FOOD SOVEREIGNTY AND THE WAR IN UKRAINE

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Between soaring food prices and feed shortages, the war in Ukraine has rocked the EU’s agri-food sector.

As the war continues with no end in sight, concerns have been raised about how to best ensure food security in the EU and the rest of the world.

But while the impetus for food security has become clear, the best way to ensure it has not.

In this EURACTIV special report, we take a closer look at how the war in Ukraine has impacted the EU’s agri-food sector and what can be done to strengthen the sector.

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Member states call for unified EU plant protein strategy

By Natasha Foote | EURACTIV.fr

Member states have joined forces to call for an EU-wide plant protein strategy, which they say is needed “more than ever” in light of the war in Ukraine, but the European Commission is currently unwilling to play ball.

The proposal, put forth by the Austrian delegation, would see the EU come up with a Europe-wide protein strategy to reduce its reliance on imports of proteins.

This should centre on improving European production and focus on local supply chains while also bolstering research and innovation in growing protein crops, especially on set-aside land, Austrian Agriculture Minister Elisabeth Köstinger explained during a meeting of agriculture ministers on Monday (21 March).

This European strategy would bolster the already existing commitment of the EU executive who, in a 2018 report, called for the development of plant proteins in the EU and encouraged member states to come up with their own national plant protein strategies.

Stressing the need to develop home-grown protein crops, Köstinger pointed out that there’s “no area of farming where we’re so obviously dependent on imports.”

“And the demand is going to continue to grow both in the EU and outside,” she warned, adding a unified EU strategy is needed “now more than ever” in light of the war in Ukraine.

A good source of amino acids for livestock, plant proteins, which most commonly include soybeans, legumes...
and oilseeds, are a vital component of animal feed. They are also increasingly consumed as human food, with a global annual growth rate of almost 7%.

However, the EU has a major deficit in plant proteins, relying heavily on imports from elsewhere to satisfy its protein needs.

For example, over 90% of the soy needed for EU animal feed is imported. Meanwhile, its production has repeatedly come under fire for its environmental and social impacts, such as large-scale deforestation.

Already flagged by key stakeholders over the past few years, the acute vulnerability of the EU as a result of its reliance on imports has become glaringly obvious in the context of the war in Ukraine, which has seen food prices skyrocket and caused a scarcity of animal feed.

Mounting concern over the impacts of the war even led to the inclusion of a commitment to improve food security by reducing EU dependencies on key imported agricultural products and inputs in the recent EU Council declaration in Versailles.

This is not the first time that the Austrian delegation has put forward such a proposal.

In December 2021, the Austrian minister and her French counterpart signed a joint declaration to strengthen the production of plant-based proteins such as soybeans, legumes, and oilseeds in the EU and increase the bloc’s self-sufficiency.

However, this time, within the context of Russia’s aggression in Ukraine, nearly all other member states lined up to lend their weight to the idea.

“An EU strategy for protein crops is essential in order to strengthen the resilience of the agriculture sector in Europe and secure food and feed supply,” Germany state secretary Silvia Bender said, emphasising that it is important to achieve this in a way that focuses on traditional and organic farming and remains free from genetically modified crops.

Meanwhile, Dutch Agriculture Minister Henk Staghouwer called the creation of an EU-wide protein strategy a “logical step” after the Commission's 2018 report, while the Czech minister Zdeněk Nekula said he would “welcome anything to support the development of this sector in Europe within the CAP and possible coordination at European level”.

However, while EU Agriculture Commissioner Janusz Wojciechowski said he welcomed the initiative, he said the EU executive was “not planning to adopt an EU strategy on proteins” at this stage.

Instead, the Commission will focus on assessing the different tools foreseen by member states in Common Agriculture Policy (CAP) strategic plans (see below for details) and encourage member states to make full use of the already existing opportunities available to them to expand protein production in their countries.

The Commissioner also confirmed this week that it will allow the cultivation of crops such as nitrogen fixers on fallow land as per crop diversification and ecological focus area obligations.

These derogations are designed to contribute to boosting plant protein production in the EU, the Commissioner explained.

This will come as welcome news to the EU farming community, eager to see a derogation on the rules, but could be a cause for concern for environmental campaigners, who have warned of the negative consequences of using land set aside for ecological purposes.
Ukraine urgently needs help to safeguard food production as global shortages loom, then-agriculture minister Roman Leshchenko warned in an address to EU lawmakers, where he denounced large companies for doing business with Russia while doing little to support Ukraine.

Just one day after Leshchenko spoke to the European Parliament’s agriculture committee via videolink on Tuesday (22 March), the Ukrainian government announced that he had resigned.

According to national media, he cited health problems as the reason for stepping down and has already been replaced by Mykola Solsky, who had chaired the parliamentary committee on agricultural and land policy for the past two and a half years.

Leschenko’s appearance on Tuesday, as well as the one in front of the EU agricultural ministers on Monday, were cut short by air raid alarms. According to participants of Monday’s meeting, Leshchenko told the ministers that two of his friends, who happened to have been farmers, had just been killed.

“Today, we have a war, a full-scale, brutal and cruel invasion of the territory of Ukraine – the breadbasket of Europe that has proven a guarantor of global food security,” Leshchenko told the lawmakers.
Russia’s war on Ukraine comes just as the spring sowing season is about to begin, but in large parts of the country, work on fields and in stables has become extremely dangerous because of shelling, while farms are suffering from a lack of key supplies, the minister warned.

RUSSIA “EXPORTS HOLODOMOR”

“Brave Ukrainian farmers are starting a sowing campaign wherever they can. They are sowing under heavy shelling, in dangerous, occupied, and mined areas under the risk of losing their lives,” Leshchenko said.

As the war threatens food production in Ukraine, a major exporter of key foodstuffs like wheat and oilseeds, it thus leads to rising food prices in Europe but also brings an acute risk of global food shortages that would hit some of the world’s poorest countries hardest, he warned.

“This is exactly what Russia wants,” he said, adding that it was Moscow that “made the Holodomor, the great famine of the 1930s in Ukraine, happen. (...) Now, it exports the Holodomor to the whole world”.

The reference to the Holodomor, the intentionally engineered famine in Soviet Ukraine in 1932-33, was also echoed by EU Agriculture Commissioner Janusz Wojciechowski during a press conference on Wednesday.

INTERNATIONAL COMPANIES CONTINUE TRADE WITH RUSSIA

Leshchenko’s emotional speech left many MEPs struggling to regain composure. “What can the EU do to help?” a number of party coordinators in the committee asked.

According to the minister, one key area where Ukrainian farmers need help is plant protection.

While the country still has relatively good stocks of seeds and grains, herbicides and fungicides in storage are running “critically low”, he said, lambasting the actions of a number of large companies in this area.

“Many international companies trading these products are continuing to work with the aggressor country, while they are putting harsh conditions for shipments to Ukraine and will ship their product here only on 100% prepayment,” he said.

This, in turn, means insurance companies are not willing to insure the shipments anymore, Leshchenko warned.

“For plant protection, this means: we are at zero, we do not have anything.”

Meanwhile, fuel shortages also pose significant problems for farmers.

“The fuel we had stored for our spring works, we have actually given to the military,” the minister said. “Another problem is that the oil basins where the agrarians were keeping their fuels have already been bombed in different oblasts.”

Meanwhile, the EU has committed to stepping up aid to secure food production and supply in Ukraine.

“Food security in war-torn Ukraine is of great concern,” the European Commission stated in its new communication on food security, published on Wednesday (23 March).

The communication outlines the way the EU is supporting Ukraine to “develop and implement a short- and medium-term food security strategy to ensure that inputs reach farms where possible” and Ukraine remains able to feed its citizens and eventually regain exports markets.

Almost three weeks ago, Ukraine decided to halt exports of key foodstuffs like wheat and sunflower oil to secure domestic supply.

Moreover, the Commission is working with the United Nations Food and Agriculture Organisation (FAO) in Western Ukraine “to support small farmers and secure agricultural production”, while EU farming organisations are providing assistance to Ukrainian farmers, the communication said.

The Commission also assessed that “Russia seems to be deliberately targeting and destroying food stocks and storage locations” – an assessment that is shared by Leshchenko, who cited the deliberate sabotage of livestock farming as an example.

“We know that in some of the territories that are already occupied, they are creating hunger conditions for animals,” he said, adding the occupying forces were cutting power and feed supplies.

“Three million chickens have already died – this is an ecological catastrophe, a food catastrophe,” he concluded.
Russia’s war in Ukraine has impacted almost every aspect of France’s agrifood sector. EURACTIV France took stock of the multiple impacts of the war on the sector and responses so far.

Since the start of the war, energy and raw material prices have soared, highlighting France’s dependence on foreign countries, particularly in the agricultural sector which has heavily relied on Ukraine and Russia exports in the past few years.

ENERGY

The price of fuel – essential to agricultural activities – has skyrocketed since Russia’s invasion of Ukraine at the end of February, with the price of a barrel of oil topping $100.

“A tractor can consume between 150 and 200 litres per day and a combine harvester between 250 and 300 litres”, Gérald Duwer, a farmer at Plessis-Placy, told the regional newspaper La Marne (Grand Est). Prices have reached as much as €1,200 per cubic metre.

It is the same story for gas.

“Before COVID-19, a tonne of gas would cost €680. Now it costs €1,000, but the worst is diesel, which has risen from €650 a tonne to €2,400,” Philippe Rauly, another cattle farmer in the south of France (Vignon-en-Quercy), told newspaper La Dépêche.

Between fueling tractors with off-road diesel, heating greenhouses with gas, ensuring ventilation, lighting, and providing electricity for the animals, energy costs are now through the roof.

According to the French Environment and Energy Management Agency (ADEME), “a farm consumes an average of €7,800 per year in direct energy, including €5,100 in fuel and combustibles indexed to the price of oil.”

ANIMAL FEED

Animal feed has also become expensive as Russia and Ukraine account for a large share of the world’s wheat and maise exports, 30% and 20% respectively.

This has hit France and Europe’s livestock sectors hard as cereals and plant proteins form the base of livestock feed.

“The production of pigs and poultry, which are fed with grain, is a bit more affected and more rapidly, even if it is difficult for the moment to be precise in terms of figures. For cattle, it’s different: the basis is fodder and grass, especially in spring when the animals are about to go out”, said Jérémy Decerle, MEP and cattle farmer in Saône-et-Loire, told EURACTIV in an interview.

FERTILISERS

Meanwhile nitrogen, one of the
The most commonly used fertilisers for growing wheat, now costs almost €800 per tonne, whereas it usually fluctuates around €200.

This is because a quarter of nitrogen fertilisers used in Europe come from Russia which has announced that it is suspending sales abroad, causing prices to increase by 300% compared to last summer. Meanwhile, European production, which is extremely dependent on Russian gas, is struggling to compensate.

“There are crops that do not require fertilisers, such as beetroot and green beans. But others, such as wheat, are very demanding in terms of nitrogen. Without using nitrogen, you only get a third of your yield from wheat. For potatoes, maize and rapeseed, you get half the yield without using nitrogen,” farmer Gérald Duwer told newspaper La Marne.

WHEAT PRICES

The price of a tonne of wheat is at a record high, rising from €150 to €330 per tonne compared to 2021. As one of the top producers of wheat, this trend could have been expected to benefit the French. However, with 2021 seeing a 70% rise in the price of main cereals on international markets, producers decided to sell their stocks then, leaving little to sell now.

Besides rising prices, the cost of production has also increased considerably; French Agriculture Minister Julien de Normandie told broadcaster France Inter on 15 March that because fertilisers and energy [prices] have also exploded, profitability will therefore be affected, he said.

The next few months may be relatively smooth for French cereal farmers, but the real problems will begin in the coming months, particularly when sowing in September. The situation could become complicated if fertiliser prices remain high and wheat prices fall.

IS SOVEREIGNTY THE SOLUTION?

France has always argued that food sovereignty is the way to go for the agrifood sector, but this has taken on a whole new dimension since the war in Ukraine began.

“The strength of our agricultural model is that it is independent, we are sovereign from a food point of view. There is no risk of shortage,” the agriculture minister told France Inter, despite the fact there will “inevitably” be an increase in prices.

To address this, the government presented a “resilience plan” on 16 March, saying it will reimburse 15 cents per litre of petrol as of 1 April, and provide €400 million for farmers.

The measures, which have been long-awaited by the agricultural sector, are mainly aimed at tackling the rise in energy and raw material prices.

Extending beyond France’s borders, French President Emmanuel Macron also announced a new solidarity initiative to mitigate the upcoming food crisis in a press conference after the NATO summit on Thursday (24 March) and after talks with African Union President Macky Sall.

According to the President, the initiative, called FARM (Food & Agriculture Resilience Mission), will be similar to the ACT-A initiative led by the World Health Organisation (WHO) in response to the COVID-19 crisis.

We have to “take responsibility for producing more”, Macron said, insisting that this will be done “while respecting our standards and rules.”

EU leaders gave their nod to FARM in a last-minute addition to the agrifood chapter of the European Council’s conclusion, which says that supporting food security and agriculture in Ukraine and the most exposed third countries will be the initiative's core objective.

FALLOWS AND PLANT PROTEINS

In a bid to increase production, the European Commission has taken the decision to exceptionally allow the 4% of land devoted to non-productive elements and areas, including fallow land, to be used productively for 2022.

The French Minister proposes to “use this land to produce proteins, these plants which have an incredible environmental contribution: they fix nitrogen [into the soil] and reduce greenhouse gases, which means that we don’t have to use fertilisers”.

The decision was welcomed by the EU’s farming sector, but it sparked concern among environmentalists, who have warned of the negative consequences of allowing fallow land for cultivation.

For instance, 28 environmental organisations, including Greenpeace France and Génération Futures, sent a letter to Macron denouncing the use of the war in Ukraine to promote a “productivist agriculture”.

“Besides humanitarian emergencies, hunger is not a matter of production but [a matter of] distribution. One-third of the world’s production is going to waste,” they warned.
The war in Ukraine seems to have set aside, at least temporarily and partially, Europe’s ecological ambitions for agriculture but this could lead to challenges in achieving food sovereignty.

After the European Commission approved on Wednesday, 16 March, the cultivation of fallow land and postponed the legislative texts imposing the reduction of pesticides, MEPs voted last Thursday (24 March) on an emergency resolution going in the same direction: it is now time to boost production to ensure Europe's food security.

“The proposed measures are reckless. It is dramatic! The threat of hunger riots is far from being avoided,” MEP Benoît Biteau (Greens/EFA) wrote on Twitter after the vote in the Parliament. He and his party denounced the “instrumentalisation of the war in Ukraine” to put an end to the Farm to Fork Strategy.

The Commission proposed the Farm to Fork Strategy in 2020, and the European Parliament voted for it in 2021. The agricultural chapter of the Green Deal aims to halve the use of pesticides, reduce the use of fertilisers by 20%, cut the sale of antimicrobials for farm animals by 50%, and devote a quarter of cultivated land to organic farming.
These ambitions echo the many warnings about the environmental impacts of agricultural activities, whether on soils, wild biodiversity, or the effects of pesticides. According to the Intergovernmental Panel on Climate Change (IPCC), one-third of global greenhouse gas emissions are caused by food systems.

However, the war in Ukraine has reshuffled the cards, and the dependence of European countries on Russian-Ukrainian raw materials and energy has shifted priorities. It is now European independence, which guarantees food security, that must prevail. While everyone agrees that this is necessary, the division remains on the means to achieve it.

**FARM TO FORK: A DECLINE IN PRODUCTION?**

For the European Commission, especially Agriculture Commissioner Janusz Wojciechowski, conservative parliamentarians, and associated unions (such as the FNSEA), it is by producing more that Europe will be able to restore its food sovereignty.

This idea, which has been voiced forcefully since the beginning of the conflict, was already being defended long before the Russian invasion.

In 2021, Anne Sander (EPP) explained that the Farm to Fork Strategy threatened to “sacrifice our food autonomy and the future of our farmers”.

According to a simulation by the Joint Research Centre, the Commission’s scientific service, the strategy would lead to yield reductions of 10% to 15% for cereals, oilseeds, beef, and pork.

These figures have been cited by the Committee of Professional Agricultural Organisations in the European Union (COPA-Cogeca), the French government, and even the right-wing candidates in the French presidential election.

For the latter, this drop in production would increase imports, which would become the only way to meet demand at the expense of European farmers and sovereignty.

On the other side of the political spectrum, the “food apocalypse preachers” are being criticised for saying that the Farm to Fork Strategy would reduce yields. “This is absolutely false! When you use successful agronomic practices in agroecology, you can produce at least as much”, MEP Benoît Biteau explained during a webinar organised by the Greens/EFA MEPs last Wednesday (22 March).

According to him, this “very partial and biased approach to the strategy” does not consider the positive interactions between yield and biodiversity, which are the basis of agroecology.

Areas of ecological interest such as fallow land, which is left to rest without pesticides, are refuge areas for biodiversity. These improve soil fertility, retain water, and provide many long-term benefits to agronomy and the environment.

The obligation to preserve fallow land, enshrined in the new Common Agricultural Policy (CAP) — at least 4% for large farms — and abandoned temporarily to face the crisis, is nonsensical to agroecology advocates.

And this is especially true since the increase in productivity would be very relative. “This corresponds to 2% of French arable land, i.e. a maximum production potential of 2.6 million tonnes of wheat (probably much less because the land concerned is not very productive and not very easy to cultivate). It is far from the necessary levels of production”, the Green MEP explained in a press release.

Beyond productivity, it is a systemic change that the Farm to Fork Strategy wishes to bring about,” Biteau insists. “A global approach that also calls for changes in eating habits, reductions in waste and a decrease in dependence on fertilisers that are produced... with gas.”

Of course, he is referring to Russian gas.

**60% OF CEREALS FOR ANIMAL FEED, AND ONLY 20% FOR OUR FOOD**

The use of synthetic inputs (fertilisers, pesticides), which are primarily imported and require a lot of energy to be produced, and foreign raw materials such as potash, undermines our sovereignty.

This is why Europe, through the Farm to Fork Strategy, intends to progressively reduce the use of fertilisers and pesticides and promote organic farming, which requires much less agricultural inputs.

Except that the binding legal texts to be presented by the Commission are yet to be submitted. They will likely be submitted this summer which is still a setback for agroecological ambitions.

MEP Jérémy Décercle (Renew Europe), who is very much in line with the FNSEA’s position, disagrees and believes that these objectives are too restrictive anyway. “We want 25% organic, but how do we do it? Austria already has 25%. But in some countries, we are only at 2 or 3%...”.
The same goes for the ambitions to phase out pesticides: “These objectives are not precise enough. First of all, impact and feasibility studies should be carried out. What are we talking about? And how do we get there? What are the alternatives?” he said.

For the MEP, sustainable sovereignty requires, first and foremost, to produce as much or more in our territories. “Not by prohibiting but by innovating, by investing in research. This is the only way to ensure our sovereignty while taking into account environmental issues.”

According to him, one solution for the future lies in the famous new breeding techniques (NBT), a genome editing technique for plants. The production of new varieties adapted to resources – with lower water consumption, for example — would be a way of moving towards profitable, productive, and much cleaner agriculture.

For environmentalists, who are somewhat opposed to NBT — qualified as the “new GMOs” — the industrial, agricultural model is intrinsically incompatible with independence and would undermine our food security.

According to German MEP Martin Häusling (Greens/EFA), 60% of the cereals produced are used to feed animals, and only 20% are used for food production. The rest is used for biofuels.

For him and his colleagues, this is absurd at a time when wheat shortages are threatening Europe and even the world. “People need to eat bread. With meat, we won’t be able to feed the world,” Häusling said.

The Farm to Fork Strategy aims to end this grain hoarding by industrial livestock farming. By implementing “measures to reduce overconsumption of meat”, countries are drastically reducing their need for grain and their dependence on plant proteins.

Although the Commission wishes to ensure “that the overall productivity of EU agriculture is not compromised in the implementation of the necessary transitions defined in the Farm to Fork Strategy and in the Biodiversity strategy”, it must be pointed out that the current dynamic is that of a renunciation of the EU’s agroecological ambitions. At least for the moment.

For Häusling, with the rejection of the Farm to Fork Strategy and the slowdown in pesticide legislation, “agriculture will continue to exacerbate the food crisis, and therefore will not be able to achieve the climate and biodiversity objectives.”
While the EU has banned the import of potash, a key mineral fertiliser, from Belarus as part of the sanctions regime, test drilling for additional potash mines in Eastern Germany looks promising.

The embargo on mineral fertiliser from Belarus, which supplied around a third of EU potash imports, came at the beginning of March as part of an EU sanctions package targeting Belarus for supporting Russia in its military attack against Ukraine.

Even though Germany is the world’s fourth-largest producer of potash, making up 9% of global production, the EU is dependent on mineral fertiliser imports and the embargo is expected to bring major price hikes.

GERMAN PRODUCERS STAND TO GAIN

The region’s main producer, K+S, is a leading potash producer for agricultural use worldwide. For the company, primarily owned by chemicals giant BASF, the sanctions on Belarus mean good business.

During the past few months, the company has adjusted its profit forecast upwards based on rising prices – most recently as part of its annual report presented earlier this month (10 March). It now expects its best annual result ever despite rising energy costs.

“Our performance was boosted by a very positive market development throughout the year,” CEO Burkhard Lohr said during the presentation of the report, adding that high demand had led to a “significant increase” in potash prices.

In June, economic penalties on potash imports from Belarus were introduced in response to the...
forced landing of a Ryanair flight in Minsk, leading to the incarceration of opposition activist Roman Protasevich and his girlfriend, Sofia Sapega.

For 2022, too, the company expects an overall “very good demand” for potash, Lohr explained, especially since any increase in global supply was “improbable” in the face of sanctions against Belarus and Russia.

So far, Lohr said, K+S has been able to cater to rising demand. Asked by EURACTIV Germany, a spokesperson of the agricultural ministry also said Germany has “sufficient resources to not be dependent on Belarus imports”.

RAMPING UP PRODUCTION

But while German production accounts for around half of the potash used in the EU, according to data from EU statistics agency Eurostat, it would need to increase significantly to help make up for halted imports from Belarus and Russia.

The potential to cater for the rising demand for German-mined potash has not gone unnoticed. After K+S has long dominated mining in the region, a new Australian investor has now started to launch exploratory drillings in the South Harz in the federal region of Thuringia.

The Australian company Davenport Resources has secured mining and drilling licences for potash deposits in the region that it estimates to hold more than five billion tons of crude salt. According to the company’s website, the first test drillings have shown promising results earlier this year.

Meanwhile, the governments and stakeholders in the mining regions have mixed feelings about a potential expansion of potash production. While the region stands to gain economically, increased mining could lead to environmental problems like the salinisation of nearby rivers.

“In case of a positive result of the test drillings (...) and provided that the potential mining and production of potash would be done in a modern and sustainable way, there could be a significant added value potential for the region,” the regional economy ministry of Thuringia told EURACTIV Germany.

ENVIRONMENTAL RAMIFICATIONS

Asked about the test drillings, a spokesperson from environmental protection NGO BUND said the company had promised to implement the future minings in an environmentally friendly way and without creating harmful residues.

“But based on past experience, we doubt that these promises can really be kept in practice,” they added.

The effects of potash mining on the regional environment have led to long-standing disputes between producers and campaigners, who have notably accused K+S of harmful waste management practices.

Back in autumn, the governments of the regions in question launched a strategy to combat the salinisation of the Weser and Werra rivers. The strategy requires K+S to observe certain environmental measures and take steps to minimise ecological ramifications.

Meanwhile, environmental campaigners argue the aim should be to phase out the use of mineral fertiliser for farming in the first place. Rather than ramping up domestic potash production to make up for lacking imports from Belarus, “the current crisis is an occasion to call into question the industrial way of farming practised in Germany,” the BUND spokesperson said.