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Poland Extends Use of Biotech Feed Ingredients

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Report Highlights:
The Polish Ministry of Agriculture (MinAg) prepared a draft amendment to the 2006 Feed Act, postponing the 2006 legislation's ban of genetically engineered (GE) feed ingredients (chiefly soybean meal) through 2024. The new legislation also includes provisions to reduce and eventually eliminate imported soybean meal in favor of domestic alternative protein sources. The amendment was submitted for public comments, which expired on April 21, 2018.

General Information:
MinAg has prepared a draft amendment to the 2006 Feed Act to allow GE feed ingredients (chiefly soybean meal) through 2024. The amendment extends the current regulations, which allows GE-derived feed ingredients only through December 31, 2018. The amendment was published on the Government of Poland's (GOP) Legislation Center website, where it was also available for public comments. The comment period expired on April 21, 2018. The same legislation also includes provisions to gradually reduce and eventually imported protein meals with domestically produced alternatives.

Poland implemented the EU's 2015 "opt out" directive and prevents GE crops cultivation. Moreover, no GE soybeans are currently authorized for commercial cultivation in the EU. However, annual EU imports are about 33 million metric tons (MMT) of soybeans and soybean-derived products, mainly for animal feed. The EU imports around 65 percent of the soybean meal it consumes. The rest is produced by domestic crushing facilities, which uses more than 85 percent of imported soybeans.

In Poland, the 2006 Feed Act, Dz U. 2006 No. 144 Item 1045 provides the basic legal basis to regulate the trade of proteins used for feed production. Despite that EU regulations allow for GE products to be imported, the 2006 Feed Act stipulates that GE-derived feed ingredients, including soybean meal, are not allowed. In practice, soybean meal proved to be too essential for developing Poland's livestock and poultry sectors. As a result, the ban on the use of feed derived from GE raw materials has been postponed several times. The last amendment to the Feed Act moved the deadline for the ban's entry into force by the end of 2018.

The official position of Poland towards GE is contained in the Framework Position of the GOP. As per this document, Polish representation at EU institutions and forums historically vote against issuing permits for introducing new-to-market GE-events and/or products derived from GE crops, irrespective of the risk or science-based evidence supporting the products safety for humans, animals, or the environment.

Like in some other European countries, most Polish consumers react negatively toward GE products, and feeding animals GE feed is controversial. As a result, the GOP's draft amendment looks to reduce and eventually eliminate soybean meal imports and force the livestock sector to use domestically-sourced alternative. According to the GOP, postponing the implementation of the ban on GE feed ingredients is necessary to increase domestic production capacity of alternative protein sources, citing a five-year transition period, through 2024.

Poland is currently the EU's largest producer of poultry. It is also a major producer and exporter of pork. Imported soybean meal is mainly used for the production of poultry feed, although the pork industry uses it as well. In 2017, the Polish feed industry produced 7 MMT of poultry feed and 2.2 MMT of pig feed. Soybean meal is also mixed in for Polish cattle feed, albeit at a much lower level. Polish annual imports of soybean meal are currently over 2.0 MMT and it accounts for 80 percent of plant protein in Polish animal nutrition. 95 percent of the soybean meal used in the feed industry is derived from GE soybeans.

Although the MinAg aims to reduce soybean meal imports by 50 percent over the next five years, there is currently a shortage of feed protein in Poland. Domestic production includes oil meals, mainly rapeseed meal, sunflower meal, and pulses. Domestic plant proteins currently account for only about 20 percent of livestock feed. 80 percent of plant proteins for feed are imported, mainly for poultry and pigs. Local stakeholders cite that no alternatives exist which are economically-viable or nutritionally-equivalent to imported soybean meal. The 2006 Feed Act states that farmers will receive additional subsidies for legume production as a means to increase domestic protein sources. However, EU regulations, prohibit increasing production subsidies beyond historical levels. The EU also prohibits the use of meat and bone meal, which further limits available sources of feed protein.

Production of Domestic High Protein Feed Ingredients in Poland, (000) Metric Tons (MT)

Products	**2017**	**2018***	**2019***	**2020***
Rapeseed Meal	1,570	1,650	1,700	1,750
Fish Meal	25	25	25	25
Leguminous Seed	650	720	800	875
Total	2,245	2,395	2,525	2,650

Source: Main Institute of Agriculture and Food Economics in Warsaw *forecast

According to Polish livestock and feed industries, soybean meal cannot be eliminated due to its high nutritional value. Domestic plant protein contain fewer amino acids and banning soybean meal would reduce nutritional quality of the feed and would increase the cost of production. The difference between the price of one percent of protein obtained from the imported soybean meal and from domestic plant protein is currently about PLN 12 ($3.60). Post sources note that forcing livestock producers to use domestic feed ingredients would reduce Polish poultry production and exports, and threaten the competitiveness of the Polish meat industry.

Production of Industrial Animal Feeds in Poland, (000) MT

Wyszczególnienie	**2014**	**2015**	**2016**	**2017**
For Poultry	5,370	5,929	6,504	7,000
For Pigs	1,906	1,940	2,061	2,205
For Cattle	1,032	25	25	25
Other	650	847	857	930
Total	8,869	9,308	10,093	10,850

Source: Main Institute of Agriculture and Food Economics in Warsaw

Poland is also considering growing soybeans and other plant proteins. To date, local farmers have mostly avoided soybeans because Poland's climate conditions make soy production unprofitable. Since 2016, the GOP has conducted research and development of domestic varieties that can be grown in the Polish climate and would be profitable for farmers.

Poland participates in the Danube Soya Project, created by Danube Soya Organization. The Project's aim is to support the cultivation of non-GE soy in Europe. In Poland this project has been carried out by the Central Research Center for Cultivar Testing (COBORU) since 2017. It studies which varieties of non-GE soybeans can be grown and in what areas. Twenty eight soy varieties are scheduled to be tested in the thirty different locations across Poland over the coming three years.

Polish scientists are also working on a wider use of rapeseed meal and dried distillers grains with soluble in feed. Poland is one of the EU's biggest rapeseed producers and MinAg is eager to increase rapeseed meal as a feed ingredient. About half of Polish rapeseed meal is currently consumed domestically, with the other half mostly exported to Germany. Polish animal nutritional experts currently note that rapeseed meal's viability as a livestock feed ingredient is limited, as it is less nutritious than soybean meal and contains more alkaloids. Rapeseed meal also requires the use of synthetic amino acids, which increases the costs.

The GOP is also actively considering insect protein, following the July 2017 EU regulation allowing insects to be used as an animal feed production. The GOP proposes the date of entry into force for the amended Feed Act for January 1, 2019.