EU COMPOUND FEED PRODUCTION STABLE IN 2013 VS. 2012 (+0.2%)

SAME TREND EXPECTED TO CONTINUE IN 2014 IN A CHALLENGING ECONOMIC ENVIRONMENT FOR THE FEED AND LIVESTOCK SECTORS

(14) CP 8

Brussels, 5 June 2014

Results for 2013

FEFAC members have provided final estimates for the compound feed production for the EU-28[1] in 2013, at the occasion of the 57th FEFAC Annual General Meeting "**Greening the landscape for animal nutrition in Europe**" on 5-6 June 2014 in Liège. The total production estimate is now set at 155 mio. t, i.e. slightly above the 2012 figure (154.7 mio. t). Pig feed has seen its production fall by -1.4%, whereas cattle feed increased by +2.2% in 2013. Poultry feed remained stable at +0.3%, thereby confirming its position of leading segment of compound feed above pig feed.

The most important factors which have weighed on the EU feed demand in 2013 were the cool weather in spring, which impacted negatively on availability of forages in Northern and Eastern Europe countries but provided a positive impulse in the Iberian peninsula and the still fragile economic situation of the pig sector, which affected the resilience of the pig production.

Among the largest producing countries, UK, Poland and Belgium confirmed the good results recorded in 2012, with an annual growth around +3% in 2013, boosted mainly by the demand for cattle feed. On the opposite side, The Netherlands, Portugal and Hungary saw their production continue falling around -2.5 / -3%. Among the top 3 producer countries, the production volume in France and Germany remained stable, whereas Spain fell back by -1.7%, thus allowing France to recover its position of second most important producing country lost in 2011, with Germany staying in the lead. Production of pig feed dropped in almost all large countries, impacted in particular by the strong decline in sow herd resulting from the implementation of the group-housing requirements for sows.

[1] Greece, Malta and Luxembourg excluded

Outlook for 2014

FEFAC market experts foresee a stabilisation in poultry and cattle feed production and a further reduction in pig feed production (-1%). Overall, this would lead to a slight decrease in compound feed production in 2014 vs. 2013 (between -0.2 and -0.5%).

The export-led market demand for EU livestock products, in particular dairy products, is expected to continue thus anticipating the end of the dairy quota system. This positive trend is expected to compensate for the potential reduction in feed demand induced by the good weather conditions favourable to forages yield. The generally favourable outlook on global grains and proteins production is expected to result in stable markets despite strong demand. This may lead to a slight increase in meat production in particular for pork. The expected good EU cereals harvest might however encourage home mixing in the EU, which would directly impact on the industrial feed supply. The political uncertainties linked to the situation in Ukraine and with regard to the impact of future free trade agreements both regarding tariff concessions for livestock imports to the EU and market access to raw materials are among the factors which could affect both raw material supply and future investments in the EU livestock sector.

Encl: Annex

1. FEFAC, the European Compound Feed Manufacturers' Federation, represents 23 national Associations in 22 EU Member States as well as Associations in Switzerland, Turkey, Serbia, Russia and Norway with observer/associate member status. The European compound feed industry employs over 110,000 persons on app. 4,000 production sites often in rural areas, which offer few employment opportunities.
2. Farm animals in the EU-28 consume an estimated 480 million tonnes of feed a year, of which about 30% are produced by the compound feed manufacturers. Turnover of the European compound feed industry in 2013 is estimated at € 55 billion.
3. For more information see our web site (www.fefac.eu) or please contact Alexander Döring, Secretary General Tel. +32-2-285.00.50, Fax +32-2-230.57.22, e-mail: fefac@fefac.eu.

5/06/2014

PRODUCTION INDUSTRIELLE D'ALIMENTS COMPOSES
PRODUZIONE INDUSTRIALE DI MANGIMI COMPOSTI

2012-2013
estimations/estimates

INDUSTRIELLE MISCHFUTTERPRODUKTION
INDUSTRIAL COMPOUND PRODUCTION
(1 000 t)

PAYS LAND PAESE	BOVINS/RINDER BOVINI/CATTLE			PORCS/SCHWEINE SUINI/PIGS			VOLAILLE/GEFLÜGEL VOLATILI/POULTRY			A. ALLAITEMENT/MILCHAUST. SOSTIT. DEL LATTE/MILKREPLACERS			AUTRES/ANDERE ALTRI ANIMALI/OTHERS			**TOTAL/INSGESAMT TOTALE/TOTAL**		
COUNTRY	2012	2013	%TAV	2012	2013	%TAV	2012	2013	%TAV	2012	2013	%TAV	2012	2013	%TAV	**2012**	**2013**	**%TAV**
DE	6.724	6.906	2,7	9.721	9.597	-1,3	6.110	6.094	-0,3	150	155	3,3	732	727	-0,7	**23.437**	**23.479**	**0,2**
FR	5.236	5.384	2,8	5.516	5.319	-3,6	8.606	8.628	0,3	363	366	0,8	1.490	1.443	-3,2	**21.211**	**21.140**	**-0,3**
IT	3.450	3.350	-2,9	3.360	3.300	-1,8	5.770	5.790	0,3	135	130	-3,7	1.558	1.510	-3,1	**14.273**	**14.080**	**-1,4**
NL	3.543	3.694	4,3	5.451	5.048	-7,4	3.802	3.748	-1,4	616	620	0,6	490	465	-5,1	**13.902**	**13.575**	**-2,4**
BE	1.253	1.388	10,8	3.682	3.716	0,9	1.392	1.458	4,7	38	36	-5,3	182	186	2,2	**6.547**	**6.784**	**3,6**
UK	5.212	5.571	6,9	1.858	1.858	0,0	6.606	6.548	-0,9	2	2	0,0	1.468	1.648	12,3	**15.146**	**15.627**	**3,2**
IE	2.555	2.746	7,5	701	690	-1,6	501	493	-1,6	0	0	0,0	455	504	10,8	**4.212**	**4.433**	**5,2**
DK	918	920	0,2	2.649	2.600	-1,8	548	550	0,4	0	0	0,0	170	170	0,0	**4.285**	**4.240**	**-1,1**
ES	7.060	6.700	-5,1	8.758	8.900	1,6	4.409	4.400	-0,2	0	0	0,0	1.050	910	-13,3	**21.277**	**20.910**	**-1,7**
PT	710	675	-4,9	870	830	-4,6	1.410	1.400	-0,7	0	0	0,0	260	245	-5,8	**3.250**	**3.150**	**-3,1**
AT	472	474	0,4	274	273	-0,4	504	509	1,0	0	0	0,0	206	205	-0,5	**1.456**	**1.461**	**0,3**
SE	932	930	-0,2	312	300	-3,8	554	550	-0,7	2	2	0,0	137	145	5,8	**1.937**	**1.927**	**-0,5**
FI	662	669	1,1	309	293	-5,2	317	324	2,2	0	0	0,0	109	105	-3,7	**1.397**	**1.391**	**-0,4**
CY	117	118	0,9	45	34	-24,4	52	48	-7,7	1	1	0,0	103	103	0,0	**318**	**304**	**-4,4**
CZ	427	473	10,8	735	802	9,1	853	902	5,7	3	2	-33,3	282	306	8,5	**2.300**	**2.485**	**8,0**
EE	40	40	0,0	140	140	0,0	48	48	0,0	0	0	0,0	2	2	0,0	**230**	**230**	**0,0**
HU	530	570	7,5	1.380	1.350	-2,2	1.640	1.520	-7,3	:	0	0,0	620	610	-1,6	**4.170**	**4.050**	**-2,9**
LV	74	115	55,4	100	109	9,0	165	161	-2,4	0	0	0,0	23	14	-39,1	**362**	**399**	**10,2**
LT	59	63	6,8	78	78	0,0	295	300	1,7	2	3	50,0	20	20	0,0	**454**	**464**	**2,2**
PL	962	1.035	7,6	1.816	1.800	-0,9	5.233	5.485	4,8	0	0	0,0	402	380	-5,5	**8.413**	**8.700**	**3,4**
SK	212	208	-1,9	230	239	3,9	247	241	-2,4	0	0	0,0	12	13	8,3	**701**	**701**	**0,0**
SI	98	95	-3,1	59	59	0,0	208	208	0,0	0	0	0,0	14	13	-5,7	**379**	**375**	**-1,0**
BU	109	153	40,4	246	285	15,9	499	530	6,2	0	0	0,0	32	37	15,6	**886**	**1.005**	**13,4**
RO	170	170	0,0	1.600	1.600	0,0	1.750	1.750	0,0	0	0	0,0	20	20	0,0	**3.540**	**3.540**	**0,0**
HR	120	103	-14,2	229	211	-7,9	276	261	-5,4	0	0	0,0	10	7	-30,0	**635**	**582**	**-8,3**
EUR 28 *	**41.645**	**42.550**	**2,2**	**50.119**	**49.431**	**-1,4**	**51.795**	**51.946**	**0,3**	**1.312**	**1.317**	**0,4**	**9.847**	**9.788**	**-0,6**	**154.718**	**155.032**	**0,2**

* Sans le Luxembourg, la Grèce et Malte/Ohne Luxemburg, Griechenland und Malta/Without Luxemburg, Greece and Malta/Senza Lussemburgo, Ellas e Malta
: non disponible/not available