Without farmers, there is no food.

In 2005, agricultural income was 20.6% higher compared to 2000. Earnings rose in covering by 4% annually over the period 2005-2010, while between 2010-2015, the rate of change for agricultural income slowed, rising on average by 1.9% per annum.

Challenges ranging from volatile markets, high input costs, the Russian ban on agricultural exports to sluggish Chinese demand, have put a great deal of pressure on the income of EU farmers.

According to Eurostat, the 2008-2009 crisis severely hurt EU agricultural income. But in 2010, it recovered and continued to grow in 2011. In 2015, agricultural income was 33.6% higher compared to 2005. Earnings rose in covering by 4% annually over the period 2005-2010, while between 2010-2015, the rate of change for agricultural income slowed, rising on average by 1.9% per annum.

WHAT ARE THE REASONS FOR THESE REMARKABLE DIFFERENCES?
• The catching up effect: the increase of direct support from the CAP on the new member states and the positive impact on the sector in terms of investment and economic structuration.
• Connectivity to the world market: it had a major influence on internal market prices in the western and southern member states.
• Resistance to price adaptation within the food chain: Farmers also struggle to recover their margins because of their unreliable cash flow.

DIFFERENCES BETWEEN MEMBER STATES

Agricultural income varies among EU countries. In 11 member states, it increased at a faster pace between 2010 and 2015 than it had between 2005 and 2010. The vast majority of these were eastern or southern member states, but Lithuania, Luxembourg and Ireland were also included.

By contrast, there were nine member states where agricultural income fell during the 2010–2015 period.

Global financial crisis
Enhanced global competition
Impact of climate change on agricultural production
Decline in public and private research funding
Input costs also increased
Russia embargo
Slowdown in Chinese demand

“During that period, the growth of total productivity in the agricultural sector decreased by 50% and capital productivity became negative.”
— Arnaud Petit, Copa-Cogeca

“(The) EU is (a) price taker and not price maker. The end of the super cycle of raw materials, including some agricultural commodities, and petroleum pricing, have put pressure on the world market price. We cannot expect high prices in agri commodities when the energy prices are so low.”
— Arnaud Petit, Copa-Cogeca’s Director of Commodities and Trade

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“How will EU be price taker and not price maker. The end of the super cycle of raw materials, including some agricultural commodities, and petroleum pricing, have put pressure on the world market price. We cannot expect high prices in agri commodities when the energy prices are so low.”
— Arnaud Petit, Copa-Cogeca’s Director of Commodities and Trade

“Three consecutive years of negative income are putting farmers in the red, with some decisions from the banking sector which will impact the restructuring of the farming sector in the future.”
— Arnaud Petit, Copa-Cogeca

“During that period, the growth of total productivity in the agricultural sector decreased by 50% and capital productivity became negative.”
— Arnaud Petit, Copa-Cogeca

“During that period, the growth of total productivity in the agricultural sector decreased by 50% and capital productivity became negative.”
— Arnaud Petit, Copa-Cogeca

“During that period, the growth of total productivity in the agricultural sector decreased by 50% and capital productivity became negative.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogeca

“Since 2008, the dairy and cereals sectors were impacted by strong crises in 2009 and 2010.”
— Arnaud Petit, Copa-Cogea