UK food security under threat amid CO2 crisis, chicken firm boss warns

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resh fears of a carbon dioxide shortage means UK food security is "under threat", the boss of the UK's biggest chicken processor has warned.

Ranjit Singh Boparan — who runs 2 Sisters Food Group and has been dubbed the Chicken King — said a key food industry CO2 supplier has threatened to increase prices up to 20 times current levels after a rival said it will halt production.

Last week, CF Fertilisers said it is stopping production at its remaining UK ammonia plant in Billingham, near Middlesbrough, after soaring energy costs made production "uneconomical".

The company is one of the UK's biggest producers of CO2, which is a by-product from the production of ammonia.

It comes almost two years after CF first stopped production at its factory, sparking anger among suppliers and an urgent supply agreement co-ordinated with <u>Government</u> to ensure production continued.

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CO2 suppliers are, in effect, holding consumers hostage

The boss of 2 Sisters, which supplies supermarkets including M&S and <u>Tesco</u>, said the latest shutdown is leading to a reduction in supply and therefore further cost increases which lead to higher prices for customers.

Mr Boparan said the business, which processes more than 10 million birds a week, faces a £1 million-a-week increase in the cost of CO2 used to stun chickens for slaughter.

"This is a price shock just like we've seen with energy and all companies and households are feeling the pain right now," he said.

"What is very sad is that it's the UK shopper who will ultimately pay the price and CO2 suppliers are, in effect, holding consumers hostage.

"Once again, UK food security is under threat, the shopper loses, and we simply have no choice other than to pay to keep supply."

CO2 is also used in the food production industry, within packaging to extend shelf-life, and in refrigeration.

It is used for pig and poultry production, as well as in brewing and making carbonated drinks.

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Mr Boparan called for Government intervention to ensure reliable supply for the industry.

He said: "This is clearly a national security issue and has to be dealt with as a matter of urgency.

"I'd like to see an acknowledgement of the problem and action to regulate the CO2 market, or at least consider price capping.

"It really beggars belief when such a key infrastructure operation can arbitrarily decide to switch off the taps because of price inflation.

"It is irresponsible and catastrophic for our sector."