HFFA Research GmbH

Steffen Noleppa and Matti Cartsburg

The agricultural trade of the European Union

Consequences for virtual land trade and self-sufficiency

HFFA Research Paper 03/2015

The agricultural trade of the European Union

Consequences for virtual land trade and self-sufficiency

Steffen Noleppa
Matti Cartsburg
agripol – network for policy advice GbR

Content

HFFA Research Paper 03/2015

Acknowledgement

This research has been made possible, in part, by financial support from the European Crop Protection Association (ECPA). We particularly thank Euros Jones and Claudia Michel from ECPA for valuable feedback throughout the entire study phase. In addition, we gratefully acknowledge the opportunity to publish our report as a research paper of HFFA Research GmbH. The results of this study are the sole responsibility of the authors and have never been influenced by the supporter of the study.

List of figures

List of abbreviations

CAP – Common Agricultural Policy

CETA – Comprehensive Economic and Trade Agreement

CIS – Commonwealth of Independent States

ECPA – European Crop Protection Association

EU – European Union

FAO – Food and Agriculture Organization

GU – Grain Unit

HFFA – Humboldt Forum for Food and Agriculture e.V.

HVO – Hydro-treated Vegetable Oil

IFPRI – International Food Policy Research Institute

MENA – Middle East and North Africa

SITC – Standard International Trade Classification

TTIP – Transatlantic Trade and Investment Partnership

TLL – Thüringer Landesanstalt für Landwirtschaft

UNEP – United Nations Environment Programme

4 Concluding remarks

This research paper highlights that the EU is currently net importing a still remarkable amount of virtual agricultural land – almost 18 million ha on average for the years 2012 to 2014. However, the amount of land virtually imported has decreased since the year 2007. That the EU is using today fewer agricultural resources abroad than in past years can also be seen by looking at most recent agricultural self-sufficiency indicators. Although still below 100 percent – thus indicating an overall higher import than export of crop and livestock commodities and products thereof – agricultural self-sufficiency has slightly improved over time being currently at around 89 percent, if measured in terms of GU.

These foremost positive developments can largely be associated with an increasing agricultural productivity in the EU, but also abroad. Hence, it becomes apparent that investing into and allowing for additional productivity growth is beneficial not only to agricultural producers and traders as well as food and other consumers, but for the environment and, therefore, the society at large.

On the one hand, future agricultural productivity growth not only but especially in the EU is deeply needed in order to meet the continuously increasing demand for food, feed, fibre, and fuel; and this requires a multidisciplinary approach driven by science, technology and innovation. On the other hand, the necessary agricultural productivity increases are endangered. The public perception of productivity-oriented agriculture often displays a remarkable indifference and even outright scepticism relative to such modern farming practices, and policy debates mirror this perception. Recent discussions on the enforcement of various EU regulations, e.g., have pointed at additional administrative burdens and entrepreneurial costs for input suppliers and at the farm level.

This may jeopardise a continuous flow of resources into research and development aiming at further productivity increases in EU agriculture. Reluctance of small- and medium-scale enterprises and also large input suppliers towards investing into research and development for, e.g., new and better crop protection products, improved plant varieties and/or novel nutritional options may increase due to associated uncertainties and real costs which cannot be easily borne. Hence, a slowing down of the productivity progress might be the result.

If the EU not only wants to improve its real and virtual agricultural trade balances but to pay its fair share and a remarkable contribution towards better conditions for world food security and global resource protection, it should attract innovation instead of hampering it.

HFFA Research Paper 03/2015

Imprint

The agricultural trade of the European Union:

Consequences for virtual land trade and self-sufficiency

Steffen Noleppa, Matti Cartsburg

Berlin, November 2015

HFFA Research GmbH
Bülowstraße 66, 10783 Berlin, Germany

E-Mail: steffen.noleppa@hffa-research.com

Web: www.hffa-research.com