Openness Insights for EU Farm to Fork Strategy

Moving from supply to demand management

Overview

In May 2020, the European Union (EU) ratified the Farm to Fork Strategy[1], which underpins the overall EU Green Deal. As the name implies, the Farm to Fork Strategy focusses on the whole agri-food chain from the production of commodities on farms through processing into food to the health and nutritional aspects of food consumption. As part of the MAGIC project (2016-20) the progress towards the Sustainable Development Goal - Zero Hunger, SDG2, was investigated[4]. As part of the analysis, the research considered how supply systems (trade) influences the apparent sustainability of EU agri-food systems. Analysis elsewhere in MAGIC also quantified the need for change in societal demand and social practice if the SDG 2 goals are to be achieved[5]. A sister briefing highlights how the existing EU agricultural sector is not yet sustainable[6]. The focus of this policy briefing is to consider the reliance of EU agriculture on the rest of the world – the openness of the EU supply system. The briefing covers two main points: (1) the potential to displace non-EU agricultural activity to non-forested ecosystems and (2) the impossibility of reinternalizing feed production within the EU.

Unsustainable Imports

The environmental and social impacts of soy production in the Amazon and palm oil production in South East Asia are increasingly reported[2] [3]. These impacts include biodiversity loss, greenhouse gas emissions, impacts on subsistence farming and displacement of residents, particularly indigenous people.

The EU Farm to Fork Strategy recognises that the production of commodities can have negative environmental and social impacts in the countries where they are produced. The Farm to Fork action plan includes plan to form 'Green Alliances' to use bilateral trade agreements to improve these standards. It also proposes legislation to reduce dependency on inputs associated with deforestation and problematic plant protection products.

1. Out of the frying pan into the (savannah) fire

The proposal to use trade negotiations to raise the environmental standards in non-EU agricultural production is laudable. However, the focus on deforestation may have the unintended consequence of redirecting intensive agriculture expansion towards species rich permanent grasslands[7]. These savannahs are also important ecosystems for biodiversity and the conversion to arable crops can release greenhouse gas emissions and degrade important soil functions and processes.

Figure 1 (from D5.1[4] p89) illustrates the imported tonnage of oil meals, oil seeds, maize, vegetable (mainly palm) oils, sugar and wheat into the EU (right hand side) and the countries from which these commodities originate (left hand side). Whilst imports from Brazil and SE Asia can be linked with biodiversity loss and environmental degradation, the other main sources of commodities may also raise questions about the sustainability of farming practices (Argentina and USA) or the of security of supply (Ukraine). The environmental and social impacts of these imported commodities need to be considered, if the EU are truly going to use trade to help all countries progress the delivery of Sustainable Development Goals, particularly SDG6 (clean water), SDG 13 (Climate change) and SDG 15 (life on land).

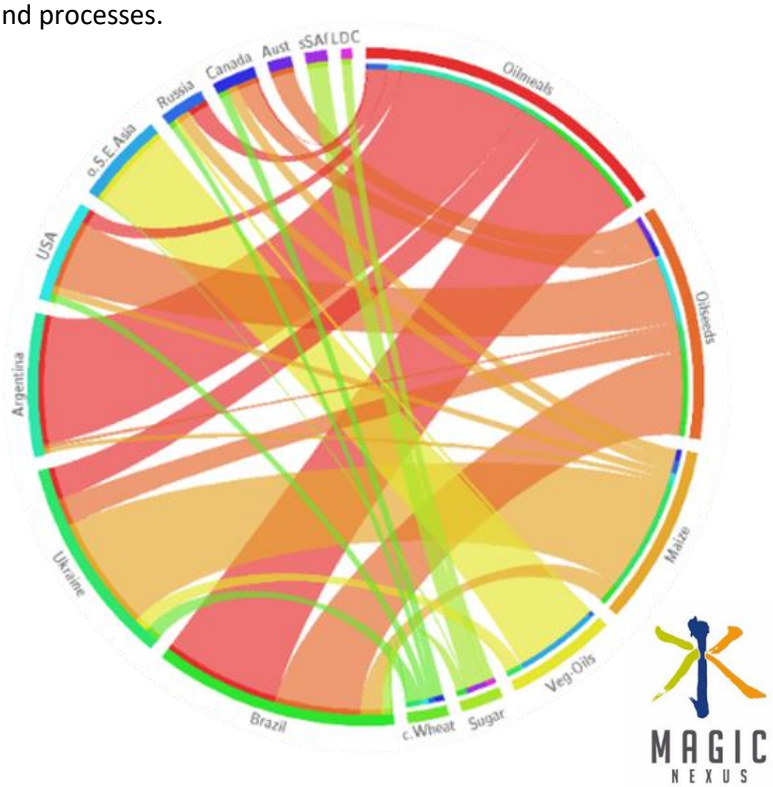

Figure 1:Sources and Types of imported agricultural commodities into the EU

2.Re-internalisation of imports

Figure 2 (from D5.1[4] p90) shows the importance of imported feed for EU livestock farming systems (in tonnes, 2014-17). The system dominating the left-hand side is 'specialist granivore' (poultry and pigs). All Member States use these imports, with the largest dependencies being France, Spain and Poland (right-hand side). It shows the relative extent of dependence on imported livestock feed within EU farming systems. The Farm to Fork Strategy's attention to imported livestock feed and plant production products is a good start, since imports embody a huge footprint of water, labour and land beyond the EU. MAGIC has, though, illustrated the challenge of reducing this footprint by any replacing imports with EU-based flows; since land within the EU is already intensively exploited[6] and making low value commodities is often only marginally profitable[4]. Any significant reinternalisation would likely have negative impacts on the environment within the EU. This means there is a wicked trade-off in reconciling the ambitions of UN SDG's and Farm to Fork Strategies.

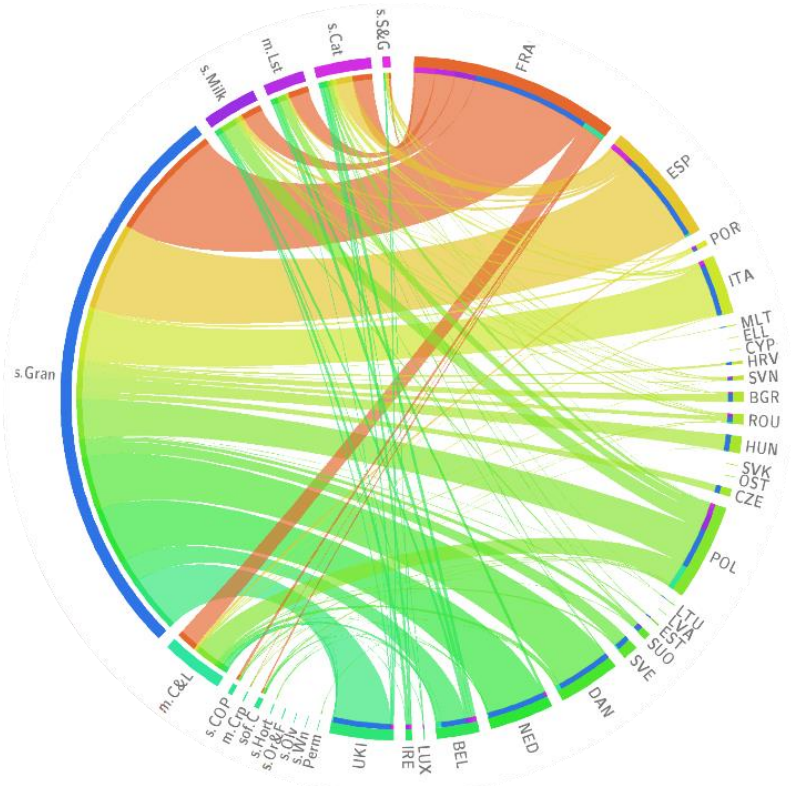

Figure 2: Farm type and geographic destination of imported feed (note no estimate could be made for Germany)

Conclusion: is demand management needed?

The ambition of the Farm to Fork Strategy is to improve the management of imported inputs to EU agriculture to help deliver on the commitment to the UN Sustainable Development Goals across the globe. In doing so, the EU is seeking to use its development and trade policies to provide leadership in global sustainability. What level of improved management is likely to be delivered? Given the potential for displacement and the impossibility of EU reinternalization, it may be time to consider whether the EU should be producing so much meat and dairy for internal consumption (or export). The Farm to Fork Strategy is led by DG Santé, whose remit is improving the health and wellbeing of EU citizens. The Farm to Fork Strategy does note the need to improve nutrition and reduce obesity. Therefore, part of leadership in sustainability might be within EU demand management, to cut down the EU's imports of feedstocks, rather than a reliance on improving the environmental performance of agricultural production systems beyond the EU.

References

More Policy Briefs are available from https://www.magic-nexus.eu/policy-briefs
To discuss the research in this brief, please email Keith.Matthews@hutton.ac.uk

1. European Commission, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. A Farm to Fork Strategy for fair, healthy and environmentally-friendly food system.* 2020, European Commission: Brussels. p. 20.
2. Sauer, S., *Soy expansion into the agricultural frontiers of the Brazilian Amazon: The agribusiness economy and its social and environmental conflicts.* Land Use Policy, 2018. **79**: p. 326-338.
3. Vijay, V., et al., *The Impacts of Oil Palm on Recent Deforestation and Biodiversity Loss.* PLOS ONE, 2016. **11**(7): p. e0159668.
4. Matthews, K.B., et al., *Report on EU sustainability goals: insights from Quantitative Story Telling and the WEFE nexus. MAGIC (H2020–GA 689669) Project Deliverable 5.1, 31st July 2020.* 2020: Online. p. 136.
5. Cadillo-Benalcazar, J.J., A. Renner, and M. Giampietro, *A multiscale integrated analysis of the factors characterizing the sustainability of food systems in Europe.* Journal of Environmental Management, 2020. **271**: p. 12.
6. Blackstock, K.L., et al. *Insights for the EU Farm to Fork Strategy: shaky foundations for a laudable ambition*. Magic Policy Briefs, 2020.
7. Green, J.M.H., et al., *Linking global drivers of agricultural trade to on-the-ground impacts on biodiversity.* Proceedings of the National Academy of Sciences, 2019. **116**(46): p. 23202.

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement no. 689669 (MAGIC). The work reflects the authors' view only; the funding agency is not responsible for any use that may be made of the information it contains.