



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT
Directorate G. Markets and Observatories
The Director

Brussels,
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MINUTES

Meeting of the ECONOMIC BOARD OF THE EUROPEAN MEAT MARKET OBSERVATORY

Date: 14 June 2019

Chair: Michael Scannell, Director / [REDACTED], Acting Head of Unit / [REDACTED]
[REDACTED] Head of Sector

Delegations present: all stakeholders were present.

1. Approval of the agenda and of the minutes of previous meeting

Agenda and minutes were approved

2. Nature of the meeting

Non-public meeting.

3. List of points discussed

- Beef market situation, including a specific analysis on beef external trade
- Pigmeat market situation
- Market transparency initiative
- Results of the Expert Group on estimation of meat available for consumption

4. Conclusions/recommendations/opinions

For beef and veal, discussions showed that the EU beef market remains in a fragile balance. The postponing of a possible hard Brexit loosens some tension on the markets; however, prices for almost all categories, except for cows, remain under pressure. Reduced production and good trade balance in the first four months of the year did not prove sufficient for prices to catch up after the negative trend registered in the second half of 2018.

An analysis was carried out on possible cross subsidization of out of quota imports by in-quota imports. Out of quota imports are mainly due to the high competitiveness of suppliers on the international markets.

For pigmeat, discussions showed that while there is an optimism in the market after the recovery of the sector, the pig meat processing industry is expressing concerns on the increasing price of raw material.

EU pig meat prices are consistently increasing since the beginning of the year. Production data up to March 2019 show a decrease in pig slaughter. Producer's margins are improving due to strong increase in pig prices and stable production costs.

Despite the good pig meat market situation, African Swine Fever in both the EU and Asia remains a challenge the sector continues to face. Discussion pointed out that any further spreading within the EU could have a severe impact on the sector. The importance of the regionalisation concept has also been highlighted, in particular in relation to China.

While Chinese import demand is growing, volumes remain uncertain as consumers might switch to eating more poultry and beef.

A discussion took place around the expansion of the meat substitute: opinions were expressed in favour of definitions used in the meat sector (*e.g. burger*) to be reserved for meat products, as proposed by the Agricultural Committee of the European Parliament, similar to what happens for dairy terms.

A matter of concern for the Expert Group remains the current evolution of meat consumption patterns in the European Union. In this respect, Eurocommerce provided a presentation on trends in sales of meat products from a retail perspective and UECBV on price development of meat cuts.

On the topic, the Commission reported on the outcome of an ad hoc expert group held on 2 April on the methodology used to estimate meat available for consumption. Further results will be given in the next MMO meeting.

In relation to the market transparency initiative of the Commission, the discussion showed high expectations of primary producers to receive a bigger share of the profits in the food chain. On the other hand, the slaughter, processing and retail sectors expressed concerns with regard to administrative burden and competition.

5. Next steps

The Observatory will keep monitoring the situation and evolution of the beef, veal and pigmeat markets paying particular attention to the challenges that the animal health situation and Brexit pose in the immediate future.

6. Next meeting

The next meeting will take place on 11 October June 2019 (provisional date).

(e-signed)

Michael SCANNELL

List of participants– Minutes

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OBSERVATORY***

Date: 14 June 2019

Organisation	NUMBER OF PERSONS
CEJA	3
CLITRAVI	4
COGECA	4
COPA	4
ECVC	4
EUROCOMMERCE	1
UECBV	4