

Brussels, 3 April 2025

US Reciprocal Tariffs and EC proposal for Counter-tariffs covering essential & critical feed ingredients

FEFAC calls for direct US/EU negotiations to exempt all agri-food and feed products

FEFAC President Pedro Cordero expressed his deep regret about the US imposition of reciprocal tariffs of 20% on the EU, covering all Agri-Food exports to the US. He also shared concerns about the announced EC counter tariffs including essential, critical and strategic US agri-food products and feed ingredients, like Soyabeans, coccidiostats, Lysine and probiotics as well as maize and co-products like corn gluten feed and DDGS, noting that current EU import tariffs are at “0 duty” level for essential US feed ingredients.

Mr Pedro Cordero urged the US and EU trade authorities: “to open direct negotiations, seeking to exempt all agri-food products including essential feed ingredients from both US reciprocal and EU counter tariff schedules to safeguard global food security and resilience of the Agri-Food value chain”.

Mr. Pedro Cordero stressed that “access to essential, critical and strategic U.S. feed ingredients is a crucial component of our collective EU and US feed chain efforts to ensure both feed and food security in the US, EU and at global level”. He referred to existing great opportunities to double US/EU Ag products and feed trade, which could contribute to close the current US Agri-food trade deficit with the EU.

He noted that “currently, the EU imports up to 6 million tons of Soya beans from the US, accounting for 44% of all the imports of Soyabeans to the EU with an estimated value of 3 billion euros for which there is no direct substitution from alternative origins”. He also highlighted the critical importance of US produced Coccidiostats used by poultry farmers as antiparasitic to safeguard animal health and welfare), trace minerals, lysine sulphate as well as Probiotics/Postbiotics.

FEFAC market experts estimate that EU procurement costs for soy products from other origins may rise between 5 – 10% globally, due to increasing market demand for those origins. Considering an average cost increase of 7,5% on all EU soy products imports (beans and meal) valued at 15 Bio€, this would lead to an additional cost of app 2 Bio € for the EU feed and livestock sector, which will come “on top” of estimated EUDR compliance costs for all soy products of 2,25 Bio €. EU provisional antidumping duties for Lysine imports from China, applied since January 2025, led to extra procurement costs of 500 Mio €/annually. Hence, FEFAC estimates a total combined cost price increase for feed supplies to the EU livestock sector, due to soy and lysine related EC import tariffs and EUDR compliance, ranging between 4-5 Bio € annually.

FEFAC experts also underlined the strategic importance of keeping open market access to US maize and relevant co- products, including DDGS and Corn Gluten Feed, accounting for 3 million tons of US exports in 2024.

Notes to the editor:

1. FEFAC, the European Compound Feed Manufacturers' Federation, represents 22 national associations in the EU Member States, as well as associate members in the UK, Norway, Switzerland, and Turkey.
2. The European compound feed industry employs over 100,000 people on the approx 3,200 production sites, often in rural areas, which offer few employment opportunities.
3. Farm & Pet animals in the EU27 consume an estimated 644 million tonnes of feed per year, of which about 23% are produced by compound feed manufacturers. The turnover of the European compound feed industry is estimated at €50 billion.
4. For more information, see our website (www.fefac.eu) or please contact Alexander Döring, Secretary General Tel. +32-2-285.00.50, Fax +32-2-230.57.22, e-mail: fefac@fefac.eu.
5. The forecast for 2025 is subject to change. Updated data will be collected in autumn 2025.