Plant proteins: culture on set-aside land of oilseeds, protein crops and fodder following the BSE crisis

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PURPOSE : to examine the options on the cultivation of plant proteins in the European Union.
CONTENT : The paper examines ways of increasing production of oilseeds and protein crops such as peas and beans. It also looks at the option of authorising growing protein crops on set-aside land, and increasing production of dried fodder. The advantages, drawbacks and cost implications are discussed. The paper arrives at the following conclusions: - Following the BSE crisis, the demand for and the production of pig and poultry meat are expected to rise. This will increase the need for feed proteins in these two sectors, in addition to the need to replace about 2 Mio t of animal feed. - There is no major problem in replacing protein from animal meals by protein from plants. The best source of plant protein in this respect is soya meal. However, under current price relationships between cereals and soya meal, the feed industry and the farmers will not react by simply using more soya meal. Their response will be threefold: - the feeding of protein rich ingredients will be reduced to the minimum zoo-technical requirements. This is expected to lead to a slight overall reduction of the use of crude protein in animal feed as compared to 1998 and 1999. - the uptake of cereals in animal feed will increase. - any deficit will mainly be covered through additional imports of soya meal, which would be quite limited (1-1.5 Mio t). There is no problem of availability of soya meal on the world market. Additional imports would add some 5% to existing imports. - the options presented here would lead to an increase in domestically produced plant proteins. However, each of them would satisfy the additional needs only to a limited extent, and in some cases only in an indirect way, as they would be mainly targeted at ruminants and not at pigs and poultry. Some of the options would lead to additional expenditure and the opportunity costs per additional ton of soya meal equivalent would appear to be quite high. Careful attention needs to be paid to possible WTO implications.