



Prospects for agricultural trade

- CDG Quality and Promotion -

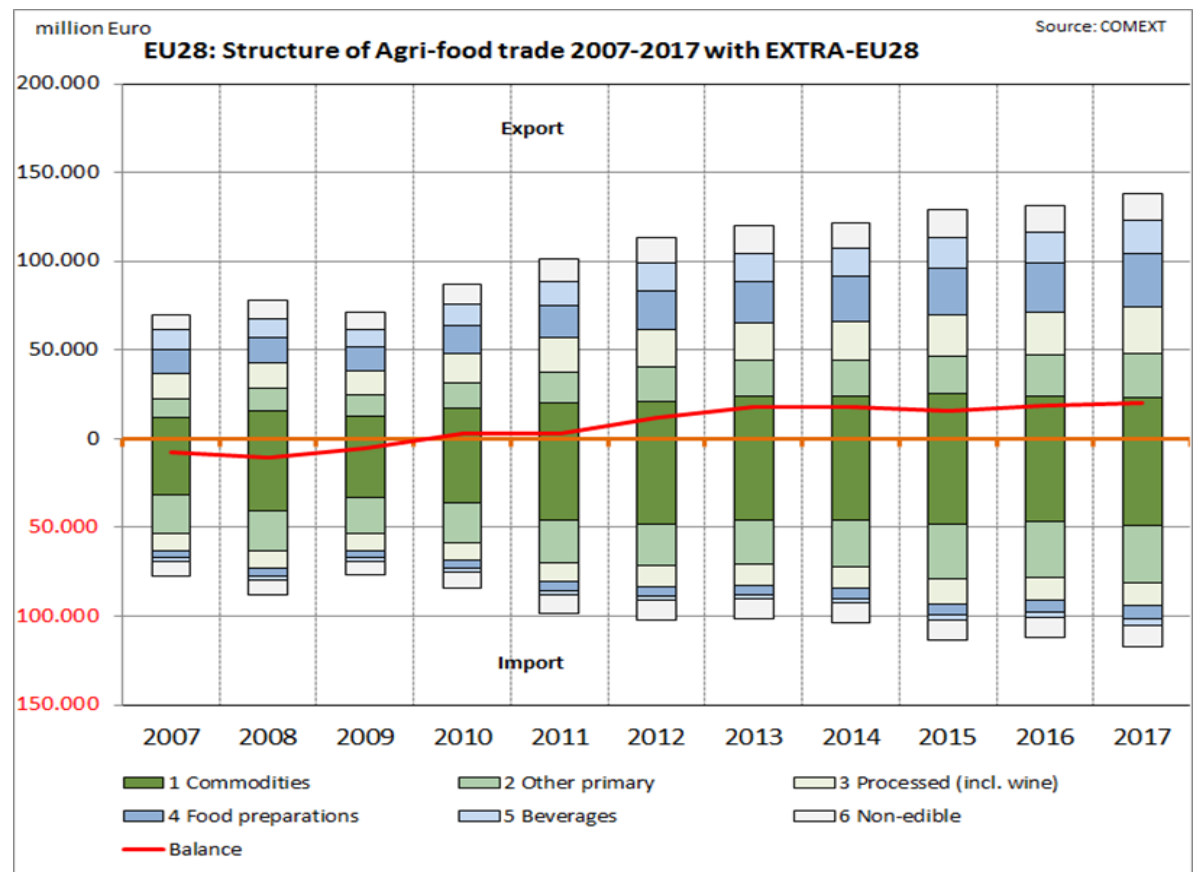
10. December 2018

Annette Hurrelmann
European Commission
DG Agriculture and Rural Development

EU agri-food trade

**Agri-food trade
success story:**

**EUR 138 billion
exports, EUR 117
billion imports in
2017**



Assessment of import growth prospects and potential

For different geographical regions:

- **Share of world imports & of imports from the EU absorbed**
- **Annual growth rate of world imports**
- **Projected annual growth for dairy/meat imports**
- **Market prospects per sector**
- **Import shares & projected growth per sector**
- **Additionally: assessment of FTAs, SPS barriers, past promotion programmes**

Import shares and import prospects...

	Share of world imports of agricultural products av. 2014-16	Share of imports of agricultural products from the EU av. 2014-16	Annual growth rate of world imports 2012-2016	Projected growth in meat imports 2017-30	Projected growth in dairy imports 2017-30
Africa	6%	13%	-5%	3%	3%
North America (US, CAN, MEX)	20%	21%	6%	1%	1%
Central and South America & Caribbean	5%	5%	-3%	1%	-1%
Middle East & Turkey	8%	11%	2%	2%	1%
China (incl. Hong Kong, Macao) & Taiwan	15%	13%	5%	-1%	4%
Japan & Korea	10%	8%	0%	0%	0%
South East Asia, Indian subcontinent	11%	7%	1%	2%	2%
Eastern Europe and central Asia	4%	7%	-10%	0%	3%
Australia, New Zealand & Oceania	2%	3%	1%	2%	1%
Other countries (non-EU28)	4%	13%	3%	0%	0%

...and what is behind it

(% change)

Real GDP growth (PPP exchange rates)

World

OECD

Non-OECD

Real GDP growth (market exchange rates)

World

OECD

Non-OECD

North America

Europe

Euro area

Asia & Australasia

Latin America

Middle East & North Africa

Sub-Saharan Africa

Inflation (av)

World

OECD

Non-OECD

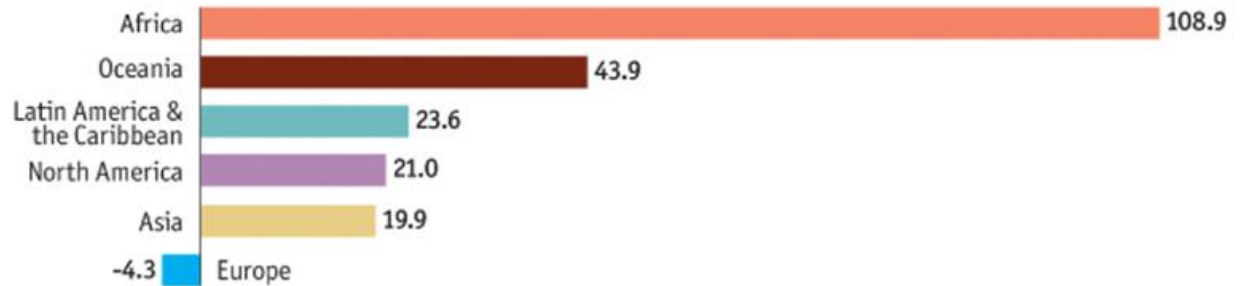
Trade in goods

World

OECD

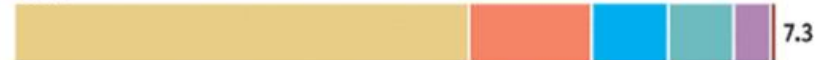
Non-OECD

Regional % change, 2015-50 forecast



Total population, bn

2015



2050 forecast



2100 forecast



Source: UN, The Economist

	6.7	6.0	6.7	7.4	7.5	9.3	7.3	4.9	4.6	4.5
World	3.3	3.1	2.3	2.3	4.6	4.3	3.9	2.8	3.8	3.7
OECD	2.4	3.5	3.4	2.1	4.0	3.9	3.5	2.4	3.4	3.3
Non-OECD	4.7	2.6	0.6	2.5	5.1	4.9	4.4	3.6	4.6	4.4

Source: The Economist Intelligence Unit.

Prospects per sector

...based on EU outlook for agricultural markets and income 2017-2030

- **Dairy:** sustained EU and global demand drive increase in EU milk production
- **Pigmeat:** production to expand only marginally by 2030 due to stabilising EU consumption and competition on the world market
- **Poultry meat:** production should expand, driven by growth in world import demand and domestic consumption
- **Beef:** production on downward trend

Import shares and projected growth per sector (based on OECD-FAO agricultural outlook)

Pig meat imports

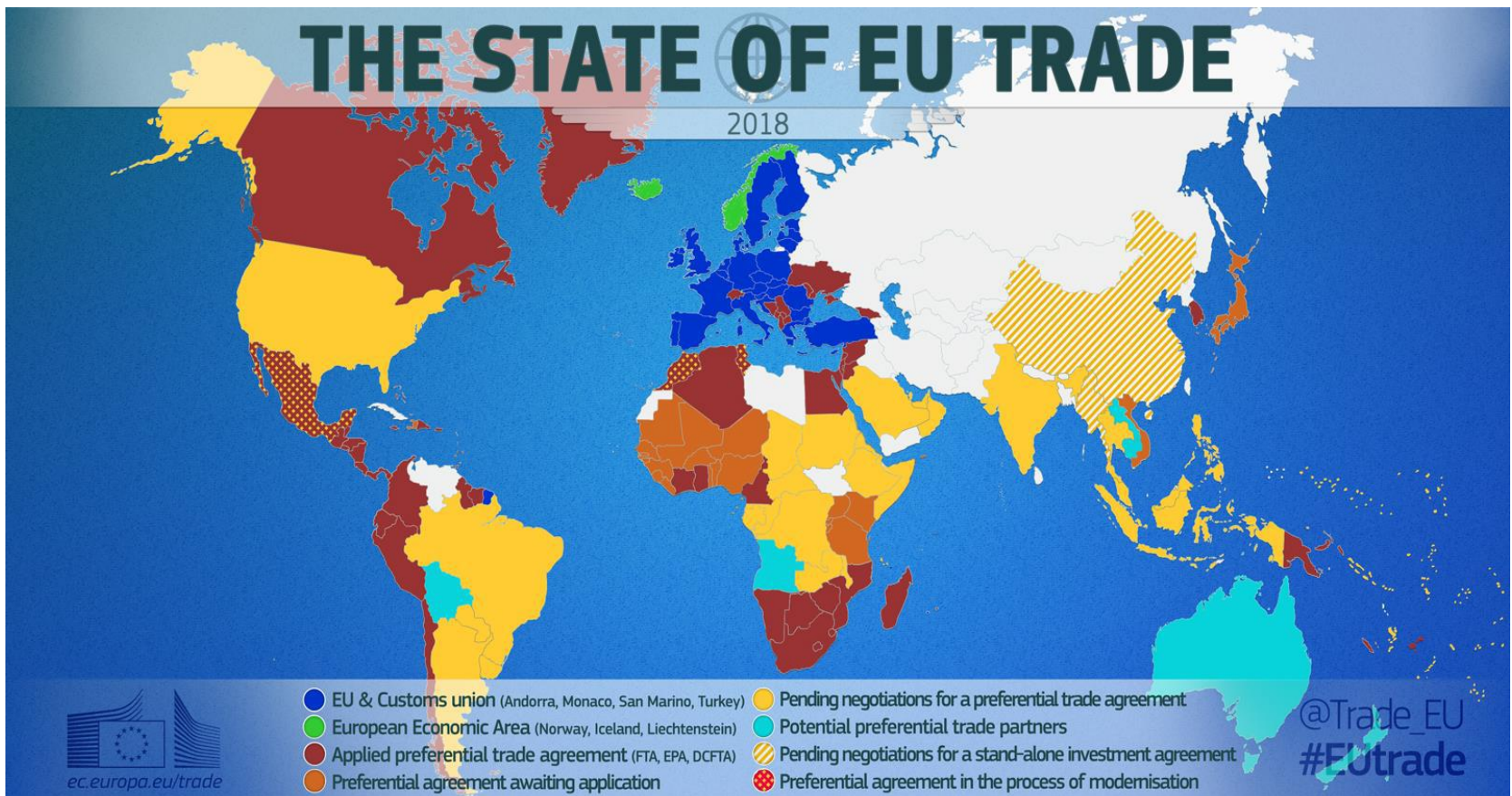
	Share of world pork imports 2017	Projected growth in pork imports 2017-30
Africa	4%	3%
North America (US, CAN, MEX)	21%	1%
Central and South America & Caribbean	6%	1%
Middle East & Turkey	1%	1%
China (incl. Hong Kong, Macao) & Taiwan	18%	-3%
Japan & Korea	23%	0%
South East Asia, Indian subcontinent	14%	2%
Eastern Europe and central Asia	7%	1%
Australia, New Zealand & Oceania	5%	1%
Other countries (non-EU28)	1%	-1%

Import shares and projected growth per sector (based on OECD-FAO agricultural outlook)

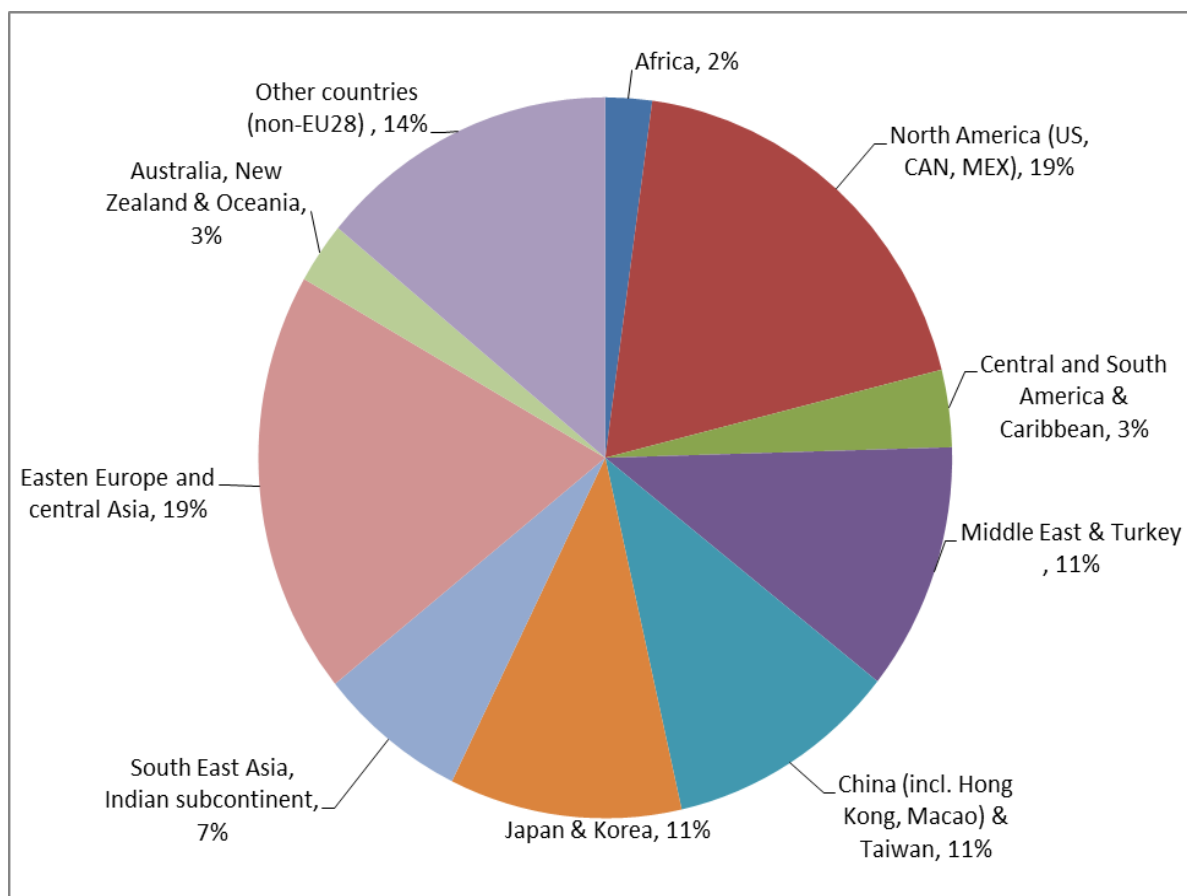
Dairy imports

	Share of world dairy imports	Projected growth in dairy imports
	2017	2017-30
Africa	15%	3%
North America (US, CAN, MEX)	9%	1%
Central and South America & Caribbean	11%	-1%
Middle East & Turkey	15%	1%
China (incl. Hong Kong, Macao) & Taiwan	11%	4%
Japan & Korea	5%	0%
South East Asia, Indian subcontinent	22%	2%
Eastern Europe and central Asia	8%	3%
Australia, New Zealand & Oceania	2%	1%
Other countries (non-EU28)	2%	0%

EU trade agreements



Promotion programmes 2001-2017 (%)



Conclusions

- **Asia: GDP and population growth, strong interest in EU agri-food products**
- **North America: a large market that remains attractive**
- **Other geographical areas: varied and depending on the sector/products, e.g.**
 - **Middle East: relevant market for some products (sheep meat, fruits etc)**
 - **Neighbourhood: important traditional partners**
 - **Africa: growing market (GDP, population), long term potential but local development needs must be respected**

Further information:

https://ec.europa.eu/agriculture/trade-analysis_en