



FARM FOUNDATION[®] FORUM

**UNDERSTANDING THE EU FARM TO FORK
STRATEGY AND ITS IMPLICATIONS FOR
U.S. AGRICULTURE**

APRIL 27, 2021



Today's webinar is made possible by a grant from
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SHARI ROGGE-FIDLER

President & CEO
Farm Foundation

MEET FARM FOUNDATION

A 501(C)(3) NON-PROFIT AT THE INTERSECTION OF AGRICULTURE AND SOCIETY



Farm Foundation is an
ACCELERATOR
of practical solutions for agriculture.

We accelerate
PEOPLE AND IDEAS
into
ACTION.



OUR MISSION AND VISION GUIDE OUR WORK

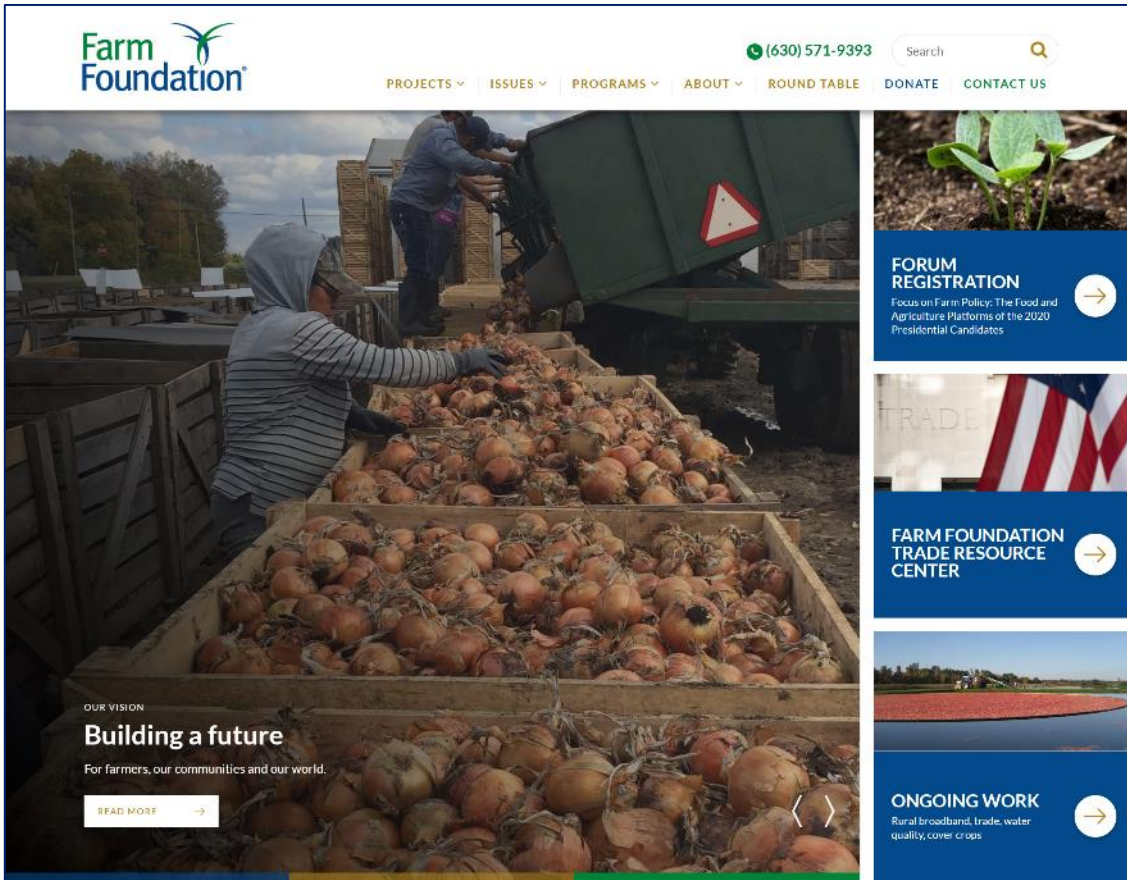
MISSION:

To **build** trust and understanding at the intersections of agriculture and society.

VISION:

To **build** a future for farmers, our communities and our world.

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BILL BRYANT

Chairman
Bryant Christie, Inc.



ALAN HARDACRE

Director of Public Affairs
CropLife Europe



Understanding the EU Farm to Fork Strategy and its Implications for U.S. Agriculture

Dr Alan Hardacre
Director Public Affairs CropLife Europe

CropLife Europe ...



...represents the **highly innovative, R&D-driven crop protection industry** in Europe

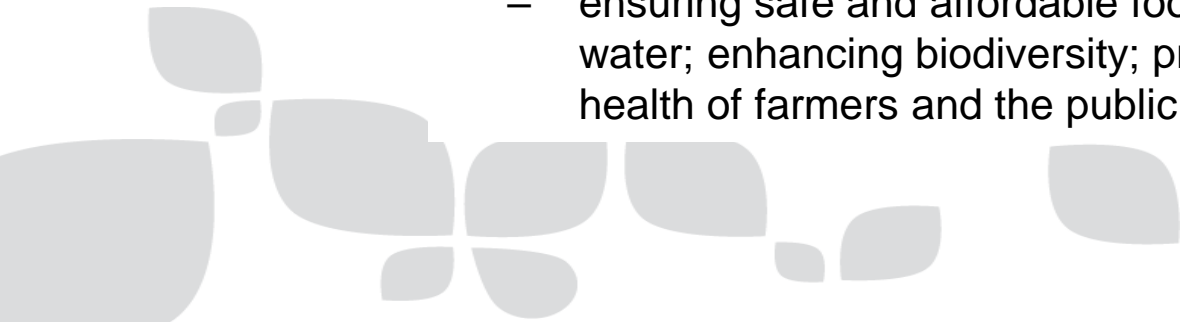
- 22 companies; 32 national associations; 26,000 people in the sector

...advocates **policies and legislation that foster innovation**

- giving Europe's farmers the tools they need to help meet the world's growing food demand in a sustainable way

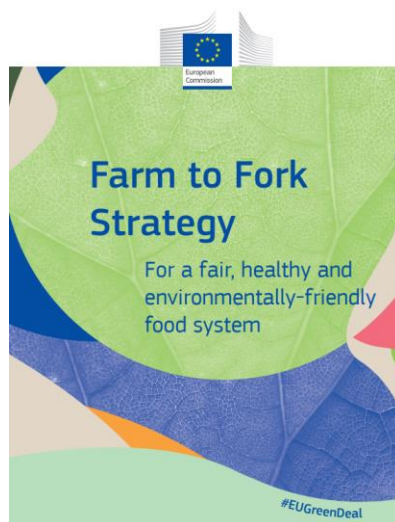
...promotes good agricultural practices through **the complementarity of its crop protection solutions**

- ensuring safe and affordable food; safeguarding water; enhancing biodiversity; protecting the health of farmers and the public



Farm to Fork Landscape *(ambitious and complex)*

ANNEX



ACTIONS	
Proposal for a legislative framework for sustainable food systems	2023
Develop a contingency plan for ensuring food supply and food security	Q4 2021
ENSURE SUSTAINABLE FOOD PRODUCTION	
Adopt recommendations to each Member State addressing the nine specific objectives of the Common Agricultural Policy (CAP) , before the draft CAP Strategic Plans are formally submitted	Q4 2020
Proposal for a revision of the Sustainable Use of Pesticides Directive to significantly reduce use and risk and dependency on pesticides and enhance Integrated Pest Management	Q1 2022
Revision of the relevant implementing Regulations under the Plant Protection Products framework to facilitate placing on the market of plant protection products containing biological active substances	Q4 2021
Proposal for a revision of the pesticides statistics Regulation to overcome data gaps and reinforce evidence-based policy making	2023
Evaluation and revision of the existing animal welfare legislation, including on animal transport and slaughter of animals	Q4 2023
Proposal for a revision of the feed additives Regulation to reduce the environmental impact of livestock farming	Q4 2021
Proposal for a revision of the Farm Accountancy Data Network Regulation to transform it into a Farm Sustainability Data Network with a view to contribute to a wide uptake of sustainable farming practices	Q2 2022
Clarification of the scope of competition rules in the TFEU with regard to sustainability in collective actions.	Q3 2022
Legislative initiatives to enhance cooperation of primary producers to support their position in the food chain and non-legislative initiatives to improve transparency	2021-2022
EU carbon farming initiative	Q3 2021

STIMULATE SUSTAINABLE FOOD PROCESSING, WHOLESALE, RETAIL, HOSPITALITY AND FOOD SERVICES' PRACTICES

Initiative to improve the corporate governance framework , including a requirement for the food industry to integrate sustainability into corporate strategies	Q1 2021
Develop an EU code and monitoring framework for responsible business and marketing conduct in the food supply chain	Q2 2021
Launch initiatives to stimulate reformulation of processed food, including the setting of maximum levels for certain nutrients	Q4 2021
Set nutrient profiles to restrict promotion of food high in salt, sugars and/or fat	Q4 2022
Proposal for a revision of EU legislation on Food Contact Materials to improve food safety, ensure citizens' health and reduce the environmental footprint of the sector	Q4 2022
Proposal for a revision of EU marketing standards for agricultural, fishery and aquaculture products to ensure the uptake and supply of sustainable products	2021-2022
Enhance coordination to enforce single market rules and tackle Food Fraud , including by considering a reinforced use of OLAF's investigative capacities	2021-2022
PROMOTE SUSTAINABLE FOOD CONSUMPTION, FACILITATING THE SHIFT TOWARDS HEALTHY, SUSTAINABLE DIETS	
Proposal for a harmonised mandatory front-of-pack nutrition labelling to enable consumers to make health conscious food choices	Q4 2022
Proposal to require origin indication for certain products	Q4 2022
Determine the best modalities for setting minimum mandatory criteria for sustainable food procurement to promote healthy and sustainable diets, including organic products, in schools and public institutions	Q3 2021
Proposal for a sustainable food labelling framework to empower consumers to make sustainable food choices	2024
Review of the EU promotion programme for agricultural and food products with a view to enhancing its contribution to sustainable production and consumption	Q4 2020
Review of the EU school scheme legal framework with a view to refocus the scheme on healthy and sustainable food	2023
REDUCE FOOD LOSS AND WASTE	
Proposal for EU-level targets for food waste reduction	2023
Proposal for a revision of EU rules on date marking ('use by' and 'best before' dates)	Q4 2022



27 Initiatives to be launched
between 2021 and 2023...with the
final pieces unlikely to be finalized
until 2024-2025

Difficult to Understand Potential Impacts *(right now)*

- Early in the process – with many stakeholders to have a say
- Many live and interlinked files running concurrently with upstream and downstream impacts
- Lack of data (and difficult to get effective data) right now...with a flurry of data to come...



But the Debate is Shaping Up

What we observe *(so far)*

- Innovation-technology: role still up for debate

- GMOs (cultivation) – still (very) negatively viewed (impacting PBI)

- Growing 'level playing field' narrative within the European Parliament and EU farming circles





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TASSOS HANIOTIS

Director – Strategy, Simplification & Policy Analysis
Directorate General for Agriculture & Rural Development
European Commission



The Farm to Fork for US beginners!

Tassos HANIOTIS
DG AGRI - European Commission

*Understanding the EU Farm to Fork Strategy and Its
Implications for U.S. Agriculture*

*Farm Foundation Forum
27 April 2021*

#EUGreenDeal
#FutureofCAP

Two years after the #FutureofCAP proposal...

- **What is the same?**

- *The need to guarantee an **enhanced climate and environmental ambition***
- *The EU food system's recognition for sophistication, innovation and **resilience during COVID-19***
- *the EU **Copernicus** system that observes, collects and transfers **environmentally pertinent data***

- **What has changed in the meantime?**

- *COVID: the demonstration of **benefits from common EU response** to crises and risks*
- *The **Farm to Fork EU targets**: common EU response to environmental & climate challenges*
- *CAP Strategic Plans: growing societal **expectations** on their delivery as part of the future CAP*

- **What needs to be done to better link the CAP to the Green Deal?**

- *Retain key elements of the proposal in the final legislation currently negotiated in "trilogues"*
- *Identify areas **where** certain **improvements can close identified gaps** in MS SWOT analysis*
- *Accelerate shift to digitalisation to exploit the benefits from knowledge-based best practices*



The takeaway on the CAP

- **There is continuum, but also breaks in the nature of CAP reforms**
 - *The Farm to Fork is placing a **process already in place** with the 2018 proposal for the Future CAP in a **broader framework**, that of the Green Deal. The orientation does not change, but is strengthened by aiming to link all actors in the food chain in an ambitious project driven by needs and priorities.*



From Farm to Fork (and from ECON 101 to Farming 4.0)

Mind the gaps!

P

Globalisation

Macroeconomy and trade
[the "to" part]

P_w

P_e

Demand shifts!

from changes in income, tastes and preferences
[the "fork" part]

Knowledge Applications Perceptions

S_1

S

S_2

Supply shifts!

with opposing shifts from technologies and costs!
[the "farm" part]

In order to respond to

- ☐ Citizens' demands
- ☐ Globalisation challenges
- ☐ COP21/SDGs commitments

Farming 4.0 must produce

More food with lower cost

D

Q

The takeaway on best practices

- There is continuum, but also breaks in the nature of CAP reforms

*The Farm to Fork is placing a **process already in place** with the 2018 proposal for the Future CAP in a **broader framework**, that of the Green Deal. The orientation does not change, but is strengthened by aiming to link all actors in the food chain in an ambitious project driven by needs and priorities.*

- The importance of best practices

*There is **no monopoly of best practices** when it comes to sustainability, **but rather a healthy competition amongst them** when it comes to simultaneously increasing economic efficiency and reducing the environmental footprint. It is measurable results, rather than claims that should matter!*



The takeaway on science

- There is continuum, but also breaks in the nature of CAP reforms

*The Farm to Fork is placing a **process already in place** with the 2018 proposal for the Future CAP in a **broader framework**, that of the Green Deal. The orientation does not change, but is strengthened by aiming to link all actors in the food chain in an ambitious project driven by needs and priorities.*

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- The role of science in accelerating an ongoing transition

Greater focus on strategic planning, performance, knowledge-based agricultural practices, and a strong research focus on soil aim to accelerate the ongoing digital and green transition of EU's agriculture.



Thank you!

#EUGreenDeal
#FutureofCAP



MARTA MESSA

Director
Slow Food Europe



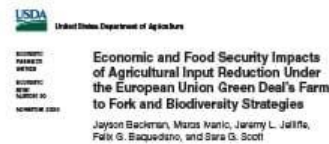
JAYSON BECKMAN

Senior Economist
USDA Economic Research Service



United States Department of Agriculture

Economic and Food Security Impacts of European Union Farm to Fork Strategies



Jayson Beckman, Maros Ivanic, Jeremy Jelliffe,
Felix Baquedano, and Sara Scott

The findings and conclusions in this presentation are those of the authors and should not be construed to represent any official USDA or U.S. Government determination or policy



EU Green Deal: Plan to Make the EU's Economy Sustainable

Farm to Fork and Biodiversity Strategies were released in May 2020 under the Commission's larger Green Deal

To promote sustainability, there are four areas of improvement:

- (1) sustainable food production
- (2) sustainable food consumption
- (3) sustainable food processing and distribution
- (4) food loss and waste prevention

Our work focuses on (1), specifically, how does changing agricultural inputs affect food production and security



EU Green Deal: Farm to Fork & Biodiversity Strategies

Input Reductions:

Pesticides	(↓50%)
Fertilizers	(↓20%)
Land	(↓10%)
Antimicrobial	(↓50%)

Scenarios Analyzed:

- (1) EU-Only
- (2) Middle
 - Import restrictions
- (3) Global



EU Green Deal: Farm to Fork & Biodiversity Strategies

Analysis Excludes:

Market factors:

- Labeling
- Pesticide “risk” (use only)
- Animal welfare
- Organic production

Environmental impacts:

- Potential costs (e.g., compliance)
- Potential benefits (more honeybees)

Productivity changes



Middle Scenario

“The EU will support the global transition to sustainable agri-food systems through its trade policies and international cooperation instruments”

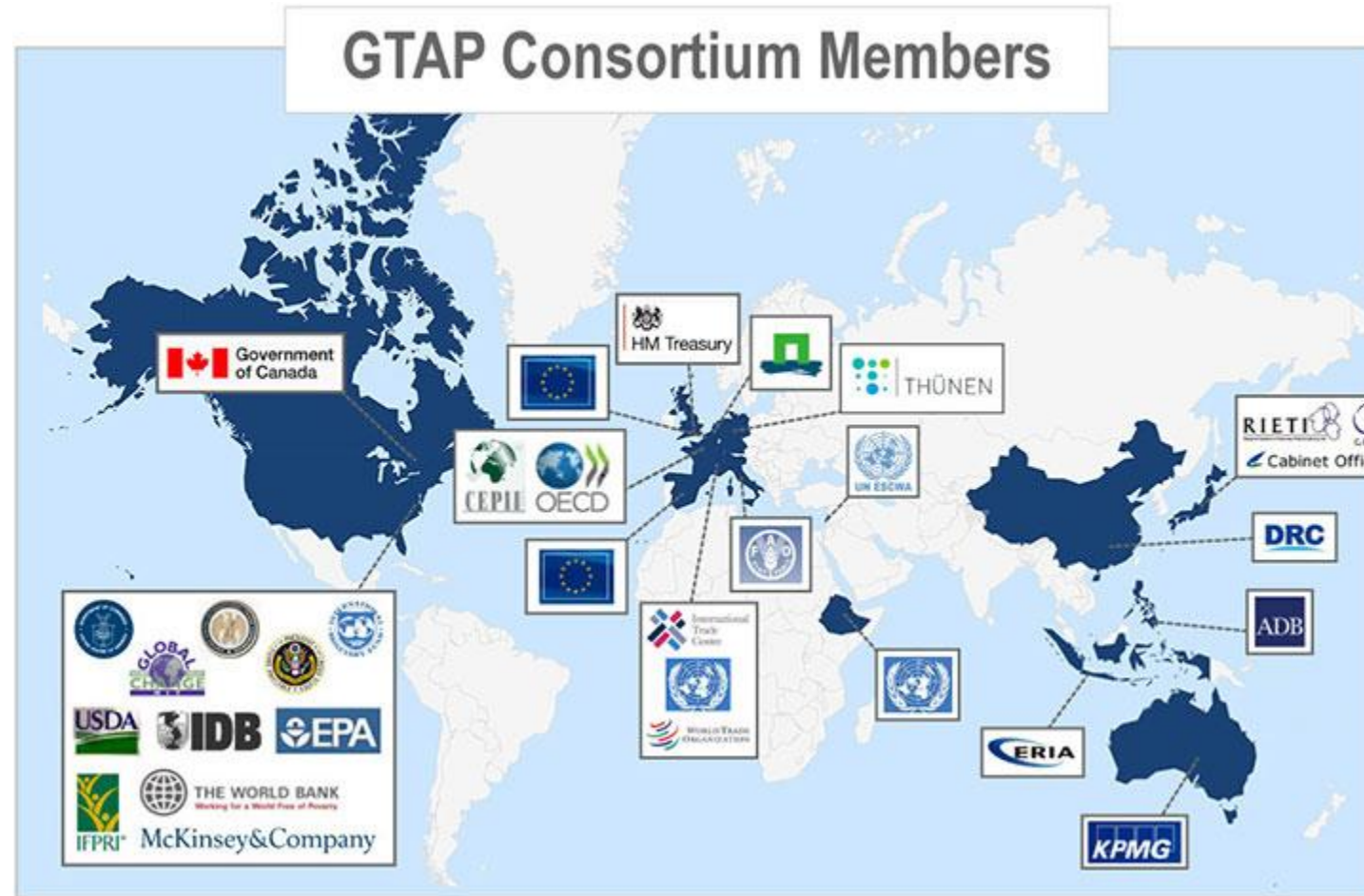
-Countries with high share of agricultural exports to EU join EU’s F2F Strategies, includes Sub-Saharan Africa and:

Iceland	Switzerland	Norway	Liechtenstein
Ukraine	Turkey	Albania	Serbia
Egypt	Israel	Tunisia	Morocco

50% reduction in agriculture trade between F2F adopters and ROW



Global Trade Analysis Project (GTAP)



Scenario (1) EU-Only Adopts Farm to Fork

Impact	EU	US	World
Production	-12%	+0%	-1%
Prices	+17%	+5%	+9%
Imports	+2%	-3%	-2%
Exports	-20%	+6%	
Farm Income	-16%	+6%	+2%
Food Cost [†]	+\$153	+\$59	+\$51
Food Insecurity [*]	---	---	+22 million
GDP	-\$71 billion	-\$2 billion	-\$94 billion

[†]Per capita annual; ^{*} Food insecurity estimates limited to 76 poorest countries in the world.



Scenario (2) Middle: EU & Some Trade Partners

Impact	EU	US	World
Production	-11%	+0%	-4%
Prices	+60%	+1%	+21%
Imports	-10%	-7%	-9%
Exports	-10%	-2%	
Farm Income	+8%	+1%	+4%
Food Cost ⁺	+\$651	+\$16	+\$159
Food Insecurity [*]	---	---	+103 million
GDP	-\$186 billion	-\$86 million	-\$381 billion

⁺Per capita annual; ^{*} Food insecurity estimates limited to 76 poorest countries in the world.



Scenario (3) Global Adoption of Farm to Fork

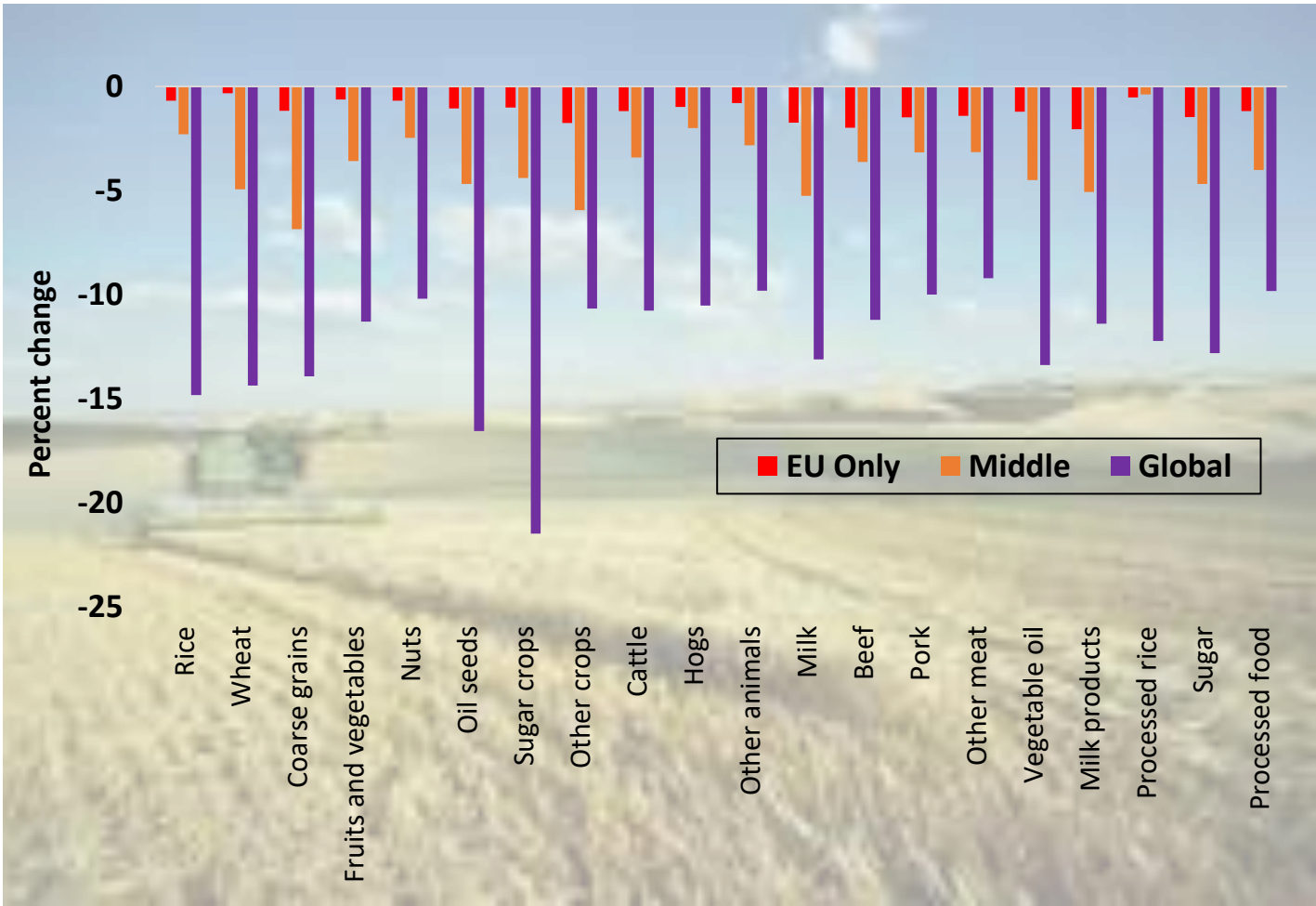
Impact	EU	US	World
Production	-7%	-9%	-11%
Prices	+53%	+62%	+89%
Imports	-5%	-15%	-4%
Exports	+2%	+3%	
Farm Income	+15%	+34%	+17%
Food Cost [†]	+\$602	+\$512	+\$450
Food Insecurity [*]	---	---	+185 million
GDP	-\$133 billion	-\$74 billion	-\$1.1 trillion

[†]Per capita annual; ^{*} Food insecurity estimates limited to 76 poorest countries in the world.



Results:

Change in Global Agricultural Output by Commodity



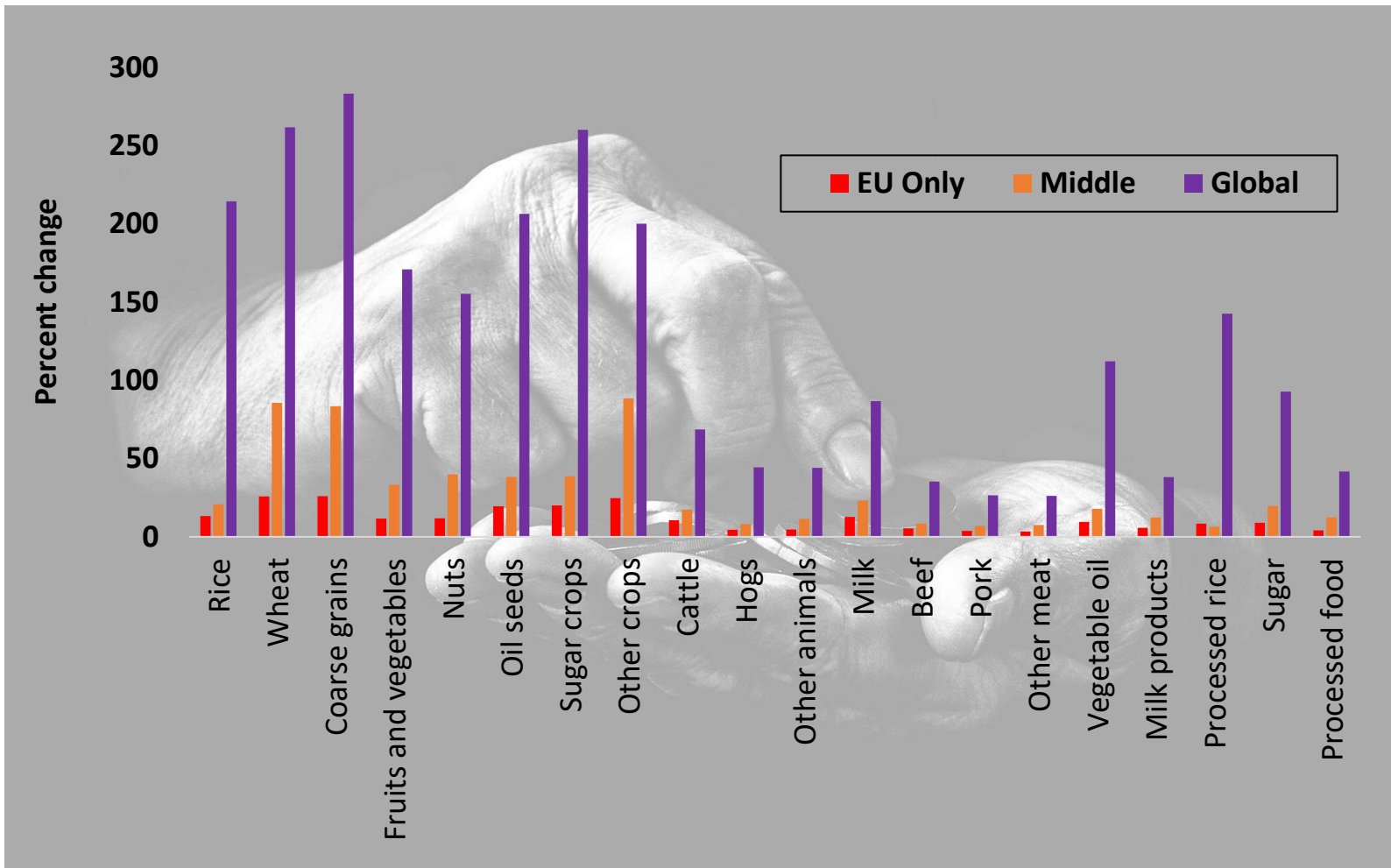
Key points:

Severe reduction in output across crops, animals, and processed food



Results:

Global Food Price Changes by Commodity



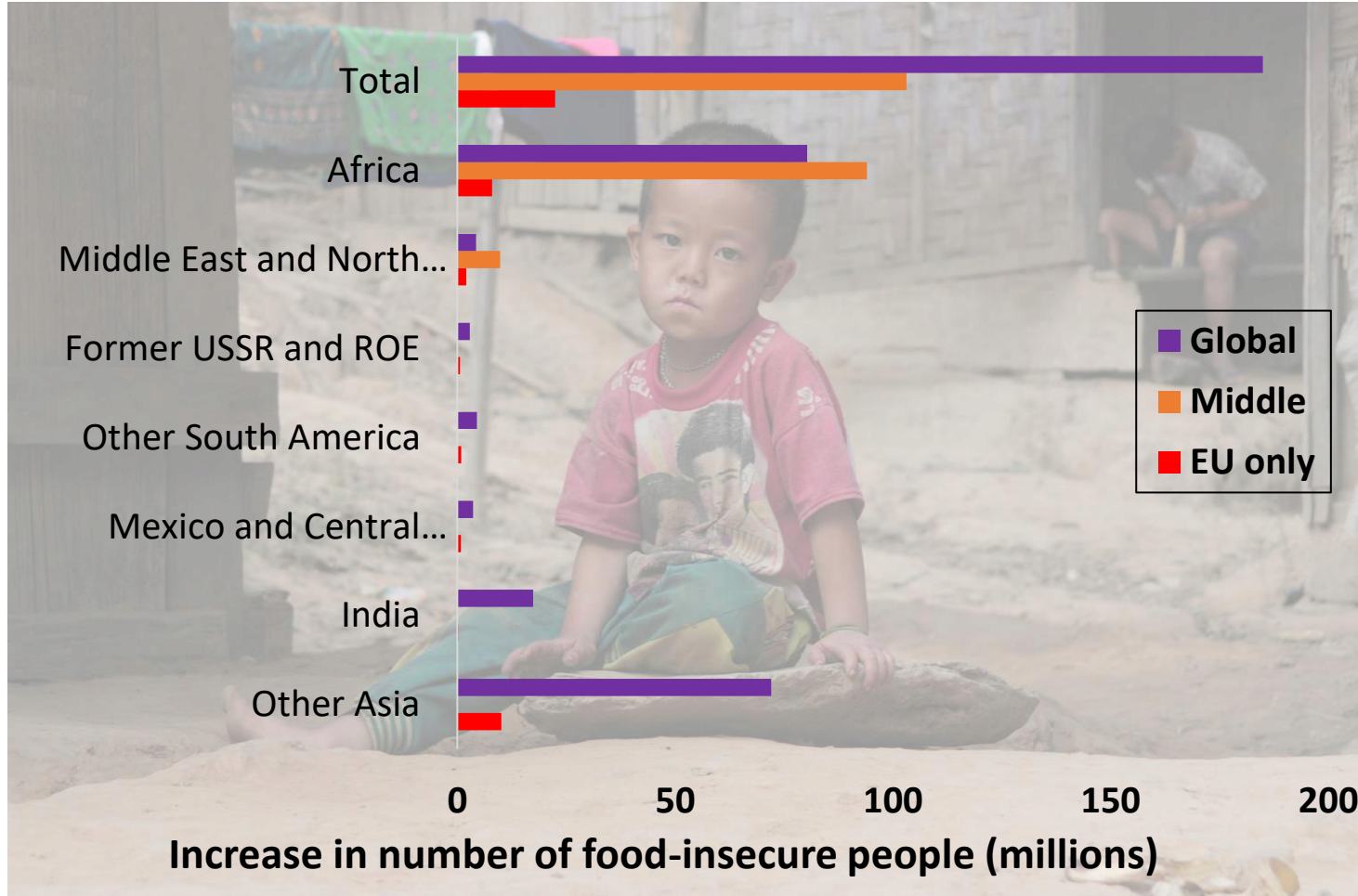
Key points:

Substantial increases in agricultural commodities and food prices



Results:

Change in Food Insecurity Headcount (2030)



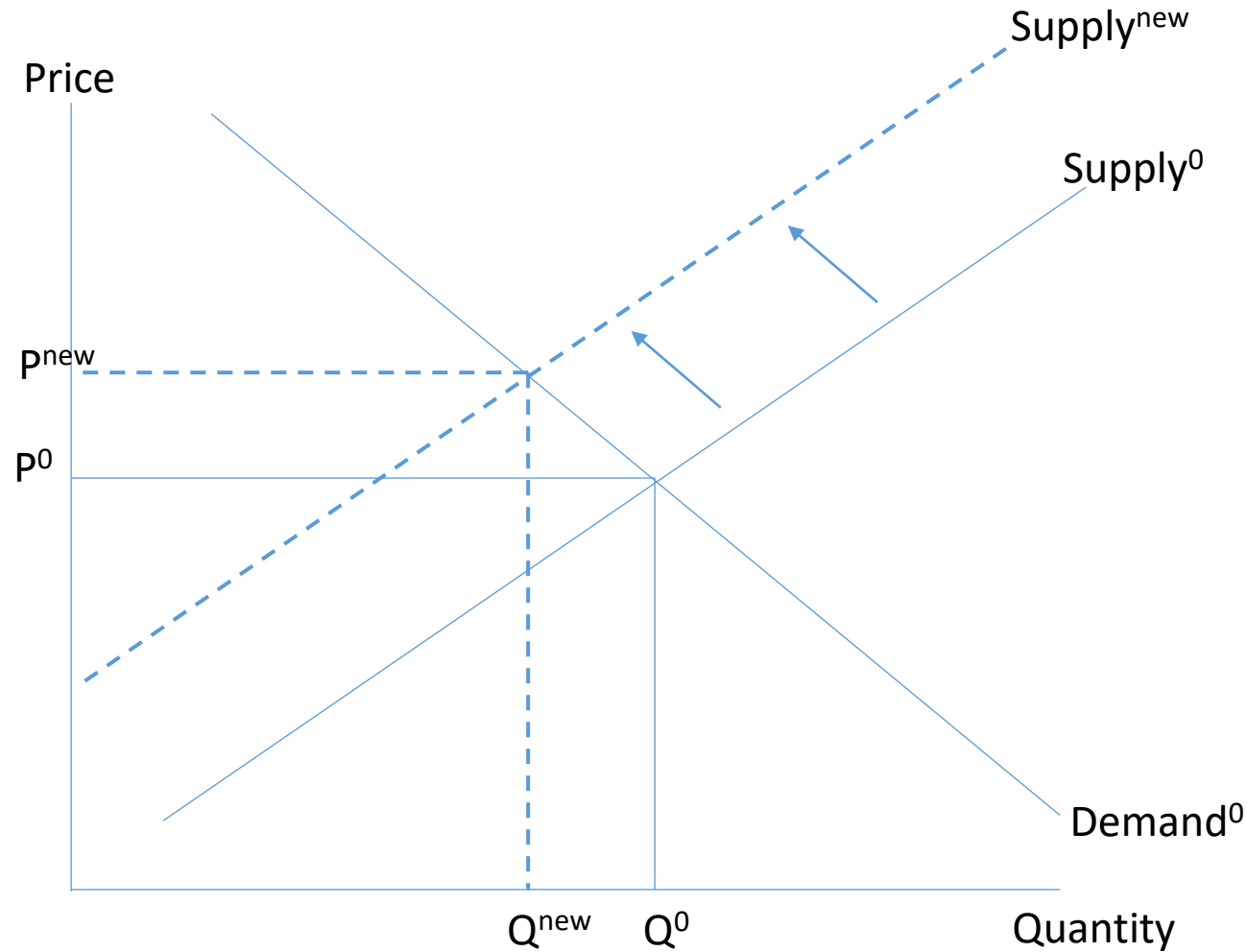
Key points:

Africa and Other Asia account for most of the increase of food insecure people

Reflecting sensitivity to food price increases



Farming Under EU Green Deal's Farm to Fork



Key point:

Economic principles suggest that shifting supply leads to higher prices and less demand



Summary:

Agriculture Under EU Green Deal

Notable responses from EU media and researchers:

- Yes, market impacts expected, but...
- Consumer diet preferences changing (more vegetarians)
- Productivity growth projections are “gloomy”
 - We agree, ongoing work has estimated how much productivity is needed to mitigate market impacts
- Trade restrictions unlikely

We have not seen information regarding potential environmental impacts from the EU, but they are key





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THANK YOU!

JOIN US FOR OUR NEXT FORUM

- **Biologicals in Agriculture:
Innovation, Science and Promise**
May 25, 2021

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