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The Netherlands

Livestock and Products

Annual

2000

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Report Highlights:
The Dutch cattle herd and swine stock is shrinking. During 1999/2000, the total Dutch cattle herd declined 2.5 percent to 4.1 million animals. Imports of beef increased 13.7 percent to 199,000 MT. In less than one year, the swine stock declined by 0.5 million head to 13.3 million. Many pig farmers sold their farms to the government because of low prices and growing environmental constraint.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
The Hague [NL1], NL

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Executive Summary

Cattle, beef and veal

During 1999/2000, the total Dutch cattle herd declined (-2.5%) to totally 4.1 million animals. In 1999, Dutch imports and exports of beef were almost balanced. Imports of beef rose (+13.7%) to 199,000 MT while exports declined (-7.1%) to 209,000 MT. Higher consumption was reported for ready to cook beef products, minced beef, meat delicacies and beef in restaurants.

Imports of cows decreased (-13.5%) but offset by imports of calves (+9.4%) positively driven by a low domestic calf crop and export demand of veal (+6.6%). The income of veal farmers trended upwards during the last four years. In contrast with the decline of other cattle categories, the number of calves for veal increased 5.3 percent to 793,000 during the 1999/2000 season.

Swine and pork

In August 1999, the swine stock increased to 13.8 million head, nearly the same level before the swine fever outbreak in 1996. The peak resulted in a temporary increase of the slaughtering. In 1999, the export volume of pork increased (+5.9%) to more than 1.1 million MT. The import volume of pork grew by 17 percent to 125,000 MT mainly due to imports of processed pork meat . Both imports and exports of live animals grew by the removal of veterinarian restrictions. A part of Dutch imports were re-exported by Dutch farmers starting production in Belgium and Germany to avoid governmental restrictions in The Netherlands.

To reduce high levels of manure, the Dutch government designated regions where further expansion of intensive animal farming is prohibited. Furthermore, pig and poultry farmers were offered the opportunity to sell their farm to the government. Many pig farmers accepted the offer as low prices deteriorated their financial position. In 1999, average annual family farm income declined by Dfl. 200,000 (which means Dfl. 50,000 in debt). By the end of May 2000, 3,500 pig and poultry farmers were registered for a complete or partly government buy out of their farm. The number of pigs in May 2000 was at 13.3 million.

Policy and Marketing

The long time span and severity of the present crisis in the pig sector has convinced the Product Board of Livestock and Meat to emphasize product quality and quality assurance. Recently, the Product Board developed, in cooperation with the government and other agricultural organizations, the Integrated Quality Control (IKB) system. The IKB system appears to be a success and it is expected that the majority of the livestock farmers will join the system. Labeling of meat, eggs and milk produced with GMO feed, proposed in a policy paper of the State Secretary of Agriculture , was not supported by the sector.

Conversion rates:
1997 US$ 1.00 = Dfl. 1.89**, 1998** US$ 1.00 = Dfl. 2.03, **1999** US$ 1.00 = Dfl. 2.07
2000 US$ 1.00 = Dfl. 2.32 (average till June 2000)

Acronyms used in Report	
Dutch	**English**
AID = Algemene Inspectie Dienst	General Inspection Service
CBS = Centraal Bureau voor de Statistiek	Central Bureau for Statistics
COV= Centrale Organisatie voor de Vleessector	Central Organization for the Meat Sector
IKB = Integraal Ketenbeheer	Integrated Quality Control
LEI = Landbouw Economisch Instituut	Agricultural Economic Institute
RVV = Rijksdienst voor de keuring van Vee en Vlees	National Inspection Service for Livestock and Meat
Stichting Natuur en Milieu	Foundation Nature and Environment

Cattle, Beef and Veal

Production

PSD Table						
Country	Netherlands					
Commodity	Animal Numbers, Cattle				(1000 HEAD)	
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Total Cattle Beg. Stks	4,200	4,200	4,150	4,150	0	4,100
Dairy Cows Beg. Stocks	1,350	1,588	1,300	1,525	0	1,400
Beef Cows Beg. Stocks	0	0	0	0	0	0
Production (Calf Crop)	1,990	2,019	1,945	1,930	0	1,830
Intra EC Imports	667	700	667	685	0	705
Other Imports	8	3	8	10	0	10
TOTAL Imports	675	703	675	695	0	715
TOTAL SUPPLY	**6,865**	**6,922**	**6,770**	**6,775**	**0**	**6,645**
Intra EC Exports	55	72	60	65	0	65
Other Exports	30	19	30	30	0	30
TOTAL Exports	85	91	90	95	0	95
Cow Slaughter	671	671	660	660	0	650
Calf Slaughter	1,390	1,399	1,380	1,380	0	1,370
Other Slaughter	269	261	260	260	0	250
Total Slaughter	2,330	2,331	2,300	2,300	0	2,270
Loss	300	300	280	280	0	280
Ending Inventories	4,150	4,200	4,100	4,100	0	4,000
TOTAL DISTRIBUTION	**6,865**	**6,922**	**6,770**	**6,775**	**0**	**6,645**
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Netherlands					
Commodity	Meat, Beef and Veal			(1000 MT CWE)(1000 HEAD)		
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Slaughter (Reference)	2,330	2,331	2,300	2,300	0	2,270
Beginning Stocks	1	2	1	0	0	1
Production	511	508	506	505	0	500
Intra EC Imports	170	175	165	175	0	175
Other Imports	32	26	35	30	0	32
TOTAL Imports	202	201	200	205	0	207
TOTAL SUPPLY	**714**	**711**	**707**	**710**	**0**	**708**
Intra EC Exports	323	317	320	314	0	312
Other Exports	80	84	80	85	0	85
TOTAL Exports	403	401	400	399	0	397
Human Dom. Consumption	310	310	306	310	0	310
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	310	310	306	310	0	310
Ending Stocks	1	0	1	1	0	1
TOTAL DISTRIBUTION	**714**	**711**	**707**	**710**	**0**	**708**
Calendar Yr. Imp. from U.S.	0	1	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Note: The figures of the production, trade, slaughter and consumption are provided by the Product Board of Livestock and Meat. The Central Bureau for Statistics (CBS) is the source of the livestock census.

The Netherlands - Cattle - May Livestock Census
(1,000 Head)

	1998*	**1999***	**2000****	**2000 (1998=100)**
Cattle Total	4,283	4,206	4,100	96
of which :				
beef/veal animals	1,222	1,233	1,244	102
- calves for white veal prod.	610	634	647	106
- calves for rosé veal prod.	101	118	146	145
- other cattle for meat prod.	366	328	286	78
dairy animals	3,061	2,972	2,856	93
young animals	1,442	1,374	1,332	92
dairy cows	1,611	1,588	1,514	94

*Updated **Preliminary Source :C.B.S.

In May 2000, the total Dutch cattle stock was counted by the CBS (Central Bureau for Statistics) and totaled 4.1 million animals, a decrease of 2.5 percent compared with May 1999. The number of dairy cattle declined by 4.7 percent during 1999/2000. For the coming years, it is expected that the number of dairy cattle will further decline as the number of animals younger than two years decreased.

Between May 1998 and May 1999, the number of calves rose by 5.9 percent to total 753,000 and the number of veal farms rose by 8.3 percent. The growth of the number of calves for rosé veal is attributable to steer farmers shifting to veal production. Between May 1999 and May 2000, the number of calves further increased to 793,000.

The Netherlands: Bovine Slaughter
(no. x 1,000)

	1997	1998	1999	2000**
Steers/bulls	314	282	195	190
Cows	795	684	671	660
Heifers	43	73	66	70
Calves	1,351	1,373	1,399	1,380
Total	2,503	2,412	2,331	2,300

**Estimated Source: Product Board for Livestock and Meat

The reduction of the different categories of the cattle herd is reflected in the slaughtering. An additional reason for the decline is that less cattle were imported in 1999 for slaughter purposes compared to the previous year. After a reduction of slaughter capacity of 30 percent in 1995 and 10 percent in 1997, only a small slaughterhouse was closed in 1999. Currently the sector has to deal with an overcapacity.

The slaughter/production ratio showed a steady decrease during the last few years, from 244 kg in 1995 to 219 kg per animal in 1999. The reason for this decline is the reduction in slaughter weight of heifers, minus 3.3 percent to 260 kg, and the reduction of steer slaughtering. The weight of slaughtered steers increased more than 10 kg since 1997 to currently 390 kg. The slaughtered weight of cows is stable, around 304 kg. In 1999, the slaughtered weight of calves increased 4.6 percent to 151 kg (white 147.1 kg and rosé 181.8 kg) as a result of the withdrawal of the early-slaughter premium.

Consumption

The Netherlands: Per Capita Consumption of Beef and Veal in Kilos

	1996	1997	1998	1999	2000**
Beef	19.3	19.0	18.4	18.3	18.2
Veal	1.1	1.2	1.3	1.3	1.3
Beef & Veal	20.4	20.2	19.7	19.6	19.5

** Estimated Source: Product Board for Livestock and Meat

A 3.2 percent reduction in 1998 was probably caused by price competition with pork and poultry. The per capita consumption of fresh beef, snacks and mixed minced pork and beef decreased. An increased consumption was reported for ready to cook beef products, minced beef and meat delicacies. Influenced by the prosperous Dutch economy, the consumption of beef in restaurants increased.

Trade

Dutch Imports of U.S. Beef/Veal		
	Metric Tons / Carcass Wght	% of HQB Quota (±)
1995	2,886	25
1996	5,088	44
1997	5,539	48
1998	3,520	31
1999	1,291	--

Source: Central Bureau for Statistics

Import
In 1999, the total import volume of live animals and meat increased by 10 percent to 255,000 MT. Lower imports of cows were compensated by imports of calves. Dutch imports of calves were positively influenced by a low domestic calf crop and the export demand of veal. A total of 581,000 calves were imported, an increase of more than 9 percent. Germany and Belgium were the main suppliers to the Dutch market. Dutch imports of beef rose considerably (13.7%) to 199,000 MT.

Export
Total export volume of beef and veal to intra EU destinations as well as outside the EU showed a slight but steady decrease over the last five years to currently 400,000 MT. Exports of cattle consisted predominantly of animals for breeding and dairy production. In 1999, important destinations outside the EU were Morocco, Poland, Algeria and the Gulf states. Animals for slaughter purposes were mainly exported to other EU countries.

Lower beef exports (minus 7.1 percent to 209,000 MT in 1999) were largely compensated by exports of veal (plus 6.6 percent to 192,000 MT in 1999). Main export markets for Dutch veal were Italy (39.1%), France (23.5%) and Germany (21.7%). The highest export growth was reported for Germany.

Import Trade Matrix				
Country	Netherlands		Units:	1,000 Head
Commodity	Animal Numbers, Cattle		Partial Begin	January
			Partial End	June
Imports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	434	472	239	685
-Germany	206	244	125	250
-Belgium/Lux	125	130	64	135
-Italy	29	2	1	10
-France	34	19	7	20
-Denmark	27	45	21	50
-Spain	6	3	2	5
-Ireland	5	27	18	25
Poland	3	3	1	3
Total for Others	437	475	240	688
Others not Listed	1	0	1	7
Grand Total	**438**	**475**	**241**	**695**

Export Trade Matrix				
Country	Netherlands		Units:	1,000 Head
Commodity	Animal Numbers, Cattle		Partial Begin	January
			Partial End	June
Exports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	48	58	28	65
-France	19	14	8	12
-Belgium/Lux	8	8	4	8
-Germany	5	9	2	10
-Italy	4	10	5	12
-Portugal	3	4	3	5
-Spain	5	6	3	6
Poland	3	4	2	5
Morocco	10	6	3	5
Algeria	3	2	2	2
Total for Others	64	70	35	77
Others not Listed	9	7	2	18
Grand Total	**73**	**77**	**37**	**95**

Import Trade Matrix				
Country	Netherlands		Units:	1000 MT CWE
Commodity	Meat, Beef and Veal		Partial Begin	January
			Partial End	June
Imports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.	3,520	1,291	1,291	1,000
Others				
E.U.	116,525	134,942	61,874	175,000
-Germany	61,068	62,176	31,357	75,000
-Belgium/Lux	18,387	19,314	8,471	25,000
-Ireland	16,272	23,346	8,822	25,000
-France	5,603	7,536	3,815	10,000
-Italy	8,023	8,749	4,127	15,000
Brazil	14,136	18,533	6,731	20,000
Argentina	3,585	4,165	1,903	5,000
Uruguay	2,707	2,394	1,430	2,500
Total for Others	136,953	160,034	71,938	202,500
Others not Listed	1,334	680	390	1,500
Grand Total	141,807	162,005	73,619	205,000

Export Trade Matrix				
Country	Netherlands		Units:	1000 MT CWE
Commodity	Meat, Beef and Veal		Partial Begin	January
			Partial End	June
Exports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	285,720	305,118	153,381	314,000
-France	72,320	79,415	38,379	80,000
-Germany	65,312	70,096	35,694	72,000
-Italy	72,356	74,360	38,613	75,000
-Greece	13,697	9,569	4,796	10,000
-Denmark	14,505	21,917	11,484	20,000
Egypt	21,380	34,672	16,702	35,000
Russia	20,652	30,814	20,466	32,000
Iran	11,051	4,499	4,499	5,000
Phillipines	1,504	5,149	2,740	5,000
Total for Others	340,307	380,252	197,788	391,000
Others not Listed	13,166	8,747	3,767	8,000
Grand Total	**353,473**	**388,999**	**201,555**	**399,000**

Policy and Marketing

- The Product Board of Livestock and Meat developed, in cooperation with the government and other agricultural organizations, the Integrated Quality Control (IKB) system. IKB is a quality assurance system to secure product quality regarding safety and traceability. Quality and safety of the production is guaranteed through the whole production chain, from raw materials for feed to slaughtering and processing of meat. Animals and meat are screened on the usage of hormones and prohibited medicines. Considering the current growth, it is expected that majority of the Dutch meat will be IKB certified (currently 95 percent of the veal producers have joined the IKB). The Product Board of Livestock and Meat believes that the total export volume of the sector can be maintained if production emphasizes quality.

- In line with the IKB quality system the Dutch feed industry is asking for new commitments from the suppliers of raw materials. From October 1, 2000, suppliers will have to perform according to Good Manufacturing Practice (GMP) or a comparable quality assurance system (such as HACCP), or at least state that GMP or a comparable system is in preparation.

- At the end of May 2000, the Minister of Agriculture, Laurens Brinkhorst, declared that Dutch meat, eggs and milk should be labeled as GMO if the producing were fed with GMO feed ingredients. The Minister reportedly adopted this opinion as a result of a biotech report which was done by the environmentally orientated left wing party, “Green Left” (Groen Links). On June 19, 2000 the Minister of Agriculture’s State Secretary, Geke Faber, forwarded a proposal to the Parliament to label meat, eggs and milk produced with GMO feed.

- The European Commission divided The Netherlands in the sub-top of countries with BSE risks. The two countries with the highest risk are the UK and Portugal. The sub-top group consist of countries (of which are France, Germany, Spain, Italy, Belgium and Denmark) where BSE is probably present but not or rarely detected. Since July 1, 2000, the National Inspection Service for Livestock and Meat (RVV) will screen the Dutch cattle herd systematically for BSE. A total of 1,500 animals will be checked until January 2001. The screening program will conform to EU legislation, which is expected to be enforced in the near future.

-On July 1, 2000, the export companies Van den Berg and Terpstra merged. The main reasons are risk management and costs savings. The new company will export 4,000 to 6,000 of cattle, mostly to the Mediterranean, Northern Africa, Middle East and Eastern Europe.

Prices

Since the economic crisis in Russia in the summer of 1998, the prices of steers and cows have been under pressure. The rouble crisis had a strong effect on the prices of cows because the supply of cow meat is more dependent on Russian demand. In the spring of 2000, the prices for live cattle recovered to levels comparable to levels before the crisis. During the past four years the prices for calves showed an upwards trend. However, in 1998, prices were slightly higher than in 1999 (Dfl. 9.75 and Dfl. 10.50 per kg slaughtered weight for respectively black and red patched).

Research conducted by the Agricultural Economic Institute (LEI) revealed that the income per farmer (with more than 75 steers) declined from Dfl. 2,000 in 1997/1998 to minus Dfl. 37,000 in 1998/1999 mainly because of the rouble crisis. The LEI expects a further decrease to a loss of Dfl. 91,000 per farmer for the year 1999/2000. Apart from the crisis in Russia, and previously the BSE crisis, the income followed a downwards trend since the start of the nineties as a result of the common EU market. It should be noted that the fattening of steers for production beef is mostly part of mixed farms.

The LEI reported that the income per farmer in the veal sector increased from Dfl. 35,000 in 1996/1997 to Dfl. 50,000 in 1997/1998 to Dfl. 60,000 in 1998/1999 mainly because of improvement of the contract payment. In The Netherlands, 90 percent of the farmers receive a payment for housing and fattening of the calves, the calves remain property of the contracting party. The LEI expects a stabilization for the year 1999/2000 but there are major investments expected for transforming boxes to housing in groups.

Cattle, producer prices in Dutch Guilders
per kilo live weight

	The Netherlands					**Belgium***			
	1998	**1999**	**2000**	**Change**		**1998**	**1999**	**2000**	**Change**
January	2.67	2.12	2.27	7.4%		2.80	4.30	4.04	-6.2%
February	2.65	2.20	1.87	-15.2%		2.74	4.27	4.05	-5.3%
March	2.65	2.23	1.89	-15.3%		2.70	4.20	4.09	-2.7%
April	2.66	2.26	2.43	7.9%		2.74	4.17	4.10	-1.6%
May	2.71	2.33	2.56	9.7%		2.90	4.24	4.12	-2.9%
June	2.74	2.43	2.57	5.7%		2.93	4.20	4.15	-1.3%
July	2.73	2.37	2.62	10.6%		2.92	4.06	4.18	3.0%
August	2.72	2.34		-100.0%		2.90	3.99		-100.0%
September	2.62	2.35		-100.0%		2.80	3.94		-100.0%
October	2.48	2.30		-100.0%		2.80	3.92		-100.0%
November	2.39	2.25		-100.0%		2.71	3.96		-100.0%
December	2.39	2.24		-100.0%		2.69	4.00		-100.0%

Source: Dutch Product Board for Livestock

** Note : 1998 and 1999 Belgian prices for live, mature cattle are not comparable because of an EU change in weighing coefficients.*

Swine and Pork

Production

PSD Table						
Country	Netherlands					
Commodity	Animal Numbers, Swine				(1000 HEAD)	
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
TOTAL Beginning Stocks	13,418	13,418	13,138	13,138	0	12,500
Sow Beginning Stocks	1,363	1,390	1,322	1,338	0	1,300
Production (Pig Crop)	29,220	29,191	29,412	27,112	0	26,050
Intra EC Imports	500	507	300	300	0	300
Other Imports	0	0	0	0	0	0
TOTAL Imports	500	507	300	300	0	300
TOTAL SUPPLY	**43,138**	**43,116**	**42,850**	**40,550**	**0**	**38,850**
Intra EC Exports	4,490	3,688	4,990	4,000	0	4,000
Other Exports	10	735	10	50	0	50
TOTAL Exports	4,500	4,423	5,000	4,050	0	4,050
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	19,500	19,554	18,750	18,500	0	17,800
Total Slaughter	19,500	19,554	18,750	18,500	0	17,800
Loss	6,000	6,000	6,000	5,500	0	5,000
Ending Inventories	13,138	13,139	13,100	12,500	0	12,000
TOTAL DISTRIBUTION	**43,138**	**43,116**	**42,850**	**40,550**	**0**	**38,850**
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Netherlands					
Commodity	Meat, Swine			(1000 MT CWE)(1000 HEAD)		
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Slaughter (Reference)	19,500	19,554	18,750	18,500	0	17,800
Beginning Stocks	93	93	165	134	0	69
Production	1,706	1,711	1,650	1,625	0	1,570
Intra EC Imports	109	125	100	100	0	100
Other Imports	0	0	0	0	0	0
TOTAL Imports	109	125	100	100	0	100
TOTAL SUPPLY	**1,908**	**1,929**	**1,915**	**1,859**	**0**	**1,739**
Intra EC Exports	982	1,002	990	1,000	0	900
Other Exports	70	105	85	100	0	100
TOTAL Exports	1,052	1,107	1,075	1,100	0	1,000
Human Dom. Consumption	691	688	690	690	0	690
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	691	688	690	690	0	690
Ending Stocks	165	134	150	69	0	49
TOTAL DISTRIBUTION	**1,908**	**1,929**	**1,915**	**1,859**	**0**	**1,739**
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Note: The figures of the production, trade, slaughter and consumption are provided by the Product Board of Livestock and Meat. The Central Bureau for Statistics (CBS) is the source of the livestock census.

The Netherlands - Swine - May Livestock Census
(1,000 Head)

	1998	**1999***	**2000****	**2000 (1998=100)**
Total Number of Pigs	13,446	13,567	13,254	99
of which:				
piglets up to 20 kilos	5,094	5,239	5,171	102
slaughter hogs	6,591	6,774	6,569	100
breeding hogs	1,760	1,412	1,382	79

*Update **Preliminary Source: Central Bureau of Statistics (CBS)

Currently there is uncertainty about the future of Dutch pig farming. The law intended to cut the stock of swine by 10 percent (of the 1995/1996 stock) was suspended. In 2000, the Dutch Minister of Agriculture, Laurens Brinkhorst, proposed new plans to lower the Dutch swine stock.

Despite this uncertain situation and low prices the stock grew to 13.6 million head in May 1999. During a random counting in August 1999, the stock totaled 13.8 million head, nearly the number before the swine fever outbreak in 1996. Possible reasons for this increase were the present available capacity and expectation of better prices. May 2000, the number of pigs were at 13.3 million. The Product Board of Livestock and Meat expects that the stock will further decline in the third and fourth quarter of 2000 by 4.4 and 7 percent, respectively. During these quarters, supply will decline by 3.5 and 4 percent, respectively.

During 1999, the number of pig farms fell by 15 percent. Farmers lost confidence and stopped their production by selling their farms to the government. The Agricultural Economical Institute (LEI) expects that the number of farms will decline from the current 16,200 to 10,000 in 2003, 8,000 in 2010, and 5,000 in 2015. During the 2000-2003 period, the number of pigs should decline by 20 percent, to about 10.5 million.

During 1998/1999, the number of bred sows declined to 894,000. In April 2000, 855,000 of bred sows were counted. The number of piglets produced (per year per bred sow) remained stable at 13.

The Netherlands - Slaughterhog Production
x 1,000 Head

	1998	1999	2000**
1st quarter	4,411	5,980	4,750
2nd quarter	4,910	5,725	5,750
3rd quarter	5,890	5,930	5,750
4th quarter	6,800	5,835	5,750
Total for the Year	22,011	23,470	22,000

**Estimated Source: Product Board for Livestock and Meat, The Hague

The temporary growth of the swine stock resulted in an increase in the supply of slaughter hogs and slaughter number. Slaughter hog production increased 7 percent to 23.5 million head, compared with 1998 (still 5 percent below the 1996 production). Because of increased exports of live slaughter hogs, the Dutch slaughter number stayed behind with the production. During 1999, total slaughter increased only 1 percent to 19.5 million head. Between 1995 and 1999, the slaughter production ratio varied between 87 and 90 kg. The high demand for bacon from the UK lowered the average slaughter weight from 89.1 in 1998 to 87.5 kg in 1999.

The Central Organization for the Meat Sector (COV) urged for a reduction of the Dutch slaughter capacity by 20 percent. The COV estimated that an overcapacity exists of 4 million head per year (on the total of 20 million). The slaughterhouses do not agree with the opinion of the COV and they expect that Dutch imports of slaughter hogs will increase.

Consumption

The Netherlands: Per Capita Consumption of Pork Kilos per inhabitant					
	1996	**1997**	**1998**	**1999**	**2000***
Pork	44.5	43.0	44.0	43.6	43.5

* Estimation Source: Product Board of Livestock and Meat

Despite the decline in prices, consumption of pork decreased 0.9% to 43.6 kg per capita per year. Especially the consumption of mixed pork and beef minced meat (-3.5%) and smoked sausages (-6.5%) declined, the consumption of snacks was slightly lower than 1998. There was a significant increase of the consumption of ready to cook meat products of 2 percent over the year 1999.

Trade

Import

Normally imports of pigs are limited but this year Dutch imports more than doubled to 507,000 head. This increase can be explained by the imports of Dutch farmers which started to raise pigs in Belgium and Germany to avoid the difficult circumstances in The Netherlands. Another reason were the low prices of live animals in Belgium attributed to the dioxin crisis. Imports of pork meat and products rose by 17 percent to 125,000 MT, but are still lower than the top year 1997. The growth was entirely accomplished by imports of processed pork meat.

Export

Exports of live animals rose sharply, from 1.82 million in 1998 (the Product Board Livestock updated this number to 2.94 million head) to 4.42 million head in 1999, as a result of the removal of veterinarian trade barriers in the EU. Exports of piglets rose by 61 percent (3.1 million head) and the export slaughter hogs was 39 percent higher (1.4 million head). It is not expected that the Dutch exports of live animals will further increase because production in other EU countries has grown significantly.

Figures of exports of pork meat over the year 1999 revealed an increase of 6 percent to 1,107,000 MT in 1999. This increase is entirely realized by exports of bacon (previous year 154,000 MT). Exports of bacon to the U.K. rose from 114,000 MT to 120,000 MT as a result of a decline in the domestic production and an increase of Danish exports to Japan. Dutch exports of other processed pork products decreased by more than 5 percent to 91,000 MT in 1999. Exports of pork are limited because of a diminishing demand from Russia and the abundant world supply especially from the EU and U.S.

Import Trade Matrix				
Country	Netherlands		Units:	1,000 Head
Commodity	Animal Numbers, Swine		Partial Begin	January
			Partial End	June
Imports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	202	431	161	300
-Belgium/Lux	80	234	65	150
-Germany	87	128	63	75
-France	230	37	16	25
-Denmark	2	2	2	2
-U.K.	7	21	10	10
-Spain	-	4	1	1
Total for Others	202	431	161	300
Others not Listed	0	0	0	0
Grand Total	**202**	**431**	**161**	**300**

Export Trade Matrix				
Country	Netherlands		Units:	1,000 Head
Commodity	Animal Numbers, Swine		Partial Begin	January
			Partial End	June
Exports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	1,807	3,075	1,472	4,000
-Germany	700	1,275	570	1,300
-Spain	456	650	308	750
-Italy	396	668	361	750
-Belgium/Lux	168	261	100	250
-France	76	204	95	300
-Greece	6	12	3	20
Bosnia-Herz.	10	5	5	10
Total for Others	1,817	3,080	1,477	4,010
Others not Listed	1	730	0	40
Grand Total	**1,818**	**3,810**	**1,477**	**4,050**

Import Trade Matrix				
Country	Netherlands		Units:	1000 MT CWE
Commodity	Meat, Swine		Partial Begin	January
			Partial End	June
Imports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	50,396	73,235	38,372	100,000
-Belgium/Lux	11,746	71,497	6,941	75,000
-Germany	15,100	26,772	14,095	30,000
-U.K.	6,129	9,499	5,553	10,000
-Denmark	5,599	5,707	3,588	7,500
-Italy	2,882	3,885	2,360	5,000
-France	6,241	7,325	4,067	8,000
Slovenia	34	120	21	250
Hungary	44	46	36	50
Russia	-	61	11	100
Total for Others	50,440	73,342	38,419	100,150
Others not Listed	130	211	58	250
Grand Total	**50,570**	**73,553**	**38,477**	**100,400**

Export Trade Matrix				
Country	Netherlands		Units:	1000 MT CWE
Commodity	Meat, Swine		Partial Begin	January
			Partial End	June
Exports for:	**1998**	**1999**	**1999**	**2000**
	Full	Full	Partial	Full Forecast
U.S.				
Others				
E.U.	719,206	753,585	368,953	1,000,000
-Germany	289,340	263,165	127,808	260,000
-Italy	189,906	208,630	103,939	220,000
-France	70,830	87,817	41,111	90,000
-Greece	68,053	81,738	36,760	90,000
-Belgium/Lux	46,163	38,100	22,038	35,000
Hong Kong	11,392	11,625	4,179	12,000
Japan	7,356	19,423	12,465	20,000
Russia	830	31,852	11,122	28,000
South Korea	2,751	12,263	6,736	13,000
Total for Others	741,535	828,748	403,455	1,073,000
Others not Listed	30,880	30,139	10,335	27,000
Grand Total	**772,415**	**858,887**	**413,790**	**1,100,000**

Policy and Marketing
-The Product Board of Livestock and Meat stated in their Annual Report 1999 that the manure surplus is only temporary as technical solutions for the treatment are in preparation. The Agricultural Economic Research Institute (LEI) estimated that in the year 2010, 65 to 75 percent of the surplus of manure (53 million kg of phosphorous) will be treated and 5 to 10 percent will be processed to a product comparable with artificial fertilizers.

-To reduce the present surplus of manure the Dutch government introduced a regulation which provides pig and poultry farmers the possibility to sell their farm to the government. At the end of May 2000, 3,500 pig and poultry farmers were registered for a complete or partly buy out of their farms. The costs for the buying-up of 3,500 farms are estimated at Dfl. 405 million. The total amount available is Dfl. 670 million.

-Other legislation to protect the natural environment is in preparation. The measures will stop further expansion of intensive animal farming in valuable natural environments.

-The Dutch Minister of Agriculture, Laurens Brinkhorst, and the Minister of Environment, Jan Pronk, proposed to the EC to increase the norm for maximum phosphate deposition on farm land (grassland) for the year 2003 to 250 kg nitrate nitrogen per hectare per year (currently 170 kg nitrate-N/ha.year).

-The state secretary of the Ministry of Agriculture, Geke Faber, and the Product Boards of Livestock and Meat, and Dairy agreed to cancel the levy for a fund which was intended to prevent and fight disease outbreaks. The levy totaled yearly Dfl. 100 million for the animal production sector. With the new agreement, which lasts until 2005, the Product Boards are committed to finance the extermination of a disease outbreak.

-In January 2000, various organizations in the pig sector (such as the Product Board of Livestock and Meat), the Foundation Nature and Environment and Platform Biologica (a governmental organization to support the Dutch organic production) agreed to cooperate in the enlargement of organic stock of pigs to a total of 470,000 in 2005 (currently about 40,000).

-Information regarding Integrated Quality Control see Chapter: Cattle, beef and veal- The Netherlands.
-Information regarding GMO see Chapter: Cattle, beef and veal- The Netherlands.
-Information regarding Good Manufacturing Practices see Chapter: Cattle, beef and veal- The Netherlands.

Prices
In the fourth quarter of 1998, prices of piglets and slaughter hogs reached a low point (Dfl. 1.54 per kg from Dfl. 4.40 per kg in May 1997). This crisis is a result of increased production of pork in the EU and the U.S. in combination with the stagnation of exports to Russia. Since the start of 1999, prices recovered to currently Dfl. 2.87 per kg. It is not expected that the market will further improve in the near future as the pork production in The Netherlands as well in other EU member countries is still expanding.

The Institute for Agricultural Economics (LEI) reported that the income per sow declined from Dfl. 740 in 1997/1998 to a loss of Dfl. 450 in 1998/1999, mainly because of increased costs of housing, manure handling and health care. The income per slaughter hog sty declined from Dfl. 150 in 1997/1998 to a loss of Dfl. 70 in 1998/1999 mainly because of lower prices. The average annual family income declined by Dfl. 200,000 to a loss of Dfl. 50,000. The financial position of a large number of pig farms seriously deteriorated. The LEI expects a slight improvement of the income during this season as a result of higher prices for piglets and pork meat and lower prices of feed.

Swine, producer prices in Dutch Guilders per kilo slaughter weight.									
	The Netherlands					**Belgium**			
	1998	**1999**	**2000**	**Change**		**1998**	**1999**	**2000**	**Change**
January	2.58	1.55	2.10	35.3%		3.05	1.98	2.33	17.3%
February	2.87	1.90	2.43	27.8%		3.26	2.24	2.60	15.9%
March	2.68	1.82	2.51	37.6%		3.11	2.21	2.72	23.0%
April	2.57	1.80	2.65	47.0%		3.01	2.17	2.90	33.7%
May	2.35	1.95	2.86	46.7%		2.77	2.33	2.91	24.8%
June	2.41	2.42	2.97	22.9%		2.82	2.18	3.19	46.4%
July	2.32	2.32	2.87	24.0%		2.68	1.94	3.15	62.3%
August	2.10	2.41		-100.00%		2.50	2.31		-100.00%
September	1.96	2.35		-100.00%		2.37	2.39		-100.00%
October	1.77	2.15		-100.00%		2.14	2.35		-100.00%
November	1.54	2.08		-100.00%		1.88	2.34		-100.00%
December	1.78	2.13		-100.00%		2.24	2.49		-100.00%

Source: Dutch Product Board for Livestock & Meat

Strategic Indicator Table for Feed

MEAT PRODUCTION				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Poultry				
Poultry Meat:	742	744	743	740
Eggs:	9,640	9,712	9,700	9,600
Pork:	1,717	1,711	1,625	1,570

COMPOUND FEED SECTOR				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Compound Feed Capacity	15,500	15,500	15,250	15,250
Total Compound Feed Produced	15,027	14,980	14,800	14,500
-- by integrated producers	7,787	7,790	7,700	7,600
--- by commercial producers	7,241	7,190	7,100	6,900

PROTEIN - ENERGY USAGE				
x 1,000 mt		Last Year	Current Year	Out Year Forecast
Marketing Year:	1998	1999	2000	2001
Total Protein Meal (feed waste domestic consumption)	4,195	5,078	4,517	4465
Soy Bean Meal (feed waste domestic consumption)	2,410	2,927	2,500	2500
Other Protein Meal, e.g. Palm Kernel Meal, Rape Meal (feed waste domestic consumption)	1,775	2,151	2,017	1962
Fish Meal	42	24	30	25
Palm Crude Oil (feed waste domestic consumption)	3	2	5	4

TRADE (Metric Tonnes)				
		Last Year	Current Year	Out Year Forecast
Calendar Year:	1998	1999	2000	2001
Corn				
Imports:	2,000,446	2,323,584	2,250,000	2,250,000
Exports:	35,710	48,325	40,000	40,000
Soy Beans				
Imports:	5,495,937	5,267,282	5,250,000	5,250,000
Exports:	1,108,541	992,033	1,000,000	1,000,000
Soy Bean Meal				
Imports:	520,827	461,952	500,000	500,000
Exports:	2,360,960	2,947,894	2,500,000	2,500,000
Fish Meal				
Imports:	63,516	48,547	55,000	55,000
Exports:	21,775	24,711	25,000	25,000
Palm Crude Oil				
Imports:	338,551	356,779	360,000	370,000
Exports:	22,993	56,776	60,000	65,000

PROTEIN PRODUCTS TARIFFS AND TAXES				
		Bound Rate	**Applied Rate**	**Other**
	Product	**(%)**	**(%)**	**Import**
Report Year:	**Description 1/**			**Taxes/Fees**
0505.90	FEATHER MEAL	Free		
1501.00.00.60	YELLOW GREASE	Nothing to report		
1501.00.11	- - For industrial uses other than the manufacture of foodstuffs for human consumption	Free		
1501.00.19	- - other	17.2 Euro/100kg/net		

1501.00.90	- - Poultry Fat	11.5		
1502.00.00.40	INEDIBLE TALLOW	Nothing to report		
1502.00.10	- - For industrial uses other than the manufacture of foodstuffs for human consumption	Free		
1502.00.90	- - other	3.2		
1511	PALM OIL			
1511.1	- Crude Oil			
1511.10.10	- - For technical or industrial uses other than the manufacture of foodstuffs for human consumption	Free		
1511.10.90	- - other	3.8		
1511.90	- Other			
	- - Solid Fractions:			
1511.90.11	- - - In immediate packings of a net content of 1kg or less	12.8		
1511.90.19	- - - other	10.9		
	- - Other			
1511.90.91	- - - For technical or industrial uses other than the manufacture of foodstuffs for human consumption	5.1		
1511.90.99	- - - other	9.0		
1518	ANML/VG FTS &OILS			
1518.00.10	-Linoxyn	7.7		
	- Fixed vegetables oils, fluid, mixed, for technical or industrial uses other than the manufacture of foodstuffs for human consumption			
1518.00.31	- - Crude	3.2		
1518.00.39	- - other	5.1		
1518.00.91	- - Animal or vegetable fats and oils and their fractions, boiled, oxidized, dehydrated, sulphurised, blown, polyumerised by heat in vaccum or in inertgas or otherwise chemically modified, excluding those of heading No 1516	7.7		
	- - Other			
1518.00.95	- - - inedible mixtures or preparations of animal or of animal and vegetable fats and oils and their fractions.	2.0		
1518.00.99	- - - other	7.7		
2301.1	MEAT AND BONE MEAL	Free		
2301.20	FISH MEAL	Free		