

The dependency of the EU's food system on inputs and their sources



[See the full study](#)

Main observations

While the European Union (EU) is a key global producer of agricultural commodities and has a positive agricultural trade balance, **the EU food system is dependent on some inputs** which, in some cases, originate from a **limited number of third-country suppliers**.

If the import dependency of the EU agri-food system as a whole is relatively limited (the value of imported inputs amounts to less than 10 % of total output value), **import dependency for specific inputs** in the core components of the system **may be substantially higher** (e.g., the share of imports on total use ranges from 11 % to 67 % for selected inputs used in agriculture).



The study

The study analyses the dependency of the EU agri-food system on imported inputs and makes recommendations to increase its resilience to disruptions in trade flows and input price increases.

Dependency on imported inputs is particularly high for animal products (soya beans and meal are key feed materials for poultry and pig farming, and are mostly supplied by few non-EU countries) and **cereals** (which depend on imported raw materials and energy sources needed to produce fertilisers).

Recent developments reflect the **degree of integration of the EU food supply chain into the global supply chain** and, just as for EU industry, **the cross-sectoral risks associated with**

global supply chains: the COVID-19 pandemic, the Russian invasion of Ukraine and disruptions in logistics (notably for maritime transportation) and the related higher price volatility recently amplified the negative implications of high import dependency for key inputs.

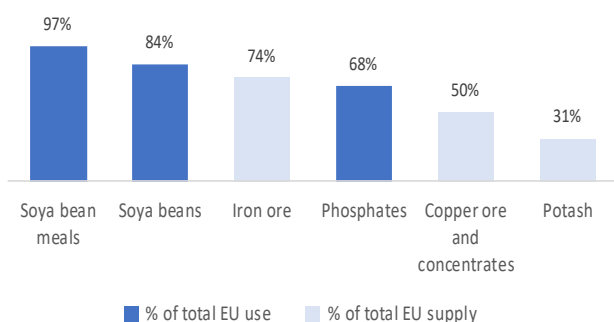
The **EU's trade policy, free trade agreements and strategic partnerships** with third countries facilitate access to a diverse range of inputs from outside the EU, notably for key products where the EU has an input dependency.

The **Farm to Fork Strategy aims to contribute to EU's input autonomy by 2030** through a 50 % reduction in nutrient losses (which should lead to a reduction of 20 % in the use of fertilisers), a target of 25 % of agricultural land under organic production, the development of alternative sources of proteins for animal feed, the promotion of the bio-economy and shorter supply chains.

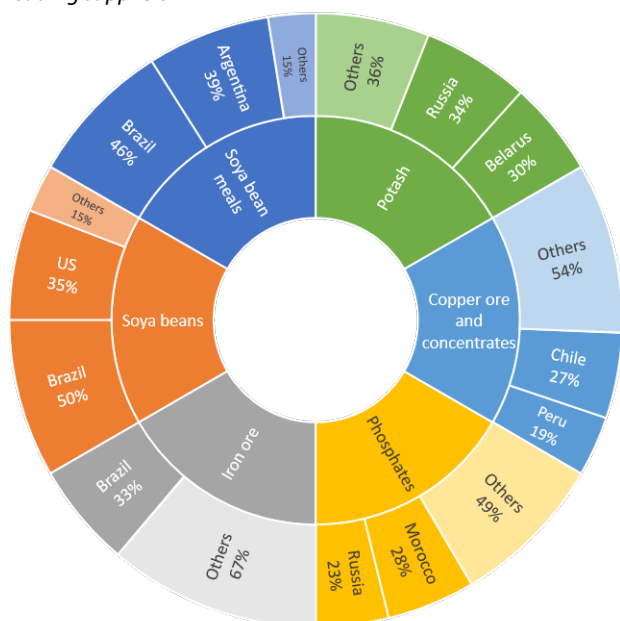
The **Common Agricultural Policy (CAP) national strategic plans can help to reduce the EU's import dependency** through support to low-input practices, nutrient management, sustainable fertilisers and organic farming, and the possibility for Member States to grant increased coupled support to protein crops.



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Leading suppliers



Source: Project Team elaboration on data and publications from the European Commission

Conclusions and policy recommendations

Available options to increase domestic production of key inputs include research, technological development and innovation in EU agriculture, to achieve a more efficient use of natural resources, raw materials and farming inputs, to improve crop productivity without using input-intensive techniques and to fully exploit the potential offered by bio-based, fully circular production processes.

Changes in consumption patterns could reduce the EU's food sector's input dependency, notably through

a reduction of animal products in people's diets to reduce third countries' feed imports, as well as consumer preferences for more sustainably produced products.

To improve the capacity of the EU food system to cope with structural changes and increased input dependency, and to reduce the dependency of EU agriculture on imported inputs, the research team recommends to:

Diversify input sources and trade partners (finalisation of new free trade agreements and strategic partnerships, use of Custom tariffs and preferential conditions for imports).

Address market instability (analyse the feasibility and relevance of strategic stockpiling and financial instruments to hedge risks linked to price volatility).

Avoid disruptions in logistics (keep vital traffic lanes open, promote the completion of some of the EU's [Trans-European Transport Network](#) corridors).

Reduce input dependency through domestic production, research and innovation (increase domestic production of key inputs, support precision farming).

Use the CAP toolbox to increase self-sufficiency and promote risk-management tools (support low-input practices through the CAP's national strategic plans, reduce the need for imported feed materials and expand protein crops, promote a wider uptake and an improvement in the effectiveness of insurance, mutual funds and risk management schemes).

Improve transparency and monitoring of the EU's input dependency.

Key findings

The EU agri-food system is dependent on imports for a number of key inputs. This dependency is particularly high for some raw materials and commodities (iron and copper ores, phosphates, soya beans and meal). Concentration of imports among few non-EU suppliers, and external factors like disruptions in global logistics can further aggravate the negative effects of import dependency. EU trade policy, the Farm to Fork Strategy, and the CAP national strategic plans can all contribute to reduced import dependency.

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