

FS(21)2007:1 – *Art. 4.1(b)*  
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Mr Wolfgang Burtscher  
Director-General  
DG AGRI  
European  
Commission  
200, rue de la Loi  
B-1049 Bruxelles

Brussels, 22<sup>nd</sup> March 2021

**Re:                    Difficulties in marketing dried fodder on the international markets**

Dear Director-General,

Some EU Member States are major dried fodder exporters. Since the beginning of the pandemic, the dried fodder sector has been facing difficulties in marketing their products on the international markets.

Indeed,

- the price of containers has quadrupled over the past two months due to the collapse in international maritime freight transport;
- there is not enough space on the vessels. Currently, there are very few containers and those that are available are poorly distributed. Some are stored in ports and remain unused while at the same time companies are struggling to locate available containers.

This situation is affecting the deliveries of dried fodder, notably dried alfalfa pellets, to international clients who are dissatisfied and cancelling their contracts. Information we receive from shippers is far from reassuring. Indeed, 2021 is expected to be even more problematic than 2020 with regard to these aspects. Moreover, the cost of storing dried fodder is prohibitive in comparison to the value of the product and internal demand is not developing in a way that will offset the drop in exports. If the equipment shortage, the lack of available containers and the increase in maritime transport costs continue, the entirety of the sector and its related activities could implode, inflicting severe economic, social and environmental damage in rural areas.


Copa and Cogeca hereby wish to inform you of this alarming situation and call for effective measures to be taken.

We would like to suggest to the Commission that shipping companies be checked to ensure that they are not acting illegally and that subsidies be granted from outside the CAP budget to compensate for the repeated increase in container prices that will need to be paid until the situation returns to normal. The exporting companies that use maritime transport are experiencing problems, which will undoubtedly have a profound impact on overcoming the economic crisis triggered by the pandemic in Europe.

Copa and Cogeca remain available should you need any further information on the dried fodder sector's reflections on these aspects.

Yours faithfully,

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Cc: Michael Scannell,

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