



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G – Markets and Observatories
The Director

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MINUTES

Meeting of the Expert Group Meat Market Observatory 3 October 2017

THE ECONOMIC BOARD OF THE EUROPEAN MEAT MARKET OBSERVATORY

Chairman: **Jens SCHAPS, Director G**

- 1. Approval of the agenda**
- 2. Nature of the meeting**

The meeting was not public.

- 3. List of points discussed**

1. (9H30) WELCOME
2. (9H35) APPROVAL OF THE AGENDA
3. (9H40) PIGMEAT MARKET SITUATION
4. (10H10) EXCHANGE OF VIEWS
5. (10H50) BEEF MARKET SITUATION
6. (11H20) EXCHANGE OF VIEWS
7. (12H00) RESEARCH STUDY "THE EU CATTLE SECTOR - CHALLENGES AND OPPORTUNITIES": PRESENTATION BY WAGENINGEN UNIVERSITY
8. (13H00) LUNCH BREAK
9. (14H30) CALCULATION AND COMMUNICATION OF MEAT CONSUMPTION IN SWEDEN: PRESENTATION FROM COPA
10. (15H015) BUILDING AN EU PORK CUT PRICES INDEX : PRESENTATION FROM UECBV
11. (16H00) MEAT PRODUCTS ON THE CHINESE MARKET - A MEDIUM TERM POTENTIAL FOR EUROPEAN UNION COMPANIES: PRESENTATION FROM CLITRAVI
12. (16H45) PRESENTATION OF THE COMMISSION'S AGRI-FOOD DATA PORTAL: PIGMEAT
11. (17H30) CLOSING

The exchange of views on the pigmeat and beef and veal market situation was based on factual presentations by DG AGRI.

For pigmeat, the discussions showed that the sector has benefitted from high prices but these have started to decline. Good export performance contributed to the recovery of producers' price and a re-balancing of the market.

Nevertheless, the sector is concerned by its high dependence on exports to China and the forecasted increase in the production. Moreover, on the export markets the competitiveness of the EU sector is declining due to lower prices from other origins. Another source of concern are the risks related to animal health.

CLITRAVI provided a presentation on the medium term potential for EU companies for the export of meat products to the Chinese market.

For beef and veal, discussions showed that the EU beef market is regaining its balance after two difficult years. Despite the improvement of prices, specialised beef producers still suffer financial difficulties due to a low level of income.

Positive aspects are relatively low feed costs and good export performance, with exports of live bovines remaining essential for the internal market balance.

Experts from the Wageningen University presented the results of a study commissioned by the European Parliament on the current structure and prospects of the EU Bovine Meat Sector. The study highlights, amongst others, two main structural characteristics of the sector: the low level of income and the high dependence on CAP support.

A major matter of concern for both sectors is the current evolution of meat consumption patterns. Existing data indicate a significant decline. On this aspect, Eurocommerce provided a presentation on trends in sales of meat products from a retail perspective and an expert from the Swedish Board of Agriculture delivered a presentation on the calculation and communication of meat consumption in Sweden.

Brexit and the impact of possible future FTAs, in particular Mercosur, remain the matters of concern for both sectors as they create most serious uncertainties on the evolution of the respective markets. Experts unanimously pointed to developments in this area as essential in shaping the future of the respective EU sectors.

UECBV provided a presentation on the index developed to monitor prices of pork cuts on a weekly basis.

4. Conclusions

After having benefitted from high prices and very good export performance, the pigmeat market is currently readjusting. The sector warned against the continuing dependence on exports to China while the EU pigmeat production is increasing. At the same time, the EU pigmeat sector's competitiveness is at risk as other big producers (US, CAN, BR) have currently much lower prices. Finally, risks related to animal health (in particular African Swine Fever) remain an issue of concern for the sector.

The EU beef and veal market regained balance, helped by low feed costs and good export performance, while production is slightly reducing.

5. Next steps

Publication of the factual elements of the report on the MMO website.

6. Next meeting

6 March 2018. (to be confirmed)

7. List of participants

Attached.

< e-signed >

Jens Schaps

List of participants– Minutes

Expert Group Meat Market Observatory

3 October 2017

ORGANISATION	NUMBER OF PERSONS
CEJA	4
COGECA	4
COPA	4
CLITRAVI	4
ECVC	2
EUROCOMMERCE	2
UECBV	4
Invited experts	3