



THE  
**EU FARM TO FORK**  
STRATEGY:  
**THE EU STARCH**  
**INDUSTRY'S POSITION**

SEPTEMBER 2020



**STARCHEUROPE**  
PLANT-BASED SOLUTIONS



# THE EU STARCH INDUSTRY’S POSITION ON THE COMMISSION’S COMMUNICATION ON A FARM TO FORK STRATEGY

Starch Europe fully upholds the EU Green Deal ambition to achieve climate neutrality by 2050. We welcome recognition of the central role of food systems in the transition to a more sustainable EU economy and the fact that the Commission Communication on an EU Farm to Fork Strategy, published on 20 May 2020, is placed at the heart of the EU Green Deal architecture. We look forward to working closely with the EU institutions in the elaboration of the detailed measures listed in the draft action plan annexed to the strategy. The strategy is justifiably ambitious in its objectives and scope, so close coordination of these measures and thorough impact assessments, closely involving stakeholders such as the EU starch industry, will be a pre-requisite to the strategy’s successful implementation, particularly against the background of the ongoing COVID 19 pandemic and the lack of progress in EU/UK trade negotiations. These impact assessments must ensure that any new initiatives not only make a genuine contribution to a more sustainable food system, but also do not negatively impact food safety, food security or the economic sustainability of any actors in the food supply chain.

## CURRENT CONTRIBUTION TO A SUSTAINABLE FOOD SYSTEM

Starch Europe members have for decades been contributing to more sustainable EU food systems, through inter alia:

### ECONOMIC PILLAR

- Processing and adding value to 24 million tonnes of EU agricultural raw materials, in 78 plants located in 19 EU Member States and the UK and producing 11 million tonnes of starches and starch derivatives and over 5 million tonnes of proteins and fibres as ingredients for food, feed and industrial customers.
- Providing their customers with a broad portfolio of safe and high-quality products (up to six hundred in some starch plants) ranging from native starches, modified starches, liquid and solid sweeteners to oils, proteins and fibres that are used as ingredients and functional supplements in a wide array of applications applications by our customers in the food, feed and industrial sectors.
- Sourcing 95% of the agricultural raw materials from local farmers close to our highly efficient plants, thus providing EU farmers with a crucial economic outlet.
- Generating annual revenues of €7.4 billion, re-investing €535 million, of which €75 million in Research & Development.



**24 Million Tonnes**  
of Raw Materials



**78 Starch Plants**



**11 Million Tonnes**  
of Starch & Derivatives



**Over 5 Million Tonnes**  
of Proteins & Fibres

## ENVIRONMENTAL PILLAR

- The EU agricultural raw materials sourced by the EU starch industry comply, as a minimum, with the EU Common Agricultural Policy's cross-compliance and greening measures, which are amongst the most advanced sustainability measures in the world.
- Starch plants, operating as efficient biorefineries, valorise the entire crop to create ingredients for food, feed and industrial customers. Starch processing is a zero waste industry<sup>1</sup> and all the individual components of the EU agricultural raw materials processed by our industry find a use in food, feed or industrial applications.
- Starch-based ingredients, produced using the highest industry safety standards, contribute to the safety of Europe's food and feed products. Many starch-based ingredients also contribute to extending the shelf life of food and drink products and helping to prevent food waste
- The plant-based proteins produced by the EU starch industry act as an alternative to animal proteins in meat or dairy products, or are used as nutritional and functional ingredients in both food and feed, and reduce the EU's reliance on imported proteins.
- The 40% of starch-based ingredients used in industrial applications are often used as a renewable alternative to replace fossil-based ingredients.
- By, for example, introducing combined heat and power and other new technologies (e.g. biomass, biogas, geothermal energy, spray-drying towers, high efficiency heat pumps and mechanical vapor recompression) in its plants, CO<sub>2</sub> emissions per tonne of product are being reduced.
- The sector was one of the first to produce sector-wide Life Cycle Assessment studies, thus guaranteeing a consistent methodology used by all EU starch producers.

## SOCIAL PILLAR

- The European starch industry creates 15,560 direct jobs and 100,000 indirect jobs on a full-time equivalent basis, mainly in rural areas, of which 60,000 are farmers.



- The EU starch industry safety programme, launched in 2014, recognises best performers in health and safety through annual awards.
- The ingredients produced by the starch industry (carbohydrates, oils, proteins and fibres) are the building blocks of a balanced and varied diet, thus contributing to a broad choice of food and drink products for consumers to enjoy. Through its continuous innovation the EU starch industry contributes to the health and nutrition improvements of food and drink products.

<sup>1</sup> Starch Europe's LCA study from 2012 demonstrates that less than 1% of the inputs into the starch production process cannot be valorized and needs to be disposed of as waste. To view the full LCA Study Summary Report, [click here](#).

## COMMENTS ON THE MEASURES PROPOSED IN THE COMMISSION COMMUNICATION

### ENSURE SUSTAINABLE PRIMARY PRODUCTION

#### **CAP strategic plans (ACTION 3) and the EU carbon farming initiative (ACTION 12)**

The EU starch industry sources more than 95% of the agricultural raw materials it processes from EU farmers. Paramount to the development of the EU starch sector is the reliable supply of safe, sustainable agricultural raw materials at affordable prices and in consistent quality.

The EU starch industry was one of the first agri-food sectors to adopt a sector-wide Life Cycle analysis report: the industry's carbon footprint study was first published in 2001, then a full Life Cycle Assessment (LCA) study was released in 2012 and updated in 2015. A new sector sectorial LCA study is planned for 2021. These reports consistently confirm that the production of raw materials is the major source of the environmental impact in the starch supply chain.

EU starch companies, both as agricultural co-operatives as well as privately-owned, will continue to support the EU farmers who supply them raw materials in adopting more sustainable practises, both in the context of the national strategic plans on CAP implementation and the proposed carbon farming initiative. These initiatives will be key to reducing the impact of agriculture on the climate and biodiversity.

It is essential that these initiatives are complementary and not contradictory and do not negatively impact the quantity or quality EU agricultural raw materials needed by EU starch producers. Since the EU starch industry sources its raw materials from a very broad range of EU farmers, both in terms of size and geographical location, sustainability improvements must be implemented widely and available to the majority of farmers. National CAP strategic plans will also need to be very closely monitored to ensure that no new distortions of the EU single market emerge.

#### **Reductions in pesticide and fertiliser use and targets for organic farming (ACTIONS 4, 5, and 6)**

The EU Farm to Fork strategy proposes ambitious targets for the reduction of chemical pesticide and fertiliser use and increased organic farming. Starch Europe fully acknowledges concerns about chemical pesticides and members are already working with their farmers to reduce their use. Pesticides are however used for an important reason, including guaranteeing food safety and crop yield and any restrictions in their use must be supported by science and accompanied by alternative solutions to fight against disease and mycotoxin development. Restrictions must not lead to market shortages or negatively impact EU farmers' profitability.

The various forthcoming proposals aimed at achieving these ambitious targets must be subject to thorough impact assessments, including on their cumulative effect on the competitiveness of EU farmers, before adoption and research support to accelerate new solutions will be key to the successful attainment of the proposed targets.

In this respect the review of the EU approach to new breeding techniques will, Starch Europe hopes, provide clarity in terms of what alternative techniques will be available. International competitors to the EU starch industry are already able to process raw materials grown using new breeding techniques, and EU potato starch producers, for example, estimate that access to these techniques could result in reductions of up to 75% in pesticide use for starch potatoes.

Such techniques and other new technologies, such as more precision farming through increased digitalisation, can not only significantly reduce the need for pesticide use but can also have other environmental (decrease of the water need for instance) and nutritional benefits.

We therefore welcome the fact that the Commission Communication makes clear reference to the importance of the ongoing study on the potential of new genomic techniques.

### **Promoting EU-grown plant-based proteins**

The Commission Communication makes specific reference to the importance of fostering EU grown plant proteins. This is strongly welcomed by Starch Europe who, together with our customers, strive to offer convenience and diversity in plant-based food and drink products.

To date, most Member States' targets focus on the growing of the protein crops themselves. Such targets are welcomed but equally important are the processing steps and circular economy principles of biorefineries. We call on the Commission to take a farm-to-fork approach and recognise the value of the first processing of cereals and other protein crops into plant-based protein food and drink products.

We particularly welcome the acknowledgement of the role the EU's promotion programme can play in this respect (ACTION 24). Since the announcement of the EU Plant Protein Plan in 2018, EU policy for promoting plant-based protein products has proved more challenging than expected. The Commission must include CN codes 2106 10 and 21 06 90 ("Food preparations not elsewhere specified") in Annex I of Regulation 1144/2014 thus covering plant-based food and drink products.

Whilst welcoming the role of plant based proteins in a sustainable diet, the role of other plant based ingredients should also be more widely communicated. In addition to supplying building blocks of nutritious and varied diets (carbohydrates, lipids, protein), the starch industry also markets fibre, which is an ingredient with proven health benefits and which many consumers do not consume enough of. Through industry-wide communication initiatives, such as [www.starchinfood.eu](http://www.starchinfood.eu), the EU starch industry is attempting to better explain to consumers the nutrition and health characteristics of all the ingredients it supplies. Such initiatives should be supported and encouraged by the European Commission and consistent with any EU promotion and nutrition education initiatives.

### **ENSURING FOOD SECURITY**

Starch Europe welcomes the emphasis the Commission Communication gives to the importance of food security. All EU starch plants have successfully continued operating during the COVID-19 pandemic, thus ensuring that food and drink producers could continue to supply final consumers with the essential supplies they needed during these turbulent times. This has not been without its challenges. We were particularly grateful for the swift response of the EU to open up green corridors at national borders. These ensured limited delays at national borders in the supply of agricultural raw materials to our starch plants and then the supply of the starch based and other ingredients so fundamental to the crucial sectors of food, feed, pharmaceutical and packaging production during the crisis. The development of a contingency plan for ensuring food supply and food security to be put in place in times of crisis should help ensuring the bottlenecks which emerged at the start of the pandemic can be addressed even faster in the event of any similar crisis in the future (ACTION 2).

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

### **EU code of conduct for responsible business and marketing practise**

As well as an improved corporate governance framework (ACTION 13), the Commission Communication proposes the development of an 'EU Code of conduct for responsible business and marketing practices' to increase the availability and affordability of healthy, sustainable food options and to reduce the overall environmental footprint of the food system (ACTION 14). This recognition of the crucial role of the food processing sector in delivering a more sustainable food system is warmly welcomed. Starch Europe appreciates the fact that it is one of the first actions to be implemented under the Farm to Fork Strategy, since such a Code of conduct should also inform other important framework initiatives such as the legislative framework for sustainable food systems (ACTION 1) and the proposal for a sustainable food labelling framework (ACTION 23).

By providing essential building blocks of a healthy diet, including carbohydrates, fibres, oils and proteins, the EU starch industry has been constantly innovating to produce ingredients to make food and drink products taste better, be more nutritious and healthy and last longer. The industry will continue its significant research and innovation investments and work with its customers to improve its contribution to healthy and sustainable food, notably in their reformulation initiatives.

EU starch companies are also important energy users and are covered by the carbon leakage list of the EU Emission Trading Scheme. For decades, EU starch plants have been seeking to improve their own energy efficiency through, inter alia, the introduction of combined heat and power (co-generation). No pan-EU figure yet exists on the impact of these measures but it will be one subject of the updated LCA study to be published next year.

The EU starch industry's efforts to make ingredients more sustainable and reduce its environmental footprint are part of the industry's commitments to more healthy and sustainable food systems..

### **Nutrient profiles and maximum limits on certain nutrients**

Starch Europe members produce a very broad range of food and drink ingredients. The impact of nutrient profiling (ACTION 16 )and/or maximum limits (ACTION 15) may be negative for some and an opportunity for others. Crucial to these initiatives if they are to make a positive contribution to sustainable diets, is the backing in robust science and appropriate communication.

As important in healthy diets as nutrient composition, are quantity, frequency, variety and lifestyles. This must be emphasised in any communication around specific nutrients.

Regarding maximum limits, the scientific evidence to support their introduction is still lacking. Work is ongoing on upper limits for added sugars but is not due until 2021. Bearing in mind the potential negative consequences of introducing maximum limits (potentially misleading to consumers and a brake on innovation), the scientific justification for their introduction should be particularly robust. Starch Europe fully supports all initiatives which can help empower consumers towards more sustainable diets and address the very legitimate concern that many consumers exceed recommended nutrient intake levels. Food reformulation should indeed play a crucial role in addressing these concerns but simply introducing maximum levels for some nutrients may transpire to be a somewhat blunt instrument and not compatible with the holistic approach the Farm to Fork strategy is seeking to implement.

## **Circular business models and the Bioeconomy**

Starch biorefineries are core to the success of Europe's bioeconomy. Starch Europe is therefore a strong supporter of the EU Bioeconomy strategy and its action plan on all four bioeconomy outlets (food, feed, industrial and fuel), as updated in 2018 ([Starch Europe position here](#)). We welcome the Commission Communication's acknowledgement of the importance of the EU Bioeconomy in the delivery of both the Farm to Fork strategy and Circular Economy Action Plan objectives.

Within industrial applications, the bio-plastics and paper and cardboard industries are the starch industry's most important customers and we therefore fully support the Commission's proposal to revise the food contacts material legislation (ACTION 17) as well as the Packaging and Packaging Waste directive to support the use of innovative and sustainable packaging solutions without compromising on food safety.

## **PROMOTE SUSTAINABLE FOOD CONSUMPTION, FACILITATING THE SHIFT TOWARDS HEALTHY, SUSTAINABLE DIETS**

In order to help consumers opt for healthier and more sustainable diets, providing clear and science-backed information is critical. We call upon policy makers and all other stakeholders in the food value chain to adhere to these principles in the implementation of the Farm to Fork strategy, the 2018 Action plan of the Bioeconomy Strategy, as well as the forthcoming strategy on sustainable finance.

To support this goal, Starch Europe launched its consumer facing [www.starchinfood.eu](http://www.starchinfood.eu) website in 2018 and its BeyondStarch campaign in 2019. These information efforts will continue in order to help consumers better understand the ingredients from the starch industry: where they come from, why they are added and what their nutritional value is.

The Commission Communication proposes the introduction of Front-of-Pack nutrition labelling (ACTION 20). Starch Europe members do not produce products for the final consumer and, as such, will support the efforts and positions of its food and drink customers on this issue. Starch Europe would stress that any new food labelling initiative must be based on science, and not on perception, and must be effective to empower consumers to make genuinely healthier choices. 'Clean label' food and drink products are not by definition healthier and more sustainable. Innovation efforts by the food supply chain should be driven by real health and sustainability improvements, and not simply by the label.

The Commission Communication also suggests a requirement of origin indication (ACTION 21) for certain products. Such an approach may have value for some products but caution must be advised in terms of distortions to the Single Market. In the case of starch-based ingredients such indication would be of no value (a final food or drink product consumed in one member state may for example contain starch-based ingredients from another member state, made from starch from another member state, made from cereals from yet another member state).

## **REDUCE FOOD LOSS AND FOOD WASTE**

The EU starch industry fully valorises all the components of the agricultural raw materials which it processes. Waste in EU starch plants is less than 1%. Crucial to this achievement is its pioneering role in developing the bioeconomy. Whilst the food and drink sector remains our main outlet, 40% of



starch-based ingredients are used for industrial applications, often as an alternative to fossil-based ingredients, and over 80% of the protein products produced are sold to animal feed. It is precisely because the EU starch industry operates its production plants as efficient biorefineries that it can fully valorise all of the agricultural raw materials it processes and be a zero waste industry<sup>2</sup> (ACTION 26).

By producing ingredients which extend the shelf-life, the starch industry also helps reduce food losses at consumer level (ACTION 27). As the Commission Communication rightly suggests, reducing food waste must be a priority in the move towards a more sustainable EU food system and Starch Europe will continue to work with its customers in this area.

## RESEARCH, INNOVATION, TECHNOLOGY AND INVESTMENTS

Research and innovation will indeed be key drivers in accelerating the transition to a more sustainable food system. All research and innovation initiatives must however have the acceptance of consumers. It is the joint responsibility of all stakeholders in the food supply chain, together with the EU institutions to help develop that consumer acceptance.

For EU starch producers this will be particularly the case in the further development of both the Bioeconomy and plant based proteins and we warmly welcome the additional funding being proposed under Horizon Europe.

As a founding member of the European Bioeconomy Alliance, Starch Europe has consistently promoted public-private partnerships such as Circular Bio-based Europe and will continue to do so.

With regards to investments, Starch Europe also welcomes the policy initiatives dedicated to sustainable finance. In its technical annex, the TEG report on taxonomy clearly identifies “the potential for agricultural production to enable substantial mitigation in other sectors”, notably the bioeconomy. The future platform should investigate which criteria could make substantial environmental contributions to the economic activities that are part of the bioeconomy. Because the EU starch industry delivers to the four outlets of the bioeconomy, i.e. food, feed, industrial and energy applications, the taxonomy will likely impact access to both finance and the supply of agricultural raw materials. We therefore advocate that the forthcoming EU platform on Sustainable Finance takes on board the benefits of running biorefineries processing agricultural raw materials.

The starch industry is also investing in its protein potential to introduce new crops, valorise even more the protein fraction contained in the grains, the peas and the starch potatoes and to sell them to the food and feed markets. The Commission communication's specific reference to plant proteins as a key area of research is therefore particularly welcomed.

## PROMOTING THE GLOBAL TRANSITION

EU starch producers have to compete in a global market. The major international competitors to the EU starch industry already benefit from either lower raw material costs, lower energy costs, more government support, lower regulatory constraints or greater economies of scale, or a combination of these. We therefore welcome the Commission Communication's stated ambition to pursue **Green Alliances** on sustainable food systems with all international partners and to include an **ambitious sustainability chapter** in all EU bilateral trade agreements.

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If the EU's Farm to Fork objectives are not matched by its international competitors, the EU's competitive disadvantage may be further reinforced. In the absence of a global level playing field, suitable mechanisms will be needed to ensure that EU starch producers can compete. A significant threat to a sustainable EU food system is the outsourcing of any link in the supply chain to less sustainable international competition.

## CONCLUSIONS

Starch Europe welcomes publication of the Farm to Fork strategy. EU starch producers, and other primary food processors, will be key enablers in the move towards a more sustainable food system. EU policies need to reflect the sector's potential and challenges. With that policy support, the EU starch sector can play a key role in increasing transparency, meeting changing consumer needs and developing a more efficient and sustainable food system, whilst also maintaining the need for food security and food safety.

The sector is already an important contributor to an EU sustainable food system through its leadership in the EU bioeconomy across food, feed and industrial applications and looks forward to working with the European Commission and other stakeholders on detailed proposals to help improve that contribution further.





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