

EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G. Markets and observatories G.1. Governance of the agri-food markets

Brussels AGRI.DDG3.G.1/ML/pm Ares (2021) 2241897

Consultation strategy Contingency plan for ensuring food supply and food security

1. BACKGROUND INFORMATION

A sustainable food system must ensure sufficient and varied supply of safe, nutritious, affordable and sustainable food to people at all times, including in times of crisis. The ongoing COVID-19 crisis shows that the EU's food supply chain has been responding well: food supplies to consumers continued to be available throughout the crisis thanks to all actors of the food chain, from primary producers (farmers, fishers, aquaculture producers) to food processing industry and retailers, as did inputs (including feed) to food production. The Common Agricultural and Common Fisheries Policies, and other EU policies relevant for food and input security, were instrumental here.

However, in the initial stages of the COVID-19 crisis, there were some issues that affected the normal functioning of the EU's food supply chain and threatened food security, such as border controls slowing down the free movement of people and goods and restricting the ability of the single market to operate fully to the benefit of consumers, as well as market disruptions due to the severe reduction or sudden increase of the demand for some products.

Comparatively speaking, some specific sectors, products, and groups of workers suffered more from the crisis. Sectors came under pressure due to staff shortages, be it due to confinement measures, to lack of access to cross-border or seasonal workers, restrictions on workplace conditions, or to COVID-19 outbreaks (in particular in some processing plants), as well as challenges in production storage (e.g. aquaculture). These issues were linked too to the almost overnight disappearance of large sections of key demand sources for these sectors or products, in particular from restaurants, hotels, and catering, as well as to mobility restrictions and to new COVID-19 related sanitary requirements. Food waste has in some cases also increased, due to hampered efficiency along the food supply chain.

The Commission reacted swiftly to address these issues as they arose. Still, the situation highlighted the need for better ex ante preparedness at EU level, and the potential for coordination, a common understanding of issues to be set up in advance of crises, as well as coherent response mechanisms, instead of when crises have already started. In addition, future crises may be significantly different in nature, and give rise to further issues beyond those caused by the COVID-19 pandemic. In response to these developments, and looking towards better preparedness to respond to future crises, the

Farm to Fork Strategy¹, a key element of the European Green Deal², envisages the development of a contingency plan by the Commission, to be activated when there is a crisis that affects all or part of the food system in the EU and puts in danger food security within the EU³. The contingency plan will include the creation of a coordinated preparedness and response mechanism. The Commission will draw on lessons learned from past crises and from the ongoing COVID-19 pandemic in developing this contingency plan. The Commission will coordinate the response, with the involvement of Member States.

2. SCOPE AND OBJECTIVES

There is currently insufficient established coordination at EU level that cuts across all relevant policy areas and can organise the concerted response to crises affecting food supply and food security in the EU (including inputs to producers). This potentially affects the effectiveness, coherence and timeliness of the response to crises both at EU and at Member State level, and can amplify their negative impact on EU citizens. It also puts at risk the livelihoods of people employed in the food supply chain and has consequences for food security. The trust of EU consumers in the EU food system may be jeopardised due to reduced effectiveness in food safety control mechanisms (e.g. reduced official controls or 'own checks' as regards compliance with food and feed safety requirements).

Political, economic, environmental or health crises have the potential to disrupt food systems and compromise meeting those objectives. 'Going-it-alone' responses by Member States can worsen the problem of supply chain disruption at the EU level, can destabilise markets, and would not be in line with the single market and EU policies. A lack of timely and accurate information and expertise concerning markets can lead to suboptimal policy responses, in times where the need for quick and effective action is most pressing. With increasing international travelling and trade, global political uncertainty, climate change, deforestation, and technological risks, the frequency and magnitude of crises may increase in the future.

To achieve coordination at EU level, a food crisis response mechanism should be introduced. It would take the form of a forum, created by the Commission and in which Member States and, possibly, food supply chain stakeholders would be represented. It will build on existing coordination processes, meet regularly, and, in the event of an actual food security/supply crisis, would convene and serve as the main operational mechanism for coordinating a response. Provisional expert groups are created already now with the purpose to learn from needs arising from past and current events, in particular the currently evolving COVID-19 pandemic, and will be useful for the future establishment of a permanent forum.

The food crisis response mechanism will also include a set of broad guidelines and recommendations to improve coordination at EU and Member State level on how better to monitor and respond to crises affecting the EU's food supply and food security. These

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0381.

² https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf.

³ See also the roadmap for this initiative, where the Commission sought initial feedback on these issues from stakeholders: <u>https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12770-EU-food-supply-and-food-security-contingency-plan</u>.

guidelines and recommendations will be informed by the outcomes of the work of the forum. The forum would thus promote non-binding agreements on how to respond rapidly and in a coordinated manner in times of crises affecting the food system.

From the experience with COVID-19 and previous crises, it is clear that an EU food crisis response mechanism should be flexible and not over-prescriptive. Moreover, each crisis will present different challenges. The Commission considers therefore that an effective EU food crisis preparedness and response mechanism should:

- have a focus on coordinated action and dialogue to support policy consistency across the Union;
- be a space for the exchange of best practices and lessons learned;
- use a solid and up-to-date evidence basis, including by reference to existing EU and international monitoring bodies and instruments;
- continuously evaluate and respond to threats to the EU's food system with the potential to affect food security or supply;
- engage with international partners and organisations;
- offer transparent communication to stakeholders and the public.

The Commission will conduct an analysis to support the establishment of the EU food crisis response mechanism, which will be in line with Better Regulation principles⁴. This analysis will be published in the form of a staff working document, which will be published together with the Communication. The present consultation strategy sets out how the Commission proposes to collect the evidence and stakeholder views that will inform that analysis. The consultation process seeks **information from stakeholders on the potential configuration, scope and goals of an EU food crisis response mechanism**.

The EU food crisis response mechanism is an initiative based on a Commission Communication and does not involve policy changes. As such, and in conformity with the Better Regulation Guidelines, this initiative is not subject to an impact assessment. The Farm to Fork Strategy also commits the Commission to a separate but related initiative: to present a proposal for a legislative framework for sustainable food systems. In preparing the framework the Commission will consider, among others, more comprehensive options to strengthen the resilience of food systems and the system's ability to respond to crises threatening food security. An impact assessment will be carried out in relation to the framework for sustainable food systems proposal.

The contingency plan's focus is on creating a coordinated response mechanism and a procedure to prevent and tackle crises affecting food supply and food security in the EU. Crises affecting regions outside the EU are outside the scope of this initiative, as they are addressed in other frameworks (such as humanitarian aid and development policy, G20 initiatives, etc.).

⁴ <u>https://ec.europa.eu/info/law/law-making-process/planning-and-proposing-law/better-regulation-why-and-how/better-regulation-guidelines-and-toolbox_en.</u>

3. MAPPING OF STAKEHOLDERS

The following table gives an overview of stakeholders and their potential level of interest.

Category of stakeholders	Level of interest
Operators in the food supply chains (i.e. agriculture and aquaculture producers, fishermen, traders, processors, distributors, retailers, food service providers, etc.) and their associations	Very high
Operators providing inputs to actors of the food supply chain (food technology, agriculture, fishery and aquaculture machinery sectors, feed, seeds, fertilisers, biocides and plant protection products etc.)	Very high
Consumers and consumer groups	Very high
Workers and labour unions	Very high
Member States' ministries (agriculture, fisheries and aquaculture, environment, economy, trade, consumer affairs, health, etc.)	Very high
Insurers and other service providers (transport, logistics, etc.)	High
International organisations (WTO, FAO, WHO, etc.) and third countries	High
Civil society organisations working on sustainability issues	Moderate
Scientific community and policy support bodies (academia, experts, think-tanks, consultancies)	Moderate

4. CONSULTATION METHOD AND COMMUNICATION ACTIVITIES

The consultation will feature the following components:

- publication of the roadmap of the initiative to gather first feedback by stakeholders and citizens (completed; 4 weeks, Q4-2020);
- the annual December AGRI Outlook Conference (completed, Q4-2020);
- targeted questionnaires to Member States' authorities, stakeholders and stakeholder representatives, including consumers and consumer groups (Q1-2021);
- discussion with Member States representatives in a series of meetings of ad-hoc expert groups (joint AGRI-MARE), with participation of invited stakeholders representatives (Q1 and Q2-2021);
- discussion with stakeholders in existing forums (Q1 and Q2-2021): market observatories managed by DG AGRI and DG MARE, fisheries and aquaculture Advisory Councils, Civil Dialogue Groups, and others;
- the EU work on the contingency plan could be presented at the UN Food Systems Summit in 2021 where the topic of food security will feature prominently;
- possible technical workshop with selected experts from the food supply chain, consumer groups, NGOs, and academia, possibly in collaboration with the JRC, the outcomes of the workshop will be published in a technical report;
- complementary consultations of key stakeholders via ad hoc meetings where needed.

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