BEEF CATTLE FARMS IN LESS-FAVoured AREAS
Multi-performances, drivers of sustainability over the last 25 years

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Introduction

Suckler cattle farming plays a key role in UE less-favoured areas

- Cow-calf production system = 50% of the EU beef farms
  - Specialized fatteners = 27% of EU beef farms
- Cow-calf producers (wearners producers) → 60% of suckler cattle owners
- Cow-calf-fatteners → 23% of suckler cattle owners

<table>
<thead>
<tr>
<th>UE livestock zones</th>
<th>Suckler cattle systems</th>
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<tbody>
<tr>
<td>Grassland</td>
<td>34%</td>
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<tr>
<td>Mediterranean</td>
<td>21%</td>
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<tr>
<td>Mountain</td>
<td>14%</td>
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UE-FADN, Sarzeaud et al., 2008

UE Suckler Cows 12.1 m.

Eurostat, 2016

- France 34%
- Spain 16%
- UK 12%
- Ireland 8%
- Other 71%
Location of suckler cows in France

Massif Central (15% of national UAA)
- Mountain areas = 58%
- Pastoral area = 9%

43% of French suckler cows

Charolais area = grassland
Charolais breed

Limousin = grassland & mountain
Limousine breed

Auvergne = mountain
Salers & Aubrac breed

Midi-Pyrénées = grassland & mountain
Blonde d’Aquitaine breed (12%)
Context, objectives

- Faced with changing trends in farm-gate prices together with successive reforms to Common Agricultural Policy, suckler cow farmers have been pushed to adapt their production systems to maintain their income.

- Over the last decades, have these systems evolved toward more sustainability?

- Assessment of:
  - Production efficiency
  - Revenue
  - Greenhouse gas (GHG) emissions and fossil energy consumption
  - Multi-performance of mixed crop-livestock systems vs grass-based

- Study based on beef cattle farms data (French mountain and/or less favoured areas) from 1990 to 2013.
Data bases: farms network

INRA network: Charolais suckler beef farms

- Long-term observations
- Each farm surveyed each year → structure, land allocation scheme, herd, intermediate consumptions, sales, aids and subsidies, investments and borrowing
- Constant sample 1990-2013 (24 years): 43 farms
- 59 farms 2010-2011 → 3 groups
  - Grassland farms. 100% grass-based “GF”: 7 farms
  - Integrated beef-crop farms with cereal crops for animal feed “IBC”: 31 farms
  - Mixed-crop livestock farms that sell both beef and grain “MC-L”: 21 farms
Main structural trends

- Large increase in size and labour productivity
- Continued reliance on grassland systems, with extensification,

![Graph showing the increase in size and labour productivity from 1990 to 2012.](image)

- Stocking rate/year
- Fodder area = 83% UAA
- Agenda 2000 reform
Main economic trends

- Considerable capital investment (capital per worker +52% in constant-euro values)
- Systems more and more dependant to the aids and subsidies
Technical results
Charolais INRA network

- Numerical productivity: -1.4 percentage units in 24 years
- Proportion of male fattened on-farm: 42% in 1990 vs 24% in 2013
- Weight productivity: 295 kg/lw/LU in 1990 vs 313 in 2013 (+6%)
- Stocking rate: 1.29 LU/ha MFA in 1990 vs 1.22 in 2013 (-5%)
- Live-weight production / ha MFA = stable
- Proportion of mowed grasslands bale-wrapped: +17 percentage units

\[
\text{Kg concentrates / kg/lw: +34%}
\]

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<tbody>
<tr>
<td>Self-supplied concentrates</td>
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<tr>
<td>Purchased concentrates</td>
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\[\text{INRA Science & Impact}\]

Beef cattle farms in less-favoured areas

14-16 June 2016 Zaragoza, Spain
Feed self-sufficiency
Charolais INRA network

Courses ‘Feed Unit’ feed self-sufficiency: share of the herd’s annual FU needs covered by FU from forages produced on the farm (pasture, haylage and other annual forages)

Total FU feed self-sufficiency: share of the herd’s annual FU needs covered by FU from all feed produced on the farm (self-supplied forages and concentrate)

- Forage feed self-suff.: -6 pc units
  - Negative correlation with:
    - Crop area (ha)
    - Live-weight production per ha
    - Size of the herd (LU)

- Total feed self-suff.: -2 pc units
  - Negative correlation with:
    - Size of the herd (LU)
    - Farm area (ha UAA)
Technical efficiency: factor productivity

**Partial factor productivity**
- Labour = Outputs Quantities / Nb Workers
- Land = Outputs Quantities / Ha UAA
- Capital = Outputs Quantities / Quantities of Capital used
- Intermediate Consumptions = Outputs Quantities / Quantities of IC used

**Total Factor Productivity**
- Outputs Quantities / Quantities of total Inputs used

Revenue Variation between years t and t+1

**Volume Effect:**
variation of inputs and outputs quantities

**Price Effect:**
variation of prices and remunerations

- PPAPI: Index of Producer Prices of Agricultural Products
- PPMPAI: Index of Purchase Prices of the Means of Agricultural Production
The constant growth of labour productivity mask the declining productivity of other factors

- Output quantities / Ha UAA drop by 0.20 % per year
- Quantities of inputs and services per kg live-weight increase by 0.52% per year → value added produced decreases by 2 to 3% per year
- The volume of capital used per kg of live-weight increases by 0.85% per year → economies of scale?
Slight increase in the animal productivity (kglw/LSU) → dilution of emitted CH₄ → slight decrease in GHG emissions

Decrease in technical farm system efficiency → more inputs and capital for the same outputs → increase in fossil energy consumed per kglw: +15% (+0.53%/year)
Grassland, integrated, mixed crop-livestock farms

Main results

- Size of the farms: highest for MC-L farms
- Stocking rate LSU/ha devoted to the herd / year
- Livestock productivity (kglw / LSU)

Grassland Farms

- Less concentrates/LSU (more efficient use of purchasing concentrates), less mineral N/ha and same live-weight production /LSU and per ha

Mixed crop-livestock Farms

- More grass silage, more mineral N/ha, less fattened animals, more concentrates and same live-weight production/LSU
- Higher mechanization costs

Integrated beef-crop farms (cereals for feed)

- Fatten more animals on-farm
- Performances ≈ grassland farms
Grassland, integrated, mixed crop-livestock farms

<table>
<thead>
<tr>
<th></th>
<th>100% Grassland farms</th>
<th>Integrated Beef-Crop farms</th>
<th>Mixed Crop-Livestock farms</th>
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<tbody>
<tr>
<td>Size and output</td>
<td>=</td>
<td>=</td>
<td>+++</td>
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<tr>
<td>IC productivity</td>
<td>😞</td>
<td>😃</td>
<td>😞</td>
</tr>
<tr>
<td>Income/worker</td>
<td>😞</td>
<td>😃</td>
<td>😞</td>
</tr>
<tr>
<td>N balance</td>
<td>😞</td>
<td>😃</td>
<td>😞</td>
</tr>
<tr>
<td>GHG emissions</td>
<td>😃</td>
<td>😃</td>
<td>😞</td>
</tr>
<tr>
<td>Energy consumption</td>
<td>😃</td>
<td>😃</td>
<td>😞</td>
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-With higher labour productivity, higher inputs use, and not higher production => mixed crop-livestock farms are not more profitable and post lower environmental performances

-With a better system efficiency, grassland farms post the best environmental performances without decreasing the income
Discussion

- Model of development of the beef production systems over the last decades → ↗ labour productivity
- Dependence of beef farming systems on subsidies
- Productivity gains: redistributed → ↘ products prices
- Expansion of farm size with simplification of feeding practices led to heavier use of off-farm resources
  - Lower use of on-farm resources (genetic potential of livestock and plant) → decrease in self-sufficiency and technical efficiency
  - Heavier capital needs → substitution labour / capital
  - No gain on land productivity → wealth creation?
- No economies of scale for these beef cattle systems
- Genetic, technical, technological and knowledge progress
  - To offset losses in system efficiency?
- Feed self-sufficiency: key factor of the system efficiency
Perspectives

- Public policies: CAP 2015-2020 → limit the expansion?
  - Suckler cow premium: coupled and digressive
  - Extra premium to the 1st 52 ha
  - Green payment: 30% of the payment from 1st pillar → grassland
  - New CAP → good for suckler farms in mountainous areas!

- Decrease in beef consumption, considerations for environment and animal welfare
  - An opportunity for low-inputs systems in mountainous areas: grazing, C sequestration, biodiversity, water quality, ...

- Liberal scenario: ↑ volume and ↓ prices
  - Cow-calf systems in mountain: producing calves cheaply on large areas

- Beef farms in mountainous areas: advantages to meet the demand for beef, taking into account societal and economic developments
Conclusion

- Decrease in the wealth created by the beef cattle farming activity
- No gain on farm income and environmental performances
- Grass-based systems seem to be better prepared to face the future beef production scheme and societal demand
- The main concerns → to reinforce the wealth created and to maintain the ecosystem services these systems provide
- The future challenge: to develop the fattening activities on farm without purchasing human-edible proteins
- Better use of the unique feed resource: grass → adapted breeds and practices
- Public policy → supporting positive externalities of low inputs and grass-based beef cattle farming systems