

Impact of financial crisis on the feed additive industry: FEFANA invites *Rabobank's* Nan-Dirk Mulder to speak at its annual General Assembly

Brussels, 01 July 2009 – In today's world hit by economic crisis, FEFANA reached some important goals and had some significant achievements in 2008-09. On the occasion of the FEFANA General Assembly of Members held in Brussels on 10 June 2009, an informative session was organized for members and guests. FEFANA welcomed Mr. Nan-Dirk Mulder from the *Rabobank's* Food and Agribusiness Research and Advisory Department, who made an interesting and impressive presentation to a large audience. Most FEFANA Members as well as representatives of the European Commission and of fellow associations attended the morning event. In the afternoon General Assembly, a vote was organized for the election of the new FEFANA Board.

FEFANA Secretary General, Mr. Didier Jans, was the first to take the floor and gave an instructive overview on the association's main activities which are among others: redetermination of the FEFANA leading working principles, the re-authorisation process with 9 consortia currently at work in this matter, the implementation of Art. 10 of Reg. (EC) No. 1831/2003, on-going cooperative work with the CRL, Feed Hygiene Regulation and Control, developments in the fields of marketing of feed, organic farming, sustainable agriculture and new functionalities.

Rabobank International's Associate Director for Commodities, Farming and Animal Protein, Mr. Nan-Dirk Mulder, accompanied by his colleague Mr. Dirk Jan Kennes, made a complete and well illustrated presentation entitled "*Global overview of the impact of the financial crisis on the animal protein industry and subsequently the feed*". Mr. Mulder raised the following question: which companies will survive in the current financial crisis context and prosper in the aftermath of this crisis? He structured his presentation in five main chapters: the consolidating global meat industry, the impact of the financial crisis, winners in time of recovery, long-term drivers for growth and conclusions for the future. Mr. Mulder explained that a positive long-term meat demand potential remains for global industry, but with a temporary slowdown. He also mentioned that, driven by long-term fundamentals, industry winners will start to restructure and expand in 2010, confidence and economic recovery being key factors. Mr. Mulder explained that dealing with volatility in feed ingredients and exchange rates will be a key challenge for the industry in the coming years. He focused also on the global meat industry being driven by Brazilian and US companies. "*Europe is fragmented and does not seize opportunities in the large EU market*", added Nan-Dirk Mulder. His conclusion for the next 10 years during which global meat industry landscape will change significantly were clear: the European industry will have to consolidate in the next 5 to 10 years in order to keep track with much bigger international companies, main motives for mergers and acquisitions will be bargaining power, access to new growth markets, access to low-cost production and multispecies, and, finally, companies will have to focus either on scale or niche markets.

After lunch, the General Assembly's afternoon session was restricted to FEFANA Members only. FEFANA President, Dr. Hadden Graham, presented the 2009-2011 FEFANA strategy, concentrating on the priorities as far as regulatory matters are concerned: co-ordination and consistency between food and feed legislation, fair play regarding functionality and claims (Regulation on the Placing on the Market and Use of Feed); clarified borderline between feed concepts and definitions, acceptance of Code of Practice by authorities; support for consortia, ensure authorization of orphan products

(application dossiers under 1831/2003 before November 2010); maintain privileged relationship with CRL; achieve a harmonised framework for feed supplements; and extend recognition of FAMI-QS to non-EU countries. Emphasis was also put on the need for fair enforcement and control of the feed additive legislation now put in place in the EU. Dr. Graham was also pleased to announce that FEFANA membership had exceeded 100 for the first time, and continues to grow.

Finally, the new FEFANA Board was elected: newcomers Fritz Lübbe (Lohmann AH) and Dirk Theissen (Chr. Olesen) will join Hadden Graham (AB Agri - current FEFANA President); Franz-Josef Schöner (BASF - current FEFANA Treasurer); Eckhard Bauss (Sunvit); Frank Chmitelin (Adisseo); Daniel Fröhli (DSM); Dieter Greissing (Evonik); Marc Larousse (Alltech), Jan Poul ten Hove (ADM) and Joop van Schaik, Honorary President. Outgoing Board Members were warmly thanked for their contribution over the past years.



About FEFANA

FEFANA is the EU Feed Additives and Premixtures Association. It was established on October 13th, 2004 and is the new juridical form of the feed additives producers association that was founded in 1963. With 103 Members from 28 countries, the association is the interface between the feed additives industry and the European Union authorities, including Member States authorities, in order to promote, safeguard and defend common and general interests of the industry (in several topics like guidelines, register, labelling and definitions, analysis, feed hygiene and food chain safety or non-feed use of additives). FEFANA's chairperson is Dr. Hadden Graham of AB Agri.

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