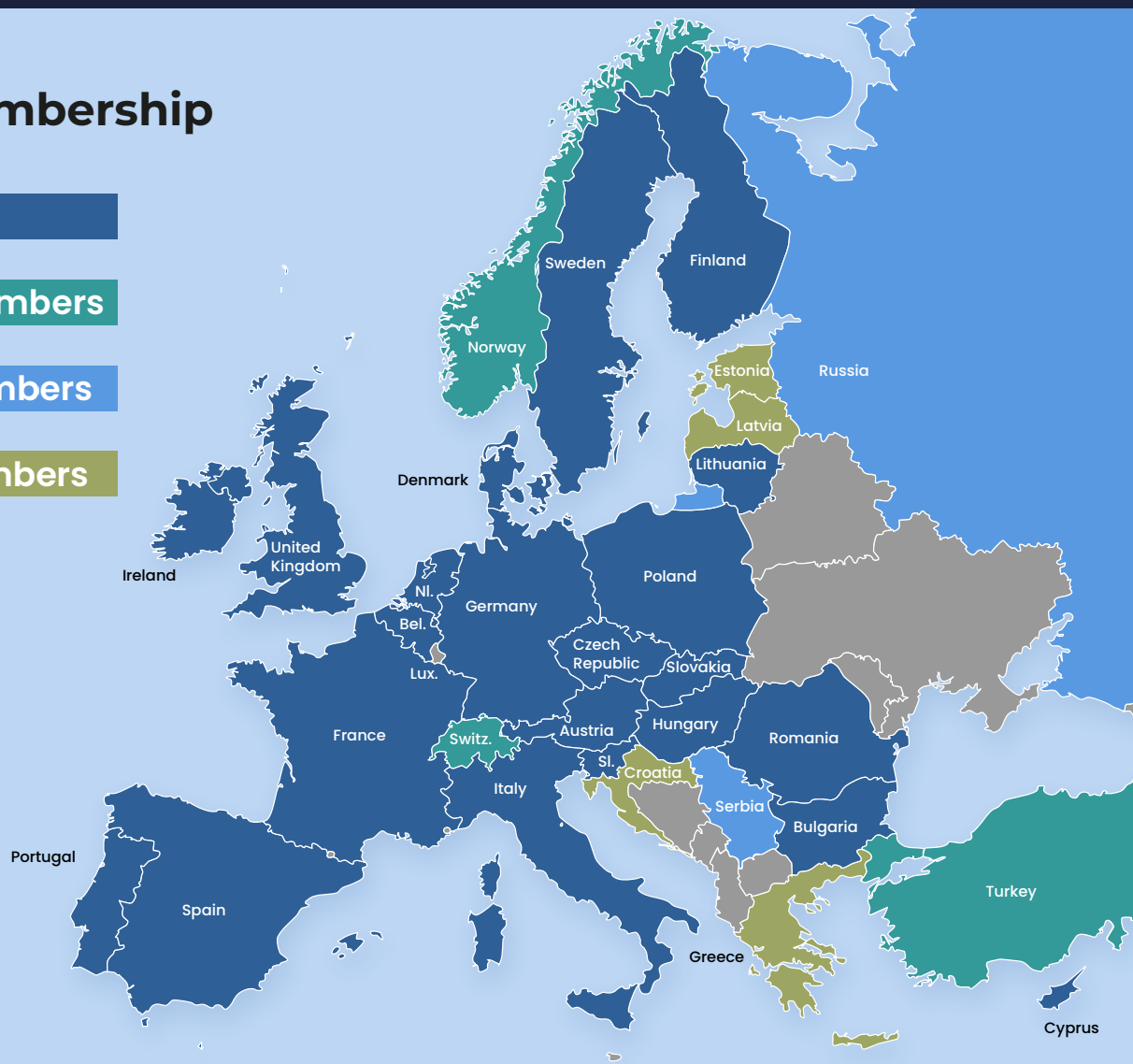
FEFAC membership

Full members

Associate members

Observer members

Potential members



Full members

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BFA *(Belgium)*

BFMA *(Bulgaria)*

CAFM *(Cyprus)*

SKK *(Czech Republic)*

DAKOFO *(Denmark)*

FFDIF *(Finland)*

EUROFAC *(France)*

DVT *(Germany)*

HGFA *(Hungary)*

IGFA *(Ireland)*

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IZP *(Poland)*

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