Horticulture Economic Newsletter 2000 - 01

January 2000

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1. News from the Executive Board

Proposals from the IHC Organizing Committee
for the Scientific Program of Toronto 2002

Dr. Y. Desjardins, chair of the Scientific Program Task Force informed the Executive Committee that the Congress Program would consist of colloquia and symposia. The colloquia are the responsibility of the Scientific Program Task Force and the Congress Organizing Committee. However the main important scientific activities of the Congress and selection of topics, and final program are the responsibility of the Society and the Executive Committee. Both the ISHS and ASHS are currently solicited to come forward with suggestions for symposia. The Congress Program is providing room for Postersessions and 1,5h/day posterdiscussion. The evening Workshops will be set up in co-operation with the ISHS Working Groups and ASHS Divisions. He invited the Chairpersons of the ISHS Sections and Commissions to forward their proposals for topics. Forms are available at www.IHC2002.org with a testversion 'testme.html'. The Posterdiscussions will be programmed within the themes selected.

- It was understood that the call for papers ought to be carefully written. Sufficient room should be provided for participants to enter contributions in the postersessions and workshops for those contributions that are not fitting well into the symposia topics.
- The problem of no-show needs careful consideration. Some part of the registration fee will be charged as a condition to forward an abstract to the program. The abstract charges would be credited against registration fees.
- The suggestion was made not to organize the Business Meetings in the evenings. The IHC-representatives indicated that breakfast and other moments during the day would be considered. The dinnertime could be delayed and the meeting time advanced. The word 'Business Meetings' could also be reworded as section-, commission- and working group- meetings. Room should be provided for regional and geographical meetings.
- A posteraward and studentcompetition will be part of the program. So far no taught have be done on how to organize this.
- It was felt that the Congress is a unique chance to build networks and to socialize with colleagues. For this the coffeebreaks and the Wednesday excursion are important moments during the Congress week. The coffeebreaks are to be the preferred moments for postervisits.

Suggestions from the Commission Economics:
the Commission Economics and Management could organize an independent meeting but also could interact with most the topics presented today. Issues to address are:

- International Trade and Competitiveness: a 1 or 1,5 day meeting. Keywords are World Trade Negotations, Production Cost side, etc.
- Vertical Integration and Supply Management, The Role of Consumers, etc.
- Role of Information Technology in the Distribution of Horticultural Products.

In conjunction with the above ideas topics as North-South Trade, Year-round Supply, International Consumers Demands, Sequences to the Rome WCHR meeting could also be addressed.

2. News from Guernsey

ISHS HORTICULTURAL ECONOMICS SYMPOSIUM, 2000
Prelimanary programme and activities

Interest:

Interested in receiving more information	160
Interested in presenting a paper	100
Interested in presenting a poster	53
Interested in the pre-Symposium tour	79

Topics:

Crop Production Systems	92
Production Management in Developing Countries	43
Market Developments	76
Chain Management	66

Quality Assurance	65
HACCP	26
Environmental Management Systems	62

Pre-Symposium Tour

It was reported that Professor Chris Payne of H.R.I had agreed, in-principle, to organise the Pre-Symposium Tour on Tuesday 12th September 2000. The tour would focus on fruit and field scale vegetable production as these aspects of horticulture could not be viewed in the Channel Islands.

79 people had registered interest in attending the Pre-Symposium Tour. This raised concern that there would not be enough seats available for delegates on flights from Gatwick to Guernsey on Tuesday evening.

Key-note Speakers

Wed 13th Sept:	David Hughs, Wye College (Market Developments)
Thurs 14th Sept:	Henk von Osten, N.R.L.O (Innovation in Crop Production Systems)
Fri 15th Sept:	Sill to be defined

Presentation of Reviewed Papers

100 people interested in presenting a paper at the Symposium.

It was agreed that a team of people would be needed to ensure that the review process was competed by mid June (the date by which papers had to be submitted to the ISHS Secretariat).

Market Research: Peter Oppenheim
Robin Brumfield

Innovation in production systems:
Wolfgang Bokelmann
Nico de Groot

Quality assurance/HACCP:
Jan Ammerlaan
John Ogier

The following timetable was agreed for the review process:

January 2000:	Review of the abstracts and selection of the key papers
February-March:	Authors write their papers
April:	Review of the papers
May:	Rewriting of the papers by the authors
June until 15:	Finalise the Acta in concept
June15:	Send the papers to ISHS for printing

It was suggested holding mini-paper seminar presentations to increase the number of papers that could be presented and to make the Symposium more interactive. Speakers would be invited to present their research to a group of people with similar interests for 10 minutes. After 5 presentations, there would be the opportunity for discussion for 10 minutes. Therefore, a two hour seminar would allow 10 papers to be presented in each seminar group.

It was agreed that the seminar groups would need to be chaired.

Site Visits

It was suggested visiting a local business that provided a good example of each of the three daily topics of discussion. The following places were considered suitable for a visit during the last afternoon of the programme:

- Guernsey Clematis Nursery (as an example of quality management - plant production)
- Belle Fleur (as an example of quality management - carnations)
- Fletchers Freesias (as an example of innovation in customer marketing - freesias)
- Franc Fief Vinery/La Moye Vinery (as an example of an environmental management system)
- Channel Express Depot (as an example of chain management)

Outline Programme

The following outline programme was agreed:

Wednesday 13th September 2000 - Chain Management and Market Developments

8:30 Official welcome by the President of the Committee for Horticulture
8.40 JPO to present a paper on Horticulture in Guernsey and link into Symposium themes
9:10 Presentation by invited key-note speaker, David Hughes, on 'Market Developments'
10:00 COFFEE BREAK
10:30 Presentation of 6 selected papers (15 minute presentations plus 5 minute discussion per person)
12:30 LUNCH (and poster display)
14:00 Presentation of 3 selected papers (15 minute presentations plus 5 minute discussion per person)
15:00 COFFEE BREAK
15:30 Split into two groups for mini-paper seminars on Chain Management and Market Development
17:30 Close

20:00 Official Dinner - Chris Brickell and the Chairman or a representative of the GGA to make a speech

Action:
ES to draft a letter to the GGA inviting a member of the Executive to make a speech

Thursday 14th September 2000 - Innovation in Crop Production Systems

8:30 Presentation by key-note speaker, Henk von Osten, on Innovation in Crop Production Systems
9:15 Presentation of 3 selected papers (15 minute presentations plus 5 minute discussion per person)
10:15 COFFEE BREAK
10:30 Presentation of 5 selected papers (15 minute presentations plus 5 minute discussion per person)
12:10 LUNCH (and poster display) AND RED ARROWS DISPLAY (to be confirmed)
14:00 Presentation of 3 selected papers (15 minute presentations plus 5 minute discussion per person)
15:00 COFFEE BREAK
15:30 Split into two groups for mini-paper seminar discussions on Crop Production Systems in Developed or Developing countries
17:30 COFFEE
17:45 Economics and Management Commission Business Meeting

19:30 VIN D'HONNEUR (Coach leaving Les Cotils at 19:20)

Friday 15th September 2000 – QA, HACCP and Environmental Management Systems

8:30 Presentation by key-note speaker (to be confirmed)
9:30 Presentation of 5 selected papers (15 minute presentations plus 5 minute discussion per person)
10:40 COFFEE BREAK
11:00 Split into 3 groups for mini-paper seminar discussions on HACCP, QA or Environmental Management Systems
13:00 LUNCH (and poster display)
14:00 Visits to three horticultural businesses
17:00 Close

3. Non ISHS Seminars/Congresses

69th EAAE Seminar
Wageningen (The Netherlands), May 18 - 20, 2000
Sustainable Energy:
New Challenges for Agriculture and Implications for Land use

BACKGROUND
World-wide, governments are becoming increasingly interested in reducing the use of non-sustainable energy. The main forces behind policy-makers' interests are pressure on the environment (greenhouse effect, pollution) and

the need to conserve fossil energy. Agriculture plays a dual role in this respect, since it is both a user and producer of energy. Energy use in agriculture is both direct (electricity and fuels), and indirect (e.g. the use of inputs whose manufacture used energy, such as fertilisers and pesticides). Both types of energy use in agriculture have increased significantly over the past decades. Agriculture has traditionally 'produced' energy by growing firewood. More recently, industrial crops have become important as a basis for fuels: oil crops are used to produce vegetable oil that can serve as a substitute for mineral oil, and cane sugar and inulin from Jerusalem artichokes are processed into alcohol to fuel cars. Another development is the generation of methane gas from animal waste. Increasing the production of energy by agriculture implies that energy crops have to compete with other uses of scarce agricultural land, such as food production. Therefore, energy production from biomass may have important implications for land use throughout the world.

OBJECTIVES

The main objective of this conference is to bring together economists and other scientists working in the area of sustainable energy and land use modelling, in order to discuss the implications for agriculture of a transition towards a society that relies on sustainable energy. The focus of the conference will be on the economic aspects and policy issues of sustainable energy in agriculture, including the role of agriculture and forestry as a source or sink of greenhouse gases. Technical issues will also be highlighted, both in keynote presentations and parallel sessions.

TOPICS

The following main topics will be considered at this conference:

1. Production of sustainable energy from biomass in developing and developed countries
   - Possible competition between using land to produce biomass for energy and other land uses (e.g. agriculture, recreation, nature and infrastructure)
   - Effects of demand for land for biomass on land prices and prices of agricultural products
   - Technical and economic aspects of energy production from biomass
   - Potential contribution of energy from biomass and sinks in agriculture and forestry to achieving the objectives of the Kyoto protocol
   - Integrated modelling and scenarios for biomass production and land use

2. Demand for energy in agriculture and horticulture
   - Overview of energy use patterns in different parts of the world
   - Firm, sector and economy-wide models of energy demand
   - Analysis of energy efficiency and productivity, and the role of endogenous and exogenous technical change
   - Indicators of energy efficiency and productivity
   - Adoption and diffusion of energy-saving technologies in agriculture
   - Investments in energy-saving technologies (e.g. applications of neo-classical and real options theory)

3. Agricultural and environmental policy issues
   - Economic analysis of policies related to energy production and energy use
   - Opportunities for cross-compliance
   - Joint implementation and clean development mechanism for greenhouse gas reduction
   - Scenarios for energy use and production in agriculture

CALL FOR PAPERS

Participants who want to present a paper are requested to submit a one page abstract before January 15, 2000. Notification of acceptance will take place before February, 15. The deadline for the submission of the accepted papers is April 15, 2000. A selection of papers will be published after the seminar.

ORGANISATION

The conference is being organised by Wageningen University, Wageningen Institute for Environmental and Climate Research (WIMEK/SENSE) in collaboration with the Mansholt Institute, the C.T. de Wit Graduate School Production Ecology (both in Wageningen), and the International Institute for Applied Systems Analysis (IIASA, Austria). The local organising committee consists of Prof. E. van Ierland, dr. A. Oude Lansink and ir. E. Schmieman.

DATE AND LOCATION

The conference will be held from May 18-20, 2000. The location will be the Wageningen International Congress Center in Wageningen, the Netherlands.

LANGUAGE
The official language of the conference will be English.

IMPORTANT DATES
Deadline for the submission of abstracts is January 15, 2000. Notification of acceptance of contributed papers before February 15, 2000. Deadline for the submission of full papers is April 15, 2000. Deadline for the registration is April 15, 2000.

PARTICIPATION FEE
The regular fee is NFL 750 (Euro 340). Phd students can participate against the reduced fee of NFL 500 (Euro 227). The fee does not include accommodation.

Further information about the programme, hotels and social events can be found on the internet: http://www.sls.wau.nl/congresme. An electronic registration form will become available. Abstracts can be sent to :

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Wageningen University
Department of Economics and Management
Hollandseweg 1
6706 KN Wageningen
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Source: EAAE Newsletter 57

70th EAAE Seminar
Thessaloniki (Greece), June 9-11, 2000
Problems and Prospects of Balkan Agriculture in a Restructuring Environment

BACKGROUND
Balkan consists a geographical region with countries from different economic Extension services and farm performance origin, but a very common future. There are several ex socially planned countries (e.g., Albania, Bulgaria, Romania), a country that is already EU member (i.e., Greece) and a country that is a potential EU member (i.e., Turkey). After the restructuring of ex socially planned economies in the region and despite the ongoing financial and social problems in some of them, agriculture is the main and the better functioning economic sector. Agriculture is also an important activity in both Greece and Turkey, at least in terms of employment and gross domestic product. Given these differences and similarities, it is an important policy question how this region is going to function in the presence of the ongoing globalisation and the EU enlargement, particularly the agricultural sector.That is, what are the present problems and the futures prospects of the region.

OBJECTIVES
The main objective of this seminar is to bring together agricultural economists, as well as other scientists working in closely related research areas, in order to discuss the problems and the prospects of Balkan agriculture from both the side of individual countries and the geographical region as a whole. The main focus will be on evaluating the present situation and planning future cooperation in the light of a restructuring environment and globalisation.

TOPICS
The main topics to be considered on this seminar are the following:

1. Farm's performance evaluation
   - Quantitative studies on efficiency and productivity of farms
   - Credit constraints and farm performance
   - Environmental aspects of farm production

2. Food Demand Analysis and related issues
   Quantitative studies on food demand
   - Nutrition, calories and food consumption
   - Analysis of family farm expenditures data

3. Rural development, farm labour market and migration
   - Integrated rural development
   - Development of less-favored and mountain areas

- Effect of illegal migration on agricultural production
- Foreign laborers and seasonal labour demand in agriculture

LANGUAGE
The papers, presentation and discussions will be in English.

ORGANISATION
The seminar is organised by the Department of Agricultural Economics, School of Agriculture, Aristotle University of Thessaloniki in collaboration with National Agricultural Research Foundation of Greece (NAGREF) and Greek Agricultural Economists Association (GAEA). The organising committee consists of Prof. K. Mattas, Prof. L. Ananikas, Dr. G. Karagiannis, Prof. Franco Sotte and Prof. Plamen Mishev.

DATE AND LOCATION
The seminar will be held from June 9-11, 2000. The location will be the Vellidion International Congress Center in Thessaloniki, Greece.

CALL FOR PAPERS
Participants who want to present a paper are encourage to submit a one page abstract before February 20, 2000. Notification of acceptance will take place before March 15, 2000. The deadline for the submission of the accepted papers is May 15, 2000. A selection of papers will be published after the seminar.

PARTICIPATION FEE
The regular fee is 100$ (120$ for non-members). The fee does not include accommodation.

FURTHER INFORMATION
All current information on the seminar and the submission of abstracts and papers as well as an online registration form can be found on the web-page:

Contact:
Professor Konstadinos Mattas
Aristotle University of Thessaloniki
School of Agricultural Sciences
Department of Agricultural Economics
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Source: EAAE Newsletter 57

The Arkleton Centre for Rural Development Research
University of Aberdeen, Scotland
First Announcement and Invitation
International Conference:
European Rural Policy at the Cross-roads
Thursday 29 June - Saturday 1 July 2000

This conference is timed to follow the start of the next round of GATT/WTO international trade talks, where current and new approaches to rural policy are likely to come under close scrutiny for their market effects and for "hidden" economic protection. The talks are also likely to lead to further reforms to the CAP, and to new interest in both agri-environmental and rural development ‘solutions’ to problems of farm income, rural employment and countryside maintenance. The key speakers will be drawn from Western and Eastern Europe as well as the USA, the European Commission, the OECD and will include academics, policy makers and rural development practitioners. The target audience is academics, policy makers and rural development and environmental ‘practitioners’ from West, East and North Europe and North America.

An important aim of the conference is to start the debate about what the future rural policy framework in East and West Europe should be, on the presumption that budgetary resources will be ‘liberated’ by further CAP reform on the one hand, and that the increasing diversity of rural Europe after eastern enlargement will push rural policy-making back to national and sub-national levels. It is intended that the involvement of key practitioners in the conference will ensure that this debate is grounded in practical experience.

CONFERENCE ORGANISATION
The Conference Steering Group currently comprises:
Prof John Bryden Co-Director, The Arkleton Centre [Chair]
Prof Mark Shucksmith Co-Director, The Arkleton Centre
Prof Ken Thomson Department of Agriculture

Initial Call for Papers and Provisional Expressions of Interest. We encourage the submission of proposals in the form of abstracts. These should be relevant to the subject and aims of the conference, and be submitted by email if possible and in English, *by 28 February 2000*. The conference is to be an inter-disciplinary one, and contributions are particularly encouraged from rural sociologists, geographers, political scientists, general, regional, agricultural and environmental economists and practitioners. Themes will be defined more precisely when the abstracts are assessed. Please send abstracts and expressions of interest to:

Katie Blanchard
The Arkleton Centre for Rural Development Research University of Aberdeen
St Mary's, Elphinstone Road
Old Aberdeen AB24 3UF
Scotland
E-mail: ark020@abdn.ac.uk
Tel (00 44) (0)1224 273901/3667
Fax (00 44) (0)1224 273902

http://www.abdn.ac.uk/arkleton/

Source: EAAE Newsletter 57

Congress on Agricultural and Food Ethics EUR-SAFE 2000
2nd Congress of the European Society for Agricultural and Food Ethics
"Two Systems - One World"

24-26 August 2000, The Royal Veterinary and Agricultural University, Copenhagen, Denmark
1st Conference Call

Theme for Congress 2000:
- Ethical issues in agricultural and food biotechnology
- Ethical issues in organic farming and food production
- Goals and Practice
- The reshaping of conventional farming a European model?

Aims of the congress
- To enhance our understanding of the values underlying modern agriculture and food production
- To explore the range of attitudes currently taken within society towards agriculture and food production
- To provide a forum for critical, ongoing discussion of these values and attitudes
- To suggest and discuss policies and regulation mechanisms for agriculture and food production

The congress is open to all who take an interest in agricultural and food ethics from either an academic or a practical background. Oral presentations and posters are invited from scientists and professionals who approach the conference themes from the perspective of: environmental and animal ethics, professional ethics, sociological studies, economic analysis, technology assessment, or a related discipline.

Organisers:
The Royal Veterinary and Agricultural University, Copenhagen. Danish Ministry for Food, Agriculture and Fisheries. Danish Research Centre for Organic Farming.

Chairman of Organising Committee:
Professor Peter Sandøe, The Royal Veterinary and Agricultural University, Copenhagen, Denmark.

Chairman of Scientific Committee:
Dr. Michael J. Reiss, Cambridge University, UK.

Information on EUR-SAFE
Frans W.A. Brom (secretary)
Centre for Bioethics and Health Law,
Utrecht University, Heidelberglaan 2
NL-3584 CS Utrecht

EurSafe@theo.uu.nl
http://www.theo.uu.nl/eursafe
Information on the congress
Visit our homepage at http://
www.husdyr.kvl.dk/htm/psa/EURSAFE.htm

Source: EAAE Newsletter 57

The 49th International Atlantic Economic Conference Munich, Germany: March 14 - 21, 2000

Specialists from all over the world in the area of economics will be brought together in Munich in order to meet the challenges of tomorrow. Through the Society and its international conferences, economists have the opportunity to become better acquainted with each others' work.

For further instructions, check out the IAES website at: http://www.iaes.org/conferences/ future/munich_49/paper_sub/index.htm

Source: EAAE Newsletter 57

International Conference on 'The Future of the Mediterranean Rural Environment: Prospects for Sustainable Land Use and Management, Menemen, Turkey, May 8-11 2000

The Mediterranean environment is one of the particularly fragile environments of the world. Its natural and managed ecosystems are experiencing major changes from a range of economic, political, technological and environmental acting forces. Rural areas, that comprise a substantial part of the region, are subject to pressures of water shortage, land degradation in its several forms, loss of biodiversity, expansion of the urban environment, falling commodities and depopulation. It is timely that these changes be considered in the light of future sustainable development of the region and a scientific basis for policy clearly determined. The Conference will examine the economic, social, physical and technological context of the problems of the Mediterranean rural area. It will bring together into one forum, socio-economic experts of the region, biophysical researchers in the fields of soil and water, agriculture, forestry, biodiversity, waste management and peri-urban development and policy makers for a full and informed discussion of the problems of the Mediterranean rural areas and their future sustainable development. A series of Recommendations will be developed from the Conference and available for discussion at a political and policy level. Above all the Conference will be reviewing the range of problems that face the sustainable development of the Mediterranean, and will assess the ways in which current scientific knowledge and socio-economic expertise can recommend a way forward for addressing the problems and mitigating against them.
It promises to be a lively, interesting and provocative Conference, and one that will provide a forum to demonstrate the value of applying scientific knowledge in a realistic manner for the future better development of the region. Information: Professor Peter Bullock, Cranfield University, Silsoe, Bedford MK45 4DT, U.K. Tel: +44-(0)1525-863000; Fax: +44-(0)1525-863001; E.mail: p.bullock@cranfield.ac.uk

For further details you are invited to visit the home page of Cranfield University at Silsoe: http://www.silsoe.cranfield.ac.uk

Source: EAAE Newsletter 57

International Postgraduate Training Course
'Risk Management in Agriculture - Principles and Applications'
Wageningen (The Netherlands) 19 - 24 June 2000

TARGET GROUP
The course is primarily aimed at: (1) people involved in advising farmers, (2) educators and research workers, (3) policy makers.

COURSE LEADERS and LECTURERS
Prof.. R.B.M. Huirne (Wageningen University and Research Centre, The Netherlands), Prof. J.B. Hardaker and Prof. J.R. Anderson (World Bank, Washington DC, USA)

COURSE FEE
The fee, including full board and lodging, tuition and course material is: NLG 3800.

APPLICATION AND INFORMATION
Brochures or information can be obtained from the International Training Centre PHLO, Wageningen University and Research Centre, P.O. Box 8130, 6700 EW Wageningen, The Netherlands (tel. +31 317 484092/3, telefax +31 317 426547
E-maiL: geralda.fonteijn@secr.phlo.wau.nl
Internet:
http://www.wau.nl/phlo/phloen_main.htm

DEADLINE REGISTRATION
15 March 2000

13th International Congress of Farm Management
Wageningen, The Netherlands, July 8-13, 2001
Feed the World - Please the Consumer - Maintain the Environment

Welcome
It is a great pleasure to invite you to the 13th International Farm Management Congress, to be held in Wageningen, The Netherlands, from July 8-13, 2001.

The theme of the Congress is ‘Feed the World Please the Consumer – Maintain the Environment’., We will explore the discipline of farm management from very diverse and challenging perspectives. The purpose of the Congress is to provide a forum for the presentation of new results in research, development, application, extension and teaching relevant to the profession of farm management.

The Congress aims at bringing together leading researchers, practitioners, advisers and farmers in order to stimulate the co-operation between farm management development and applications in agriculture and related domains (e.g. food supply, consumer demands and environment). Insights into future trends in these rapidly evolving fields will be dealt with.

Congress events and tours offer IFMA members and guests a unique opportunity to get acquainted with colleagues from The Netherlands and other countries. They are also a great opportunity to learn about the diverse nature of agriculture and horticulture in The Netherlands, and neighbouring countries.

The Netherlands is known for its high level of agriculture and horticulture. For many commodities, it is a principal exporter to all over the world. The city of Wageningen, site of the Congress, is the host of Wageningen University and many other research institutes. They are now combined in the Wageningen University and Research-center (Wageningen UR). Wageningen is an old city with a population of about 30 000, situated at the river Rhine in the centre of the Netherlands.

The 2001 program highlights
The 2001 program will include a wide range of international keynote speakers. The program is structured as follows.

Sunday, July 8 Registration and welcome

Monday, July 9
am Plenary sessions ‘Farm management:

am Plenary sessions ‘Farm management:

pm Concurrent sessions of contributed presentations

Tuesday, July 10
Field trips (theme 'Sustainable agricultural production')

Wednesday, July 11
am Plenary sessions 'Farm management: please the consumer'
am Plenary sessions 'Farm management: maintain the environment'
pm Sessions of poster presentations, computer demonstrations and business presentations

Thursday, July 12
Field trips (theme 'The environment of the agricultural enterprise')

Friday, July 13
am Concurrent sessions of contributed presentations
pm Short plenary session 'Farm management: integrating the parts'

Social events in the evening
- Opening reception and buffet
- Dutch experience
- Closing Ceremony and Banquet

Pre and post conference tours
- Grand Dutch Tour (visits to farms and green houses, flower auction Aalsmeer, windmills, lake tour)
- Grand International Tour (visiting touristic sites at The Netherlands, Belgium, Germany)

Accompanying persons program
Several tours and activities will be available for accompanying persons. More details will be provided on our Web page and in the registration package available by early 2001.

Call for papers
We are seeking contributed papers, posters and computer demonstrations for the following themes.
- Farming and supply chains (including transactions costs, food quality and safety, HACCP)
- Information technology applications in farming (including animal recognition, product quality assurance, robotics, automated logistics in glass houses, EDI-applications and the internet, integrated decision support, management information systems, artificial intelligence)
- On-farm risk management (including specialisation versus diversification, open markets and increased price and production risk, environmental risks, catastrophic risks such as droughts and floods, futures markets, insurance)
- Farming in the rural environment (including environmental concerns (manure, emissions, etc.), transformation and planning of rural areas)
- New role for extension and teaching (including shift in demand for extension and education, new tools enable new types of extension and education)

Anyone interested in presenting a paper, poster or computer demonstration should send an abstract describing the content of the presentation (100-200 words) to:
Prof.Dr. Ruud Huirne (Chairman of Program Committee), Department of Economics and Management, Wageningen University, Hollandseweg 1, NL-6706 KN Wageningen, The Netherlands. Tel: +31 317 484065; Fax: +31 317 482745; email: ruud.huirne@alg.abe.wau.nl

Accommodation
The conference will be held in National Sports and Conference Centre Papendal Arnhem, situated about 15 km from Wageningen. Accommodation has been reserved in this Center. Prices range from 100 NLG to 200 NLG pppn.

Registration
Conference registration forms will be available in early 2001. They will be included in the second announcement (beginning of 2001) and they are available on our Website (see below).

More information
Visit our Website at:
http//www.lei.dlo/ifma/default.html
or contact: l.g.j.vanhoren@lei.wag-ur.nl

4. Topics on horticultural economics

Farm results 1999 in the Netherlands
Ir. C.J.A.M. de Bont (red.)
Report 6.00.98, ISBN 90-5242-555-8
Price: NLG 34.-
January 2000

SUMMARY
This report aims to paint a picture of the current income situation in the agricultural and horticultural sector. Besides addressing developments in the sector as a whole, it reports on how different types of business are faring, backing this up with figures. The predictions and estimates of agricultural profits are given in anticipation of the definitive figures in the LEI Farm Accountancy Data Network for the years 1999/200 and 1999 respectively.
The sector is now experiencing a number of problems as a result of low product prices. Production has increased, partly due to favourable growing conditions, and sales are facing strong competition from other countries. Apart from the dioxin affair, which did have negative consequences for livestock farming, the sector has not faced any particular unexpected circumstances this year. This is an improvement on recent years in which first swine fever and then heavy rainfall put a damper on things. These were quite serious problems for many businesses, and the government paid compensation for the losses suffered.
Income for dairy farmers is down on 1998/99, mainly because of a significant fall in the price of milk. There has been little movement in prices for beef cattle and newborn calves. Dairy farms raising pigs as a second source of income have seen almost no improvement on the unprecedented bad results of the preceding financial year. As against falling yields, feed costs are at least somewhat lower. The return per NLG 100 invested has fallen from around NLG 81 to NLG 76, so that a the family income per proprietor has fallen by NLG 13,000 to almost NLG 40,000. The average farmer will save nothing this year, compared with over NLG 15,000 in 1998/99.
Beef farmers will see a further decrease in 1999/2000 from the moderate profits achieved in the last few years. Sheep farmers' profits are being held down this year by poor market prices. The return per ewe will fall by at least NLG 25 despite a somewhat higher ewe premium, reaching its lowest point in the last three years. Veal farmers on the other hand are in a better situation than a few years back, due to higher contract payments.
The blight of low market prices has continued to affect pig farmers' incomes in 1999/2000. Some recovery from the low point of 1998/99 is expected, but this will be limited. The fall in prices still affecting incomes occurred in mid 1998, shortly after the widespread outbreak of swine fever was overcome, allowing the Netherlands to export freely once more. The price recovery so eagerly awaited has still not materialised over a year later, due to high production in the EU. Prices for piglets and pork will be approximately 20 and 15% higher respectively in the financial year 1999/2000 than in 1998/99. A fall in feed prices is hardly a consolation as costs per sow and per pig are even rising. The return on labour per animal is still clearly negative; the loss per sow will be about NLG 165, and NLG 15 per pig. Family income per proprietor will also be a negative figure in 1999/2000. The figure for pig breeding farms will be over NLG 40,000 and for closed businesses, a good NLG 20,000. This means the average business will make a significant loss again this year - an annual figure of almost NLG 100,000 for closed and pig breeding businesses. With such a loss of capital two years running, pig farmers are going to find themselves in significantly worse financial problems.
Egg producers suffered from unprecedented low prices in the summer of 1999 in particular, partly due to the dioxin affair. Despite some recovery since then, prices in 1999/ 2000 are still too low to avoid loss-making production. The return on labour per hen is falling and is now a negative figure of around NLG 3. Family income per proprietor will also be clearly less in 1999/2000, falling by about NLG 50,000 to a negative figure per business of about NLG 75,000. On average, businesses will lose over NLG 150,000 this year.
Poultry farms producing broilers are also facing bad results this year. Prices per bird have fallen about 10% and are too low to give a positive return on labour; the return this year will be a negative figure of NLG 50 per 1,000 kg deliv-

ered. Family income per proprietor will work out at a negative figure of around NLG 30,000, representing a loss of NLG 85,000 per business.
Incomes in arable farming have clearly come under pressure in 1999/2000. Harvests did go well this year - by contrast with 1998, when rainfall was so heavy that a large part of some crops, primarily potatoes, could not be brought in. Favourable growing conditions and higher yields this year have resulted in lower prices for many crops. This applies particularly to potatoes for consumption and for seed, and sugar beet. On average, profits are a long way down this year, with family income per proprietor down to less than half, from NLG 88,000 in 1998/9 to NLG 32,000 in 1999/2000. The drop in incomes in arable farming has mostly affected clay areas. In the fenlands (*Veenkoloniën*), incomes will remain virtually unchanged. The fall in incomes will mean the average arable farming business losing about NLG 30,000, having made savings of NLG 50,000 only last year.
Greenhouse horticulture saw a clear drop in profits in 1999, mostly due to prices being much lower than in 1998 - down by about 9% on average. The drop in prices was partly caused by production increasing by about 1% in the horticultural sector, with the highest production increases and price decreases affecting vegetables. After a number of reasonable to good years, returns over the whole horticultural sector are clearly lower than costs, which have not increased greatly; profitability fell from 101 in 1998 to 92 in 1999. As a result, the average family income per proprietor in greenhouse horticulture is clearly falling. Greenhouse vegetable growers have seen their income fall by NLG 80,000 to around NLG 60,000, and flower growers' incomes have dropped by half, from NLG 130,000 to about NLG 65,000. Pot plant growers have suffered a more modest fall in income from about NLG 120,000 to NLG 90,000. In 1998, clear profits were still being made, averaging over NLG 60,000 for greenhouse horticulture, but with these reduced incomes there will be losses this year. For the greenhouse vegetable and flower growers, these will amount to over NLG 20,000. Pot plant growers will still achieve a profit - on average some NLG 20,000.
Mushroom growers experienced improved profits in 1997 and 1998, but this year they have faced falling incomes. Costs have remained virtually constant, with slightly increased product prices, and the lower incomes are the result of falling production volume. Family income per proprietor has fallen by around NLG 20,000 to some NLG 90,000 and profits per business have fallen by half to about NLG 40,000 per business.
Outdoor vegetable growers had a moderate year in 1998, and in 1999 will find they have achieved the same or slightly improved profits per product. This is due to the profits on sales of winter vegetables. Summer vegetables brought in higher prices than in 1998, and costs have increased slightly. The family income per proprietor will work out at around NLG 75,000. This will allow limited savings in each business.
Bulb cultivation made a recovery in 1997 and 1998, after profits hit a low point in 1996. Profits for the cultivation year 1999 will be about the same as in 1998. Family income per proprietor for 1999 will be between NLG 160,000 and NLG 200,000 and savings per business will then be around NLG 150,000.
Fruit growers will probably find prices disappointing in the 1999/2000 season, except that apples may fetch a little more than last year despite increased production in the Netherlands. Profits will again be moderate to bad. Family income per proprietor will amount to an average of NLG 25,000 to 40,000 in 1999. That will mean the average business saving nothing.
1999 will see significantly lower incomes than last year across the whole agricultural sector. Production has risen by over 4%, primarily by climbing back to more or less normal levels after the partly failed harvest in 1998, particularly in potatoes, sugar beet and flower bulbs. This is offset by a fall in product prices which has generally been quite serious - over 7%. There has been an above average fall in prices not only for potatoes and sugar beet, but also for green vegetables, fruit, flowers, milk, poultry and eggs. The price of pigs is still falling at about 7% each calendar year. Modest price increases are only being seen for grains, and possibly flower bulbs and tree nursery products. The value of production has fallen by about 3% or over NLG 1.3 billion per product across the sector. The sharp fall in milk prices alone has led to a decrease of some NLG 1 billion. The costs of buying in goods and services have fallen by over 1% or over NLG 200 million, primarily as a result of lower feed prices. Net added value in the sector has fallen by about NLG 1 billion per product. The income remain-

ing after overheads (interest, wages, rents) has fallen somewhat less, partly because part of the compensation for rainwater damage has been paid out this year. This income has fallen by about 11% from around NLG 9 billion to NLG 8 billion. The purchasing power of each business has fallen by about 10% on average due to inflation of around 2% and a decrease in the number of businesses of about 3%. This follows a clear drop in 1998. The income level now reached is also clearly the lowest of the last five years. Apart from the exceptionally bad year in 1993, 1999 has produced the most disappointing profit figures in the last ten years.
Comparison with small and medium-sized businesses shows that incomes in agriculture and horticulture have lagged behind in the last few years. Incomes in small and medium-sized businesses have shown almost continuous increase - including about 2% in 1999.

Competitive position of Dutch Mushrooms in Great Brittain
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SUMMARY
The Dutch mushroom industry has a strong competitive position on the market for fresh mushrooms in most countries in Europe but there are large differences. For instance, the Dutch market share in the consumption of fresh mushrooms in Great Britain is about 6 to 7%, in France almost 10%, in Germany 25-30% and in Sweden even more than 50%. To explain these differences, research was carried out on the competitiveness of Dutch mushrooms on the fresh-mushroom market in Great Britain.
The mushroom market in Great Britain is characterised by a high consumption of fresh mushrooms, both pre-packed and loose. Further characteristics are a high penetration and usage. The main outlets are the supermarkets, which buy their mushrooms at specialised combined Irish/British wholesalers/growers, usually at a fixed price and guaranteed quality. The market share of relatively small wholesalers selling to small greengrocers is declining. The origin of these small wholesalers' mushrooms is British, Irish, or Dutch, usually as loose mushrooms. Finally, catering firms demand more and more fresh mushrooms.
The supply of British mushrooms does not meet market demands, resulting in an increased importation of fresh mushrooms in recent years. Mushroom production in Great Britain is characterised by different growing systems and differences in farm size. Cooperation in composting or sales is small. Part of the industry works together with Irish mushroom growers. The importance of supermarkets as outlets for fresh mushrooms is still growing.
The Republic of Ireland has thrown itself into meeting the growing demand for fresh mushrooms in Great Britain. The government promoted the industry by interest subsidies. An important condition for the development of the industry was the availability of labour on small farms for picking mushrooms. The so-called 'satellite system' caused strong relationships between suppliers, growers and traders. Therefore production and logistics where strongly adapted to meet the demands of the British supermarkets. Dutch export to Great Britain is not stable. Whenever prices in other countries are higher, Dutch mushrooms are exported over there. Consequently, British supermarkets do not intend to invest in relationships with Dutch growers or traders. Wholesalers in Great Britain, though, do not have any hesitations, but this market is characterised by short-term relationships. The importance of the wholesale markets is declining.
Dutch traders have no strong relationships with British supermarkets, who have the largest market share in the consumer sales. British growers and Irish/British growers/traders have invested in these relationships. Dutch mushrooms are sold in supermarkets in times of market shortage. As long as the British/Irish combinations function well, chances for Dutch mushrooms are limited.
To increase Dutch export, the following recommendations are made. Some large Dutch mushroom growers might organise their own marketing and could make contracts with British supermarkets. Another opportunity is a joint venture with one or more Irish/British combinations. An important quality guarantee is that a Dutch grower knows he is growing for Britain. The establishment of a distribution centre in Great Britain could also be considered. Finally, cooperation in marketing and promotion is necessary and marketing research could be done

into the possibilities for supplying catering companies.

Danmark-Holland
En analyse af konkurrencevilkårene for

Henrik Bolding Pedersen og
Steffen Møllenberg
Rapport nr. 109
Ministeriet for Fødevarer, Landbrug og Fiskeri

SUMMARY AND CONCLUSIONS

The aim of this report is to find out why Dutch pot plant production expanded in the 1990es while production in Denmark stagnated, and to compare economics of greenhouse production of pot plants and vegetables in the two countries.

An important reason for the increasing production of pot plants in the Netherlands is the fact that profitability, in terms of output as a percentage of costs, was higher for pot plant production than for cut flower and in particular vegetable production. At the same time, the Dutch perceive the European pot plant market as not yet saturated contrary to those of cut flowers and vegetables. This has lead some holdings with cut flowers or vegetables to change to pot plant production, while also a number of new nurseries have started up with pot plants.

Besides changing to pot plants from other types of horticulture, a change has taken place from green pot plants to flowering pot plants, due to a more favourable development of prices of flowering plants compared to green ones. Thus Danish pot plant producers have experienced increased competition in a market in which they are traditionally strong.

In this report, a number of possible explanations of why production has development differently in the two countries have been analysed. Not all 'possible' explanations have proved likely to be explanations for the disparity.

The size of Danish pot plant production and area has been stagnant in the 1990es. Contrary to this, Dutch growers have increased area as well as production and thereby conquered market shares. Areas with greenhouse vegetables as well as pot plants have been constant in the 1990es in Denmark while the number of holdings decreased leading to increasing average size.

The productivity in the Danish pot plant sector rose significantly, one of the reasons being the structural development towards fewer and larger holdings. The economics improved between 1990 and 1996 with rising profits and decreasing debts accompanied by lower interest payments. In 1998 the prices of pot plants went down and so did the profit.

Profitability in the Dutch was poorer than in the Danish pot plant production between 1992 and 1996, partly because of the way product prices development, while it was the other way around in 1990 and 1998. Thus the fact that the production of pot plants increased in the Netherlands in the 1990es was not because of a high profitability, but because of an even lower profitability in vegetable and cut flower production.

Debts were generally lower in Dutch than in Danish nurseries, but since the ratio of debts increased slightly in the Netherlands and simultaneously decreased in Denmark, the difference between the countries became smaller between 1990 and 1997.

The fact that production of pot plants in Denmark did not increase in spite of a rather high profitability was due to cessation of a large number of small holdings with a low profitability, which balanced investments in the remaining nurseries. Investments were relatively low due to the high ratio of debts around 1990 following low incomes in the late 1980es, and when investments started again in the mid-1990es, large subsidies for combined power and heating stations made such investments attractive.

Another reason for the rather low investments in Danish nurseries is a high age of the holder compared to Dutch nurseries. The influence on investments also affects the dynamic of the sector. There are still many small holdings that are likely to crease production when the present owner retires. It should be noted, however, that for holdings larger than 7,500 square metres the average age of the holder has decreased in the 1990es.

Poor economics in the Dutch tomato and cucumber production causes areas to go down, and a change to other types of vegetables such as pepper and eggplants, but also new types of tomatoes, takes place. At the same time, a small percentage each year decides to change to pot plants or cut flowers. Vegetables growers have difficulties because of a saturated market, whereas the Dutch still consider to pot plant market as a growing market.

Within the Dutch pot plant sector the production of flowering plants grows heavily at the expense of green plants which used to be the most important type of pot plants. Flowering plants is the main product in Danish horticulture, so the Dutch have won market shares, particularly in Germany, which is the largest export market for both countries. In Sweden, which is the second Danish market, the Dutch have increased their share, but in absolute value the export of the two countries has increased by the same amount and Denmark still dominates the market.

The prices on pot plants have generally development favourably for the Danish growers compared to the Dutch in the 1990es since the flowering plants did better than the green, which is why Dutch growers changes from green to flowering plants. The price of flowering plants developed almost identically in the two countries. The price of some traditional Danish plant types development more favourably in the Netherlands, which was balanced by the price of the most important plant in Denmark - the pot rose - which increased significantly.

The increasing supply of pot plants from the Netherlands intensifies competition and complicates marketing of Danish pot plants. Among costs, it was found that Dutch growers were favoured by lower energy prices around 1990 compared to Danish growers. The energy rose in the Netherlands and fell in Denmark and in 1997 energy prices were lower in Denmark than in the Netherlands. The price of natural gas per cubic metre is lower in the Netherlands, but the energy content of the gas is higher in Denmark. It is likely that Dutch growers will face further increases in the price of natural gas in the next few years.

Danish growers have been favoured by electricity prices of only half of the Dutch prices, which is the most important reason that the Danes use more growth light.

The most important difference in a single cost item regards the cost of paid labour. Costs are much higher in Denmark than in the Netherlands mostly because of less labour input by the holder and family. The difference has increased because wages rose more in Denmark, and at the same time Dutch growers replaced expensive permanently employed labour with low-paid seasonal labour leading to a rather small increase in average labour cost per hour from DKK 79 to 88 between 1990 and 1997. This, however, lead to a lack of increase in labour productivity, while labour productivity increased in Denmark where labour costs increased from DKK 80 to 107 per hour.

Concerning access to pesticides, it has been found that a few fungicides and insecticides have become illegal in Denmark, but are still allowed in the Netherlands, while also a few pesticides have been approved in the Netherlands while still being considered by the Danish authorities. However, this situation may be temporary since the Dutch authorities expect that a large number of pesticides will become illegal in the next few years.

In general, Danish nurseries pay a higher interest rate on existing debts than Dutch nurseries do. However, there is a risk when lending money to growers who already have high debts and besides, most loans in Denmark have a fixed interest rate while the Dutch interest rates are variable. Furthermore, a large share of the debts of the Danish growers are based on non-convertible bonds with a high interest rate, which were issued years ago when the general interest rate was higher.

When comparing the interest rate of new loans for investments in horticulture, the difference between the countries is insignificant. The interest rate (summer of 1999) of a loan with a variable interest rate is 4.5-5 per cent which is equivalent to a real interest rate of about 0.75 per cent after tax and inflation. In Denmark, however, there is no tradition of loans with a variable interest rate, contrary to the Netherlands. The Dutch have access to risk capital through the so-called *Borgstellingsfonds*, through which the loans are guaranteed by the government. At the same time, *Tante Agaath regeling* offers loans at a low interest rate, particularly to environmental investments. Borgstellingsfonds and *Tante Agaath regeling* are the most important sources of support to Dutch horticulture, which otherwise receives only little government support. Subsidies for saving energy are higher in Denmark, particularly for combined power and heating stations, which are no longer subsidised in the Netherlands. CO_2 catalysts, however, are subsidised only in the Netherlands.

Concerning taxation, depreciation rules are more favourable in Denmark, but in the Netherlands many environmental and energy-saving investments can be depreciated right away or the grower can decide how much to depreciate each year. This helps liquidity. In taxation of income in the Netherlands losses can be deducted form previous as well as future incomes whereas in Denmark losses can only be deducted from future incomes within five years.

The future development of an export oriented pot plant production depends on many other factors than are analysed here. The development of production in the importing countries is crucial for the need of imports. The economy and fashion in consuming countries are also important. The latter makes it important to develop new products and to be constantly in touch with the consumers.

It is difficult to predict how pot plant production will develop in the future. It is expected that the change from vegetable to pot plant production will continue in the Netherlands, in particular because of low costs in production in the south of Europe, which heated Dutch greenhouse vegetable can not compete with. Since the area with greenhouse vegetables in The Netherlands is still about three times as large as that of pot plants this process can continue for many years. On the other hand, new investments are necessary to improve profitability.

A projection of the structural development in Denmark has been calculated for the years until 2005. Particularly because of many small and in many cases not profitable holdings with old owners, the tendency towards fewer and larger holdings is expected to continue. From 1995 to 2005 the number of holdings with pot plants is projected to decrease from 615 to 490 while the average area will increase from 5,100 to 7,250 square metres. The Dutch area with pot plants is expected to increase by about 15 hectares per year to 1,850 hectares in 2005.

For greenhouse vegetables, a total of 110 holdings are projected for 2005 with an average area of 11,000 square metres. In 1995 there were 145 holdings averaging 7,250 square metres each. It is possible that the structural development for vegetable holdings will be even stronger since some large holdings are expected to grow more due to economies of size accompanying use of large amounts of CO_2 in connection with combined power and heating stations. In the Netherlands, areas with tomatoes and cucumbers are expected to fall by 3% per year until 2005.

Danish pot plant growers are in a much better condition now than in 1990 concerning debts and interest payments. Also, holdings that invested in combined power and heating stations will not need investments in heating for some years. On the other hand, there is a need to replace part of the greenhouse area. Market conditions for Danish pot plants and resulting profitability along with interest rates and possibility along with interest rates and possibility to borrow money will be crucial for whether the necessary investments will take place to increase production.

Concerning greenhouse vegetables, the profitability has sometimes been higher and sometimes lower in Denmark compared to the Netherlands. This must be considered in the light of higher product in Denmark. Thus, Danish growers depend very much on the higher price, which is possible because almost all of the production is sold in the domestic market and because the Danes are willing to pay more for Danish than for imported vegetables. Dutch growers may be able to get high prices on their domestic market, but since a large share of the production is exported, growers have to compete with cheap vegetables grown in the Mediterranean Region.

LABELS ON APPLES: WINNERS AND LOSERS

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ABSTRACT
Retailers, in particular the large supermarket chains, are the driving force behind the need for fruit growers in Australia to individually label apples. By labelling apples with either the variety name or a price look-up (PLU) number, check-out staff can identify the variety quickly, price it accordingly and minimise the amount of error made. Such allows retailers to offer consumers a wider choice of varieties. While fruit must be labelled in order to supply the large retail chains, the majority of growers, wholesale market agents, retailers and consumers do not believe that labels are any indication of better quality fruit. Nor is there any indication of labelled apples achieving a price premium, despite the additional costs. The failure of fruit growers to adhere to quality standards, poor post-harvest management, immature fruit and the lack of quality control throughout the distribution channel is responsible for the poor quality of labelled fruit offered for sale in Perth retail stores.

5. Call for information for the Newsletter

After my first call several members were prepared to do some small work for the newsletter.
More correspondents are always welcome. By just sending in an interesting abstract, announcement of a symposium you give an interesting contribution to this newsletter and it costs you hardly any time. Also comments on this renewed Horticultural Economic Newsletter are welcome. With your help we can make this newsletter more worldwide and at a regular basis.

If you are not interested in this newsletter please notify me and we will skip you from the mailing list.

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