



# State of Food Security in the EU

A qualitative assessment of food supply and food security in the EU within the framework of the EFSCM

Autumn 2024 – Nr 3



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In the framework of the Contingency plan for ensuring food supply and food security in times of crisis, the present report is produced twice a year. It consists of a qualitative assessment of the state of food security in the EU which is based on the inputs of the expert group on the European Food Security Crisis preparedness and response Mechanism (EFSCM). The Commission services compiled the replies received through an online survey. In addition to the results of the survey, the Commission prepared a targeted analysis of some data on food security available in its thematical [dashboard](#). This is presented in the “Zooming into” part of the report.

The survey was open between July and September 2024 and submitted to members of and observers to the expert group on the EFSCM. Representatives of Member States and different stakeholders’ organisations along the EU food chain provided replies. In total, 18 replies were provided (8 from Member States and regional representatives, 2 from non-EU representatives and 8 from stakeholders covering different areas – processors, input providers, representatives of retail). Given the size of the sample, and the nature of the survey (qualitative assessment), the results do not provide a representative view of the expert group.

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# 1. State of food security in the EU

## Extreme weather events in summer 2024 fuelling perception of risks on EU food supply in the future

The first section of the survey is dedicated to the assessment of the relevance of risks previously identified affecting food supply, including extreme weather events, need to import, logistical and transport bottlenecks, input prices volatility, high input costs, commodity prices volatility, high commodity prices, existence/potential to find substitutes and margins of primary producers. Respondents were asked to evaluate if these risks have been more, less or similarly relevant over the course of the first half of 2024 compared to the situation in the second half of 2023. As shown in figure 1, while generally the identified risks on food supply maintain the same relevance as in the period before, for some of them the distribution of answers skewed towards an increased relevance, particularly extreme weather events, high commodity price, high input costs, and commodity price volatility.

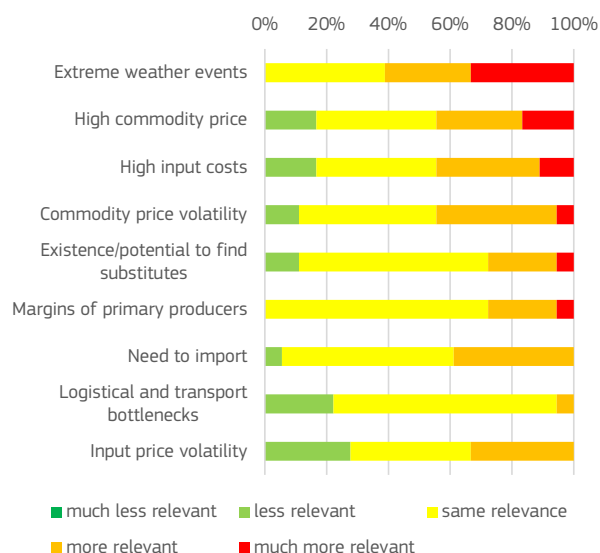
Do you know where to find food supply indicators?  
<https://agridata.ec.europa.eu/extensions/FoodSupply/FoodSupply.html>

Extreme weather events were identified as the most relevant risk that could affect the EU food supply. This perception of the respondents is corroborated by the September edition of the JRC MARS bulletin<sup>1</sup>, that shows how during summer 2024 record temperatures were registered in most of Europe, with series of hot spells<sup>2</sup> in the central and eastern regions and drier than usual conditions in the south-eastern regions, while on the other hand much wetter-than-usual conditions have characterised parts of south-western, western and northern Europe.

<sup>1</sup> JRC MARS Bulletin - Crop monitoring in Europe - September 2024 Vol. 32 No 9, Publications Office of the European Union, Luxembourg, 2024, <https://publications.jrc.ec.europa.eu/repository/handle/JRC136665>

<sup>2</sup> Hot spells are defined as 5-day periods with temperatures above the 90th percentile of the years since 1991.

**Figure 1** Distribution of answers regarding the relevance of risks to food supply in the first half of 2024 compared to the second half of 2023



Source: EFSCM respondents' answers

These extreme weather events are expected to lead to a reduction in agricultural yields, particularly for winter crops in north-western Europe and for summer crops in central and south-eastern Europe. In addition, the Storm Boris which has engulfed central and eastern Europe, and northern Italy with massive rainfalls and floods in September 2024 has also damaged agricultural areas and produced harvest losses. As droughts and extreme weather events will be exacerbated in frequency and magnitude by climate change, respondents perceive that this risk is among the most relevant to consider and of growing concern in this qualitative assessment.

## Perceived low to moderate risks to food supply among respondents

Whereas agricultural markets are showing positive signs of a partial return to stability<sup>3</sup>, with input costs steadily declining after their peaks

<sup>3</sup> See e.g. the latest data from the 2024 Autumn edition of the EU Agricultural Short-Term Outlook ([link](#))

observed in 2022 and fertilisers prices gradually stabilising, according to survey respondents the risks to food supply caused by high commodity prices, high input costs and commodity price volatility were perceived to be relatively more relevant than others.

Many respondents complemented their answers with concerns about the future spread of animal diseases (Avian flu, African swine fever, as well as Bluetongue disease), spread of pests and invasive species, as well as the continuation of military conflicts in Ukraine and in the Middle East that could still add to market volatility in the short term, particularly in energy markets. Some respondents highlight that despite energy prices are in a downward trend compared to the 2022-23 record levels (particularly natural gas prices), they remain still higher than 2021 levels in the EU, hence they still represent a significant cost factor for food producers, especially for small and medium ones. As shown by the replies in figure 1, input price volatility seems less concerning to some survey respondents than their importance in terms of high costs, now that energy markets are less volatile compared to the volatility observed in the past three years.

Geopolitical events were also considered concerning by the respondents for the possibility of creating supply chain disruptions and trade restrictions. One noticeable example is the diversion of maritime traffic from the Red Sea towards the Cape of Good Hope which led to an increase in travel time from 10 to 12 days with potential risks on the routes concerned by the deviation, with potential impact on perishable food products. However, figure 1 shows that logistical and transport bottlenecks seem less relevant for around 20% of the respondents, hinting at a possible acceptance of the ongoing rerouting.

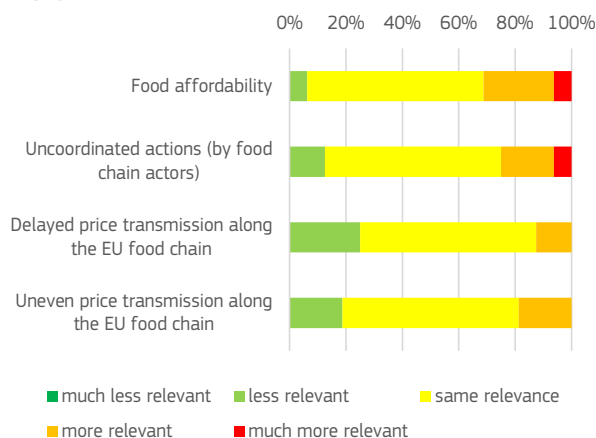
Specific sectoral risks were mentioned by certain respondents operating in processing parts of the food chain, driven by the market concentration for certain inputs in few producing countries, for example price volatility for cocoa and coffee due to bad harvests and shortages, as well as the limited number of suppliers for feed additives. Others added that even replacing existing suppliers with new ones is not straightforward and requires additional financial investments.

The overall risk assessment on EU food supply made by the survey respondents is relatively optimistic: 50% of them consider that currently the EU faces a “low to moderate” risk of food supply disruptions, meaning that small disruptions can be expected but they can be handled without an impact on food supply. 33% of them considers instead a “moderate” risk to EU food supply, admitting the possibility that these could result in limited and temporary market disruptions. 17% of the respondent consider a “low” level of risk, not expecting any food supply disruption soon. These results are similar compared to the Spring 2024 qualitative assessment as “low to moderate” risk was already the prevailing answer for 50% of the respondents.

### Food affordability remains a relevant concern for food security, despite price stabilisation

The distribution of answers given by survey respondents about potential risks to food security are more evenly distributed (figure 2). 63% of them believe that the four risks to food security identified in the survey (food affordability, uncoordinated action across the chain, delayed and uneven price transmission) remained of the same relevance in the first half of 2024 compared to the second half of 2023. These considerations seem supported by the observed stabilisation of food prices over the course of 2024, which nonetheless remain 40% higher on average than the levels seen before the Russian invasion of Ukraine in 2022.

**Figure 2** Distribution of answers regarding the relevance of risks to food security in the first half of 2024 compared to the second half of 2023



Source: EFSCM respondents' answers

Food affordability is still considered a risk since 31% of the respondents communicated an increased relevance for food security, particularly for lower income groups with a risk of downtrading, that is the tendency by consumers to buy cheaper food products that are also less sustainable and less healthy to preserve their purchasing power. Downtrading is considered likely to persist in the short term, especially if economic growth remains stagnant.

The overall risk assessment on EU food security made by the survey respondents is slightly more cautious than for food supply: 44% of them consider that currently the EU faces a “low to moderate” risk of small disruptions happening without an impact on food security. 38% of them consider a “moderate” risk to EU food security, admitting the possibility of limited and temporary market disruptions happening in the short term. 19% of the respondent consider a “low” level of risk, not expecting any food security issues in the short term. This result represents a slight improvement compared to the Spring 2024 qualitative assessment, where “low to moderate” risk was the prevailing answer for 39% of the respondents.

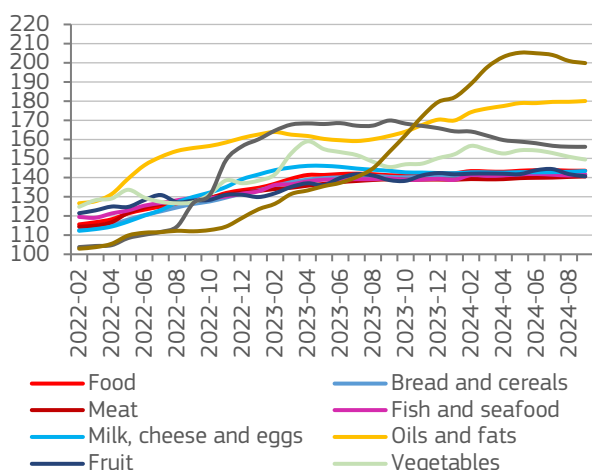
### New identified risk linked to energy and digital infrastructure

Respondents have provided additional information on new emerging trends that could threaten food supply and food security in the coming year. Aside from mentioning extreme weather events, climate change, shortages of seasonal workers and geopolitical risks, some respondents mentioned large-scale power outages and potential vulnerabilities arising from cyberattacks, as innovations in agricultural machinery shift towards more digitalised systems connected to wireless and fixed networks while an increased exposure to cyberattacks and cybersecurity incidents potentially jeopardises the security of energy supply and the privacy of consumer data.

## 2. Zooming into: food inflation

Food price inflation has stabilized since March 2023 as no new inflationary drivers have emerged. However, as of summer 2024, food prices remained on average still 43% higher compared to 2015 base level (figure 3). Looking at product categories, olive oil continues to be the main product behind the increase for the “oils and fats” product group, by 79% in July 2024 compared to 2015 due to adverse weather conditions leading to low yields. In addition, the higher biofuel demand has also added pressure on vegetable oil prices over the last three years. The peak in sugar prices observed in August 2023 is now slowly deflating while prices are still 56% higher than in 2015. Sugar prices have been driven upwards by the increase in energy prices due to their energy intensive production system and difficult harvest conditions. Seasonality and climatic conditions are also volatility drivers for vegetable prices. Several other products like fish and seafood, meat and dairy have converged instead to average food inflation levels observed in the last years. Monitoring the exposure to food inflation is increasingly important for basic food commodities such as bread, cereals, vegetables and protein sources, as these price increases affect the quality of life of the most vulnerable households.

**Figure 3** EU consumer price inflation of selected food products (Index 2015=100)



Source: DG Agriculture and Rural Development, based on Eurostat.

### Eastern EU countries have shown the highest food prices increases

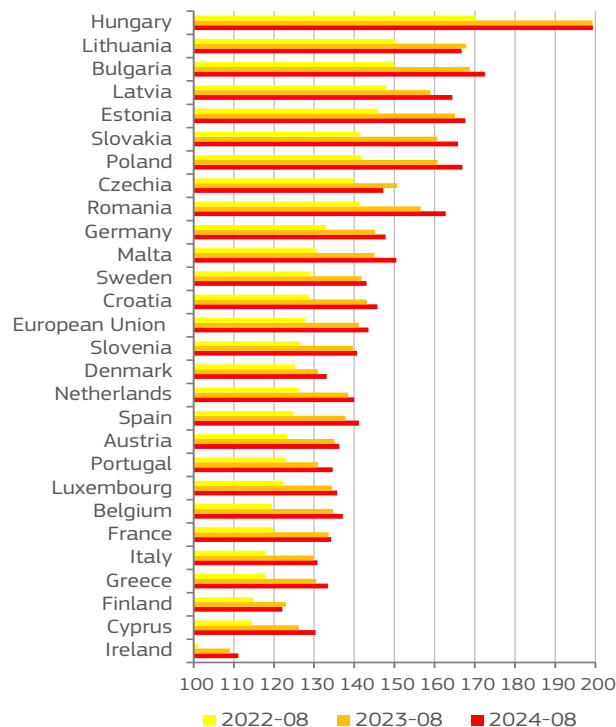
The 2022-23 inflation surge showed different food price inflation patterns across Member States. As shown in figure 4, in Hungary food prices increased by 100% in August 2023 compared to the reference year 2015, thus recording the highest surge in food inflation among EU countries, followed by Lithuania, Bulgaria, Latvia, Estonia, Slovakia and Poland. Generally, Eastern EU countries have shown the highest increases in food prices compared to other Member States.

Compared to the volatility seen at agricultural commodity level, for example from the FAO Food Price Index<sup>4</sup>, food consumer prices tend to be more stable. This is due to price transmission from farm-gate prices to consumer prices, which depends on many factors, including the extent domestic markets are integrated in global trade markets,

<sup>4</sup> <https://www.fao.org/worldfoodsituation/foodpricesindex/en/>

their trade costs and policies, but also by the functioning of the supply chain: cooperative bargaining, future contracts and involvement of several processing and distribution stages hinders price transmission (in the dairy sector example), while spot markets such as in the fruits and vegetable sectors tend to favour price transmission across the food chain.

**Figure 4** Food Inflation trends by Member States (Index 2015 =100)



Source: DG Agriculture and Rural Development, based on Eurostat.

### Food inflation to stabilise in the short term as input costs stabilise at lower levels

The increase in inflation for food commodities as well as euro area farm gate prices in the last three years has been mainly driven by the surge in energy prices, first due to demand-supply imbalances created by the Covid-19 pandemic in 2021, afterwards by the surge driven by the Russian invasion of Ukraine in 2022. Additional drivers that could lead to extra pressure on farm gate and food consumer prices include unfavourable global weather events and second round effects as wages need to keep up with rising cost of living, adding to inflation and to labour costs in agri-food chains.

Do you know where to find data on food inflation?

<https://agridata.ec.europa.eu/extensions/FoodSecurity/FoodSecurity.html>

Food price inflation contributed with more than 15% to the annual consumer price inflation in the last three years but it is expected to stabilise in the future. According to the European Central Bank<sup>5</sup>, food inflation in the Euro Area is expected to remain broadly unchanged in the near term and subsequently decline moderately on account of moderate developments in input costs, and it is projected to increase by 2.9% in 2024, 2.4% in 2025 and 2.1% in 2026.

<sup>5</sup> ECB macroeconomic forecast, September 2024: [https://www.ecb.europa.eu/press/projections/html/ecb.projections202409\\_ecbstaf-f-9c88364c57.en.html](https://www.ecb.europa.eu/press/projections/html/ecb.projections202409_ecbstaf-f-9c88364c57.en.html)



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[https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/ensuring-global-food-supply-and-food-security\\_en](https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/ensuring-global-food-supply-and-food-security_en)

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