The European Parliament,

having regard to the Commission communication of 18 November 2010 entitled ‘The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future (COM(2010)0672),


having regard to Council Decision 93/355/EEC of 8 June 1993 concerning the conclusion of a Memorandum of Understanding on certain oil seeds between the European Economic Community and the United States of America within the framework of the GATT\(^1\), which adopted the Blair House Agreement setting a ceiling on oilseed and protein crop production in the European Union and on specific tariffs for such crops,

having regard to the November 2009 report submitted to the Commission by LMC International entitled ‘Evaluation of Measures applied under the Common Agricultural Policy to the protein crop sector\(^2\),

having regard to Council Regulations (EEC) No 1431/82\(^3\) and (EC) No 1251/1999\(^4\), which laid down special measures in the protein crop sector and introduced the maximum guaranteed area, Council Regulation (EC) No 1782/2003\(^5\) and Articles 76 to 78 of Council Regulation (EC) No 73/2009\(^6\), which provided for the phasing-out of specific support for protein crops, and Commission Regulation (EC) No 1121/2009\(^7\), which set out detailed rules regarding the protein crop premium,

having regard to Regulation (EC) 767/2009 on the placing on the market and use of feed\(^8\),

having regard to Article 68 of Council Regulation (EC) No 73/2009, which allows Member States to grant support for protein crops on their territory, and has been used in particular by France, Spain, Poland and Finland,

having regard to the study by the Commission Directorate-General for Agriculture and Rural Development on the ‘Economic Impact of Unapproved GMOs on EU Feed Imports

\(^1\) OJ L 147, 18.6.1993, p. 25.
\(^3\) OJ L 162, 12.6.1982, p. 28.
\(^7\) OJ L 316, 2.12.2009, p. 27.
and Livestock Production’, 2007,

– having regard to the recommendations concerning the role of research and local knowledge, including the role of leguminous protein plants, made in the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD) report on the global food supply, carried out by the United Nations Development Programme, the Food and Agriculture Organisation (FAO) and the World Bank,

– having regard to the studies requested by its Committee on Agriculture and Rural Development and presented at the workshop held on 11 October 2010,

– having regard to its resolution of 12 March 2008 on sustainable agriculture and biogas: a need for review of EU legislation¹,

– having regard to Rule 48 of its Rules of Procedure,

– having regard to the report of the Committee on Agriculture and Rural Development and the opinion of the Committee on the Environment, Public Health and Food Safety (A7-0026/2011),

**Basic facts on the protein deficit: supply, demand and international trade**

A. whereas total EU protein crop production currently occupies only 3% of the Union's arable land and supplies only 30% of the protein crops consumed as animal feed in the EU, with a trend over the past decade towards an increase in this deficit,

B. whereas in some Member States substantial areas of farmland remain fallow year on year, with their productive potential going to waste,

C. whereas, historically, this significant deficit in protein crop production goes back to previously established international trade agreements, especially with the United States, which allowed the EU to protect its cereal production and in return allowed duty-free imports of protein crops and oilseeds into the EU (GATT and 1992 Blair House Agreement); whereas this was accompanied by significant progress in the efficiency of protein crop production and the use of new technologies outside the EU, leading to a competitive disadvantage for EU farmers who find protein crop production economically unattractive,

D. whereas 70% (42 million tonnes in 2009) of the raw materials rich in plant proteins consumed, especially soy flour, are imported, mainly from Brazil, Argentina and the USA; whereas approx. 60% of these imports (26 million tonnes) are by-products derived from vegetable oil production and are used as meals, especially soymeal, for animal feed,

E. whereas, because the volumes produced are so low, the European compound food industry only uses 2 million tonnes of protein crops each year but estimates that it would be able to use nearly 20 million tonnes per year,

F. whereas these imports represent the equivalent of 20 million hectares cultivated outside

the EU, or more than 10% of the EU’s arable land, and whereas these producers are not subject to the same environmental, health and GMO regulatory constraints as European producers,

G. whereas the emergence of new customers for South American suppliers, notably China, who are not as demanding as the European Union in regard to production conditions and whose supply strategy is rather opaque, may in the long run weaken the stability of the markets and the EU supply chain,

H. whereas the EU livestock sector is vulnerable to price volatility and trade distortions, and depends on affordable and high quality protein imports; whereas the sector's competitiveness is undermined by the additional costs of protein imports for feed incurred by the lack of an EU technical solution to the current zero tolerance policy on low level presence of unapproved GMOs,

I. whereas shortages of soya and maize imports impose an additional cost burden on the EU livestock and feedstuffs sectors, and put the economic viability of domestic meat production at risk,

J. whereas, as a consequence of the small volume of leguminous fodder crops (lucerne, clover, sainfoin, etc.) and seed crops (pea, soja, lupin, horse bean, vetch, etc.) produced in the EU, the number of plant protein research programmes in the EU has dropped from 50 in 1980 to 15 in 2010, and training and the acquisition of practical experience in domestic protein crop production have been neglected, leading to a low level of innovation and regionally adapted seed production in the EU,

K. whereas the EU is highly dependent on soya beans and maize imported from third countries and any interruption of the supply of these products due to a minute presence of unauthorised GMOs has a very costly impact on the European feed industry,

L. whereas a research policy is only likely to prove successful if it is covered by medium- to long-term commitments, which is not the case at present for protein crops,

M. whereas farmers’ knowledge of sustainable practices which link crop and livestock production through balanced crop rotation and adequate use of grassland areas could be lost, and whereas moreover domestic protein crop quality does not offer the quality of compound feed needed in the various animal production sectors,

N. whereas for protein crops to become a sustainable element in cropping patterns, income from these crops must be increased in the short term, notably through specific CAP support,

**Basic statements on the advantages of reducing the protein deficit**

O. whereas rebalancing the supply and consumption of cereals, proteins and oilseeds in the EU could have major economic benefits for farmers and the food and feed industry, as well as improving the variety of healthy, high-quality food for consumers, if the political framework for the upcoming CAP reform fully addressed the new challenges highlighted in the Commission’s communication,

P. whereas all opportunities afforded by the various promotion measures should be used to
promote human consumption of cereals, protein crops and oilseeds, which should be further protected under an agricultural product quality scheme for protection of geographical or traditional products, thereby helping to preserve local and regional foods made from these commodities,

Q. whereas, in the context of climate change, the production of protein crops can help to reduce greenhouse gas emissions through the assimilation and fixation of nitrogen in the soil (amounting to up to 100 kg N/ha per month) and the consequent reduction in the use of synthetic nitrogen fertiliser, which contains nitrous oxide, whose warming potential is 310 times higher than that of carbon dioxide,

R. whereas the EU’s ‘GL-pro’ programme has demonstrated that introducing protein crops into crop rotation once every four years results in a significant drop in CO₂ emissions of approximately 10% to 15% and reduced ozone production,

S. whereas, in terms of soil fertility, a higher proportion of protein crops cultivated on arable land as part of increased crop rotation systems and blocking plans contributes to more balanced nutrient storage, reduced soil acidification, enhanced disease resistance, better soil structure (including increased energy efficiency for soil treatment), less use of herbicides and greater biodiversity, assisting pollination,

T. whereas the number of crops being rotated is a factor in reducing the likelihood of disease and propagation of weeds, and consequently the need for plant protection treatments, and whereas increasing the proportion of protein crops cultivated on arable land may help cut energy consumption by 10%,

U. whereas, in terms of water management, in particular the use in animal feed production of leguminous crops – such as permanent grass-clover mixtures or mixtures of cereals and protein crops – and permanent soil coverage can substantially reduce the run-off of nutrients, especially nitrates and phosphates, into groundwater,

V. whereas, in terms of agricultural biodiversity, the extended use of protein crops that are adapted to European climatic conditions, such as beans, soya, peas, lentils, lupins, chick peas, alfalfa/lucerne, clover, Phacelia spp, Lotus corniculatus and sainfoin, will substantially stabilise and enhance diversity within the production system,

W. whereas, in terms of protein production and global food security, a better balance needs to be achieved between crop and animal protein production, especially as regards the amount of energy, water and external inputs currently consumed for intensive animal protein production as opposed to protein crop production for human consumption, with the world food balance always the main focus,

X. whereas several EU policies have an impact on the EU’s protein deficit, and whereas the Commission must also analyse the issues of GMO production inside and outside the EU’s territory, the development of biofuels and the reappraisal of the total ban on animal proteins in animal feed,

Y. whereas, besides using native protein crops, the quality of non-imported compound feed can also be improved through the use of by-products of oilseeds such as soya, sunflower and rapeseed,
Z. whereas using leguminous fodder crops or seed crops in place of imported proteins – primarily soya cake – may bring about significant changes in stock-breeding methods and thus play a part in improving the quality of agricultural products (from standard products to certified products with alterations to specifications) and producers’ incomes,

AA. whereas the ban on the use of animal protein in animal feed was introduced following the BSE crisis so as to prevent any contamination with TSE; whereas this ban should only be lifted based on scientific facts and sufficient measures of precaution and control; whereas based on these conditions processed animal proteins from slaughter offal for the production of feed for monogastric animals (pork and poultry) should be considered, provided that the ingredients stem from meat which was approved for human consumption, and that the ban on intra-species recycling and forced cannibalism is fully implemented and controlled,

**Basic statements in response to the Commission's communication: preparing the ground for recommendations and demands**

AB. whereas the Commission communication of 17 November 2010 clearly highlights the need to enhance protein crop production within a more integrated crop rotation system,

AC. whereas various studies carried out by the FAO, the Commission and competent authorities within the Member States have pointed out that improved use of protein crops in EU agriculture has the potential to make the supply of animal feed more reliable by making use of agro-environmental measures,

AD. whereas it is advantageous for farmers to grow protein crops in several areas: on-farm animal feed production using mixed crops such as cereals and beans; protein production for human consumption; and all kinds of sustainable agriculture,

AE. whereas at present Member States may provide specific support for protein crop production as part of agro-environmental programmes and the ‘Article 68’ measures to improve the quality of production systems and of food,

AF. whereas, besides cereal and maize cultivation for feed and energy production, the use of extended crop rotation systems, on-farm mixed cropping and grass-clover mixtures, which can have major environmental and agronomic benefits, should be encouraged, since the growing of leguminous crops as part of a rotation system can prevent diseases, regenerate the soil, have a beneficial effect on the population of pollinators and protect the climate,

AG. whereas increased cereal yields in central Europe will free up farming land across Europe and make it possible for the cultivation of crops, and particularly protein crops, to be relocated to all parts of Europe,

AH. whereas the recent increase of volatility in agricultural commodity prices has raised major concerns about the competitiveness of the European livestock sector and its high dependence on protein crop imports; whereas the EU needs a genuine strategic development plan for plant proteins and their specific role in responding to the new challenges of the CAP (climate change, better management of natural resources); whereas reducing the protein deficit also needs major efforts in improved research and breeding, as well as measures which enhance adequate infrastructure for protein crop production,
storage and processing; whereas also by-products of oilseed and agrofuels production could be considered for animal feed, provided that strict rules are met to ensure that the precautionary principle is fully applied and that there are no risks to animal and human health,

AI. whereas the problem of zero tolerance for imports of feed must be debated further and approaches leading to practical solutions must be devised,

AJ. whereas agricultural and industrial product-paths are connected in many respects and certain by-products of biofuel production are suitable for use as feed,

1. Calls on the Commission to take a medium- to long-term view in reviewing its policy on proteins, ensuring that its legislative proposals for CAP reform include adequate and reliable new measures and instruments which support farmers in improving crop rotation systems so as to substantially reduce the current protein deficit and price volatility;

2. Calls on the Commission swiftly to submit to Parliament and to the Council a report on the possibilities and options for increasing domestic protein crop production in the EU by means of new policy instruments (also taking into account the use of oil seeds and their by-products and the potential extent for substituting imports), the potential effect on farmers’ revenues, the contribution it would make to climate change mitigation, the effect on biodiversity and soil fertility, and the potential for reducing the necessary external input of mineral fertilisers and pesticides;

3. Calls on the Commission to report on the impact of the zero tolerance rule for the presence in imported feed of GMOs which are not authorised in Europe, giving particular consideration to the possibility of introducing limit values and their practical application;

4. Calls on the Commission to maintain the common organisation of the market in dried fodder in place until 2013 so as to ensure the continued survival of this key sector, which is vitally important in the production of feed proteins for the livestock sector;

5. Calls on the Commission to support research into breeding and supply of protein crop seeds in the EU, including their contribution to disease control, and to make proposals for research and development on ways to improve extension services and under the heading of rural development on services training farmers in the use of crop rotation, mixed cropping and technical facilities for on-farm feed production;

6. Calls on the Commission, in the context of promoting rural development, to bring forward measures to promote an increase in the number of animals with biological material of high value and productive potential, and the dissemination of good practices in connection with the introduction of optimum feeding patterns, with a view to ensuring that the most efficient use possible is made of protein crops grown as animal feed;

7. Calls on the Commission to propose a framework for rural development measures which introduce improved, decentralised facilities for the production of animal feed, based on local and regional crop varieties, the storage of those varieties and seed selection and development;

8. Calls on the Commission to carry out an appraisal evaluating the effects of current import tariffs and trade agreements on the various oilseed and protein crops and to submit to
Parliament and the Council a detailed legal study on the current scope of the Blair House agreements on the production of protein crops in Europe;

9. Calls on the Commission to ensure an unhindered supply of soya to the EU market by providing a technical solution regarding the low-level presence of GMOs in protein crops for food and feed imported into the EU; recalls that shortages of soya imports impose an additional cost burden on the EU livestock and feedstuffs sectors, and puts the economic viability of domestic meat production at risk;

10. Calls on the Commission, in cooperation with the Member States, to consider including in its legislative proposals for a reformed CAP and beyond this the promotion of crop rotation with protein crops as a precautionary measure against crop disease and a contribution to improved agricultural practices and new challenges such as food security, climate change and management of resources etc;

11. Calls on the Commission to adopt suitable measures creating market conditions that favour local production as compared to imported products, and that meet the requirements of the feedstuffs industry, including the introduction of models for GMO-free short supply chains and certified production; recognises that local and proximity farming are of greater benefit to the environment;

12. Calls on the Commission to submit a legislative proposal to Parliament and the Council which authorises the use of processed animal proteins from slaughter offal for the production of feed for monogastric animals (pigs and poultry), provided that the ingredients stem from meat which was approved for human consumption, and that the ban on intra-species recycling and forced cannibalism is fully implemented and controlled;

13. Calls on the Commission to introduce a specific framework programme for decentralised agricultural and rural development research and to improve European and international cooperation, including on-farm training programmes on improved breeding of locally adapted protein plants, making this an innovative area in the various Member States;

14. Calls on the Commission to propose a coherent overall political approach to the application of the agro-environmental rules to food products sold within the Union with regard to the importation of genetically modified protein crops;

15. Calls on the Commission to establish a monitoring mechanism on the origin of protein crops imported into the European Union, revealing especially the sustainability of applied farming practices in the country of origin, such as land use change, sustainability of water use and the use of agricultural technologies; underlines that regular on-site checks are also necessary to this end;

16. Calls on the Commission to consider including in its legislative proposals on CAP reform the provision of support for farmers cultivating protein crops in crop rotation systems which contribute to the reduction of GHGs and the EU’s crop protein deficit and improve disease control and soil fertility;

17. Calls on the Commission to bring forward incentive-based measures to promote the cultivation of fallow land, which could contribute significantly to reducing the protein deficit in the EU;
18. Instructs its President to forward this resolution to the Council and the Commission.