Food price hikes are being caused by a number of factors, including supply chain disruption and rising energy prices. Russia’s invasion of Ukraine and COVID-19 continue to drive price increases across the economy.

The Communication on Food Security\(^1\) acknowledges the situation and proposes short-term and medium-term actions, introducing measures to support producers and moderate consumer prices.

These include a support package of EUR 500 million for the agricultural sector, and exceptional measures to support food and feed production. To aid the most vulnerable consumers, Member States can draw on the Fund for European Aid to the Most Deprived (FEAD). Member States can apply reduced VAT rates, down to 0%, to food.

The Commission also adopted a Temporary Crisis Framework for State aid\(^2\), enabling measures that allow financial support to undertakings affected by the current crisis.

EU sanctions on Russia do not cover agricultural products and inputs. As such, disruptions to food trade, and their impact on food prices, cannot be linked to EU sanctions, but to Russia’s aggression in Ukraine which affects Ukraine’s potential to produce and export grains to the EU and the world markets, therefore threatening global food security.

The Commission remains fully committed to the Green Deal and the Farm to Fork Strategy, and to ensuring the EU’s food system is resilient and sustainable, the best guarantee that we are ready to withstand future crises.

\(^1\) COM(2022) 133 final.