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**Report Name:** Dutch Ministry of Agriculture Launches National Protein Strategy

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**Prepared By:** Marjolein Selten & Bob Flach

**Approved By:** Christopher Riker

**Report Highlights:**

On December 22, 2020, the Dutch Ministry of Agriculture, Nature and Food Quality presented a National Protein Strategy by which it aims to enhance the cultivation of protein-rich crops over the next five to ten years. The Dutch strategy follows a European Union (EU)-wide ambition to reduce dependency on protein imports and to increase production of plant proteins at the EU level. The Netherlands is dependent on imports for roughly 80 percent of its vegetable protein, and is the largest importer of soybeans in the EU. The National Protein Strategy touches on the Ministry's goal to obtain proteins from residual flows, as well as from other sources (such as beet leaves, brewer's grains, kitchen waste, etc.). In addition, other projects (such as identifying how proteins can be extracted from seaweed and what options there are to use vegetable proteins as a meat replacement for human consumption) are also part of the Strategy.

## Background

The European Union (EU) wants to become less dependent on the import of protein-rich crops, such as soybeans, and become more self-sufficient. To this end, in 2018, the European Commission called on EU Member States to develop a national protein strategy for strategic food sovereignty.<sup>1</sup> The EU's call was meant to address the sizeable deficit in vegetable proteins required to feed livestock in the EU, as well as to reduce dependency on imports from third countries. According to a European Commission report, the EU imports roughly 17 million tons of crude protein annually, of which 13 million tons (76 percent) is soy-based.<sup>2</sup> The same report notes that the EU self-sufficiency rate for soy is currently only five percent.

## Netherlands Announces its National Protein Strategy

The Dutch Ministry of Agriculture, Nature and Food Quality (MANFQ) launched its [National Protein Strategy](#) (the Strategy) on December 22, 2020. Through this Strategy, MANFQ aims to increase the level of self-sufficiency of new and existing vegetable proteins over the next five-to-ten years in a sustainable way. The Dutch government also intends to invest in research into new protein-rich sources for both humans and animals, and stimulate the extraction of proteins from residual flows. The Strategy further aligns with the Netherlands vision for circular agriculture to stimulate the production of food with the least possible burden on the environment and the re-use waste streams.<sup>3</sup>

With the development of European protein alternatives, soybean imports may be partially replaced in the coming years. However, soybean imports from outside the EU will not disappear as soy continues to be an inexpensive protein source that imparts economical value to animal feed. Hence, MANFQ notes in its Strategy that “{i}n addition to focusing on alternative protein sources, the Netherlands will... continue to work towards increasing a coordinated European demand for deforestation-free and sustainably produced soy.”

## Dutch Imports of Plant Protein Sources

Roughly two-thirds of animal feed ingredients sourced by the Dutch feed industry come from Europe, but the protein-rich components originate from outside of Europe. In fact, the Netherlands is dependent on imports from North and South America for roughly 80 percent of its vegetable protein demand. The vast majority (93 percent) of Dutch vegetable protein imports are intended for animal feed. In 2019, the Netherlands imported 4 million tons of soybeans, mainly from Brazil and the United States (From Jan - Sept 2020: 3.75 million tons) (Figure 1). In addition, the Netherlands imported 2.6 million tons of soy meal in 2019.<sup>4</sup>

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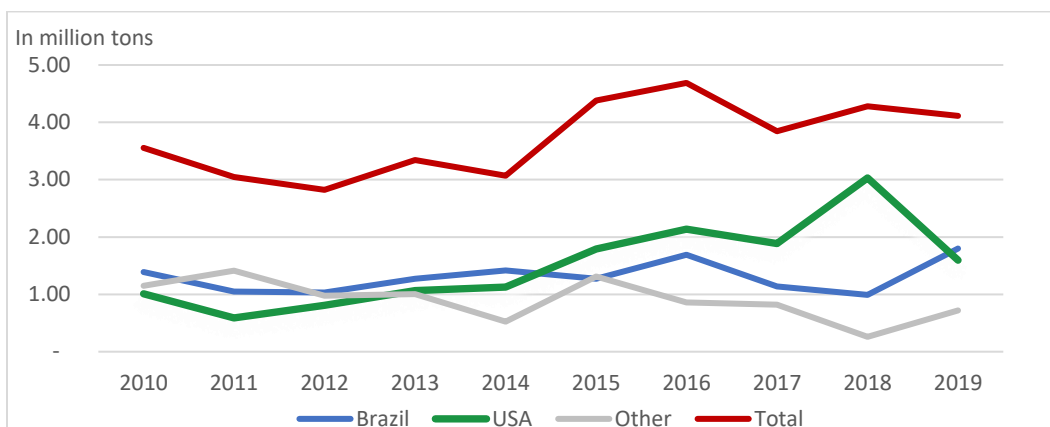
<sup>1</sup> See [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_18\\_6495](https://ec.europa.eu/commission/presscorner/detail/en/IP_18_6495)

<sup>2</sup> For an analysis of the protein sector in the EU, see <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52018DC0757>

<sup>3</sup> For additional information, see <https://www.government.nl/ministries/ministry-of-agriculture-nature-and-food-quality/documents/policy-notes/2019/11/30/plan-of-action---supporting-transition-to-circular-agriculture>.

<sup>4</sup> <https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/kamerstukken/2020/12/22/nationale-eiwitstrategie/20298471.bijlage.pdf>

**Figure 1. Origin of Dutch Soybean Imports**



Source: Trade Data Monitor

From January to September 2020, the Netherlands imported 2.2 million tons of soybeans from Brazil -- 37 percent more than in the same period in 2019. At the same time, imports from the United States decreased by 8 percent compared to 2019.<sup>5</sup>

### **The National Protein Strategy**

The Dutch Strategy proposes five concepts to support the advancement of a protein transition:

- A focus on the cultivation of typical Dutch protein-rich crops (i.e., potatoes, grass and legumes, including field beans). According to MANFQ, the Netherlands has the land to grow an estimated 100,000 - 125,000 hectares of leguminous plants via arable farming.<sup>6</sup>
- Stimulating the development of alternative protein sources for humans and animals, such as microbial proteins and cultured meat.
- Production of insects for animal feed and food -- MANFQ states that by 2025, 10 percent of proteins in livestock feed and 20 percent of protein in human food could be replaced by insect proteins in the Netherlands.
- Valorization of residual flows – taking further advantage of the agricultural economy’s efficiency (i.e., combating waste and the circular use of residual flows). At this moment residual flows of animal meat and bone meal and kitchen waste are believed to have potential.
- Increase the share of vegetable consumption and sustainable diets by offering sustainable choices and by educating consumers about healthy diets.

<sup>5</sup> For more information, see also: <https://www.cbs.nl/nl-nl/nieuws/2020/40/import-sojabonen-uit-brazilie-40-procent-hoger>

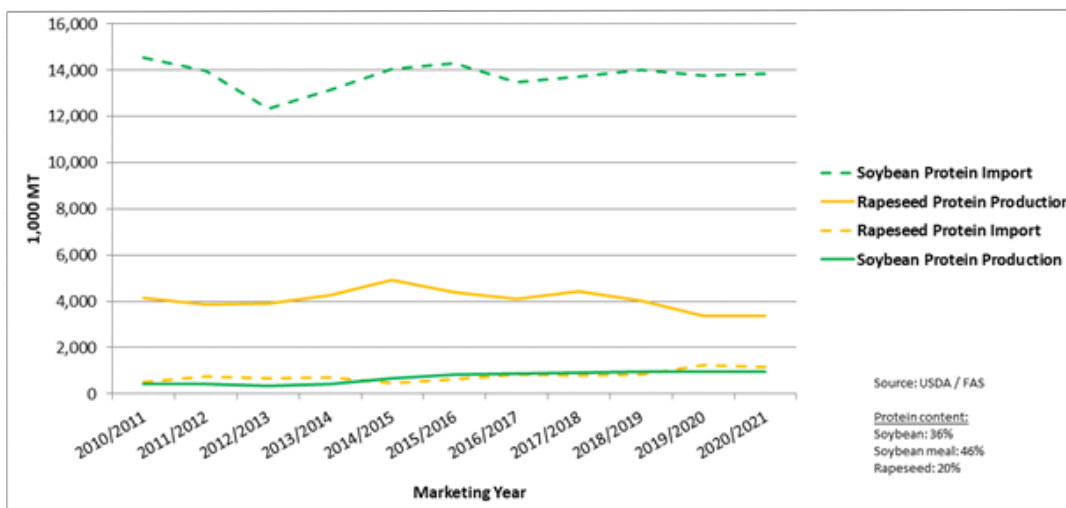
<sup>6</sup> Assumes a crop rotational plan at a level of 1:6.

While Dutch policy makers lament that the Netherlands is dependent on vegetable protein imports (in particular soybeans), these imports have proven to be a valuable (and economical) input for the Dutch agricultural and food sectors. The Dutch crushing, oil refining, food processing, compound feed, and intensive livestock sectors are valorizing soy protein and oil into other products, mainly as feed for livestock products, but also into processed foods and non-food products such as biofuels. The access to imported soybeans, in particular, is a competitive advantage for the Dutch livestock sector. While the Netherlands is the fourth largest soy (beans and derivatives) importer in the world, it also ranks as the world leader in the export of eggs and products (valued at \$1.02 billion in 2019).<sup>7</sup> Furthermore, it ranks third for exports of dairy (\$11.08 billion), fourth for pork (\$3.65 billion), fourth for beef (\$3.47 billion), and fifth for broiler meat (\$3.34 billion).<sup>8</sup>

The success of the Dutch intensive livestock sector has led to a few challenges for the Netherlands: (1) a shortage of organic and non-biotech soy, as domestic production is insufficient to fulfill demand (NOTE: organic soy is quoted at twice the price),<sup>9</sup> (2) NGOs linking the livestock sector with deforestation issues in South America, and (3) high levels of nitrogen deposits in natural areas close to intensive livestock farms. While these challenges have been addressed (by the signing of the European Soya Declaration, the implementation of sustainability programs<sup>10</sup> {including the acceptance of the U.S. Soybean Assurance Protocol<sup>11</sup>}, and the buyout of intensive livestock farms<sup>12</sup>), the Strategy aims to further address these challenges by producing an alternative protein source closer to its end-use.

A recent report of the European Commission concluded that “{t}he soya area in the EU has doubled to almost one million hectares since the CAP reform in 2013” (see press [article](#)). While production has increased since 2013, EU production is still negligible when compared to the import volume of soy proteins (see graph below).

**Figure 2. EU Soybean Protein and Rapeseed Protein Imports Compared to Production**



<sup>7</sup> Trade Data Monitor

<sup>8</sup> Id

<sup>9</sup> See FAS GAIN Report - [The Netherlands Signs the European Soya Declaration](#)

<sup>10</sup> See FAS GAIN Report - [Dutch Feed Sector’s Plan for Sustainable Soy](#)

<sup>11</sup> See FAS GAIN Report - [EU Recognizes U.S. Soybean Industry Sustainability Scheme](#)

<sup>12</sup> See FAS GAIN Report - [Dutch Parliament Agrees Upon Law to Reduce Nitrogen Emissions](#)

Furthermore, the production of the EU's number one protein crop, rapeseed, has declined in recent years, and has partly been replaced by imports. The reasons for declining rapeseed production are the limitations imposed on the use of pesticides and an influx of competitive rapeseed from the Ukraine, Australia, and Canada.<sup>13</sup>

An experiment by the Dutch feed sector and the government to increase the acreage of soybeans to 10,000 hectares within a few years has failed. From 2016 to 2018, the acreage increased from 140 to 541 hectares, but fell back to 132 hectares in 2020. Accordingly, for the Dutch government's Strategy to be successful, interested parties will have to identify ways which vegetable proteins can increasingly be produced in an economical way.

**Attachments:**

No Attachments.

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<sup>13</sup> NOTE: For the latest information about the EU oilseed market and the EU Protein Plan see the [FAS EU Oilseeds and Product Annual](#).