

European Commission
Directorate-General for Agriculture

PROSPECTS FOR
AGRICULTURAL MARKETS

2000 – 2007

November 2000

NOTE TO THE USERS

The medium-term perspectives presented in this publication consist of a set of market projections elaborated on the basis of specific assumptions regarding macro-economic conditions, the agricultural and trade policy environment, weather conditions and international market developments. They are not intended to constitute a forecast of what the future will be, but instead a description of what may happen under a specific set of assumptions and circumstances, which at the time of projections were judged plausible. As such, they should be seen as an analytical tool for medium-term market and policy issues, not as a short-term forecasting tool for monitoring market developments and addressing short-term market issues.

Based on the statistical information available at the beginning of October 2000, they do not incorporate the latest short-term developments on agricultural markets, in particular the most recent developments in the beef sector in the European Union. It would appear to be too early at this stage for any assessment of the longer-term impact of these developments.

However, the projections presented here may well be considered as a reference baseline for such an analysis. An update, taking into account the most recent regulatory and market developments in the beef and protein sectors, will be published as soon as possible.

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Foreword

The Directorate-General for Agriculture of the European Commission has published in recent years an overview of market trends and medium-term projections of supply and demand for the main agricultural commodities. This publication provides a picture of the likely developments of agricultural markets up to 2007, based on a certain number of assumptions and on the statistical information available in October 2000.

This report contains three chapters. The first chapter centres on the market prospects by the year 2007 within the EU and covers the following products: cereals, oilseeds, meat, milk and the main dairy products. Chapter II provides a description of the likely prospects of agricultural markets in the ten Central and Eastern European Countries, which are candidates for accession to the EU. Finally, a presentation of the medium and long-term prospects of agricultural world markets, established by different international organisations and institutes, is given in chapter III.

List of acronyms and abbreviations

BSE	Bovine Spongiform Encephalopathy
CAP	Common Agricultural Policy
cap.	Capita
CEECs	Central and Eastern European Countries
cwe	Carcass weight equivalent
DG	Directorate-General
EU	European Union
EUROSTAT	Statistical Office of the European Communities
FAIR	Federal Agriculture Improvement and Reform (US)
FAPRI	Food and Agricultural Policy Research Institute
FMD	Foot-and-Mouth Disease
FSU	Former Soviet Union
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
ha	Hectare
IGC	International Grain Council
IMF	International Monetary Fund
kg	Kilogram
LFA	Less Favoured Areas
lw	Live weight
mio	Million
OECD	Organisation for Economic Co-operation and Development
OTMS	Over Thirty Months Scheme
SAPARD	Special Accession Programme for Agricultural and Rural development
SMP	Skimmed Milk Powder
SRM	Specific Risk Material
t	Metric tonne
URAA	Uruguay Round Agreement on Agriculture
US	United States of America
USDA	United States Department of Agriculture
WMP	Whole Milk Powder
WTO	World Trade Organisation