

His Excellency Olaf Scholz
Chancellor
Federal Republic of Germany
Willy-Brandt-Str.1
10557 Berlin
Germany

25 March 2022

Dear Chancellor Scholz,

We are writing, in the context of your Presidency of the G7, to request your urgent action to address the growing risk of a global food security crisis as a result of the Russian invasion of Ukraine.

We are aware from extensive consultations with businesses in our network that vital food value chains are now dangerously close to collapse due to the severe dislocation of trade in Russian and Ukrainian cereals, vegetable oil and fertilizers. In this context, we are especially conscious that surging prices for both producers and consumers risk imposing a heavy toll on lower-income countries – particularly in the wake of the Covid-19 pandemic.

While we fully respect the decision of the G7 and other governments to impose robust economic sanctions on Russia, we believe that a corresponding political effort is now required to keep the food and agricultural corridor open to protect the estimated 400 million people who are food-dependent on Russia and Ukraine.

In this context, we welcome the commitment made by G7 leaders yesterday to “do what is necessary to prevent and respond to the evolving global food security crisis”. However, we believe the time for concerted action – not monitoring – is now and urge you to lead a coordinated emergency effort through the G7 on two distinct fronts:

- 1) **Provide appropriate political cover and “safe harbor” protections** to companies operating in or providing services to the agricultural value chain with non-sanctioned entities. This is in no way to propose any relaxation of existing G7 sanctions, rather to emphasize the imperative for additional political support/guidance to be provided to companies to enable them to resume legal business activities with Russian food and agricultural producers.
- 2) **Support the Ukrainian planting season outside the conflict zone.** March and April are vital months for Ukrainian farmers to plant their seeds and apply fertilizers – and we are aware that many do not have all the necessary inputs on their farms to complete planting and harvest, including seeds, fuel and fertilizer. Businesses within our network would be keen to actively support any concerted effort led by the German G7 Presidency to mitigate the risk of a failed Ukrainian harvest this year.

On a related note, we strongly welcome the new commitment from the G7 to maintain open food and agricultural markets. We are conscious of the risk – as with prior food crises – that national

governments may seek to impose export bans on food products and inputs and believe that the G7 has a vital normative role to play in mitigating the risk of instinctive protectionism further exacerbating supply shortages and price inflation. We will continue to emphasize this message to national governments throughout our global network.

We hope that strong leadership from the G7 can avert the clear risk of the crisis in Ukraine precipitating a global humanitarian tragedy. Action must now follow the important commitments that you have skillfully secured this week. Please be assured that the International Chamber of Commerce stands ready to support all efforts to keep food and agricultural corridors open in support of global peace and prosperity.

Do not hesitate to let us know if any further detail on any aspect of the above would be helpful to you and your team.

Yours sincerely,



John W.H. Denton AO
Secretary General
International Chamber of Commerce



Holger Bingmann
Chair
ICC Germany