

OECD Centres

Germany

Berlin (49-30) 288 8353

Japan

Tokyo (81-3) 5532-0021

Mexico

Mexico (52-55) 5281 3810

United States

Washington (1-202) 785 6323

AUSTRALIA · AUSTRIA · BELGIUM · CANADA · CZECH REPUBLIC · DENMARK · FINLAND · FRANCE · GERMANY · GREECE
HUNGARY · ICELAND · IRELAND · ITALY · JAPAN · KOREA · LUXEMBOURG · MEXICO · NETHERLANDS · NEW ZEALAND
NORWAY · POLAND · PORTUGAL · SLOVAK REPUBLIC · SPAIN · SWEDEN · SWITZERLAND · TURKEY · UNITED KINGDOM · UNITED STATES

PAC/COM/NEWS(2003)1

Paris, 15 January 2003

Most Agricultural Support Fails to Target Farmers Most in Need, Says New OECD Study

A large proportion of government support to agriculture does not go to the farmers who need it most, says a new OECD report. Moreover, such support is inefficient in providing increased income for farmers and distorts production and trade, the study adds.

The report, **Farm Household Incomes in OECD Countries**, will be published in summary form at **11.30 a.m. (10.30 GMT) Friday 17 January 2003. At the same time a news conference outlining the findings will take place at the ICC Messe GmbH, Messagelaende, Halle 6.3, Pressezentrum/Raum B, Berlin, Germany.** It will be presented by Stefan Tangermann, OECD Director for Food Agriculture and Fisheries.

The study shows that because most support is production-based, the bulk of it goes to the larger, often the richer, farms. In the case of support to the market price of a commodity, the study estimates that only 25% of the funding ends up as a net income gain for the farmers.

Farm household incomes are on average close to those of other households, the report adds, but increasingly it is through non-agricultural wages and salaries, investments and social payments that those working in agriculture are able to maintain such income levels. Similarly, although large income disparities remain among farmers, they are being reduced by non-agricultural revenues.

The report, which proposes more efficient and equitable ways for governments to ensure farm households have decent incomes, will be under embargo until 11.30 a.m. (10.30 GMT) Friday 17 January 2003.

To obtain a copy, journalists are invited to contact Nicole Le Vourch in the Media Relations Division [tel: +33 1 45 24 80 88 or nicole.levourch@oecd.org]. For information about the Berlin news conference, contact Herbert Pfeiffer, OECD Berlin Centre [tel: +49 30 2888 3541 or herbert.pfeiffer@oecd.org]. For further information, contact Stephen Di Biasio, OECD Media Relations Division [tel +33 1 45 24 81 03 or stephen.dibiasio@oecd.org].

JT00137697

OECD Media Relations

General Inquiries: Tel. (33) 1 45 24 97 00 - Fax. (33) 1 45 24 80 03/94 37 · **Research & Documentation:** Tel. (33) 1 45 24 80 88/80 89
www.oecd.org/media · **E-mail:** news.contact@oecd.org

Organisation for Economic Co-operation and Development, 2 rue André-Pascal, 75775 Paris Cedex 16, France · Tel. (33) 1 45 24 82 00 - Fax. (33) 1 45 24 85 00
www.oecd.org