



Future Challenges for the Animal Farming Sector

Pasquale DI RUBBO | Barcelona | 24.08.2009

Outline

- a. Introduction
- b. Sustainability** in the European Agriculture
- c. What have European farmers done so far in terms of sustainability?
- d. Future Challenges**

Economic aspects

Environmental aspects

Social aspects

Copa-Cogeca

*The united voice of farmers and their cooperatives in the
European Union*

Two organisations with a joint Secretariat located in Brussels...

- representing **15 million people working full-time or part-time** on EU farm holdings in the **EU-27**, as well as
- around **40.000 cooperatives**

Involvement in EU Technology Platforms

The European Technology Platform for Global Animal Health (ETPGAH-TP)

- ✓ to facilitate and accelerate the **development and distribution of the most effective tools** (vaccines, pharmaceuticals or diagnostic tests) for controlling animal diseases of major importance to Europe and the rest of the world.

Sustainable Farm Animal Breeding and Reproduction Technology Platform (FABRE-TP)

- ✓ to exploit in a sustainable manner genetic variation within and between breeds in genetic improvement programmes to enhance competitiveness and sustainability of EU animal food production

Sustainability concept in animal farming

Sustainable animal farming needs to meet several **economic**, **environmental** and **social** criteria.

→ **Economic aspects:** sustainable breeding and reproduction mean that in the long run the level of livestock capital in farming can be sufficiently profitable, and as consequence, maintained, expanded, and improved in quality over time to meet the needs and preferences of society, while ensuring farmers' income

Sustainability concept in animal farming

- **Environmental aspects:** sustainable breeding and reproduction contribute to the fulfilment of bio-physical processes of grass land, by keeping the landscape in a good condition, ensuring the right protection of water, air and natural genetic resources for future generations, and preserving existing breeds and genetic diversity within each breed
- **Social aspects:** sustainable breeding and reproduction are able to meet consumers' expectations, ensuring the quality of animal products by safeguarding animal health and welfare conditions, as well as ensuring optimal living conditions in rural areas for farmers and their families

What have European farmers done so far in terms of sustainability?

- The EU agricultural sector accounts for only 9% of total EU greenhouse gas emissions and managed to reduce them by 20% between 1990 and 2007. Other sectors only managed a 6% reduction
- Implementation and strengthening of bio-security measures at farm level
- Fulfilment of consumers' expectations in terms of food safety and quality, and compliance with animal health and welfare standards

Future challenges: economic aspects (I)

The **profitability** of livestock farming sector is jeopardised by:

- ✓ Increasing volatility on commodity, energy and feed markets
- ✓ Volatility in agricultural production and production costs
- ✓ Speculation in agricultural commodities
- ✓ International trade liberalisation
- ✓ An unbalanced and not transparent operation of the food chain

Future challenges: economic aspects (II)

Imbalanced and not transparent operation of the food chain

Change in the producer and consumer prices for dairy products in the EU

(%, Q1 2009 compared to Q4 2007)

Producer prices

(farmers, processors)

Consumer prices

Producer prices				Consumer prices	
Raw milk	SMP	Cheese	Butter	Food	Milk/Cheese/eggs
-28%	- 42%	-21%	-37%	6%	4%

Source: Commission staff working document accompanying the Communications from the Commission to the Council – Dairy market situation 2009 -

Future challenges: economic aspects (III)

✓ **Trading relationships** among the various stakeholders in the food chain are often unfair, irresponsible and not transparent;

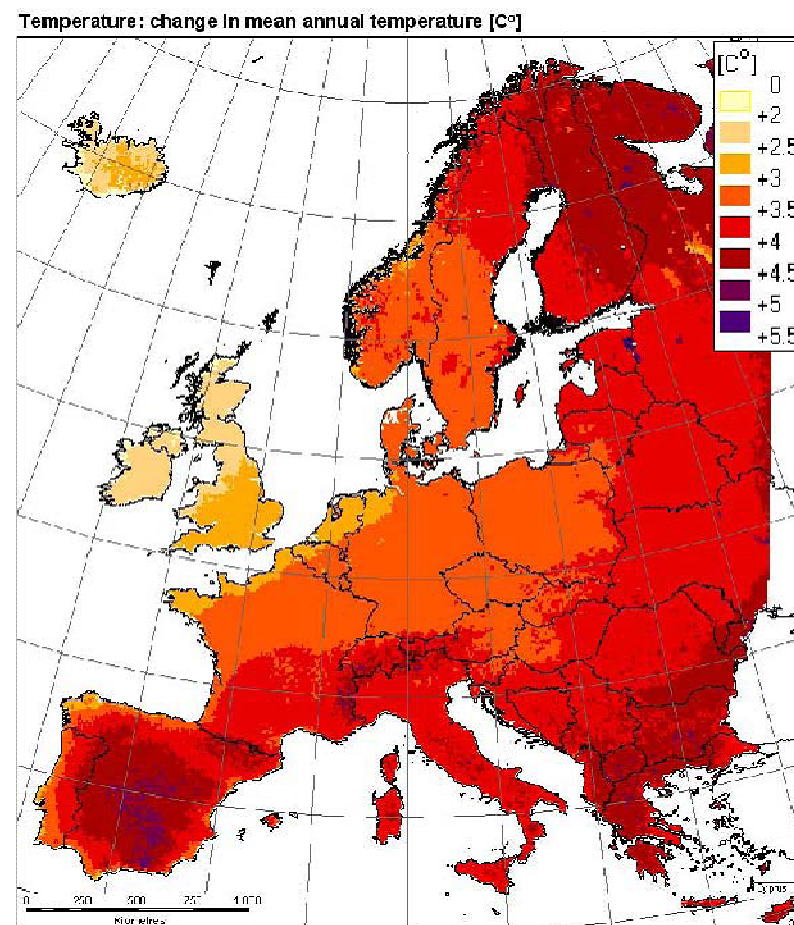
Copa and Cogeca request more...

- EU Support for cooperation and vertical integration
- Regulation and self regulation - possible instruments:
 - European Food Trading Agency
 - Food Chain Forum at EU level
 - Voluntary codes of commercial practice
 - Voluntary codes of conduct (late payments, etc.)

Future challenges: environmental aspects (I)

Climate Change

Change in mean annual temperature
2071-2100 relative to 1961-1990



Source: PESETA project, PRUDENCE; IPCC SRES A2 high emission scenario

Future challenges: environmental aspects (II)

Climate Change

- ✓ Responsible for the spread and outbreak of new pests and diseases affecting animal health and livestock productivity
- ✓ Heat stress, impact on feed quantity and quality (e.g. mycotoxins)
- ✓ Degradation of agricultural ecosystems that could lead to desertification thus compromising the productive capacity of the land and animals

Future challenges: environmental aspects (III)

- ✓ Holistic approach to climate change involving all stakeholders (from farmers to retailers and consumers)
- ✓ Incentivising low-emitting farms
- ✓ More research is needed on:
 - Diets to reduce enteric fermentation
 - Manure management, biogas production and CH₄ digesters
 - Improving of productivity, both in livestock production and feed crop agriculture

Future challenges: environmental aspects (IV)

Water Management

- ✓ Freshwater shortage, scarcity and depletion and increased flood risks
- ✓ Competition between different water uses will affect farming, including livestock
- ✓ Increasing efficiency in reducing water needs and losses, improving irrigation practices, recycling and storing water
- ✓ Improving manure management

Future challenges: environmental aspects (V)

Biodiversity

- ✓ Conservation of genetic diversity on permanent grassland
- ✓ Maintaining and improving the strength of old breeds across the EU
- ✓ More breed selection and the development of varieties best suited to new conditions:
 - ✓ global warming
 - ✓ water shortages
 - ✓ labor shortages in rural areas

Future challenges: social aspects (I)

Rural Employment

- ✓ Animal farming has until now been a strategic sector for various local economies
- ✓ Low profits and difficult working conditions are pushing farmers out of the sector
- ✓ Delocalisation of livestock production:
 - ✓ from rural areas to urban and peri-urban areas to be closer to consumers
 - ✓ Towards feedstuff sources (feedcrop areas, transport and trade hubs)

Future challenges: social aspects (II)

Animal health and welfare

✓ **Internationally harmonized minimum standards** for imports of meat and animals from third countries

More difficulties for EU farmers to produce and for consumers to buy EU animal products if EU standards are raised further through stricter legislation than for trading partners

✓ **Better tools** (vaccines, pharmaceutical or diagnostic tests) **to control of animal diseases;**

Conclusions

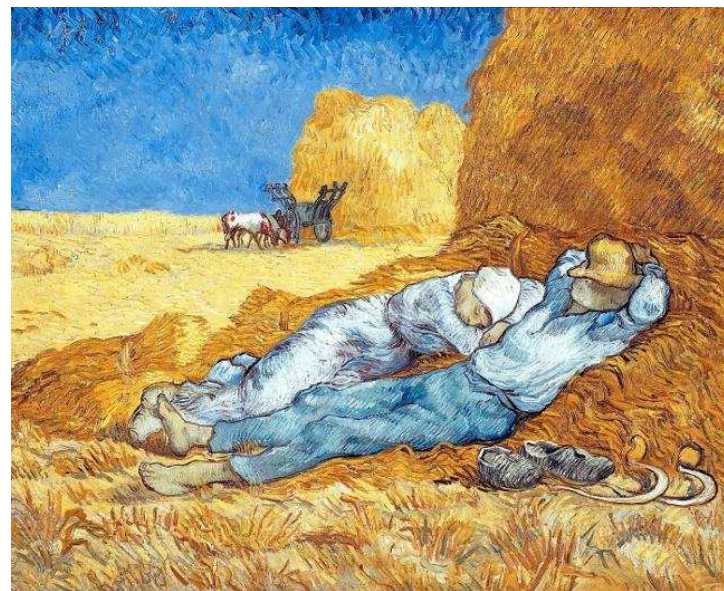
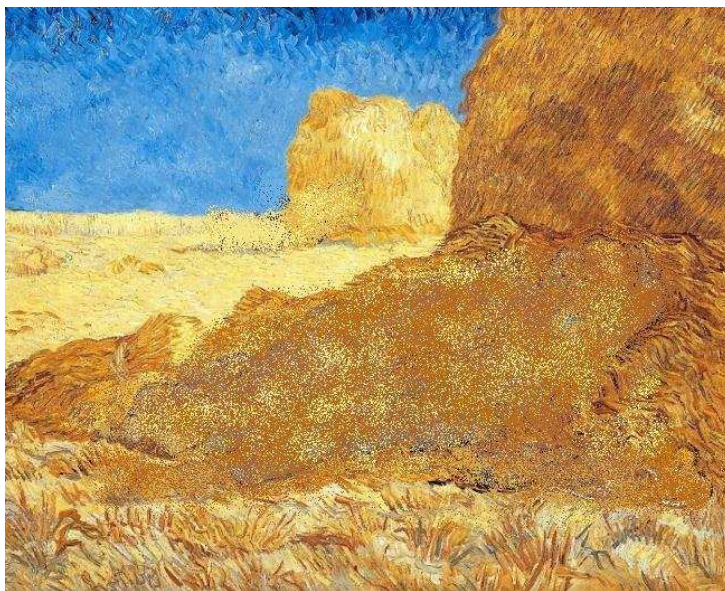
✓ **More research and support**

- to bridge existing knowledge gaps in order to face the future challenges facing livestock farming
- for the effective adaptation and adoption of new instruments in order to guarantee the sectors' economic, environmental and social sustainability

✓ **Animal farming will require investments and planning beyond the capacity of individual farmers**

Thank you !

What future do we want?



(2009) P. Di Rubbo, *Vision post 2013*.

pasquale.dirubbo@copa-cogeca.eu

copa***cogeca**
european farmers european agri-cooperatives