Food security in times of crisis
Food security has been the phrase on everyone’s lips since the start of the Ukraine war, which has sent the agrifood sector reeling.

While at the EU level food security is not at risk, elsewhere concerns are mounting over potential food shortages. Meanwhile, the conflict has sent global food prices skyrocketing, which will hit the poorest populations the hardest.

To cope with this crisis, some, including the incoming Czech Presidency, have suggested green goals be paused in favour of increasing food production. Others warn that this is a mistake, pointing out that the environmental targets outlined in the EU’s flagship food policy, the Farm to Fork strategy, are necessary to build a truly sustainable food system in the long run.

For their part, the European Commission has asked member states to adjust their Common Agricultural Policy (CAP) national strategic plans in consideration of the evolving geopolitical context.

In this Event Report, EURACTIV’s agrifood team takes a closer look at food security in this time of crisis and the response at the EU level.
Keep calm and carry on trading: Von der Leyen urges solidarity to fix food crisis

Ukraine’s deputy agri minister: Winning the war, unblocking ports only way to restore grain exports

MEPs: more support for grain export at Polish-Ukrainian border needed
Keep calm and carry on trading: Von der Leyen urges solidarity to fix food crisis

By Natasha Foote | euractiv.com
Languages: Français | Deutsch

European Commission President Ursula von der Leyen has called for a show of global solidarity to cope with the food insecurity caused by Russia’s invasion of Ukraine, urging states to keep trade open while pledging EU support for the most vulnerable countries.

Following Russia’s invasion of Ukraine on 24 February, the global supply chain has been plagued by uncertainty, in particular in relation to wheat, cereals, and edible oils.

As such, the conflict, together with a deadly combination of the aftermath of the COVID-19 pandemic and increasing impact of climate change, is predicted to push some 275 million people into high risk of food insecurity across the world.

“And in an inflationary world, that risk and those numbers can quickly...
spiral further out of control,” von der Leyen warned during an address to the European plenary on Wednesday (8 June), adding that we should be under “no illusions about the challenge ahead”.

According to the Commission President, world partners expect the EU and other major economies step up to show the “same resolve and solidarity as we have shown towards Ukraine, when it comes to addressing the food security crisis”.

“And this is exactly what we will do through our own response and through our work within the G7 and with other partners,” she promised.

To do so, von der Leyen set out a four-point plan of action, the first of which includes keeping markets open with no export restrictions or controls so that trade can continue to flow.

“The European Union keeps its food exports going, and so should everyone else,” she said.

This also involves stepping up work on the so-called ‘solidarity lanes’: the establishment alternative logistics routes using all relevant transport modes to ensure that grain blocked in Ukraine gets on the market as quickly as possible.

However, the President conceded this will have limited impact without access to Ukraine’s Black Sea ports.

“We need [these ports] up and running again because the majority of Ukrainian grain can only be exported in time through the Black Sea route,” she emphasised.

### Solidarity and support

The Commission President also reiterated the importance of solidarity and support to the most vulnerable countries.

“Unity and support are the strongest messages we can send in the face of Russian aggression and Russian disinformation,” she said, outlining the EU’s plans to provide an additional €225 million to southern neighbourhood partners.

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The President also pushed on the need to invest in making local production more sustainable and resilient. This includes an initiative to boost Africa’s own production capacity, which she said will be “critical to strengthen the region’s resilience”.

Meanwhile, the EU budget has already earmarked €3 billion to invest in agriculture and nutrition, water and sanitation programmes, and is currently considering the possibility of mobilising an additional €600 million from the European Development Fund.

### EU sanctions ‘do not impact food’

Meanwhile, von der Leyen also took the opportunity to stress that this is the result of Russia’s action alone, adding that food has become “part of the Kremlin’s arsenal of terror”.

“Let’s be very clear: Whereas Russia actively weaponises hunger, the EU’s sanctions are carefully crafted to avoid a negative impact,” she said, emphasising that EU sanctions “do not affect the trading of grain, or other food, between Russia and third countries”.

Her comments come on the back of a Russian-backed narrative that it is Western sanctions which are responsible for the disruption to global supply of grains and fertilisers.

This narrative is already gaining ground in Africa, Asia, and Latin America.

As part of efforts to challenge this, EU leaders recently met with African Union Chair and President of Senegal, Macky Sall, to agree on a common stance which places the blame for disruptions to food supply squarely on Russian President Vladimir Putin’s shoulders.

However, Sall since met with Putin, after which he appealed for the suspension of sanctions against cereals and other key commodities.

“So let’s stick to the truth: This food crisis is fuelled by Putin’s war of aggression,” von der Leyen stressed, adding it is “our duty to dismantle Russian disinformation”.

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Despite an adequate and friendly global response, the only option to restore grain exports from Ukraine is to win the war as Russia cannot be trusted in any plan aimed at unblocking seaports in the South of the country, Ukraine’s deputy agriculture minister told EURACTIV in an exclusive interview.

Markiyan Dmytrasevych is Ukraine’s deputy agriculture minister focusing on trade. He spoke to EURACTIV’s agrifood reporter Yaroslava Bukhta.

Last month, the EU came up with the idea of ‘solidarity lanes’ to improve Ukraine’s grain export. What’s your take on this initiative?

First of all, these ‘solidarity lanes’, these directions that they have outlined, are, in fact, what we have been talking about with them for two months: the problems we have had and we have already solved in some part.

We brought these issues to the EU and they summarised them quite correctly and laid them out on paper. These are the right things and they respond adequately. Solidarity lanes are a healthy, right response from those countries that understand the scale of the problem that may arise in
the world.

**How does this solidarity from the EU work in practice?**

Let’s take the example of Romania and Poland, the main directions. For instance, restrictions on transportation permits have been lifted and we have agreed with the Polish on the transit of grain through the EU only with a single documentary check, namely without the need to check each car, take samples and so on. The transit through Poland started on 31 May and this week we are assessing how well it worked.

**But in general, how has been so far the global response to this crisis?**

Reactions are adequate, friendly, and correct. However, the European partners are well aware that no matter what we do or how we simplify it, you will not make a Ukrainian grain truck with a wide track go on a narrow track. You will not be able to do that physically. And even if you change the wheels, it would stop on the first passenger ferry at the first station where it would pass, as it simply does not pass the dimensions. We stuck into physical capabilities, not bureaucratic or documentary. And as much as we would like to, last month [we exported] 1.7 million tons by all possible means in the current situation. Ideally, [we could keep exporting] 2-2.2 million a month, but that would not solve the problem. In the same period before the war, we exported 5 million tons and more.

Indeed, some Ukrainian MPs criticised the concept of ‘solidarity lanes’ as, although well prepared, they do not provide enough export.

It is obvious, everyone understands it. Whatever we do, we will not be able to rebuild logistics totally. Europeans will not be able to do that too. You understand the amount of investment – to build a railway, to build grain trucks, – this is something too complicated. But we are trying to find a solution.

**So the crucial factor is unblocking the ports.**

We need to understand the Ukrainian side. Ukrainian farmers and Ukrainian grain traders have to sustain an additional cost of $100 per ton [without unblocking ports]. This cost is included in the price. Accordingly, the same trader cannot buy grain from a Ukrainian farmer for adequate money. We have a situation where world prices are soaring and Ukrainian domestic prices are very low. And without unlocking the ports, this problem cannot be solved.

**Meanwhile, harvesting time is getting closer. How to tackle this issue?**

The problems of the summer harvest are now superimposed on all this. We will start harvesting in July, and we will have a shortage of storage facilities because according to various estimates, there are about 10 million tons of storage capacity in the occupied territories. We did not take out the grain of last year’s harvest, we will have nowhere to stock this year’s harvest, and farmers can not sell their products. Accordingly, they will not receive funds.

The first consequence is that, if they don’t get the money, they can’t afford the next planting campaign. And, secondly, the farmer will think to himself: I will not sell last year’s harvest, so this year’s harvest I sadly half-stocked somewhere, saved in some temporary way, and I have no money. Why should I plant next year?

You mentioned temporary storage. Does Ukraine have any plan for the nearest harvest, taking into account, that there are three weeks left before it?

In 3 weeks only the harvest begins, we have up to two months. We have plans. First, the methods of temporary storage known to Ukrainian farmers – the so-called plastic bags, which can put 200,000 tons, which are just waiting for their time, are the first such quick alternative.

The second is foreign technology – temporary silos. Roughly speaking, it is a floor on the ground so that moisture does not penetrate, such as a rim on top, and a tent. We are now actively working with the US, Canada and other partners who have this technology that they use, and we are negotiating. I think one way or another we will solve the problem, but it does not solve the global problem.

Therefore, the only way to solve the situation is to win the war and unblock the ports. But the United Nations are working on that, from what I know. But we don’t really want to believe Russia. Even in the case of military convoys, imagine the cost of such transportation. And the risks in a mined sea.

And what is the situation with military convoys escorting grain ships?

From what I know, the UN is working on that. It’s hard to say about the success.
As issues with Ukraine’s grain exports persist, MEPs asked the Commission to grant financial support and insurance guarantees for the leasing of logistical equipment and staff in a letter obtained by EURACTIV.

A delegation of lawmakers from the European Parliament’s agriculture committee visited the Polish-Ukrainian border last week in a fact-finding mission, concluding that logistics and transport costs are among the key factors preventing increased exports.

According to the MEPs, this makes it impossible for Ukraine’s grains to reach their final destination. They wrote a letter calling for more action from the EU executive, addressed to Commission Vice-President Valdis Dombrovskis, Agriculture Commissioner Janusz Wojciechowski, and Transport Commissioner Adina Vălean.

“Operators struggle to balance these costs with sale price of commodities, while buyers no longer make prepayments because of the uncertainty created by the war. We...
were thus able to observe that for now, very little Ukrainian wheat crosses the Polish border”, says the letter to the Commission, obtained by EURACTIV.

The mission hoped to see the border crossing system in action and identify the main bottlenecks by talking with key stakeholders.

But in fact, they visited just one control border post where a 7 km traffic jam of trucks was waiting on the Ukrainian side, a member of the Parliament’s delegation told EURACTIV.

“It is difficult to do a fact-finding mission where the main issue is not necessarily at the border, but it is more the whole chain”, the MEP continued.

These difficulties, in turn, increase prices for such exports tremendously, making the MEPs ask the Commission to “assess whether the EU or the World Food Programme could acquire Ukrainian wheat at fair price levels.”

They also pointed out issues with infrastructure interoperability as there were not enough people to reload grain from one train to another. The letter states that the “difference in rail gauge represents the main barrier to cross-border freight traffic."

The recommendations to the Commission feature an extension of transhipment facilities on both sides of the border as a matter of priority and speeded-up border controls.

MEPs also acknowledged that the increase in cross-border traffic resulting from the Russian-Ukrainian war could not be absorbed by existing infrastructure, whether in Ukraine or the neighbouring member states.

**Ukrainian wheat only through the EU**

A main request of the European lawmakers is for investments in road and rail networks, storage facilities, and rolling stock.

Previously, the main route for Ukrainian grain exports was via seaports, accounting for around 90% of the available amount. The amount of monthly exported grains from Ukraine was about 4-5 million tons.

With the full-scale Russian invasion and the consequent seaport blockade, the grain is mainly redirected to railway and road systems that were not previously adapted for this purpose.

This causes major delays in exporting, logistics fractures and a significant increase in prices for the exported grains.

Another issue identified by the MEPs was that “the (still limited) quantities of Ukrainian grain that end up in Poland intensively compete with local production whose cost prices are up to 40% higher.”

This situation fuels fear and resentment among Polish farmers, making the MEPs request improved logistics, so the Commission ensures “that Ukrainian wheat only transits through the EU and is actually exported to its final destination in third countries – or, if need be, where necessary in the Union.”

The Commission introduced the so-called ‘solidarity lanes’ to increase grain exports by using all the possible routes and measures to ensure the grain leaves Ukraine.

As Ukraine’s agriculture Deputy Minister Markiyan Dmytrasevych pointed out in a recent interview, such an initiative considers that it is almost impossible to reach the pre-war amounts of exports while seaports are not functioning.

At the same time, it has helped increase exports from 300 tons in March to around 1.7 million tons in May, with up to 2 million tons expected for the future.

At the moment, the main route for grain exports is through railway to seaports in other countries, with Romania and Poland being among key ones in the chain.

However, MEPs stressed that the ‘solidarity lanes’ initiative needs more attention and promotion among local stakeholders.

For this, the chair of Parliament’s agricultural committee, the German MEP Norbert Lins, suggested the creation of “a special envoy dedicated to dealing solely with Ukrainian grain exports and working in partnership with stakeholders on the ground within the Commission.”
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