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FEFAC contribution to ongoing reflection on future measures and tools to mitigate the EU strategic dependency regarding access to essential vitamins and amino acids

1. Background

The EU faces a serious strategic dependency on Third Countries for almost all of the essential vitamins and amino-acids it needs to feed animals. Furthermore, China holds an ultra-dominant position on the global market of these substances, and even a quasi-monopoly for some molecules like biotin or folic acid. This means in practice that the EU feed, livestock and aquaculture sectors have very limited opportunities to diversify their sourcing.

A sufficient, secure supply of vitamins is essential for maintaining animal health & welfare, as it is for humans, and this requires supplementation of the basic diet. Using amino acids in feed is nowadays the most cost-effective solution to reduce EU's high dependency on soya imports, while enabling to reduce nitrogen emissions and supporting animal health and welfare. Any disruption of market access to essential amino acids (especially lysine and methionine) would result in higher imports of soya from Third Countries and more nitrogen released in the environment.

In their [Joint Communication on Strengthening EU Economic Security](#) issued in December 2025, the European Commission and the EU High Representative for Foreign Affairs and Security Policy underlines that “the EU faces strategic dependencies where it relies on a limited number of partners for feed and feed additives imports, alongside fertilizers”. This statement marks an important milestone in the awareness raising campaign initiated by FEFAC in 2024 and the publication by FEFAC of a [vulnerability study](#) in 2025 quantifying this level of dependency upon China.

Strengthening the resilience of the EU livestock sector was a key discussion point in the EU livestock workstream and expected to be a cornerstone of the upcoming Livestock Strategy. There is no resilient livestock sector without a robust, crisis-proof feed supply chain. The limited scope for de-risking through diversification of supply further weakens the EU food security in case China would use its dominant position to “weaponize” trade.

The European Food Security Crisis Preparedness and Response Mechanism (EFSCM) has acknowledged this in listing the EU dependency upon Third Countries for its sourcing of essential vitamins and amino acids among the weaknesses of the EU food security system. We expect now that the upcoming EU **Contingency Plan** will address this vulnerability in order to deploy as quickly as possible the ad-hoc tools to reduce the EU exposure to these EU strategic dependencies and to define a longer-

term action plan to secure a safe operating space for the EU feed and livestock value chain.

In our views, the EU needs to consider a minimum timeframe of 5 years to rebuild a solid, de-risked supply chain for vitamins and amino acids meeting the needs of the EU farm animal population, including as well the support of reliable trade partners but primarily building on strengthening more competitive EU production systems via targeted investment tools. The EU **Critical Chemicals Alliance** should contribute to identifying critical and strategic molecules and production sites and help design the required targeted actions.

2. Suitability of potential measures to mitigate vulnerability

With this reflection paper, FEFAC wants to share its initial evaluation and recommendations on different possible vulnerability mitigation measures and tools and their fitness in the case of feed additives.

The FEFAC Task Force on Feed Additives Vulnerability listed several possible vulnerability mitigation options, which they characterized and assessed against several criteria, i.e. i) their potential efficacy in mitigating the vulnerability of the chain, ii) the complexity and administrative burden potential, iii) the economic impact for users as well as the political sensitivity and iv) the ability to yield consensus in the agriculture and feed & food chain. Was also taken into account the extent to which the measure requires an intervention from authorities, with possible interferences with the free market. FEFAC membership was also directly consulted via a survey sent to premixtures and compound feed manufacturers from different sizes and different geographical locations.

A key recommendation is that any measure or package of measures to improve the competitiveness of the EU production of vitamins and amino acids should be assessed for its ability to support also the competitiveness of the **EU livestock and aquaculture sectors**.

2.1. Setting targets and resilience benchmarks at EU level

The EU should establish realistic **targets in terms of sourcing from “safe” origins**. To this end, different targets should be set depending on the level of risk, with EU origin being the lowest risk level, then countries with whom the EU has settled a Free Trade Agreement, then other Third Countries, with a possible additional layer of differentiation between high and very high-risk countries. These targets would operate as **resilience benchmarks** and serve as a reference to tailor structural supportive measures. They can also be used as market thresholds calling for strengthened preventive coordinated actions from authorities and operators.

2.2. Supportive measures

The EU should aim at **maintaining existing production sites** in the EU, ensure their continued operation and make the best use of the existing production capacity. In the short term, the minimum objective should be to at least maintain the current volumes of production. This would require an analysis of the competitiveness gaps and compensation by **supportive** measures meant to reduce production costs for EU-based producers and reduce selling prices. The outcome of the FEFAC consultation shows support to the following measures as most effective:

- Preferential access to EC financial instruments (e.g. European Commission competitiveness fund): easier access / cheaper financing terms for new investments by domestic producers;
- Access to low-cost energy sources: ensure access of producers to energy sources at competitive price vs. Third Countries, including via capacity availability payments (e.g. via recognition of feed additive/ Feed manufacturing companies in the scope of the Critical Entities Resilience Regulation);
- Access to price-competitive carbohydrates: ensuring producers have access to raw materials needed for fermentation processes at competitive price vs. Third Countries.

Taking into account the current global structure of production of feed additives and vitamins, characterized by huge overproduction capacities mainly in China, the building of **new production capacity in the EU should be considered only when the minimum targets set above are not met** with existing capacities in EU and countries with whom the EU has settled a FTA.

2.3. Preventive measures

Preventive measures are meant to mitigate the exposure to risk of shortage / rupture of supply. Certain preventive measures are **directly applicable or already applied** today by users:

- Diversification of sourcing: purchasing from several suppliers, preferably based on different countries, with preference to EU and countries with whom the EU has settled a Free Trade Agreement;
- Long-term relationships: long-term buying agreements to secure the needs for additives;
- Private stockpiling: companies build their own reserves of additives for stability;

The effectiveness of these measures may be amplified through additional measures taken by authorities, e.g. stimulating long term relationships between EU producers and users by granting tax rebates to users of EU produced feed additives, or settlement of more bilateral free trade agreements with countries producing vitamins and amino acids to achieve diversification of supply more quickly.

Trade facilitation measures would also be required to maintain flows of critical feed additives in case of crisis (sanitary, geopolitical) with all producing countries (example of corridors for exports of cereals from Ukraine);

Ad-hoc financial mechanisms to compensate for the extra-costs inherent to private stockpiling are regarded by FEFAC experts as an effective and more suitable alternative to public stockpiling.

The integration of the production of vitamins and amino acids by users taking ownership of production sites was not considered as a viable economic answer as it would shift the competitiveness issue to the next downstream level of the chain.

2.4. Protective measures

Protective measures are those measures meant to decrease the competitiveness of imports vs. EU produced goods. The EU Trade Defence policy includes several of these instruments:

- Antidumping / anti-subsidy duties: measures to prevent imports sold below production cost;
- Import Tariffs: taxes on imported additives to make domestic ones more competitive;
- Tariff Rate Quotas: limits on how much of an additive can be imported at a preferential import tariff;
- Minimum sales price: a minimum allowed price by imports to prevent market undercutting;
- CBAM (Carbon Border Adjustment Mechanism): duties on imports based on carbon footprint.

Such measures would penalize the competitiveness of downstream users, including the livestock farmers who are already facing unfair competition from Third Countries suppliers of animal products. They would also expose the EU to the risk of retaliation measures by affected countries. They should therefore be avoided. In case such measures would be set (e.g. via import duties, whether linked to antidumping practices or not), they should exclude FTA countries. The **revenues generated should be transparently redistributed to the livestock value chain partners to offset additional costs**. Exclusion of Third Country competitors via technical standards not justified by safety and set in EU authorisation of feed additives should be regarded as unfair and not acceptable.