OECD Predicts Agricultural Markets Will Improve in Coming Years

Global agricultural commodity markets have taken a long time to recover from a precipitous drop in prices during the second half of the 1990s, caused by slack demand and trade in the wake of a general downturn in world economic growth, as well as continued high levels of government spending on farm support. However, according to the OECD’s Agricultural Outlook 2002-2007, world agricultural prices should gradually rise from their current weak levels as the economic recovery strengthens at the end of this year and into 2003. It forecasts a more marked increase in prices for certain meats and dairy products than for cereals and oil seeds.

The Outlook, to be published on 16 July, provides a comprehensive set of projections for all sections of agriculture over the next five years. It also takes a special look at Russian agriculture and at the issue of food security in developing countries.

The report says world agricultural markets will improve between now and 2007. Much of this will be due to stronger demand and growing imports in rapidly developing countries outside the OECD. The growth in trade of livestock products and feedstuffs will continue to be faster than that of food grains. Yield and productivity rather than increased land use will contribute most to crop expansion.

The OECD Agricultural Outlook will be released at 11.00 a.m. Paris time (09.00 GMT) on Tuesday 16 July 2002 via SourceOECD (www.SourceOECD.org), the OECD online bookshop (www.oecd.org/bookshop) and the protected website for journalists (http://www1.oecd.org/media/journalists/journalists.htm). Highlights will also be released on the main OECD website (www.oecd.org). The OECD’s Director for Food, Agriculture and Fisheries, Stefan Tangermann, will present its main conclusions and discuss implications at a news conference at 10.30 a.m. on Tuesday 16 July in the Passage Room, International Press Centre, Residence Palace, 155 rue de la Loi, Brussels.

Journalists may obtain a copy of the Outlook, under embargo until 11 a.m. on Tuesday 16 July, by contacting Nicole Le Vourch, OECD’s Media Relations Division (nicole.levourch@oecd.org). For further information, please contact Stephen Di Biasio in the Media Relations Division (tel. [33] 1 45 24 81 03 or stephen.dibiasio@oecd.org).