



Our Industry. Our Passion. Our Voice.

Navigating Political Headwinds for the Animal Food Industry

DTC Symposium
Megan Provost
April 14, 2026



VOICE



REPRESENTATION

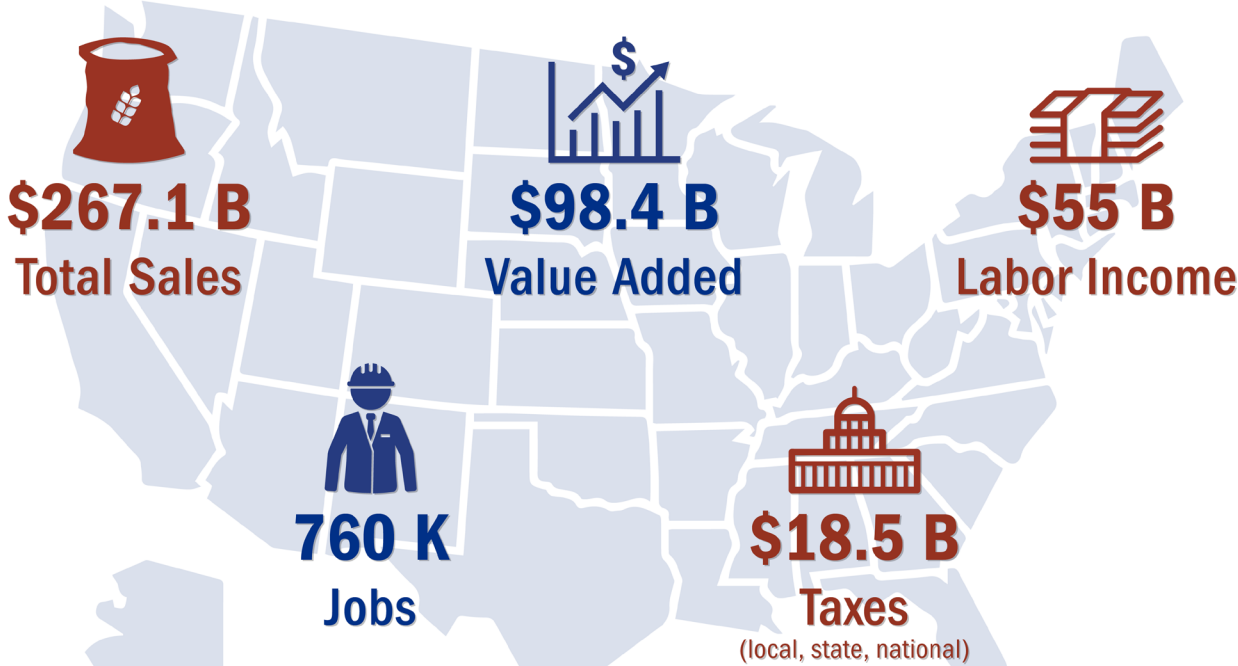


EXPERTISE



ENGAGEMENT

Animal Food Manufacturing Supports Agriculture, Economy



*Animal food industry's estimated total contribution to the national economy in 2023, including indirect & induced effects

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Animal Food Industry Supports Trade

\$7.4B* = total U.S. animal food exports including:

- **\$4.9B** = feed & feed ingredients
- **\$2.5B** = pet food products

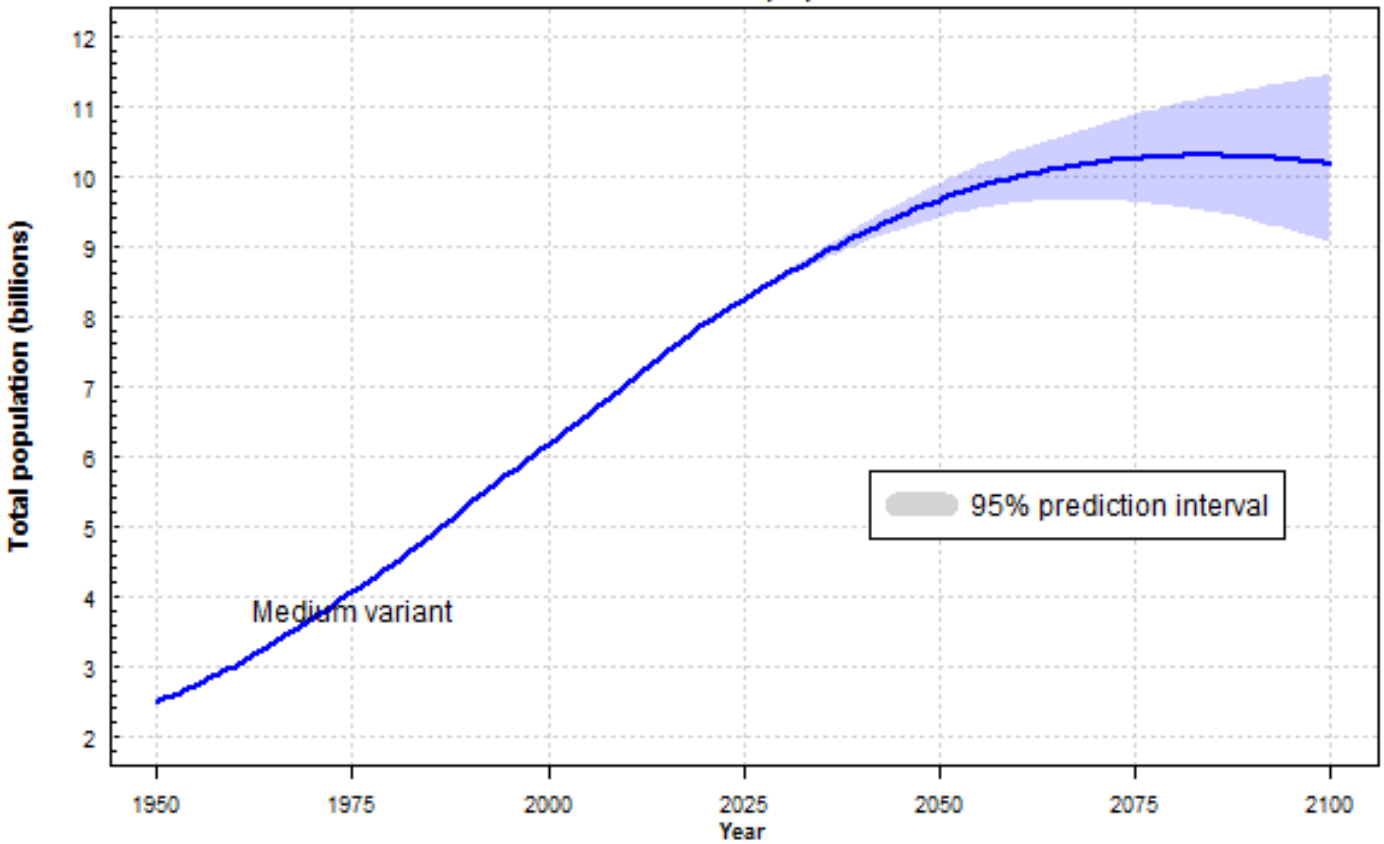


**Total excludes bulk commodities, soybean meal & corn co-products*

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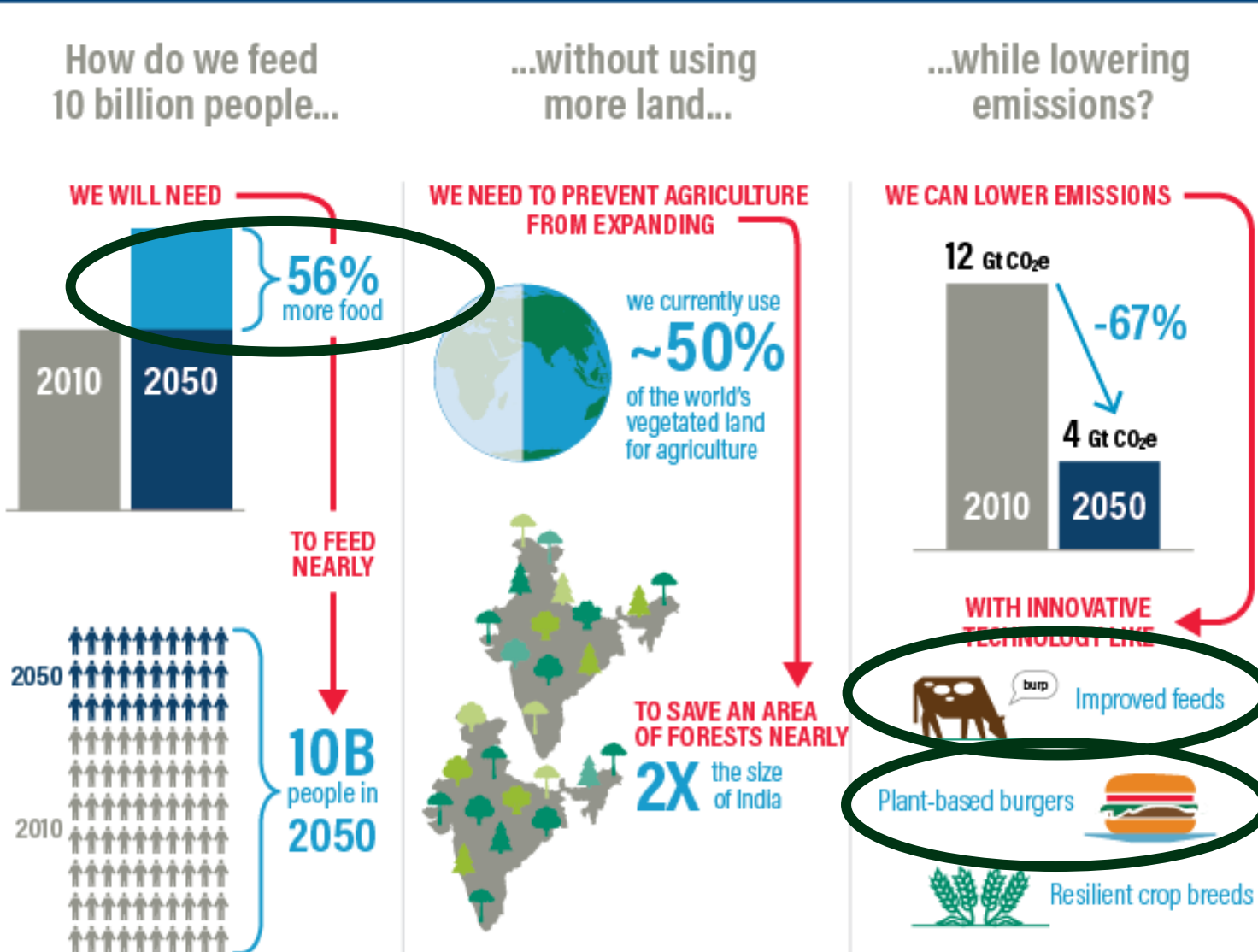


World Population



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United Nations, DESA, Population Division. *World Population Prospects 2024*. <http://population.un.org/wpp/>

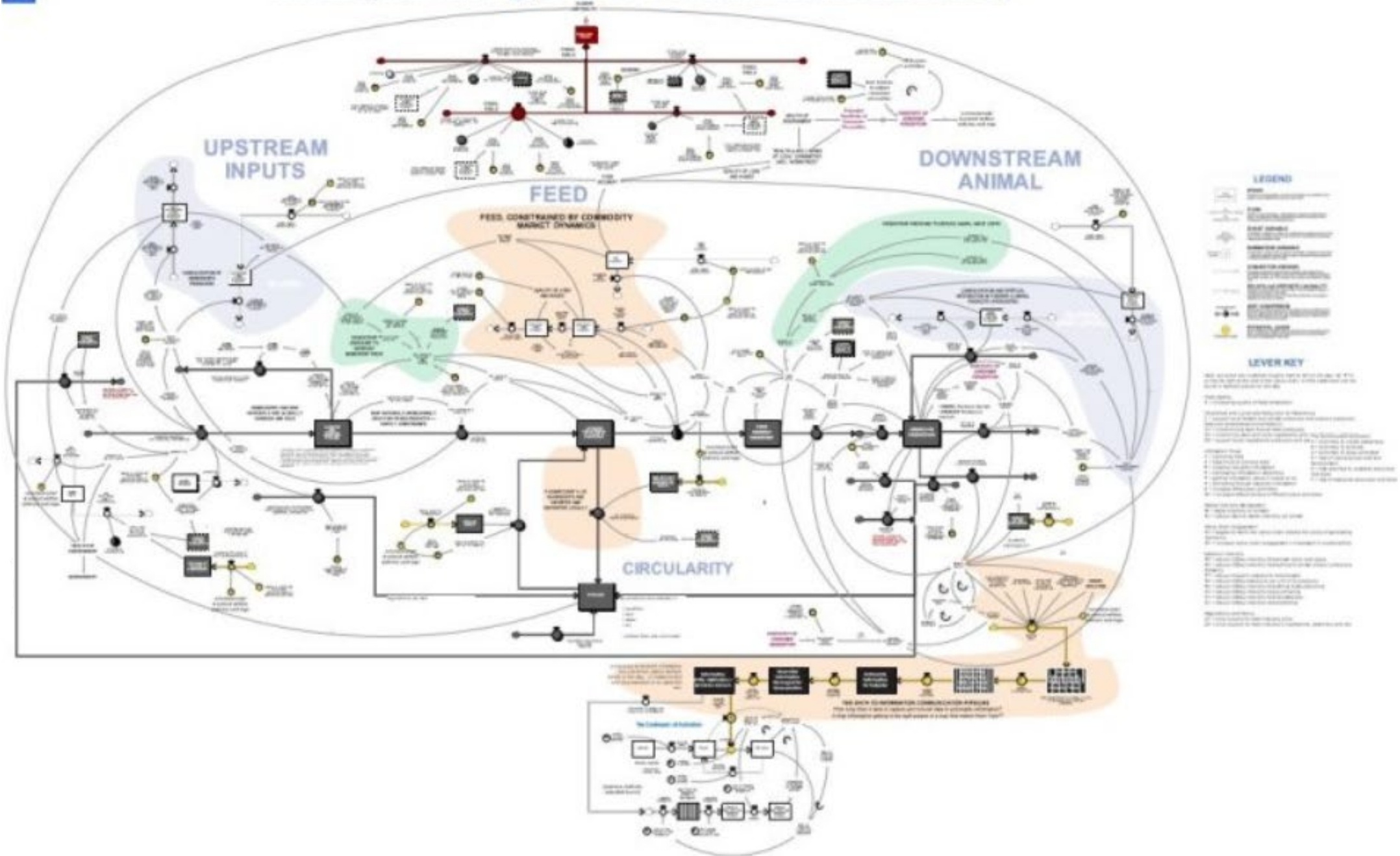
CREATING A SUSTAINABLE FOOD FUTURE BY 2050



- ✓ **Livestock supports livelihoods across the world**
 - More than 1 billion people depend on livestock for their livelihood. Key provider of employment and entrepreneurship opportunities, including for rural youth and women.
- ✓ **Livestock provides nutrition for billions**
 - Livestock play a crucial role in the nutrition and food security for people across the world. Animal-sourced foods provide 39% of global protein and 18% of calories.
- ✓ **Livestock converts inedible foods into human food**
 - Overall, 86% of livestock feed intake is not edible by humans, while 40% of the world's surface area is unsuitable for crop production and is efficiently used by livestock.

The Road to 2050

An ecosystem strategy map for the international feed industry



What Are the Political Headwinds?



Regulatory Divergence



Trade Disruptions & Market Access



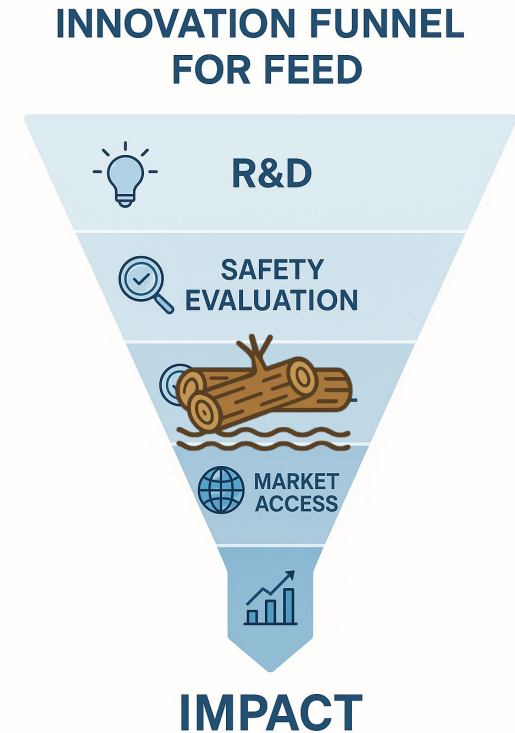
Supply Chain Disruptions



Policy Shifts

Regulatory Divergence: Unlocking Innovation through Smarter Regulation

- Innovation is rapid and multidimensional
 - Novel ingredients, precision nutrition, functional additives
- Benefits are diverse
 - Emissions reduction, welfare, performance
- **Regulation is not keeping up**
 - Science can trail 20 or more years in many countries
 - Inadequate pathways to evaluate non-nutritive benefits
- Harmonized regulatory frameworks are essential in a global marketplace



Regulatory Divergence: The Impacts and Consequences

- Innovations improve productivity, sustainability, and animal welfare
 - But, without timely regulatory approval, they stay on the shelf
- But, slowed global adoption, increased development costs, and limited return on investment for innovators

Regulatory Divergence: What Can We Do?

- Smarter Regulation = Enabler, Not Obstacle
- To support innovation, regulatory systems must be:
 - Science-based
 - Harmonized
 - Adaptive
 - Timely
- Collaborate with regulators to modernize evaluation frameworks
- Share data and best practices across companies and countries
- **Advocate for regulatory reform that enables innovation, while maintaining trust**

Supply Chain Disruptions: Why We Need Stronger, More Flexible Supply Chains

Why does it matter?

- The COVID-19 pandemic, geopolitical conflicts, and weather-driven events exposed the fragility of global supply chains
- For the feed industry, supply continuity is **crucial**
 - Any delay in raw materials or additives affects animal health, productivity, and food availability.
- The industry will be pressured to switch from efficiency-first models to **resilience-first** strategies

Supply Chain Disruptions: Challenge Areas

Input Dependencies

- Heavy reliance on imported ingredients (e.g., amino acids, vitamins) from limited sources
- Risk of price spikes and supply interruptions due to export bans, shipping constraints, or diplomatic tensions

Infrastructure Gaps

- Underdeveloped or aging infrastructure for storage, transportation, and processing
- Bottlenecks at ports, poorly maintained roads, and outdated storage systems lead to losses and inefficiencies

Regulatory Misalignment

- Inconsistent standards across countries
- Lack of harmonization

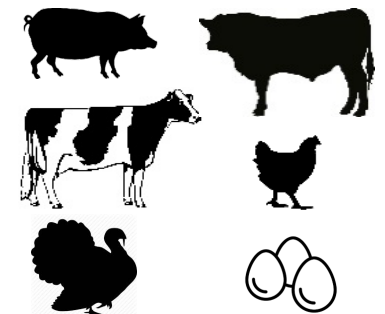
Strategic Assessment on Impact of Vitamin & Amino Acid Supply Chain Disruptions on U.S. Food Security

Full Report



- Lysine, Methionine, Threonine & Tryptophan
- Vitamin A, D, E & B-complex
- Assesses
 - Supply chain vulnerability
 - Impact on animal performance
 - Diet modification potential

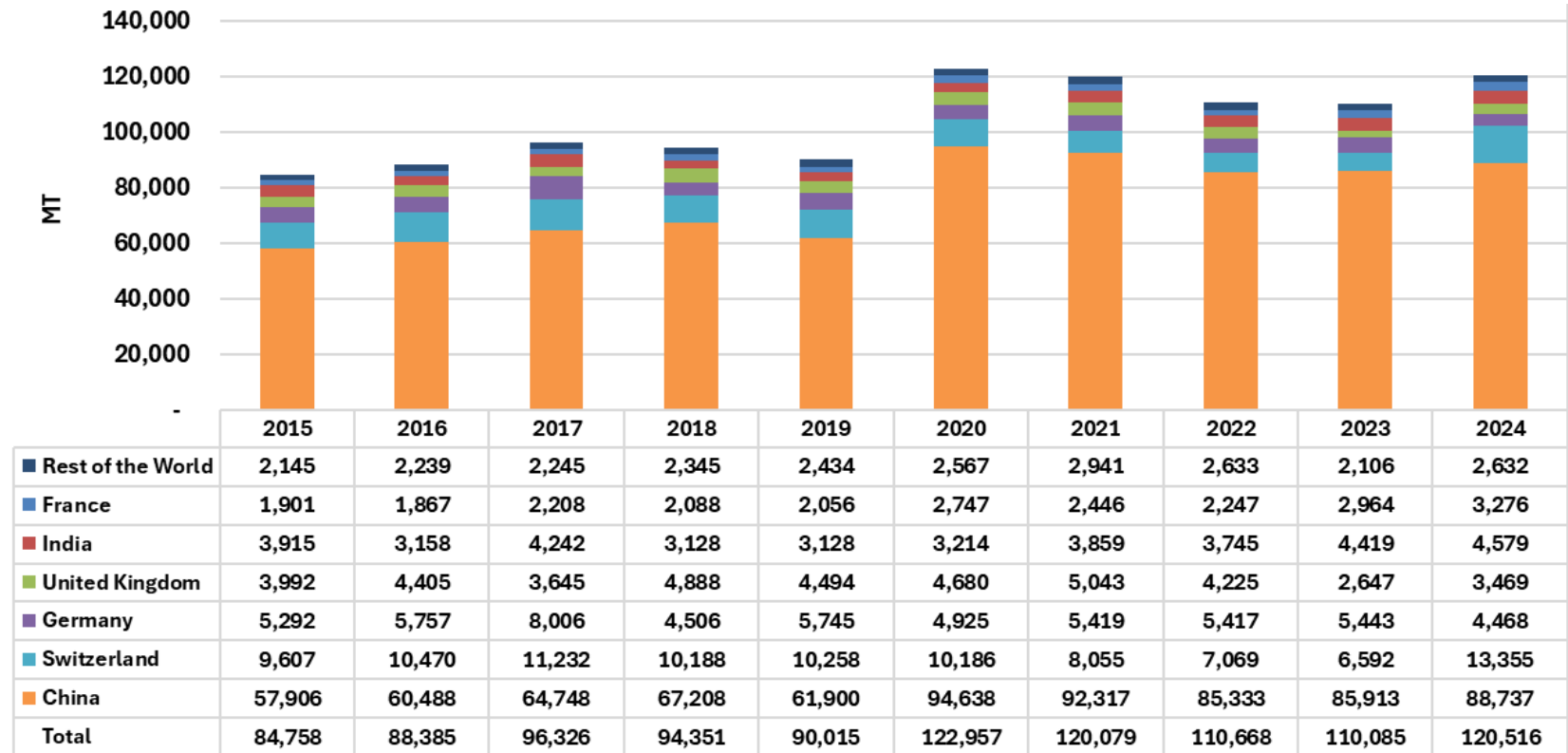
Developed for IFEEDER by:
Decision Innovation Solutions
and Lobo Consulting



Supply Chain Disruptions: An Example – U.S. Vitamin Imports (HS Code 2936)

From 2015-19, 68.8% of U.S. vitamin imports originated from China.

From 2020-24, 76.5% of U.S. vitamin imports originated from China.



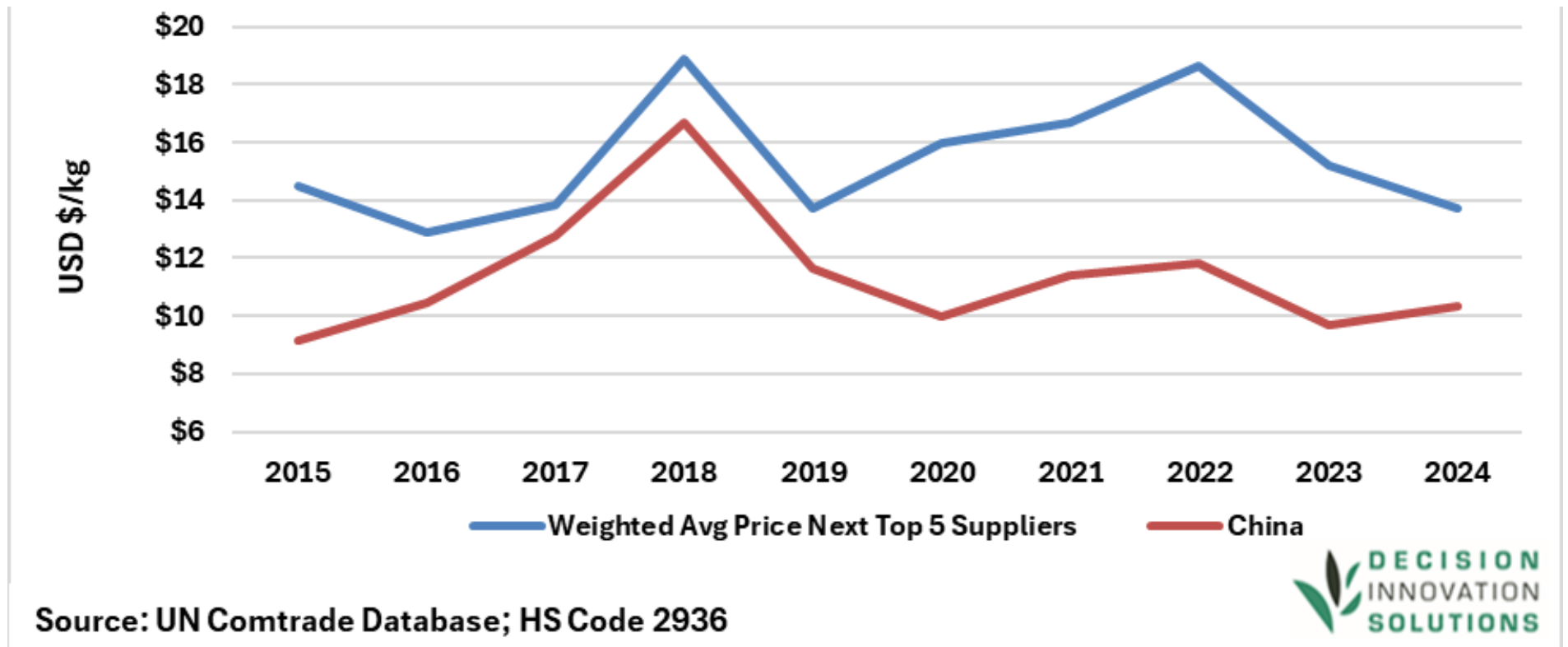
Source: UN Comtrade Database; HS Code 2936



Supply Chain Disruptions: An Example – Unit Price of Imported Vitamins

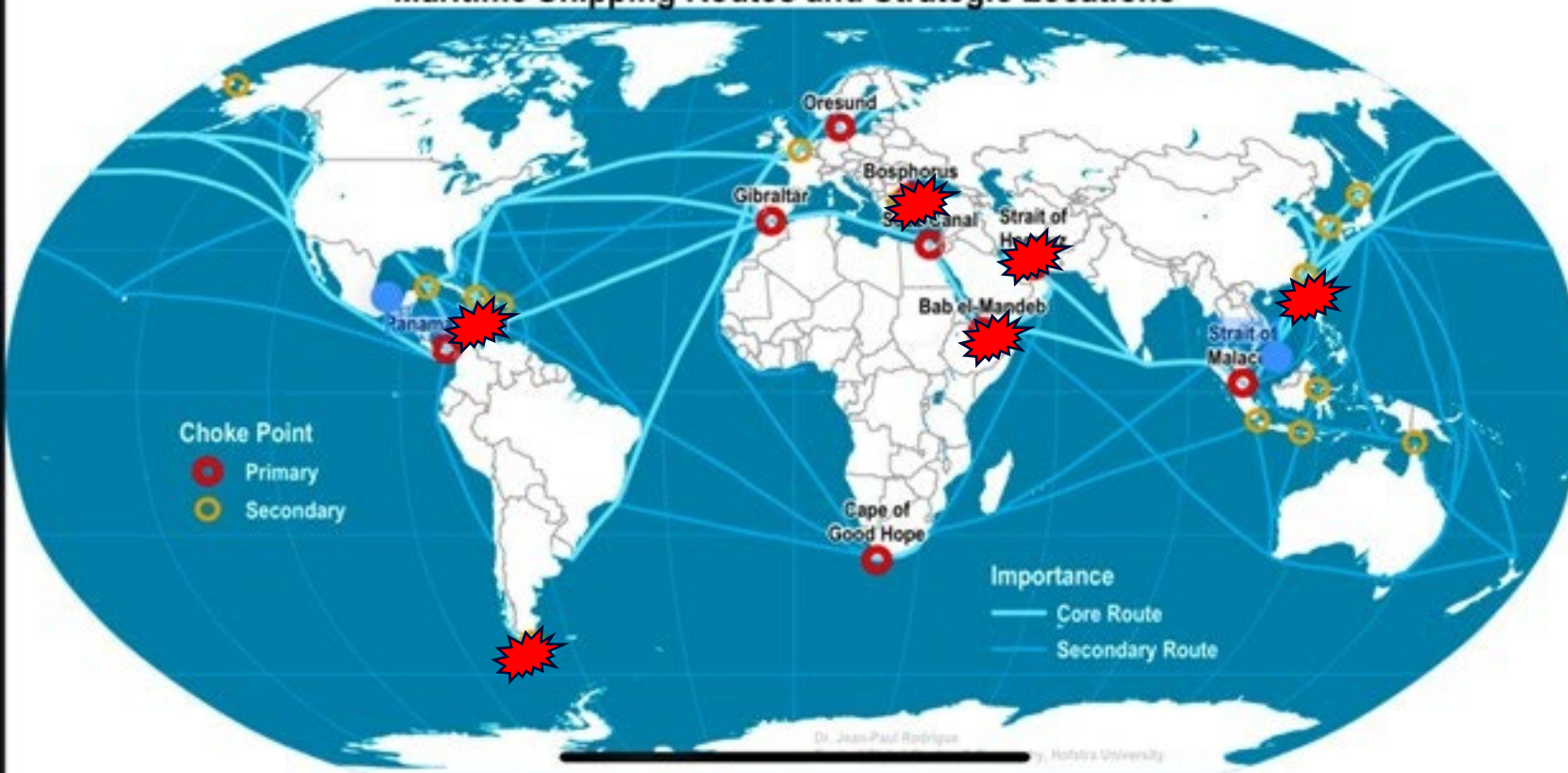
From 2015-19,
China's average
unit cost was 18%
less than the next
top five suppliers.

From 2020-24,
China's unit price
was 34% less
than the next top
five suppliers.



Supply Chain Disruptions: Global Shipping Choke Points

Maritime Shipping Routes and Strategic Locations



2026 Most Dangerous Shipping Routes

- Red Sea & Gulf of Aden
- Black Sea
- Strait of Hormuz
- South China Sea
- Cape Horn
- Southern Caribbean

Supply Chain Disruptions: What Can We Do?



- Diversification of Sourcing
- Investment in Regional Infrastructure
- Digital Traceability and Transparency
- Regulatory Cooperation

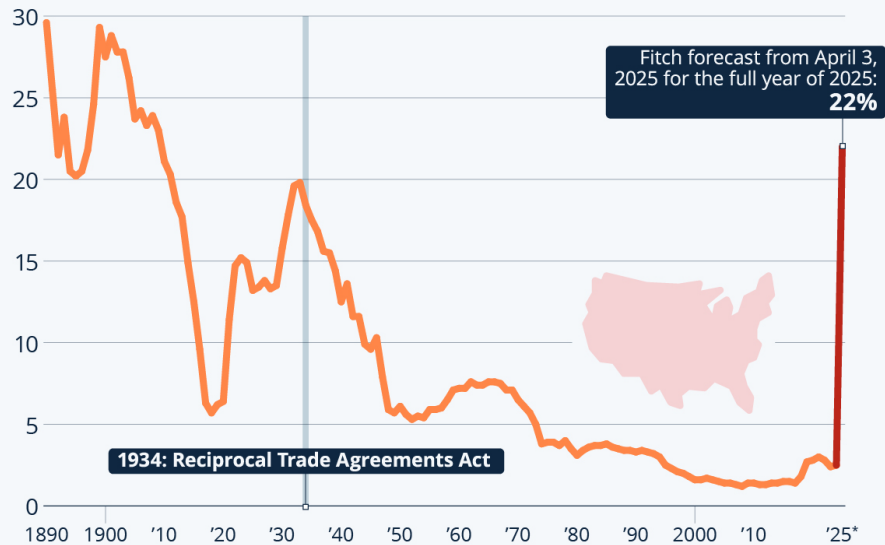
Trade Disruptions & Market Access: The Challenges

- Trade Disruptions and Protectionism
- Technical Barriers to Trade (TBTs)
 - Divergent feed safety standards and inconsistent documentation requirements
- Non-tariff barriers
 - ambiguous labeling laws or duplicative safety testing requirements
- Innovation Bottlenecks
 - Varying rates of ingredient approvals
- Political Brinkmanship

Trade Disruptions & Market Access: Volatility and Uncertainty

U.S. Tariffs Forecast To Hit Highest Levels Since 1910

Average effective tariff rate on U.S. imports (in percent)



Sources: U.S. International Trade Commission, Fitch Ratings



statista

US Tariffs Changed More Than 50 Times Under Trump, Peaking at 21.5%

Weighted Average Applied Tariff Rate on 2024 US Import Mix



Note: Chart includes major changes in tariff policy between February 2025 and February 2026. Weighted average applied tariff rate is based on 2024 import mix with adjustments for USMCA compliance. Source: Tax Foundation estimates.

TAX FOUNDATION

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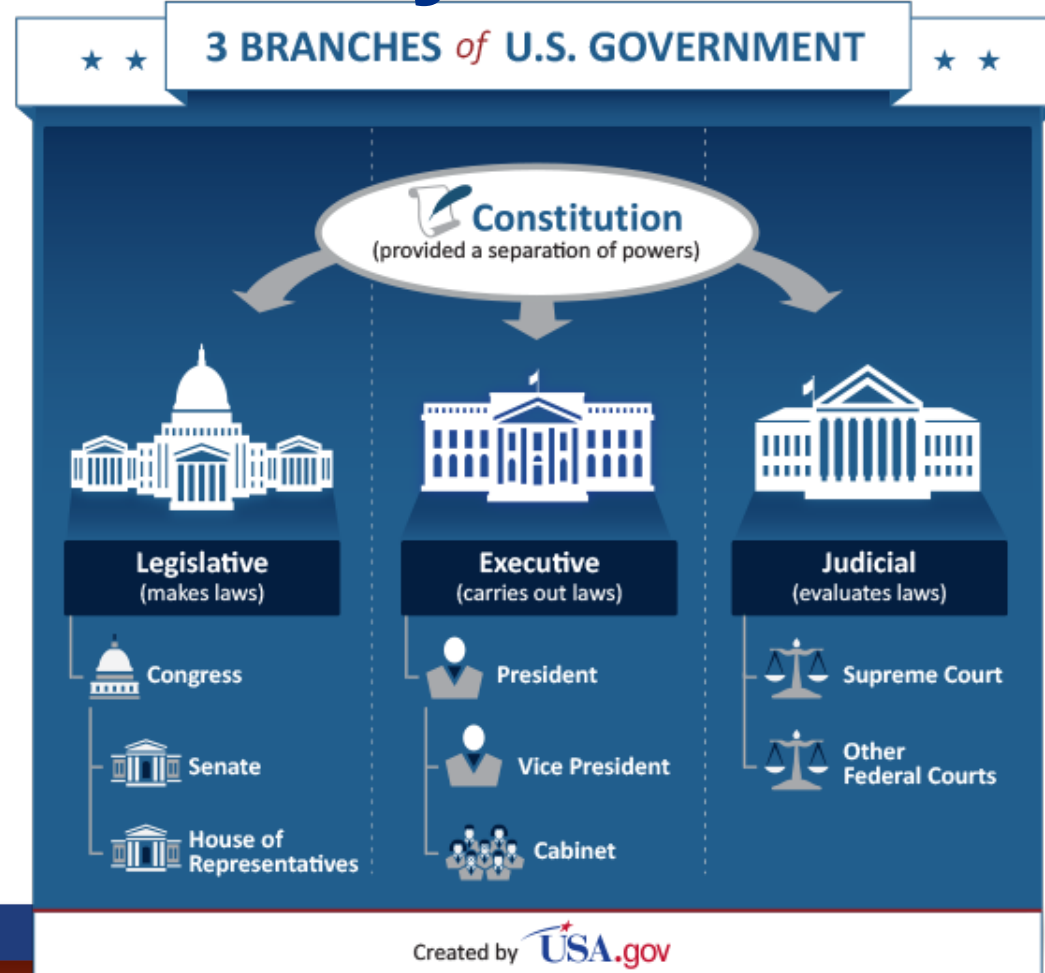
Trade Disruptions & Market Access: What Can We Do?

- **The Role of Global Collaboration**
- Multilateral Engagement
 - Engage with global organizations and global dialogues
- Public-Private Partnerships
 - Joint research programs and initiatives
- Shared Challenges, Shared Solutions
 - Whether facing avian influenza, weather disruptions, or supply chain shocks, international cooperation allows the industry to respond faster and more effectively



Policy Shifts: Predictable Unpredictability

- Across **all three** branches of government
 - Executive
 - Judicial
 - Legislative



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Created by USA.gov



Policy Shifts: Executive Branch – New Approach



- Frequent, rapid policy shifts
 - Tariffs, regulation, enforcement
- Heavy use of executive action
 - With limited lead time
- Ongoing legal challenges
 - Creating stop-and-go implementation
- Rising trade and geopolitical friction
 - Disrupting markets
- Regulatory whiplash across key sectors
- Greater reliance on tariffs, sanctions, and rollbacks

Policy Shifts: Executive Branch – MAHA

- Make America Healthy Again (MAHA) movement has implications for:
 - Vaccines
 - Ingredient Safety
 - Ultra-Processed Foods
 - Seed Oils
 - Pesticides
 - Animal Testing
- **With huge potential implications for GRAS**



Policy Shifts: Executive Branch – GRAS

- Secretary of Health & Human Services Kennedy
 - Plans to remove self-affirmed **generally recognized as safe (GRAS)** designation
 - Require some form of registration of self-affirmed products already on the market

Why does FDA want to change GRAS?

- Limited transparency in manufacturer-led GRAS determinations
- Evolving technologies used in ingredient production
- Pressure from MAHA movement

Next Steps - AFIA Will be Engaged



Proposed Rule: Published in the Federal Register - TBD



Public Comment Period: Industry feedback opportunity



Final Rule & Implementation: New compliance requirements



Potential for legislation: AFIA is watching this closely

Policy Shifts: Judicial Branch – Expanded Role

- Ruled against use of IEEPA for tariff use
- Blocked or narrowed immigration enforcement & border authority
- Placed limits on agency authority without clear congressional authorization
- Intervening earlier in legal processes
- Lower Courts
 - 650 lawsuits filed against Trump
 - Blocked RFK's child vaccine program
 - Blocked subpoenas of the Federal Reserve



Policy Shifts: Legislative Branch – Can Congress Function?

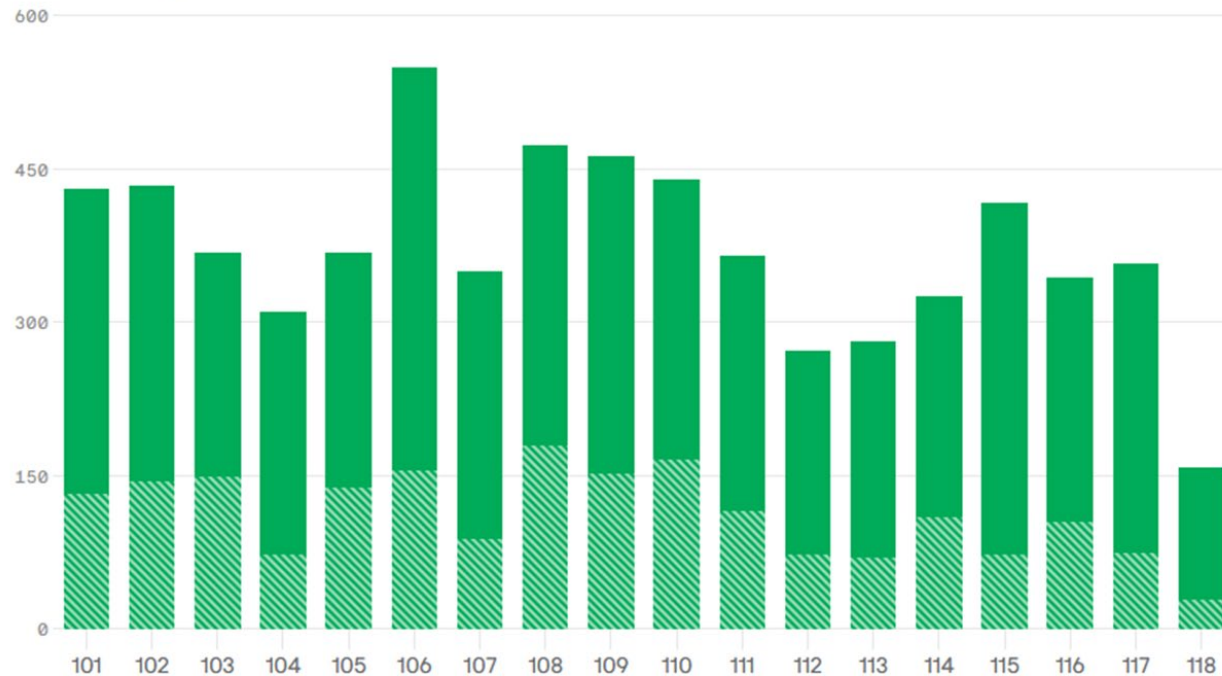
- October–November 2025 (full shutdown)
 - Lasted about **43 days** (longest in U.S. history)
 - Affected most of the federal government
- January 31 – February 3, 2026 (partial shutdown)
 - Lasted **4 days**
 - Affected roughly half of federal agencies
- Starting February 14, 2026 (partial shutdown)
 - **Ongoing** (focused on DHS)
 - Triggered by disputes over immigration policy

Policy Shifts: Legislative Branch – Bills Enacted by Session

Bills enacted, by congressional session

101st Congress (1989) to 118th Congress (2023); As of Dec. 21, 2024

Enacted in first year of two-year session



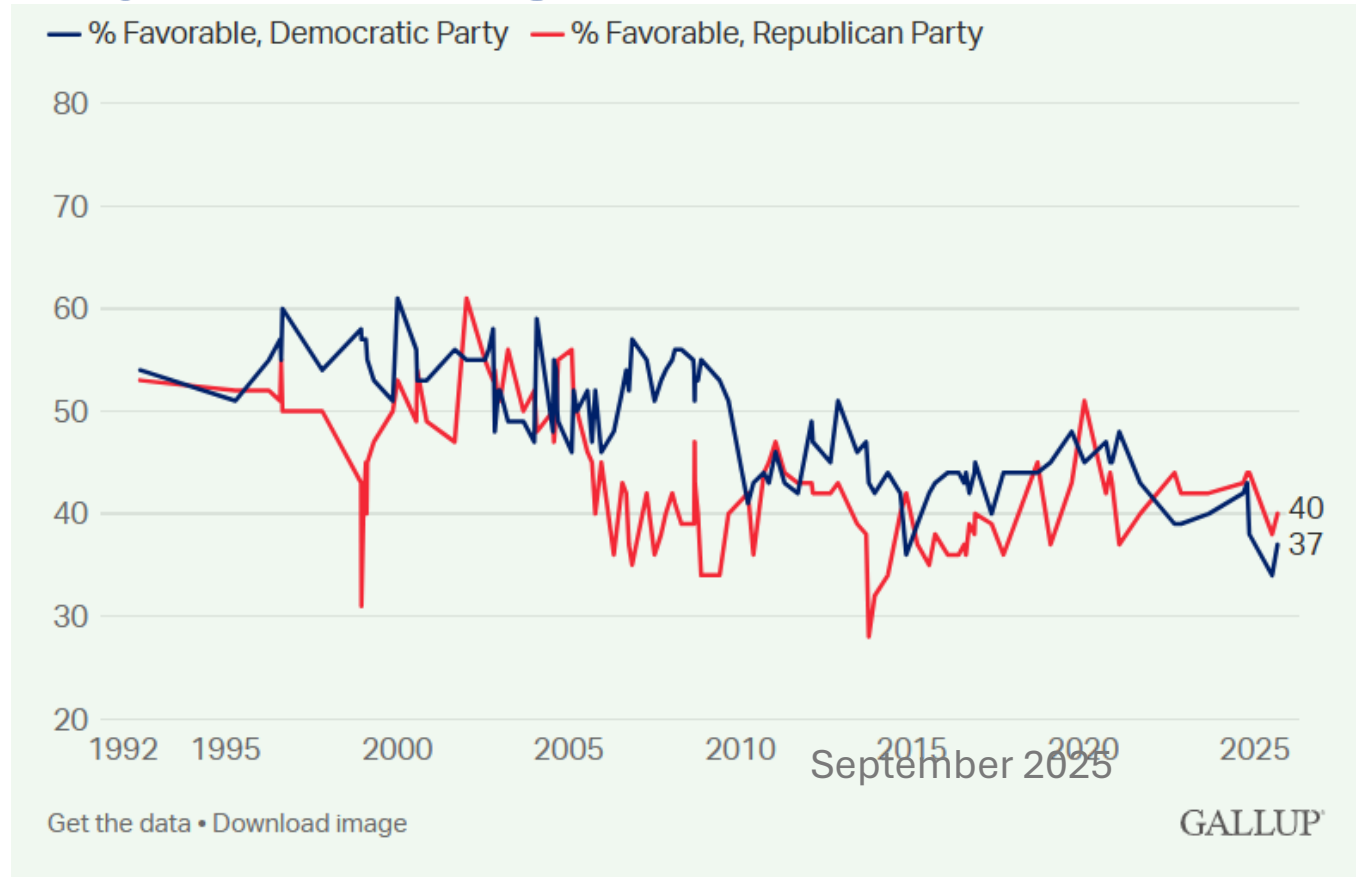
Data: Quorum; Chart: Simran Parwani / Axios

119th Congress

- 81 bills passed
- 24 are Congressional Resolutions of Disapproval
- 1 naming a post office
- 1 Congressional Medal of Honor
- 1 posthumous military promotion

Policy Shifts: Party Favorability Ratings

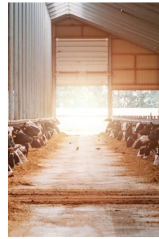
- Democratic Party's favorability is lowest in 3 decades
- Republican Party's favorability is also at historic lows



Policy Shifts: What Can We Do? 2025-26 AFIA Policy Priorities



Improvement of
Business Climate



Sustainability Policy



Availability & Cost
Effectiveness of
Ingredients



Feed & Food Safety



Health, Safety
& Environment



Global Affairs,
Market Access &
Competitiveness

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Thank you!
Questions?



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