

# **IMPLEMENTATION OF THE CAP REFORM ON LEAN BEEF FARMING SYSTEMS**

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## Implementation of the CAP reform on lean beef farming systems

### EU COW CALF ENTERPRISES : MAIN COUNTRIES

Countries	C. C. + sheep	C. C. + fattening	Pure C. C.	Suckler cows (000 heads)
<b>Total Farms</b>	50 000	60 000	170 000	11 700 (EU 15)
<b>Germany</b>	-	9 %	4 %	730
<b>Spain</b>	8 %	-	19 %	1 960
<b>France</b>	16 %	20 %	33 %	4 075
<b>Ireland</b>	27 %	27 %	15 %	1 250
<b>Italy</b>	11 %	12 %	8 %	468
<b>Sweden</b>	-	3 %	2 %	167
<b>U. Kingdom</b>	33 %	15 %	4 %	1700

Source : EU FADN – DG AGRI G3

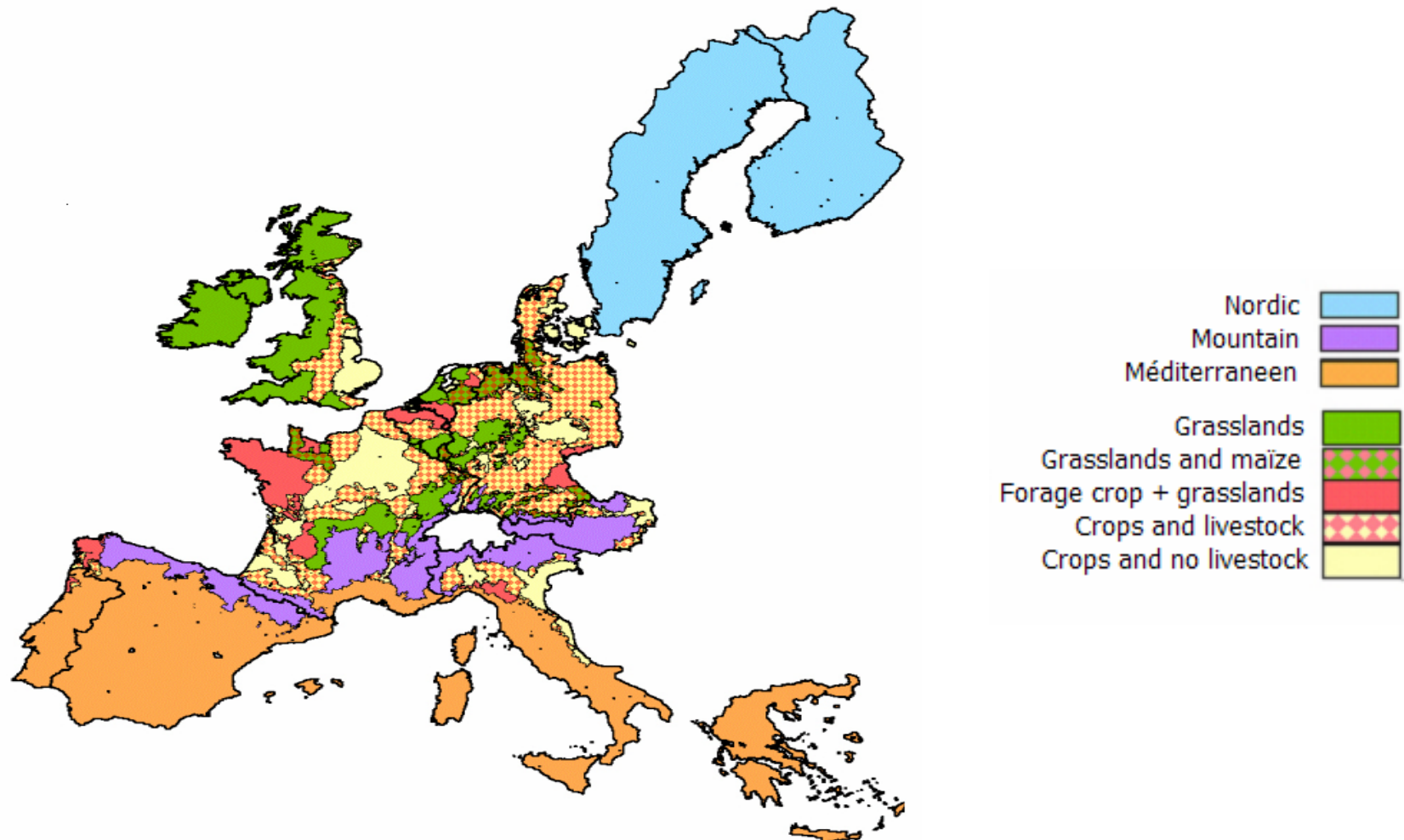
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### EU COW CALF CHARACTERISTICS

	<b>C. C. + sheep</b>	<b>C. C. + Finishing</b>	<b>Pure C. C.</b>
<b>% BFS</b>	5 %	7 %	19 %
<b>% land used</b>	13 %	8 %	20 %
<b>% Livestock Unit</b>	6 %	11 %	24 %
<b>Acreage (ha)</b>	152	73	70
<b>% Grass</b>	88	63	69
<b>% beef on total return</b>	34	49	55
<b>Labor Unit</b>	1.7	1.5	14

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Source : Eurostat – Structure Census 2000 adapted by the French Livestock Institute

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### LOCATION OF THE EU BFS PER LIVESTOCK ZONES

EU livestock zones	C. C. + Sheep	C. C. + Fattening	Pure C. C.
Crops and livestock	-	5 %	5 %
Forage and no livestock	2 %	10 %	11 %
Crops and livestock	7 %	21 %	16 %
Grasslands	60 %	43 %	27 %
Grasslands and maize	-	4 %	2 %
Mediterranean	22 %	8 %	20 %
Mountain	8 %	5 %	16 %
Nordic	-	5 %	2 %

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### EVOLUTION OF COW CALF FARMS DURING THE LAST 20 YEARS

- Size increasing but at different speeds according to the different countries : from 0.6 ha per year to 2 – 3 ha per year.
  - ↘ dairy farms and % replacement by suckler farmers
  - land prices
  - % retirement of old farmers
  - impact of BSE crises ...

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### MID-TERM REVIEW : DIFFERENT APPLICATIONS OF DECOUPLING

- Year of application
- Total decoupling or partial decoupling (suckler cow premium, slaughter premium or special male premium)
- Cross compliance
- National premium

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### CAP REFORM : CONSEQUENCES SEEN BY THE FARMERS (enquiries or polls)

- Pursuit of **enlargement** of the suckler farms (France, Spain, Sweden, Germany) # decrease of the LU (Ireland).
- Disappearance of smaller farms.
- Replacement of dairy farms by cow calf farms (France, Spain).
- Replacement of fattening farms or cow calf farms + finishing by cow calf farms (Sweden, France).
- ➔ more specialization



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### CAP REFORM : CONSEQUENCES FOR COW CALF PRODUCERS (1 / 3)

- The number of suckler cows should remain stable till 2013 in Europe
  - ← France and Spain because of the suckler cow premium or Germany
  - ← Germany because of the regional Single Farm payments
  - ← Sweden or Spain because of environmental premium
  - ← Italy and Spain because of national premium encouraging national suckler cows

## CAP REFORM : CONSEQUENCES FOR COW CALF PRODUCERS (2 / 3)

Impacts on economic results

- It's too soon to have definitive results
- **In 2005 and 2006 :** ↗ of incomes due to the increase of cattle prices,  
(Ireland, Sweden, Italy, Spain, France)
- **In 2007 :** ↘ of incomes because of the decrease of prices of weaners and increase of charges.

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### CAP REFORM : CONSEQUENCES FOR COW CALF PRODUCERS (2 / 3)

- But that depends on fattening activity in the south of Europe (Italy, Spain) and the ability of fattening systems to compete both against imported **meat** and crops farming systems.
- **Adaptation between the weaners production and the demand of fatteners.**
- Modes of production must be adapted to the demand of the fatteners and the distribution networks (feeding, health constraints, labels ...)
- **Transport of alive weaners must be in accordance to the next welfare regulations on transport.**

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### LAND USE : A MAJOR ISSUE IN EUROPE

- Countries with part-time beef farming (Ireland).
- Countries with grasslands (France) or Mediterranean (Spain) or Nordic or mountainous areas (France, Spain)