



Annual Report

2014-2015



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FEFAC mission

FEFAC's mission is to



represent, defend and promote the interests of the European compound feed industry to the European Institutions;



develop professional rules and good manufacturing practices that ensure the quality and the safety of compound feed;



lobby for a legislative framework and its implementation, without discrimination in EU

Member States so as to maximise market opportunities for EU compound feed companies;



encourage the sustainable development of animal productions responding to the market requirements, so as to maximise market opportunities for EU compound feed companies;



safeguard conditions of free access to raw materials, the proper functioning of their markets and the definition of their quality;



encourage the development of precompetitive European feed-related Research & Development projects

seeking to enhance the EU feed & livestock sectors competitiveness and capacity to innovate in and/or transfer science and technology based solutions to improve the sustainability of resource efficient livestock production systems.

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FEFAC CONTINUES LEADING THE WAY IN FEED SAFETY MANAGEMENT AND SECURING THE STRATEGIC RAW MATERIAL SUPPLY

Thank you for taking a look at the FEFAC Public Annual Report 2014/2015. This is the first edition of a newly structured way of annual reporting on our activities in Brussels. Our aim is to increase public visibility of all our seven FEFAC Committees, allowing chain partners and interested stakeholders to follow the most relevant topics and Committee actions of the past year. Without the dedication and commitment of our Committee chairs and experts, FEFAC would not be able to achieve its policy goals. I would also like to express my gratitude to all our European chain partners in providing the best of their knowledge to help shape FEFAC's policy and action, thereby strengthening our industry position in the food chain as a reliable, responsible and proactive European Federation.

As FEFAC President, the overarching two pillars which received the bulk of my attention since our General Assembly in June 2014 in Liège were the reshaped Feed Safety Management Vision and the renewed focus on Strategic Raw Material Supply.

Feed Safety Management Vision

The premixture & compound feed manufacturing industry is an essential element of the production chain for animal products. The sector sources ingredients from a large spectrum of suppliers and geographic origins and delivers to millions of livestock farmers vital industrial compound feeding stuffs, which are expected to be safe. A number of feed safety

incidents in recent years proved how vulnerable the livestock chain can be in case of shortcomings at the level of feed supply.

In its reshaped vision on feed safety management, FEFAC calls for a change in attitude in the entire feed chain where the "top of the pyramid" approach stands central. This entails a proactive risk-based approach as regards feed safety at each stage of the chain where it is most effective, accompanied by the voluntary transmission of information along the chain to optimise monitoring resources.

A true milestone was achieved by the European feed industry in 2014, when the EU RASFF system reported that no less than 50% of the feed related RASFF notifications were triggered by company's own-controls, which illustrated the ever increasing awareness of the shared responsibility of feed safety.

Feed safety is anything but a static area of compound feed manufacturing, as there are many external factors that influence the way of producing. For example, climate change has a clear impact on the presence of mycotoxins in cereals. On top of that, there is a drive from operators in the food industry to limit the wastage of resources as much as possible. With animal feed being a destination that preserves losses within the food chain, food manufacturers are encouraged to privilege the feed outlet, though the "non-feed" industry often has very limited knowledge of feed safety requirements. There lies a clear role for our industry to intensify

cooperation with all our supply chain partners on the complex matrix of risk management in the feed chain, for the benefit of the entire food chain.

Legislative proposals on veterinary medicinal products and medicated feed have sparked a great political interest in the long-standing subject of antimicrobial resistance in the EU; correctly labelled as one of the greatest public health challenges the world society currently faces. In my role as FEFAC President, I always try to make it very clear that when antimicrobial resistance in livestock populations is discussed, animal feed should better be seen as part of the solution, given the fact that nutritionally balanced diets help keeping animals healthy and contribute to a reduced need for antibiotics. The ban of antibiotic growth promoters as feed additives in the EU almost 10 years ago has given rise to new animal feeding innovations, which have greatly contributed to increase resilience of livestock against diseases. It is important though that if animals do get sick, and medicated feed is the preferred route of veterinary medicines according to the veterinarian, policy makers should create the legal framework to make its production possible.

Nevertheless, it should not be forgotten that the core business of feed producers is producing non-medicated feed and the voluntary production of medicated feed is a service provided to livestock farmers, subject to very strict procedures and official control requirements.

Strategic Raw Material Supply

Despite FEFAC's warnings about the need to secure EU's market access to vital imports of protein-rich feed ingredients, the European Commission decided to put forward a highly controversial proposal on the nationalisation of GM food and feed approvals in April 2015. It goes without saying that this proposal will disrupt international trade, lead to discrimination of livestock farmers and destroy the functioning of the Single Market for agricultural products. Should a Member State decide to prohibit or restrict their livestock farmers from using compound feed containing GM-derived feed materials, this will by default close down the entire livestock sector in that respective country, due to an instant loss of competitiveness. The EU depends for 75% on imports for its needs in protein-rich feed ingredients. This is 30-35 mio. t per year, mainly soybean meal, for which there is no viable alternative. It remains

a mystery to all trading partners, including the countries exporting feed materials to the EU, how the EU can pursue its main political goal of fostering economic growth and job creation, while proposing to carve up its Single Market on agricultural trade into 28 pieces again. FEFAC, together with all EU feed and food chain partners, calls on the EU institutions to reject this proposal and return to a "common sense" approach, for example by consistently applying the existing GM crop approval legislation based on valid EFSA risk assessments.

Meanwhile, FEFAC achieved two significant milestones on the way to increase sustainability of EU feed and livestock production:

In April 2015, FAO-LEAP formally approved the first version of the global Feed LCA guidelines, laying down the methodology for LCA calculations to improve the measurements of environmental footprint of feed and livestock production. FEFAC will use this to

develop its own sector guidance of Product Environmental Footprint Category Rules (PEFCR) as the final outcome of the current PEF pilot project on feed. In parallel, FEFAC will join the future LEAP consortium to build a publicly accessible global Feed LCA database to facilitate objective comparisons on LCA measurements at EU global level.

FEFAC members also took a significant step in facilitating the mainstream supply of responsibly produced soy products in March 2015 by launching the European feed industry sourcing guidance. This will create more market transparency for our members who are willing to invest in responsible soy.



The principles of the General Food Law also form the foundation of the FEFAC Feed Safety Management vision; responsibility for market placement lies with operators and product traceability shall always be ensured.

(Ruud Tijssens, President)

Animal Nutrition Committee

Mandate

- To provide advice on EU legislative developments covering animal nutrition and feed/food safety
- To foster practical and meaningful implementation of EU feed legislation

In the Animal Nutrition Committee's contribution to the **fitness check of the General Food Law** (REFIT), FEFAC's support for the fundamental principles was reiterated: documented traceability and responsibility of each individual feed business operator. After 10 years of implementation, those two pillars have proved their effectiveness to secure the safety of the feed & food chain, although a lot is still needed to ensure proper implementation of these principles by operators and authorities. In the consultation phase of the REFIT, the Committee has raised attention to certain aspects of secondary legislation which are not always consistent with the GFL principles. For example, the mandatory dioxin monitoring of certain oils and fats under Regulation (EU) No 225/2012 is incompatible with case-by-case analyses and the individual risk profiles of feed business operators. FEFAC and its feed fats and oils chain partner (i.a. EFPRA, FEDIOL, COPA-COGECA, CEFIC, IFFO) called for an alleviation of monitoring requirements based on factual risk assessment and monitoring data.

Also, the malfunctioning of the implementation of the GFL principles in certain Member States relating to official controls was pointed out. In September 2014, the Commission issued a proposal for the recasting of the 25-year old legislation on **medicated feed**. The Animal Nutrition Committee has accompanied the decision making process and provided technical expertise, in close cooperation with chain partners and EU Institutions, while always reminding that the production of medicated feed is a voluntary service provided to farmers. It is FEFAC's firm stance that if the EU authorities believe that

medicated feed is an important route for the safe delivery of medicines to farm animals, then the objective should be to create workable conditions and feed manufacturers willing to produce medicated feed should be able to do so.

The Animal Nutrition Committee invested time in co-regulation tools, such as the code of practice for labelling of compound feed for food producing animals and the update of the EU Catalogue of feed materials. It also monitored the recasting of the EU official controls legislation and legislation on undesirable substances.



Animal nutrition is at the heart of compound feed manufacturing, it is our job to provide safe and nutritious feed to our customers at the farm. Good legislation allows for maximising development opportunities and innovation without compromising on safety.

(Peter Radewahn , Committee Chair)

Industrial Compound Feed Production Committee

Mandate

- To secure access to feed ingredients from EU or third countries
- To monitor market development for the EU livestock sector
- To evaluate the economic impact of EU trade related measures

In April 2015, the Commission launched a proposal allowing Member States to opt-out from EU-approved **GM food and feed events**, along the lines of the political agreement on GM cultivation reached earlier in 2015. With this proposal, the Commission hopes to bring a change to the situation where no qualified majority of Member States can be found to take a decision on the approval or rejection of GM food and feed events. The Industrial Compound Feed Production Committee has provided its input to evaluate the impact of the EU Commission proposal that would cause serious disruption of

the EU Single Market for agricultural products if the EU institutions should support it. A situation where certain Member States (or regions thereof) decide to prohibit the “use” of GM-derived feed materials would be a severe blow to the already negative protein balance sheet and impact the competitiveness of the EU in agricultural trade as a whole.

April 2015 also saw the European Institutions finally reach an agreement on the Renewable Energy Directive. The Industrial Compound Feed Production Committee considers the capping of **crop-based biofuels** to be a fair measure.

The feed industry is indeed able to source more EU grown protein feed thanks to significant increases in rapeseed cultivation; however, the competition for arable soil in the EU would come under further pressure with unlimited contribution of crop-based biofuels to the renewable energy targets for transport.

The Committee also provided input in the preparation of the **MiFID** implementing legislation, seeking to improve market conditions for feed chain operators by facilitating the use of modern hedging tools as a key element in managing increasing market volatility for raw materials. Through the Committee, FEAC raised its concerns, which are shared by many chain partners, that the current proposals for “level 2” legislation may have unintended negative consequences regarding the possibility for feed and food chain operators to effectively use the financial instruments for hedging purposes.



Compound feed manufacturers excel in using scarce resources in the most cost-efficient way, thereby driving efficiency trends. In times of market turbulence, they are considered a buffer for livestock farmers against price volatility.

(Pavel Musil, Committee Chair)

Feed Safety Management Committee

Mandate

- To promote implementation of feed safety risk management systems along the feed chain
- To promote dialogue with key supplier organisations, control authorities and standard making bodies
- To optimise the management of major feed safety incidents

As part of its vision on feed safety management, FEFAC takes the role of **capacity building** very seriously. In January 2015, FEFAC published version 1.2 of the EFMC Guide, after it was positively assessed by EU authorities. The main goal of the guide is to facilitate the implementation of the hygiene and HACCP requirements of Regulation (EC) No 1831/2003 on Feed Hygiene for compound and premix manufacturers. Among other things, this practical tool now includes more detailed guidelines on the management of microbiological feed safety risks (salmonella) as well as aflatoxins. In addition, the Feed Safety Management Committee contributed to the international standardisation of feed safety standards through its contacts with IFIF, FAO, CODEX and ISO.

There are still significant steps to be taken to further **optimise the risk management** along the feed chain. Scrutiny of feed safety incidents leads to the conclusion that the majority can be traced back to earlier parts of the feed chain. FEFAC, therefore,

engaged in bilateral discussions with EU feed supplier organisations, starting with those representing the main ingredients, such as FEDIOL, COCERAL and FEFANA. Further to this, FEFAC encouraged scheme owners to exchange information on risk analysis and monitoring programmes.

With 50% of the feed-related RASFF alerts stemming from operators' own controls, it is clear that feed business operators, including feed manufacturers, have proved they take up their role by reporting safety incidents. FEFAC believes that this track record should convince competent authorities to

further invest in **co-operation with operators** and to take auto-controls into account when developing a risk-based approach for official controls. An exchange of information would also be beneficial to feed manufacturers, as competent authorities have particular information on the risk profile of other feed business sectors, especially suppliers, which is an important element for the design of an efficient monitoring plan. The Feed Safety Management Committee is currently working on an inventory of positive examples of cooperation between competent control authorities and feed manufacturers at national level.



Capacity building, optimisation of risk management and co-operation with authorities are the three pillars of the FEFAC feed safety management vision. Forget one and it all falls.

(Sara Galletti, Committee Chair)

Feed Safety Incident Management Team

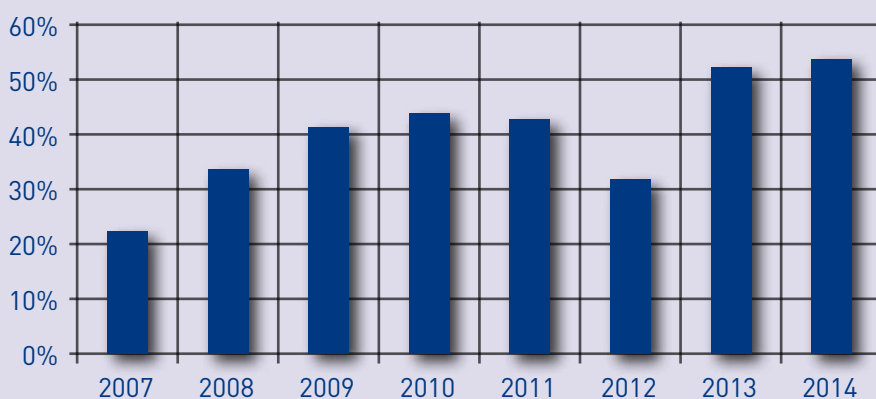
The Feed Safety Incident Management Team (Feed SIM-T) was launched in January 2014 and is a practical and successful illustration of FEFAC's vision on feed safety management. The platform, coordinated by FEFAC, provides a cross-cutting monitoring system that allows for communication and information exchanges among compound feed manufacturers, with chain partners and with competent authorities. 2014/2015 has been



extremely fertile in emerging issues, in particular the presence of non EU-approved GM rice in choline chloride imported from China, the presence of ruminant DNA in feed materials for fish feed production,

as well as the presence of GM micro-organisms in feed additives produced by fermentation. In each case, the Feed SIM-T worked out action plans to address issues at source in cooperation with authorities.

Proportion of RASFF notifications resulting from own-checks by feed operators (excl. petfood, excl. border rejections) (Source: FEFAC)



The proportion of own-check based notifications to the RASFF has grown steadily from 22% in 2007 to reach 54% in 2014, showing a high degree of maturity in the feed chain, and placing operators and authorities on an equal footing as regards the effectiveness of their controls.

Mandate

- To monitor the re-authorisations of feed additives
- To facilitate the placing on the market of premixes and mineral feed

As privileged route for the delivery of feed additives to animals, the Premix & Mineral Feed sector is primarily interested in the re-authorisation of feed additives to secure proportionate risk management measures imposed by EU decision makers, guaranteeing the safe use of feed additives. The Premix & Mineral Feed Committee has, therefore, kept close eye on EFSA opinions and EU Commission legal proposals for the **re-authorisation of essential feed additives**, including labelling requirements. FEFAC fought hard against the trend to reduce the maximum levels of nutritional feed additives, as they do not always take into account the variability of requirements and the practical conditions of compound feed manufacturing and livestock feeding practices. This puts animals at risk

of shortage in essential nutrients, thereby negatively affecting the livestock performance and possibly even animal welfare and health.

The Committee also paid attention to the specific labelling requirements for the disclosure of feed additives to preserve the legibility of labels of premixtures and compound feed. In addition, FEFAC, together with FEFANA, EMFEMA and COPA-COGECA, has started to reflect on how **feed additive labelling** along the chain could be optimised. The chain partners agree that the main purpose of the label is, besides traceability reasons, to draw attention to essential information on the safe use of the product, while other information should be placed on a separate medium. At each stage of the feed chain the label

should, therefore, carry the most appropriate information, adapting itself to the new target audience. This should reduce administrative burden and costs as well as the risk of misuse.

Based on the work performed by the Feed SIM-T, the Committee started to pay closer attention to incidents of non-compliance of **imported feed additives** vis-à-vis EU legislation. A particular concern was the incident of unapproved bt63 rice in choline chloride imported from China. The Committee analysed the root causes of the non-compliance and identified short and long term actions that would improve the situation of EU imports of third country feed additives.

The Premix & Mineral Feed Committee experts agreed that quality of EFSA opinions on feed additives could be improved through reinforced interaction with the industry. This is why FEFAC joined a group of EU associations, including FEFANA, EMFEMA, EuropaBio, ECPA and CEFIC, to create the **Pari-EFSA**. This platform aims at considering initiatives to foster an effective dialogue between operators, their associations and EFSA while respecting EFSA's independence, which is crucial to consumer confidence.



Micro-ingredients are a vital element in exploiting the full potential of animal performance to meet the demands of the future. Helping feed manufacturers and farmers to bring micro-ingredients into compound feed in a safe and efficient way is the “raison d’être” of pre-mix and mineral feed manufacturers.

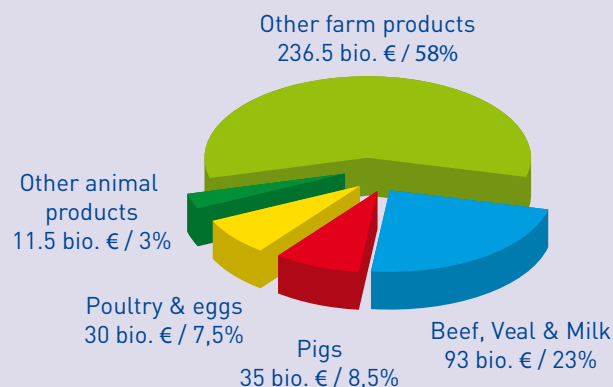
(Reinder Sijtsma, Committee Chair)

FEEDING EU LIVESTOCK

Meat and other animal products in the EU-28 represented app. 170 bio. € in 2014, i.e. 42% of the total value of farm production and identical to 2013. Animal feed is the most important livestock production cost factor and represented in 2014 up to 85% of the farm gate value of poultry. The EU-28 farm animals are fed with app. 475 mio. t of feedstuffs, thereof app. half are roughages produced on farm, 10% are grains produced on farm, 10% are purchased feed materials and 30% are industrial compound feed.

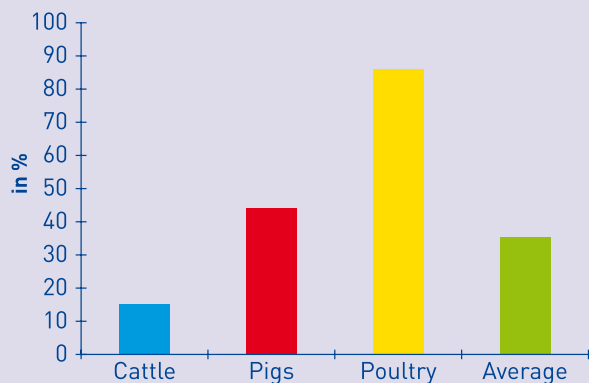
Value of farm production in 2014 in the EU-28

(Source: Eurostat)



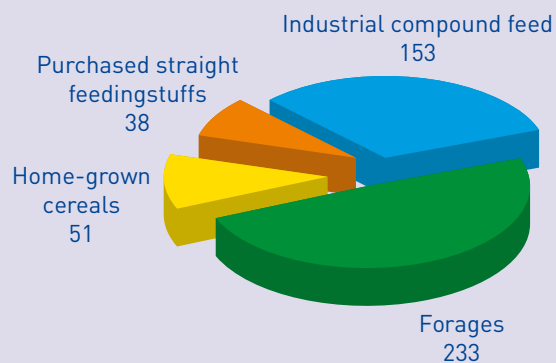
Value of purchased compound feed in total animal output value in 2014

(Source: FEFAC)



Livestock sourcing in feed in the EU-28

(475 mio. t in 2014) (Source: FEFAC - DG Agriculture)



INDUSTRIAL COMPOUND FEED PRODUCTION

The compound feed production in the EU-28 slightly decreased by 0.5% in 2014 to 153.4 mio. t. Pig feed has seen its production fall by 1.2% for the third consecutive year, whereas poultry & layer feed remained almost flat (+0.3%) and confirmed their position as leading compound feed segment slightly above pig feed. Cattle feed production also decreased by 1.2%.

The most important factor having impacted feed production in 2014 is certainly the Russian ban, which commenced already in February

2014 as far as pigmeat is concerned. It put additional pressure on farmers, especially pig and dairy farmers. The good availability of forages due to favourable weather conditions and the sharp drop in dairy prices significantly affected the demand for compound feed for dairy cows, which did not benefit at all from the 5% increase in milk deliveries in 2014.

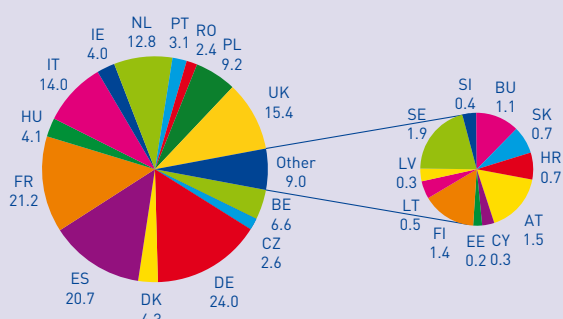
Most EU Member countries saw their production change within a range of -3/+3%, with the noticeable exception of Ireland (-11%) due to the lower demand for cattle feed, or

Poland (+7%) boosted by the demand for poultry feed.

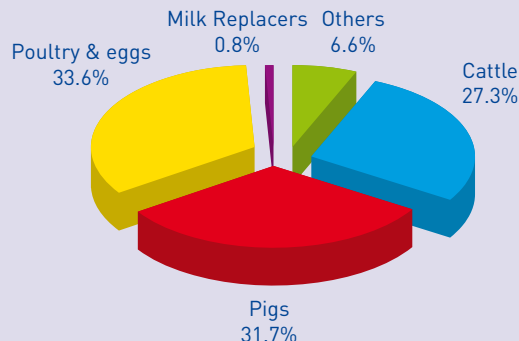
Germany's position as leading EU country in terms of total compound feed was strengthened, ahead of France shoulder to shoulder with Spain for the second position.

Germany is the leading cattle and pig feed producer while France maintains the leading position as poultry feed producer. The compound feed production in the EU represents 16% of the global production that is estimated at around 964 mio. t.

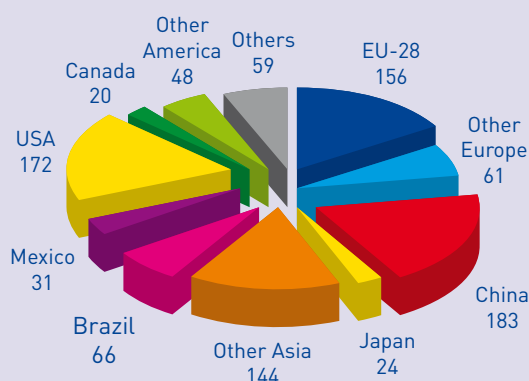
EU-28 compound feed production in 2014
(153.4 mio. t / -0.5%) (Source: FEFAC)



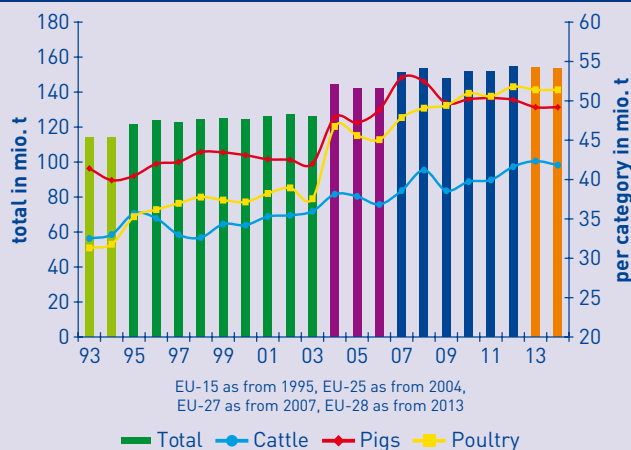
Industrial compound feed production in EU-28 per category in 2014 (Source: FEFAC)



Global compound feed production in 2014
(964 mio. t) (Source: FEFAC - Alltech)



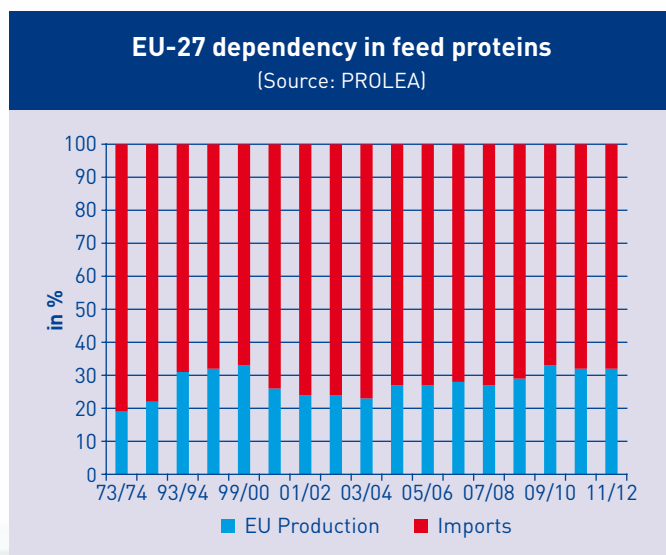
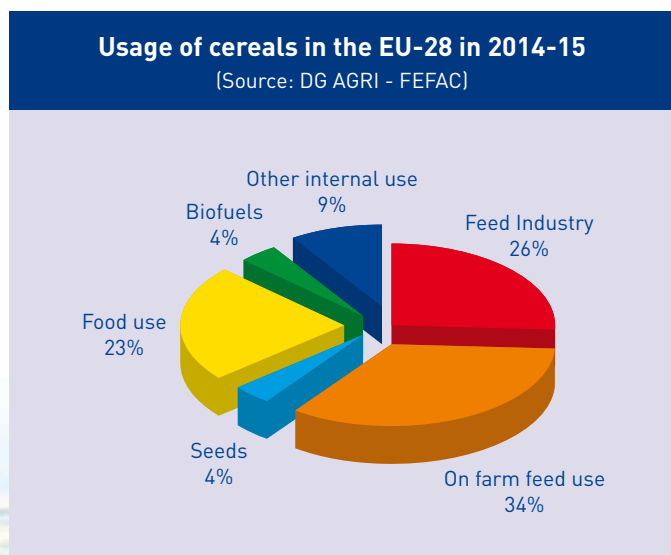
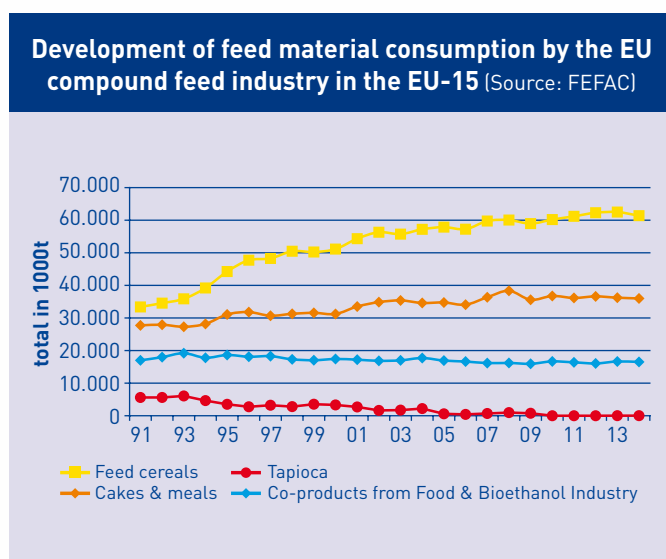
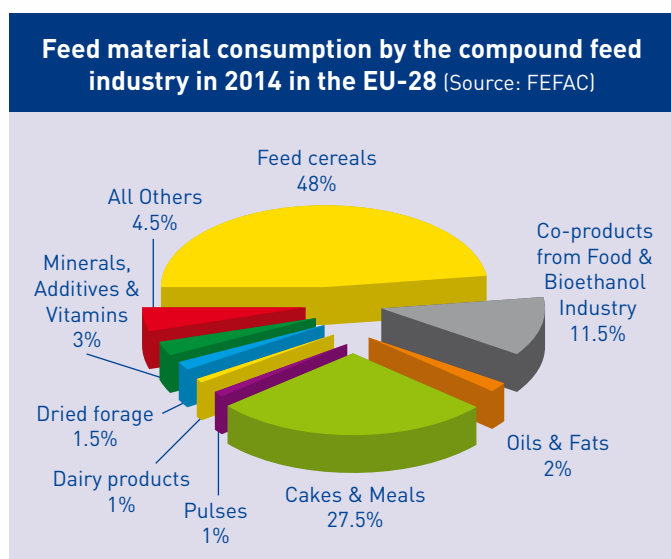
Development of compound feed production in the EU (per category, excl. EL, LU and MT) (Source: FEFAC)



INDUSTRIAL CONSUMPTION OF FEED MATERIALS

Despite the huge variations in feed material prices over the last years, the proportion of feed materials per categories remained relatively stable (48% for cereals, 27.5% for oilseed meals). However, this does not reflect significant changes for some feed materials e.g. for corn gluten feed or dried distillers grains usually imported from the USA which have almost disappeared since 2007 due to repeated trade disruptions because of asynchronised authorisations of GM crops. Since the Mac Sharry reform in 1991, the average

inclusion rate of cereals increased from 32 to 48%. On the other hand, tapioca, one of the most important substitutes to cereals in the 80s, completely disappeared from the diets. Animal proteins, which in the past represented up to 2% of feed materials, were banned in 2001 and mostly replaced by soybean meal. The EU livestock is by far the most important outlet for EU produced cereals with 60% of the internal usage. The share of rapeseed meal significantly increased with the development of the biodiesel sector.

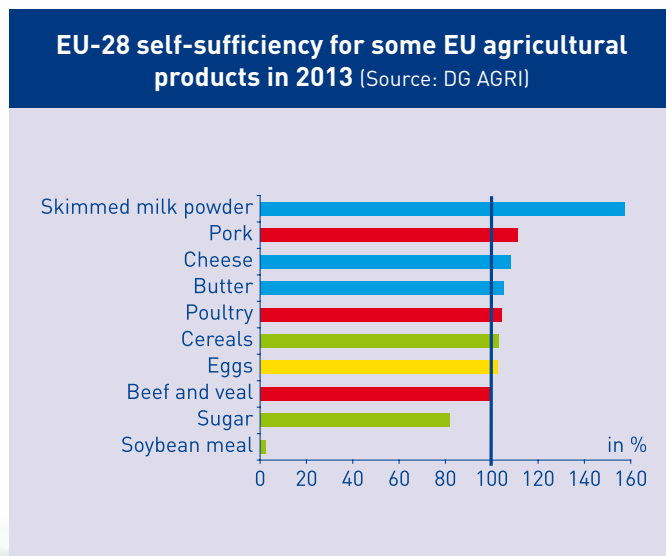
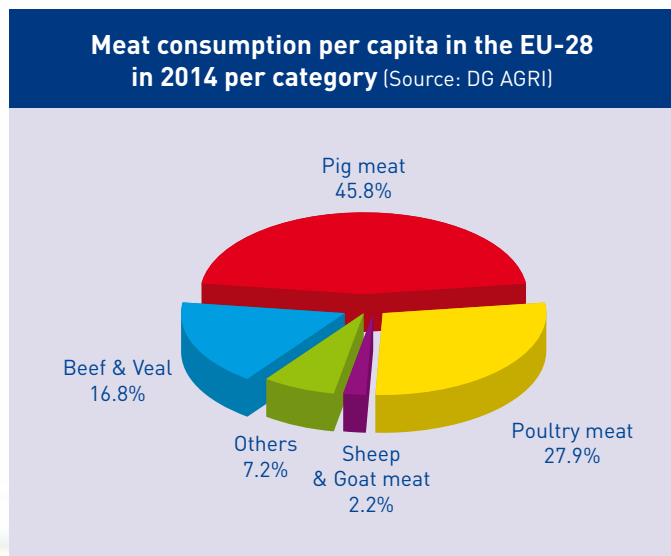
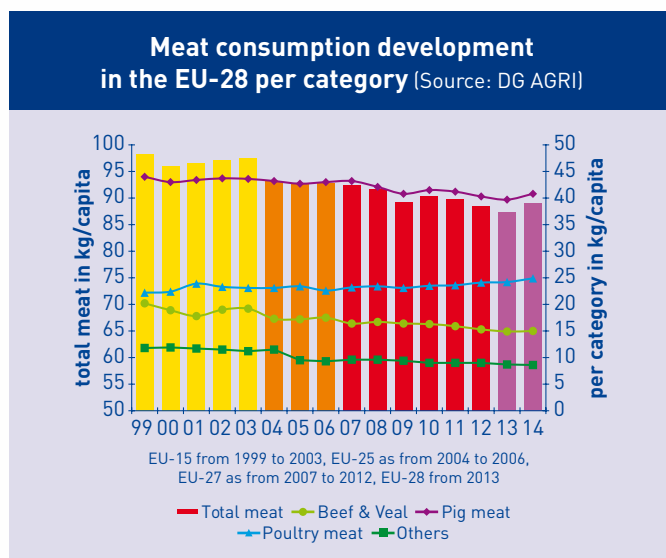
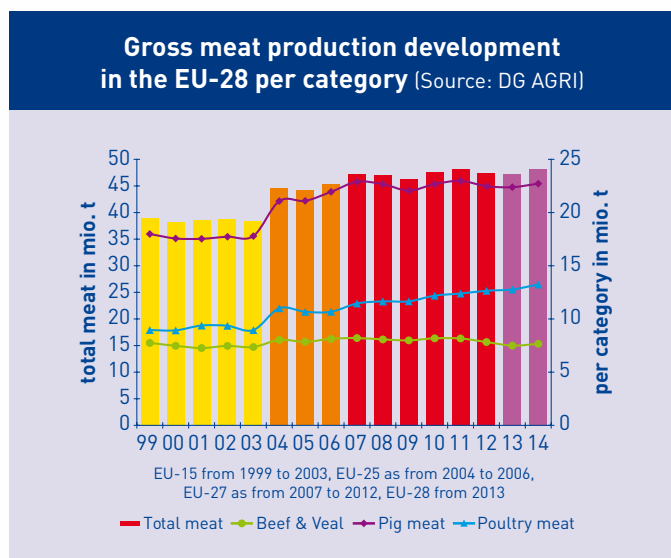


THE EU MEAT MARKET IN A NUTSHELL

The production of meat in the EU-28 increased by 2% between 2013 and 2014, meaning a significant recovery after two consecutive years of contraction. All meats benefitted from this recovery (+2% for beef, +1.5% for pig and +4% for poultry).

The meat consumption in the EU-28 is estimated around 89 kg/capita/year, which is 2% more than in 2013, thus stopping the downward trend that started in the mid-2000s. Poultry meat is the second most consumed meat in the EU-28 with 25 kg/capita/year in 2014, far behind pig meat (41 kg/capita/year).

The EU is self-sufficient in livestock products in volumes, in particular pork and dairy products.



The Agri Food Chain Coalition

In September 2014, FEFAC was part of the launch of the Agri-Food Chain Coalition (AFCC), which aims to give chain partners in the food chain a united, politically visible voice. Besides FEFAC, the Coalition consists of COPA-COGECA, FoodDrinkEurope, COCERAL, FERTILIZERS EUROPE, IFAH-EUROPE, CELCAA, EUROPABIO, ECPA, CEMA and CELCAA. The broad coalition of associations, representing Europe's agriculture and food sectors, calls for the EU to boost innovation and jobs with "ambitious policies that unlock the great potential of the European agri-

food chain and maintain its place as a world leader".

The launch of the coalition was guided by the publication of a joint declaration entitled "Food for Thought" and a reception in the European Parliament hosted by the MEPs Czesław Adam Siekierski (EPP, PL), Paolo de Castro (S&D, IT), Ian Duncan (ECR, UK) and Philippe De Backer (ALDE, BE). Specifically, the joint vision calls for

- Fostering agricultural and food chain research to sustain innovation;
- Promoting the creation and protection of jobs in the agri-food sector;

- Taking into account the social, environmental and economic dimensions of sustainability in every EU policy measure; and
- Supporting the role of Chief Scientific Adviser both at EU and national level.

FEFAC fully supports the key messages of the AFCC vision, which call for a clear political recognition of the link between innovation and agriculture as a prerequisite for sustainable growth. There is no doubt that a science-based legal framework is needed to allow food producers to bring innovations to the Single Market. On 29 June 2015, the AFCC organises an event at the EXPO Milano called "Innovation – how can it fuel a strong & competitive EU agri-food sector".



Mandate

- To contribute to voluntary initiatives measuring and improving various aspects of sustainable consumption and production of feed including industry guidance on responsible supply of raw materials
- To monitor developments on EU and global sustainability policy

The feed industry is conscious of its contribution to the **environmental footprint** of animal products. The Sustainability Committee proactively contributes to the creation of measurement tools that allow for a harmonised approach towards lifecycle assessment. The Feed PEF is one of the approved pilots under the European Commission's Product Environmental Footprint (PEF) initiative which aims at building an independent, horizontal methodology that allows for a Single Market for green products. The project, of which FEFAC coordinates the technical secretariat, is currently in the phase of conducting its screening study.

Another important step in providing practical and science-based recommendations for the

environmental performance in the feed supply chain was the official release in April 2015 of the **Global Feed LCA guidelines** developed by the FAO-led Livestock Environmental Assessment and Performance Partnership (LEAP). FEFAC is one of the founding members of LEAP, together with the International Feed Industry Federation (IFIF) and the American Feed Industry Association (AFIA). It is FEFAC's objective to ensure alignment and consistency between the Feed PEF pilot and the Global Feed LCA Guidelines. A next step will be the establishment of a Global Feed LCA Institute which aims at making a credible and transparent attempt at creating a publicly available environmental footprint assessment tool, supported on different continents. As part of its objective to contribute to further **emission**

reductions, the Sustainability Committee is also actively involved in discussion on the best available production techniques as part of the review of the reference documents for the control of Industrial Emissions in the feed and food sector (BREF FDM).

In order to create clarity for feed manufacturers in a fragmented market of private **responsible soy** schemes, FEFAC published its first version of the Soy Sourcing Guidelines in March 2015. The guidelines reflect what FEFAC considers to be the minimum social and environmental requirements for soy cultivation and its aim is to foster mainstream market supply of responsible soy to Europe for developed markets. Private scheme owners can benchmark their programmes against FEFAC's criteria with a view to publicly assess whether they meet the minimum requirements agreed by European feed manufacturers. The guidelines were welcomed by the European feed industries key trade partners, as well as several environmental NGOs who remain constructively critical. With the publication of the guidelines, FEFAC has shown its continued commitment to the topic of responsible soy production, ever since it started to engage with the Round Table on Responsible Soy in 2006.



Resource efficiency is at the heart of compound feed manufacturing. Knowing how to sustainably manage the myriad of feed materials is imperative for competitiveness and helps livestock farmers to understand and reduce their environmental impact.

(Angela Booth, Committee Chair)

On 25 March 2015, FEFAC, in cooperation with FEDIOL, organised the 4th EU Workshop on Responsible Soy which was dedicated to the developments in environmental legislation and soy value chain partner initiatives in Brazil. 70 participants from EU institutions, stakeholders, 3rd country missions, Member States and NGOs attended. A delegation comprising representatives from the Brazilian Ministry of Environment, ABIOVE, APROSOJA and the NGO TNC-Brazil (The Nature Conservancy) delivered compelling evidence and arguments illustrating the effective measures taken to reduce illegal deforestation. Through the new Forest Code, Brazil disposes of adequate tools

to enforce legal requirements at farm level, which prescribe the protection of High Value Conservation areas.

A key element is the intended registration of all 5.1 million farmers in Brazil into the Rural Environment Registry (CAR – Cadastro Ambiental Rural) by 5 May 2016, which would replace the voluntary private-public Soy Moratorium that was launched in 2006 and previously extended to 31 May 2016. Being registered in the CAR is a prerequisite for soybean farmers to sell their products on the market, thereby allowing governmental services to closely monitor the farmers' compliance with environmental legislation. On 1 May 2015, ABIOVE

reported that practically the whole soy area in the Amazon Biome (Mato Grosso, Pará, Rondônia) has already been registered under CAR.

APROSOJA, the Brazilian association of soybean farmers, reached out to European trade partners and NGOs to form an alliance of stakeholders to confirm Brazil's journey on environmental stewardship and good agricultural practices. TNC-Brazil commended the increased awareness of Brazilian farmers as regards their role as providers of environmental services and the inclusion of High Value Conservation Areas in the new Brazil Forest Code. They highlighted that agricultural expansion in the Cerrado is bound to continue, but if this is done along the lines to the Brazil Forest Code, farmers can compensate the trade-offs by offering environmental services to communities.

FEFAC President Ruud Tijssens concluded that there is a great need for European feed and food chain actors and policy makers to recognise the progress made in Brazil. In order to keep developments going, Europe needs to become a reliable partner in Brazilian environmental legislation by starting to embrace the concept of zero-net deforestation, break the myth that deforestation is "out of control" in Brazil and create a situation for mainstream market supply of responsible soy.



Fish Feed Committee

Mandate

- To monitor and assess EU feed legislation initiatives from a fish feed producer's angle
- To accompany the implementation of the EU Common Fisheries Policy
- To address issues affecting economic performance of EU aquaculture

With the **Common Fisheries Policy** reform having taken effect in January 2014, we are now moving to the crucial implementation period with Member States developing their national Aquaculture plans. The Fish Feed Committee proactively scans the horizon for potential **alternatives to marine raw materials** by supporting EU research initiatives and platforms such as EATIP and ARRANA. In April 2014, FEFAC organised a workshop to discuss market and research developments on new feed resources for aquaculture. This included alternative protein sources such as non-ruminant PAP (processed animal protein), insects and krill as well as a genetically modified Camelina variety capable of producing omega-3 enriched



oilseeds which could be a potential alternative to fish oil. However, market resistance to the (potential) use of these new resources has

shown to be a key obstacle to the fish feed industry to implement even more sustainable practices.

To stimulate a more positive public image of aquaculture products, FEFAC supported FEAP (Federation of European Aquaculture Producers) for the organisation of the third edition of the annual event "**Aquaculture in Motion**" in December 2014. The aim to have a more positive image of European Aquaculture is supported by DG MARE, who launched the "Farmed in the EU" campaign in 2015 that promotes EU farmed fish as a local, healthy and sustainable fish product.



Fish feed producers play a key role in the development of a sustainably growing European aquaculture sector, in line with the key policy objectives of the Aquaculture chapter of the new EU Common Fisheries Policy. We have delivered world class feed conversion rates while reducing reliance on scarce marine ingredient resources; now it's time for policy makers and market partners to allow our industry to make the full use of new raw material resources to continue this exciting journey.

(Niels Alsted, Committee Chair)

Milk Replacers Committee

Mandate

- To monitor the market of feed materials of dairy origin and EU veal market
- To follow-up the EU legislation linked to feed and veal production (safety, welfare, promotion)

Producing veal requires very specific feed with highly nutritional proteins, historically from dairy origin, such as skimmed milk powder and whey powder. Nowadays, the milk replacers industry is using much less feed materials from dairy origin than 10 years ago (50% vs. 70%), to the benefit of proteins from vegetable origin such as soy protein concentrate or maize gluten, as well as vegetable oils as substitute to tallow. This is even more important now that the use of dairy feed materials in milk replacers is no longer subsidised. This being said, the price of dairy protein remains the most important cost factor for veal production. The members of the Milk Replacers Committee closely monitored **the market of feed materials of dairy origin**, to make use of the full potential of the few market management tools that remain further to the last CAP reform, such as public intervention for skimmed milk powder or the customs duties for imports of whey powder from third countries. The end of milk quotas was a significant development over the last year, with higher volatility expected for the years to come.

Since the milk replacers industry and the veal production are closely interconnected, the members of the Committee also paid a lot of attention to the new rules for **promotion of agricultural products** with a view to value the high nutritional quality of veal. In parallel, the Milk Replacers Committee also provided input in the FEFAC action plan for the development of a methodology and LCA database for the determination of the environmental footprint of feed and its contribution to the overall carbon footprint of livestock products. Also of importance for the Committee are the developments

regarding the **animal welfare, animal health and veterinary medicine policies** as far as they impact the performance of the EU veal production.

Finally, the Milk Replacers Committee provided advice to other Committees as regards the re-authorisation of feed additives, labelling of compound feed, GM feed & food policy and other feed legislation not directly under the Committee remit, but which must also take into consideration the specificities of the milk replacers sector.



Veal is not only an excellent meat with a long standing consumption in many EU countries, but also an essential production sector to balance the beef and the dairy markets. There is no profitable veal sector without an innovative, resource efficient milk replacers industry and that's what we are all working for in our Committee.

(Geert Kleinhout, Committee Chair)

As a European association, it is crucial for FEFAC to maintain contacts with European Institutions who contribute to shaping EU legislative proposals, primarily the European Commission. FEFAC experts take part in the **DG SANTE** Advisory Group on the Food Chain, Animal and Plant Health and the Animal Health Advisory Committee, as well as in the **DG AGRI** Civil Dialogue Groups on the CAP, International aspects of Agriculture, Animal Products, Arable Crops, Milk and Organic Farming. FEFAC actively takes part in the EFSA Stakeholders Platform, where its experts have provided data and industry studies in a series of **EFSA** feed safety risk assessments, mainly conducted by the Scientific Panels on Biological Hazards, Contaminants, Feed Additives and Animal Health/Animal Welfare.

FEFAC has for long granted priority to **collaboration with other stakeholders** of the feed and food chain to tackle feed and food chain issues of common interest. FEFAC participated in the establishment and/or is member of the following entities.

Animal Task Force, a knowledge based cooperation between representatives from industry and the academic world focused on enhancing innovation and sustainability in the animal production sector of Europe's food supply chains. The integrated approach allows for the setting of the

agenda for research and innovation in the animal domain and assures a valuable contribution to the societal and environmental challenges. FEFAC holds membership to the Animal Task Force through **EUFETEC**, a European feed technology research platform composed of several feed-related bodies representing the feed industry and research institutes.

Food Safety Platform, grouping key European stakeholder federations concerned with feed & food safety (including the European Consumers Association BEUC), aiming at improving communication between the feed & food chain partners on emerging feed and food safety issues and related topics. In April 2015, the Food Safety Platform held an event called "Safe food for European consumers" in the light of the WHO World Health Day.



EPRUMA (European Platform for the Responsible Use of Medicines in Animals), established in 2005 and composed of various EU organisations of the livestock and pet sectors, with the mission of promoting the responsible use of medicines in animals in the EU. EPRUMA issued in 2008 "Best-practice framework for the use of antimicrobials in food-producing animals".



EATiP (European Aquaculture Technology & Innovation Platform), one of the European Technology Platforms endorsed by DG RESEARCH. It was set up by the European fish farmers (FEAP) with the support of the whole aquaculture supply industries, including leading fish feed producers and FEFAC's Fish Feed Committee. EATiP developed a vision document on the research needs of the Aquaculture sector until 2020 including a strategic research and innovation agenda containing key projects which could facilitate the development of a more sustainable and competitive EU Aquaculture sector in line with CFP reform policy objective for Aquaculture.

FFC (EU Feed and Food Chain platform on the use of green biotechnology), composed of partner organizations of the whole feed and food chain dealing with the impact of EU and international regulations and market developments for the use of modern biotechnology in agriculture and food production on EU feed and food markets.



Food SCP Roundtable (EU Food Chain Roundtable on Sustainable Consumption & Production), composed of representative organisations from the entire food chain from the agro-supply sector to retailers with the main objective to develop a harmonised environmental impact assessment methodology, to develop tools for consumer communication and to identify actions for further improvement of the environmental performance of the food chain. The Roundtable is co-chaired by the European Commission.

EU FCTF (EU Feed Chain Task Force on the Catalogue of Feed Materials), a gathering of 41 EU organizations of the different sectors of the feed chain (feed material producers, traders, compound feed manufacturers and farmers) whose mission is to maintain and upgrade the EU Catalogue of Feed Materials. FEFAC holds the role of coordinator of the EU FCTF.

FEFAC is a member of **IFIF**, the International Feed Industry Federation, which was founded in 1987 by FEFAC and AFIA, the American Feed Industry Association. With an estimated global commercial feed production of almost 1 bio. t in 2012, IFIF accounts for over 80% of the total global feed production. IFIF and FAO have jointly organized eight **International Feed Regulator Meetings** since 2008 to deal with emerging feed safety issues and

jointly developed with global feed regulators a comparison project of key legal requirements for the authorisation of feed additives to foster convergence of feed legislation at global level. FEFAC and IFIF actively contributed to the work of the new **CODEX Task Force** which adopted its final draft guidance documents in 2014 to be approved by the CODEX Alimentarius Commission. Through IFIF, FEFAC contributed to PEDv expert working groups of the OIE, the World Organisation for Animal Health.



THE 5TH GLOBAL FEED & FOOD CONGRESS
ANTALYA, TURKEY, 18 – 20 APRIL 2016

EVENT ORGANISER



EVENT CO-ORGANISER

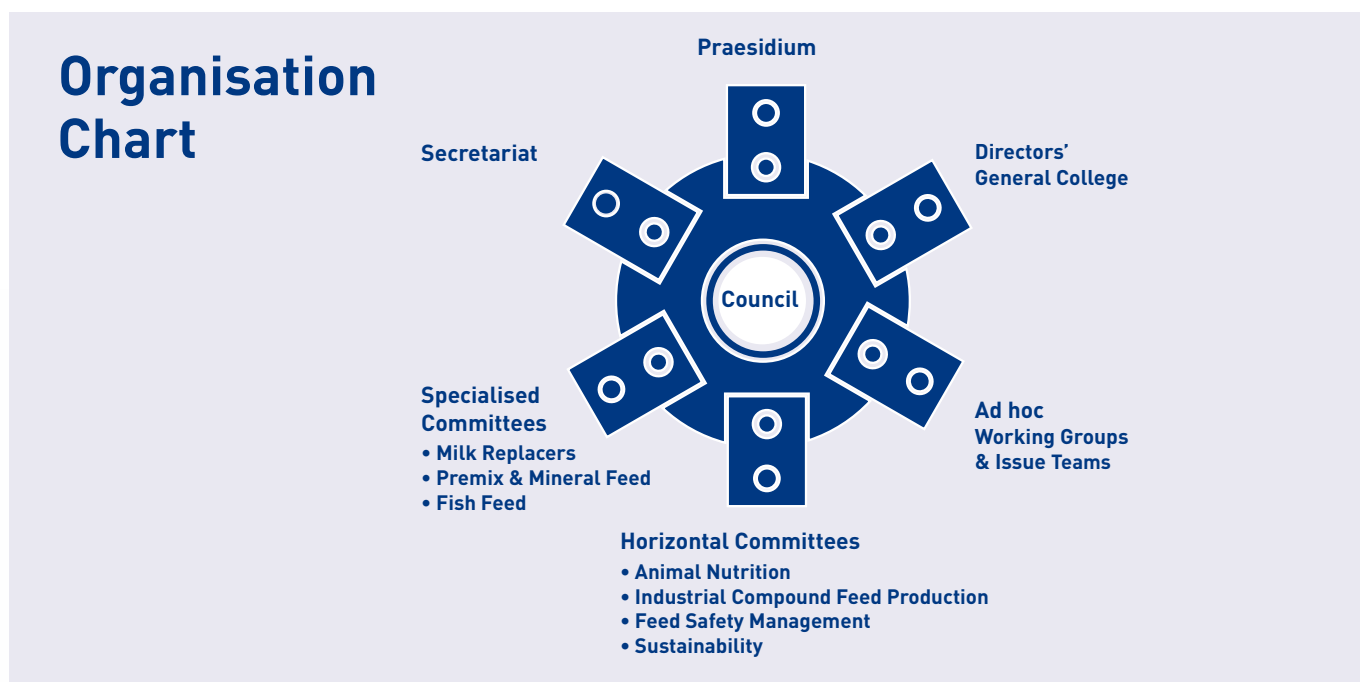


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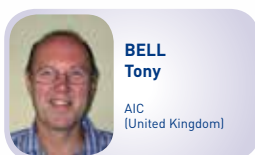
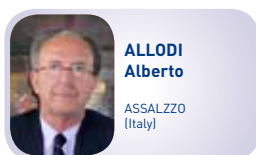


TECHNICAL SUPPORT

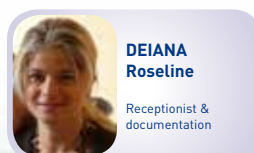
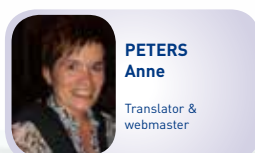
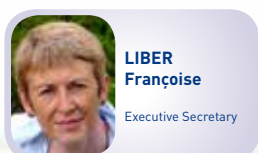
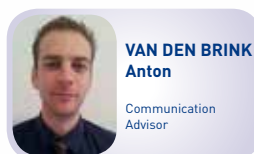




Praesidium Members



Secretariat



National Associations joining FEFAC

Active Members

VFÖ	Austria	1995 (1964)
APFACA/BEMEFA	Belgium	1959
BFMA	Bulgaria	2013
CFIA	Croatia	2013 (2008)
CAFM	Cyprus	2004 (2003)
SKK	Czech Republic	2004 (2000)
DAKOFO	Denmark	1973
FFDIF	Finland	1995 (1993)
SNIA	France	1959
DVT	Germany	1959
HGFA	Hungary	2012
IGFA	Ireland	1973
ASSALZOO	Italy	1959
LGPA	Lithuania	2005
NEVEDI	The Netherlands	1959
IZP	Poland	2004 (2001)
IACA	Portugal	1986 (1976)
ANFNC	Romania	2014
AFPWTC	Slovakia	2004 (2003)
GZS	Slovenia	2004
CESFAC	Spain	1986
FS	Sweden	1995
LANTMÄNNEN	Sweden	1995
AIC	United Kingdom	1973

(observer as from ...)

Observer Members

RUFM	Russia	2010
SFMA	Serbia	2009

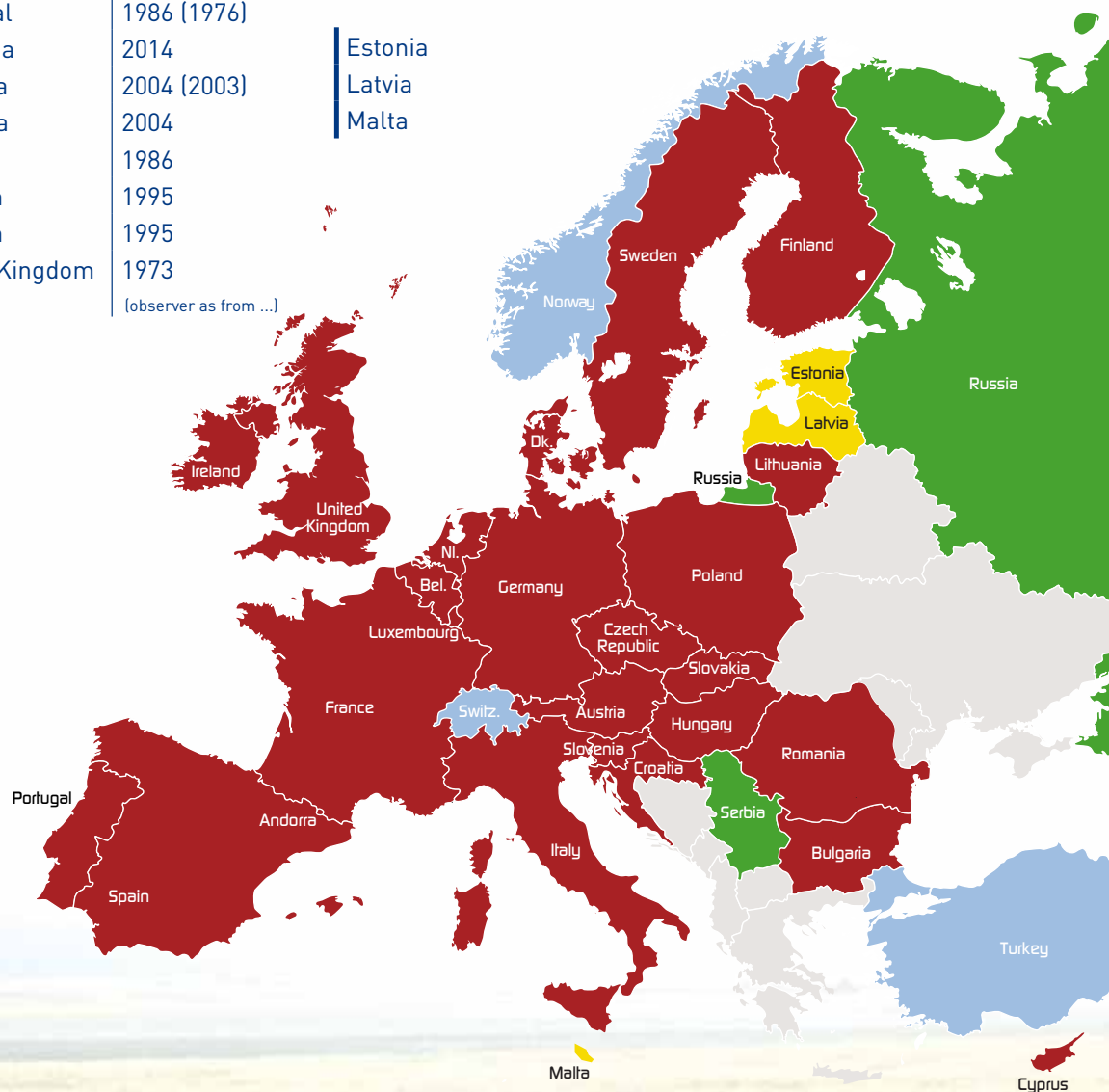
Associate Members

EFFPA		2014
EMFEMA		2003
NSF	Norway	2003
FKF AS	Norway	2014
Norkorn	Norway	2014
VSF	Switzerland	1966
TURKIYEM	Turkey	2014 (2005)

Potential Active Members

Estonia
Latvia
Malta

Situation on 1 June 2015





FEFAC

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