

1990-91 Forecast

Production prospects look equally promising for 1990 with grass and alfalfa already growing vigorously in the absence of any cold weather and promising an early start to the cutting season. In the main producing-country, France, efforts are being made to restrict this year's output to ensure that demand can keep pace with supply. The industry's fear is that if the 1989 increase is repeated the Commission will be forced to impose a standard maximum quantity on production.

Record Production of Dried Forage Expected this Year

European production of dehydrated alfalfa and grass will reach a record level approaching three million tonnes this year if the weather continue to provide alternating sunshine and rainfall. Production in Spain continues to mount but record output is also expected in the northern member states of the Community where, in some countries, where recent rains have ended fears of a drought-affected season. There some plants are having to turn down requests from farmers who are increasingly seeing alfalfa and grass as valuable alternative cash crops to cereals and rapeseed. The dramatic increase in production in the EC-10, estimated in 1989 at 2 321 000t has also been influenced, in most countries, by exceptionally favourable weather in the past two growing seasons. This has resulted in well-above average yields of green forage for the plants, especially in France and Italy.

Production is also being influenced by environmental actions taken by some national governments to keep farmland 'green', especially during the winter months, to prevent water sources being polluted by seepage of nitrates and phosphates. The Netherlands and Danish dehy industries are examples of the effect of these environmental pressures. Production in the Netherlands in May this year was 25% higher than in the same month in 1989 and already early forecasts of an output at 225+000 tonnes (dried product) are having to be revised upwards to more than last year's record of 245 000t - double the 1986 output.

There have been a similar recovery in Denmark where, from a peak of over 350 000t in the 1979s, output dropped back by nearly 200 000t over the next ten years but has now recovered to 294 000t and is expected to be at least 320 000t this year. There is a similar story to tell from Germany, where the industry is concentrated mostly among small-farmer cooperatives in Bavaria. There, production is climbing steadily as livestock farmers increasingly rely on the drying of their own grass in an area where cereal growing is becoming less profitable and where the climate limits the choice of alternative feed crops.