DRAFT REPORT

on a European Strategy for the promotion of Protein Crops - Encouraging the production of protein and leguminous plants in the European agriculture sector (2017/2116(INI))

Committee on Agriculture and Rural Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on a European Strategy for the promotion of Protein Crops - Encouraging the production of protein and leguminous plants in the European agriculture sector (2017/2116(INI))

The European Parliament,

– having regard to its resolution of 8 March 2011 on ‘The EU protein deficit: what solution for a long-standing problem?’,

– having regard to the proposal for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (‘Omnibus regulation’) and the amendment thereto seeking to include a request to the Commission to publish a ‘protein plan’ by the end of 2018;

– having regard to the European Soya Declaration submitted to the Agriculture Council on 12 June 2017 by Germany and Hungary and subsequently signed by 14 Member States;

– 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;

– having regard to the document adopted by the United Nations General Assembly on 25 September 2015 entitled ‘Transforming our world: the 2030 Agenda for Sustainable Development’, in particular Sustainable Development Goals (SDGs) 2, 12 and 15 included therein,

– having regard to the decision of the UN General Assembly at its 68th session to officially declare 2016 International Year of Pulses (IYP), under the auspices of the UN Food and Agriculture Organisation (FAO);

– having regard to the European Parliament study on ‘The Environmental Role of Protein Crops in the new Common Agricultural Policy’;

1 Texts adopted, P7_TA(2011)0084.
3 General Secretariat of the Council (OR. en) 10055/17, Brussels, 7 June 2017.
6 IP/B/AGRI/IC/2012-067 (PE 495.856).
having regard to the hearing held at the European Parliament on ‘Improving European plant protein supplies’,

– having regard to Rule 52 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 (A8-0000/2017),

A. whereas the European Union is still suffering from a major deficit in vegetable proteins, which has regrettably seen little improvement despite the many intentions announced, and initiatives taken, on this topic for more than 15 years; whereas the present-day context means that we should be taking more energetic action;

B. whereas the issue of protein used in animal feed has too often been analysed with a focus on protein-rich matter, linked to our deficit in vegetable proteins and to the search for raw materials to supplement farm animals’ diets;

C. whereas it is necessary to adopt a more comprehensive analysis of the protein issue in Europe so as to maximise the number of instruments at our disposal for boosting the effectiveness of action to reduce our dependence on vegetable proteins;

D. whereas proteins are at the core of the challenges of food safety, environmental protection and global warming; whereas they are essential to life and are present in all foods consumed by both humans and animals;

E. whereas in recent years China has become the world’s largest importer of soya and has launched a genuine security of supply strategy for itself which could threaten our own supplies tomorrow;

F. whereas the development of agriculture in the past 50 years has given rise to the large-scale long-distance transport of raw materials for the production of vegetable and meat proteins which is now causing problems for the environment and the climate;

G. whereas the nitrogen needed to feed plants and manufacture vegetable proteins is today mainly provided by synthetic nitrogenous fertilisers, which are costly to produce and generate pollution of both water and air;

H. whereas in order to reduce dependence on outside suppliers, it is necessary to focus on not only protein-rich crops but also on all other crops (including in forage and grassland areas) which, while they have a lesser protein content, are extensively cultivated throughout the Union;

I. whereas there is a need today for a strategic, effective and ambitious protein supply plan to be implemented for the sustainable development of European agriculture; whereas such a plan requires the mobilisation of several EU policies, first and foremost the CAP;

J. whereas the proteins research policy should be stepped up and extended over the long term;
K. whereas the 1992 Blair House Agreement on proteins is now obsolete and no longer reflects present-day realities;

1. Takes the view that it is time to implement a major strategic European vegetable protein supply plan based on the sustainable development of all the crops grown throughout the EU; further takes the view that this change implies a substantial alteration of our production systems to meet the requirements of the circular economy and of agroecology;

2. Calls for the establishment of a European platform making it possible to: identify protein cultivation areas by crop category and location; create technical references that are accessible to all farmers; ascertain European protein production capacities; and catalogue all the research carried out into proteins;

3. Recommends focusing on all protein resources and thus on crops used both in human food and in farm animal feed;

The multiple objectives of the plan

4. Takes the view that this plan must maximise the biomass production of all usable agricultural areas by developing permanent plant cover, some of which can be devoted to protein supply;

5. Considers it necessary to look in particular at the potential of leguminous crops, whether grain or forage legumes, as this family of plants presents many agricultural, economic and environmental benefits (being the only one to fix nitrogen from the air);

6. Recommends supporting the cultivation of soya, new varieties of which are currently opening up fresh possibilities, but notes that this should not overshadow interest in other grain protein crops (lupins, faba beans, peas, chickpeas, etc.);

7. Calls for greater attention to be paid to the management of grassland crops which, given the extensive areas they occupy, make a major contribution to meeting protein needs for animal feed;

8. Hopes that crops such as lucerne, clover, sainfoin, and many other legumes may be reintroduced into large-scale cultivation and forage systems;

9. Considers it advisable to develop regional protein production and processing chains by creating closer links between cereal farmers and livestock farmers (supply and exchange contracts), and deems it useful, to that end, to assist risk-taking by operators entering small supply chains for protein-based food and feed;

10. Encourages promoting the production of high-quality, GMO-free proteins by improving their traceability and labelling;

11. Considers it necessary to support the self-sufficiency in feed of farms at farm and regional level for ruminants as well as for monogastric animals (including on-farm feed production);
12. Considers it desirable to minimise harvest losses and increase nutritional value by improving harvesting and storage conditions (drying, wrapping, etc.);

13. Takes the view that in order to enhance protein production it is necessary to rotate crops (over a minimum of three years) and increase mixing of varieties and crops in the pulse (clover/rape, triticale/peas etc.) and forage (leguminous grasses, meslins, etc.) production sectors;

14. Calls for research work to begin on: selection of new varieties and species; crop mixing; improvement of the yields, protein content and digestibility of animal feed (sprouted seeds, etc.); and biostimulants;

15. Recommends greater use of precision agriculture in order to adjust plant nitrogen supplements and animal feed rations as accurately as possible so as to limit wastage and some types of pollution;

16. Intends to promote: the acquisition of new knowledge; knowledge transfer; basic and continued training; and support for all other types of applied innovation and research;

**Instruments of the plan**

17. Takes the view that this plan calls for the mobilisation and coordination of several EU policies: the CAP, research policy, the neighbourhood policy and trade policy;

18. Considers it important for the CAP to support protein crop cultivation by means of the voluntary coupled payment (which, if not restricted to crops and regions in difficulty, would give scope for more action) and the greening payment, and by means of the second pillar, particularly through agro-environmental measures on organic farming, investment quality, advice, training and of course innovation via the EIP;

19. Feels it is relevant to the future of the CAP to: consider additional proposals to support proteins, such as those for three-year-minimum rotation systems; create an ecosystem payment that is more flexible than the greening payment so as to encourage sustainable agricultural practices; provide risk-taking mechanisms for innovators; and open up a proteins sub-priority in the rural development policy;

20. Calls for research efforts, particularly for public research, to be stepped up into under-developed protein crops which are of little or no interest to private investors;

21. Takes the view that it is necessary to secure our soya supplies by cooperating more closely with our neighbourhood, in particular with Ukraine, which has opted for Europe and which produces soya that could be brought into the EU via the Danube;

22. Takes the view that the 1992 Blair House Agreement is now obsolete and is likely to hamper the sustainable development of protein crop growing in Europe;

23. Instructs its President to forward this resolution to the Council and the Commission.
EXPLANATORY STATEMENT

I. BACKGROUND

Over the last 15 years, Parliament has on a number of occasions spoken about proteins and the need for a European protein plan. Unfortunately, these initiatives have never been followed up and the European Union continues to depend on others for its supply of protein crops. This would appear to be a more propitious moment to re-examine the issue, given that the EP, Council and Commission have now included it on their agendas, as evidenced by the Council’s ‘soya declaration’ of June this year and the Commission’s announcement regarding Commissioner Hogan’s European ‘protein strategy’.

In the past, protein for animal feed was considered solely in terms of the need for high-protein commodities and efforts to offset our protein crop shortfall, principally by means of soya imports. In adopting a new approach to the question of proteins in Europe, it is also important to remember their importance in the human food chain.

In fact, matters are even more complex. Protein supply is a central issue, lying at the heart of the two key concerns that require our immediate attention, relating to food safety on the one hand and environmental and climatic challenges on the other.

1. Protein supply a central issue lying at the heart of two key concerns

(a) Food safety

Imported protein crops are necessary to meet the needs of livestock.

The world markets in protein and soya meal have undergone significant changes in recent years, with possible tensions now on the horizon in view of the very large quantities of protein being consumed in some parts of the world, especially in the form of meat.

For over 50 years, soya consumption has been rapidly increasing in farming countries, accounting for 45% of the world protein market. In Europe, it has risen from 2.42 million tonnes in 1960 to almost 36 million tonnes today. Elsewhere and in China especially, domestic consumption has gone through the roof. China is now the world’s largest importer of soya, mainly from Brazil, the world’s largest producer and exporter. Particular attention must be drawn to one important fact. China, which absorbs over two-thirds of soya produced in Brazil, has found a way of securing its future supply that could well jeopardise our own and that of other soya purchasers.

As a result we could soon find ourselves paying well over the odds, assuming that we are still able to obtain sufficient supplies of soya, or indeed any at all.

(b) Environmental concerns

Use of synthetic fertilisers containing nitrogen to grow protein crops also has a pollutant ecological cascade effect, contaminating water supplies and causing greenhouse gas
emissions. It is necessary to rethink fundamentally the sustainability of our food production and farming systems if the nitrogen life-cycle is to be managed more satisfactorily.

The question of protein supply clearly raises a number of issues regarding the development of our agri-food models. Mere adjustments to demand for high-protein crop commodity imports and the mass production of synthetic nitrogen fertiliser will not meet our requirements in terms of food supply and could indeed lead to local imbalances and international tensions. We need to consider seriously a new approach with a view to ensuring a sustainable agri-food sector that takes full account of protein, leaving the greatest possible room for manoeuvre and action to reduce our protein crop dependence.

2. It is necessary to consider all sources of protein

(a) Unbalanced protein supply for animal feed

Each year, 477 million tonnes of raw materials are used for animal feed production, around 50% of which are obtained from on-farm grassland and fodder production, the remainder coming from mainstream arable crops and imports.

Demand for protein crops, excluding fodder, is around 45 million tonnes of crude protein annually. 60% of demand is met by meal co-production and 40% by cereal and oil-protein crops.

The Union is currently able to produce of 38% of its animal feed protein requirements. For soya cake, which accounts for around one-third of protein supply, the figure is 5%, which is particularly low.

(b) Potential sources of supply

In order to reduce dependence on outside suppliers, it is necessary to focus on not only protein-rich crops but also those with a lesser protein content that are extensively cultivated throughout the Union. By casting our nets more widely to include all protein sources, we could draw all regions of Europe together in a joint effort to achieve sustainable development and reduce our protein dependency.

To this end, the Union has a very wide variety of crops and varieties to choose from, including grain legumes, such as oilseeds (rape, sunflower and soya) and protein crops (peas, chickpeas, beans, lupins and field beans).

In recent years, the quantities of rapeseed meal produced have risen significantly due to the development of agri-fuels. While soya production has remained relatively modest, it could be stimulated by focusing on more suitable varieties that produce better yields and are more economically competitive compared with cereals.

In this connection, foodstuffs (such as milk and tofu) could also be a source of added value. Other seed crops, such as protein peas, field beans, lupins and chickpeas, must not be neglected, especially if new varieties and new ways of combating bio-pathogens can be developed thanks to research in this area. Less attention has been given to forage legumes, which can nevertheless, as sole crops or intercrops, play a role in reducing dependency in the
livestock sector and improving farming practices. Finally, improved cereal quality should also figure as an asset on the protein balance sheet.

II. A BROAD AND AMBITIOUS STRATEGIC PLAN FOR THE SUSTAINABLE DEVELOPMENT OF PROTEIN CROPS IN EUROPE

EU policies relating to proteins should be mobilised and coordinated in support of this plan.

(a) CAP

_Under present circumstances_

Direct support for protein production under the first pillar would appear to be a good solution with a view to implementing the protein plan throughout the Union.

Various greening projects could benefit from protein production, including crop diversification, organic farming, and certification schemes, all of which encourage a system of crop rotation that favours protein crops. Ecologically significant areas could also be used for protein production without the need for systematic recourse to pesticides.

Given the number of countries that have used it, voluntary coupled payments appear to be most appropriate tool for protein crop development and could be used more extensively rather than being limited to sectors and regions in difficulty.

The rural development pillar offers a range of assistance for the development of proteins, including agri-environmental measures, on-farm investment in production and processing, quality enhancement, advice, training, innovation and measures to encourage organic farming.

_As part of CAP adjustment or reform_

We would suggest a number of adjustments to existing tools. For the greening payment, a rotation requirement (three-year minimum) could be a useful addition to diversification. This would have a number of major agronomic and environmental benefits (more effective pest containment, better soil quality etc.).

Crop combinations could also be considered. Coupled payments should no longer be limited to sectors and regions in difficulty when used to support protein crops and should be made more flexible to facilitate the use of the available funding.

Other possibilities as part of CAP reform could include: first-pillar ecosystem support for legume crops and specific risk-taking support for the launching of protein chains. This could also be combined with ERDF funding.

(b) Research policy.
The EU has never displayed much interest in long-term research projects seeking ways of reducing our protein crop dependency. Public research investment is very important for less commonly cultivated crops that are of little or no interest to the private sector.

(c) Neighbourhood policy

In certain of the EU’s neighbours such as Ukraine, largely based on farming, production and climatic conditions are favourable to soya, which is already being grown there. Protein production in cooperation with Ukraine, which is currently at odds with Russia while favouring Europe, would be a sensible course of action, given that we are already importing tonnes of cereals from this country competing with that produced by our own farmers.

(d) Trade policy

In the 1960s, GATT accords concluded by the European Community encouraged massive duty-free imports of much-needed protein crops from third countries, especially the US. These arrangements were incorporated in the 1992 Blair House agreements of 1992, with no import duty adjustments, despite the fact that we no longer knew what to do with our cereal mountains. At the same time, a memorandum was concluded with the US limiting European Community aid to its oil-protein crops. In connection with my report, I would just like to point out that these agreements are now outdated and no longer reflect the challenges facing the world today, especially with regard to the environment and global warming, which require us to reconsider our options when it comes to production and consumption.