

Global trends in beef production

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Context :

- ⇒ July 2006 : WTO negotiations are postponed
- ⇒ Nevertheless the trend is toward an international open market

The main players on the world beef market (exportation) :

1. Brazil : 26 %
2. Australia : 19 %
3. North America (USA + Canada) : 13 %
4. Argentina : 10 %

EU : only 4 % of the global exportation of beef

EU has become durably a beef importer

- Historically, the EU has been a beef exporter
- However, the year 2003 marked the shift in the EU beef balance, with imports exceeding exports
- Reduced production and policy changes led to this evolution

New requirements are more and more important to work on the EU beef market

- Traceability
 - Health guarantee (security)
 - Geographical origin identification
 - Guarantee on conditions of production
(animal's welfare, environment respect, no hormones,...)

The world trade
of cattle and buffalo meat
concerns less than 10 %
of the world production

So in most of the situations,
the first need is to improve the productivity
and the profitability of the beef production
on the local market

The main factors to progress are :

- To bring under control contagious diseases (zoonoses)
- Genetic improvement : few has been done in the beef sector. Big progress are possible
- Best valorisation of grassland

All these factors
have to be considered together
in global system approach

There is a big diversity of situation
and there is not only one model

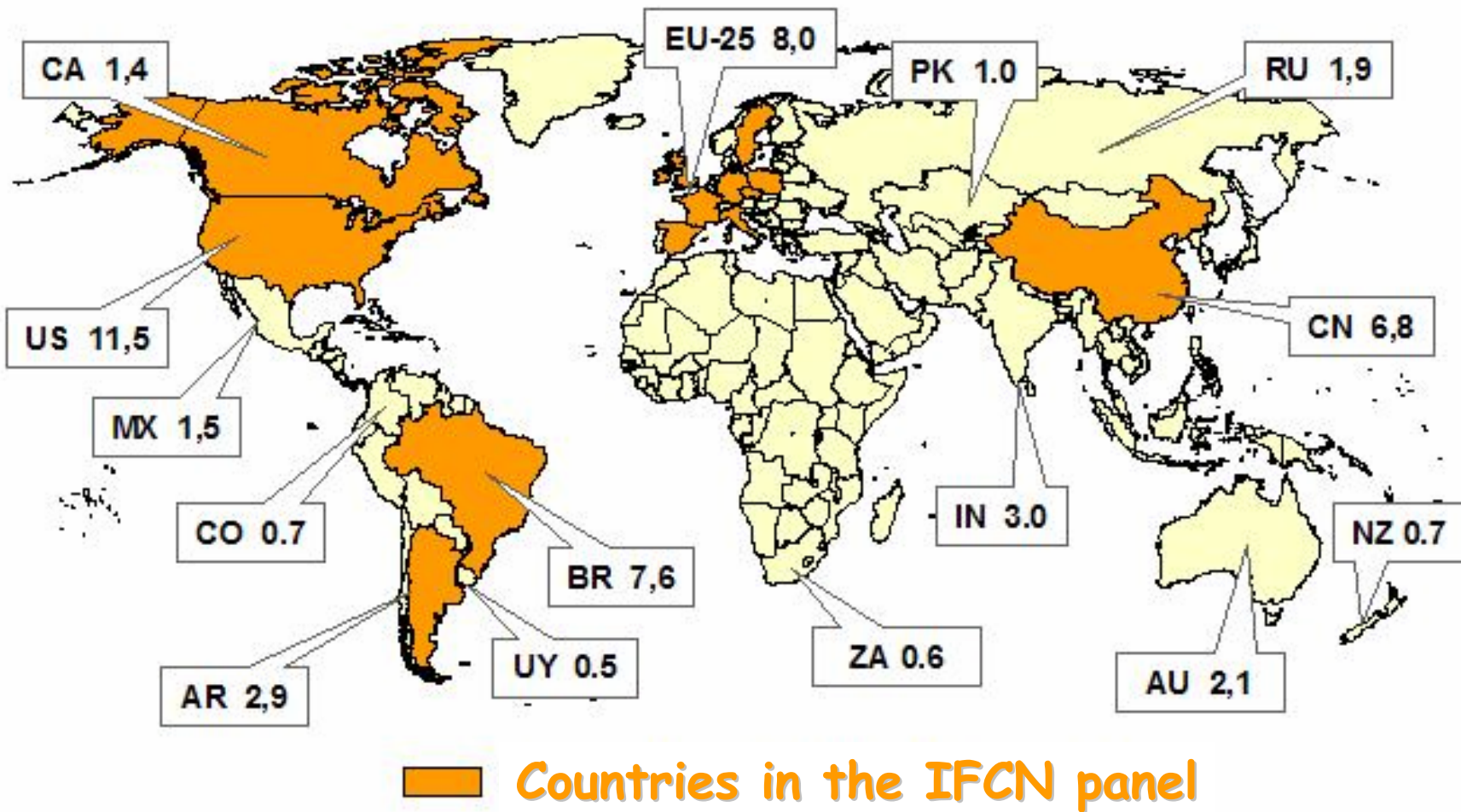
IFCN Beef (www.ifcnnetwork.org)

- IFCN = International Farm Comparison Network
- Managed by FAL
(the German Federal Agricultural Research Centre)
- Aims :
 - . knowledge of the main systems of beef production in the world
 - . comparison of beef cost of production

IFCN Beef

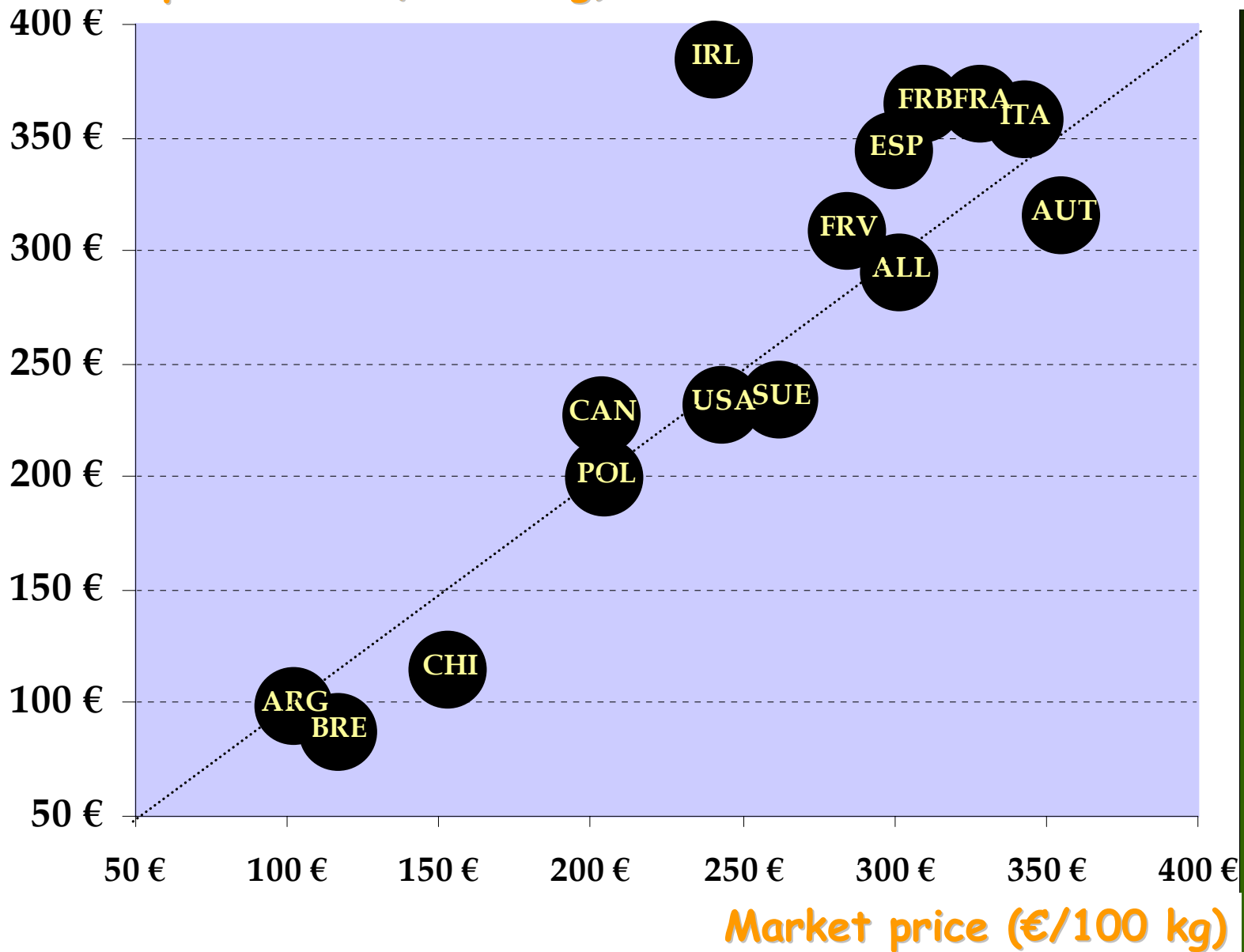
In 2005, 15 countries participate at the panel
with 41 "typical" beef systems of production

World beef production 2003-2005 (bufalo included)



- Market price goes from one to three :
in 2005, beef market price
rises from 102 € to 344 € per 100 kg carcass weight
- The purchase price for fattened animals
is the main part of the cost of production
- Direct cost production (feeding, husbandry, mechanics
and so on) goes from one to three
- Feeding cost is the main cost,
from 20 € to 70 € per 100 kg carcass weight
- Finally, cost of production rises up from 90 €
to 380 € per 100 kg carcass weight

Cost of production (€/100 kg)



IFCN Beef

Results illustrate the big diversity of the conditions and the type of production as well as the weight of the production costs in the economics interest of beef enterprise.

The european systems seem to be most sensitive to the cost of production

Beef genetic improvement

An international genetic evaluation ("Interbeef") for the beef breeds is in progress and supported by the SUB committee of ICAR - Interbull - which have a big experience in dairy breeds genetic evaluation



European Union of the Breeders Organisation

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The EAAP Beef Task Force (BTF)

The EAAP council established the BTF in June 2005 within its Cattle Network Working Group

- to monitor developments in the beef sector in Europe,
- to identify research needs and priorities in developing tools and methods for policy impact analysis, and for monitoring and analysis of farm strategies.

The new service offered by EAAP will deal with the adaptation of beef production system at the EU-CAP

**As a brief introduction
to the workshop...**

Thank you for your attention !

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