AFTER BSE – A FUTURE FOR THE EUROPEAN LIVESTOCK SECTOR

P. Cunningham [(1)] , F.Madec [(2)] et al

(1) Trinity College, Dublin, Ireland ;

(2) AFSSA (French Agency for Food Safety), Zoopôle, 22440 Ploufragan, France

Introduction

The present paper is the executive summary of a report commissioned by the council of the European Association for Animal Production (EAAP). A working group* was appointed to debate on the question. It included animal scientists, veterinarians, but also distinguished experts from other sectors like consumer concerns, economics and social sciences.

▪ -The BSE epidemic, which began in 1986, is now gradually coming to an end. Though knowledge is incomplete, enough is known about the disease to be reasonably confident that such an epidemic will not recur.

▪ -Three principal questions remain unresolved: the origin of the BSE epidemic; the future of vCJD; and what to do with the 16 million tonnes of animal by-products produced annually by the slaughter industry.

▪ -Loss of value and cost of disposal of MBM (Meat and Bone Meal) exceed 1.5 billion Euro per year. Though new EU legislation could permit over 80% of this material to be used again in livestock feeds, the best option is to continue the ban on its use.

▪ -The cost of the epidemic has been enormous, and is estimated here at about 10% of the annual output value of the European beef sector. The discounted present value of these costs is estimated at € 92 billion.

▪ -The progress of the epidemic was marked by many deficiencies and failures, of which two are particularly noted:

▪ The inadequacies of public information, particularly in the UK

Failure to prevent international spread through contaminated meat and bone meal.

▪ -Ongoing changes in the industry are documented: changing consumer requirements; concentration of processing and retailing power; declining producer prices, and reduction in numbers of full time producers. These changes represent both the causes and effects of a continuing shift in the terms of trade to the disadvantage of producers. To ensure fair trading, increased controls to prevent abuse of economic power may be necessary.

▪ -The ten countries which are destined to join the EU have 40% more farmers than in the EU 15. The challenge of accommodating them in a common EU policy, market and budget has major implications for the existing EU livestock sector.

▪ -European production costs for milk, red meats and cereals (the raw material for white meat production) are higher than in the traditional exporting countries for these commodities. This is partly due to relative scales of production units. With progressive trade liberalisation, continued pressure on producer prices is inevitable.

▪ -Steady increases in unit scale and intensification, particularly in pig, poultry and dairy enterprises, have generated problems of nutrient overload in some regions. The industry will need to acknowledge and address these problems.

▪ -ln the present context it is ironic to note that the situation on animal disease in Europe has never been better. AlI major diseases are eradicated or under controI. For the future the emphasis will be on the control of enzootic diseases, largely through husbandry practices; reduction, and eventual elimination of routine use of antibiotics in feeds; and intensive research to core with emerging diseases.

▪ -Scientists have lost credibility as a result of the BSE crisis. While it is more critical than ever that public policy be informed by the best scientific advice, those involved in providing such advice must more carefully identify and distinguish the factual basis from the value judgements involved.

▪ -Scientific innovation has also lost favour with the public, particularly where it affects food and health. The livestock sector will need to weigh carefully the technical benefits against the risks and public acceptability of technologies such as GMOs, BST in milk production, growth promoters in meat production.

▪ -Given that over 95% of European livestock production is destined for European consumers, the production industry must concentrate on securing their loyalty by fulfilling their expectations on

- food safety;
- transparency and accountability;
- quality and variety, including response to the demand for regional and organic products.

▪ -New ways need to be found to build the community of interest of producers, processors, and retailers in meeting these goals.

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* composition of the working group (alphabetic order) : J.J. Badiola (Sp), G. Brem (D), F. Crespo (OIE), P. Cunningham (Irl, chairman), JC. Flamant (Fr), J. Graham (UK), J. Hodges (A), K.K. Jensen (DK), S. Jutzi (FAO), F. Madec (Fr, secretary), B. Mepham (UK), A. Nagy (Hungary), A. Nardone (It), P. Sandoe (DK).

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