

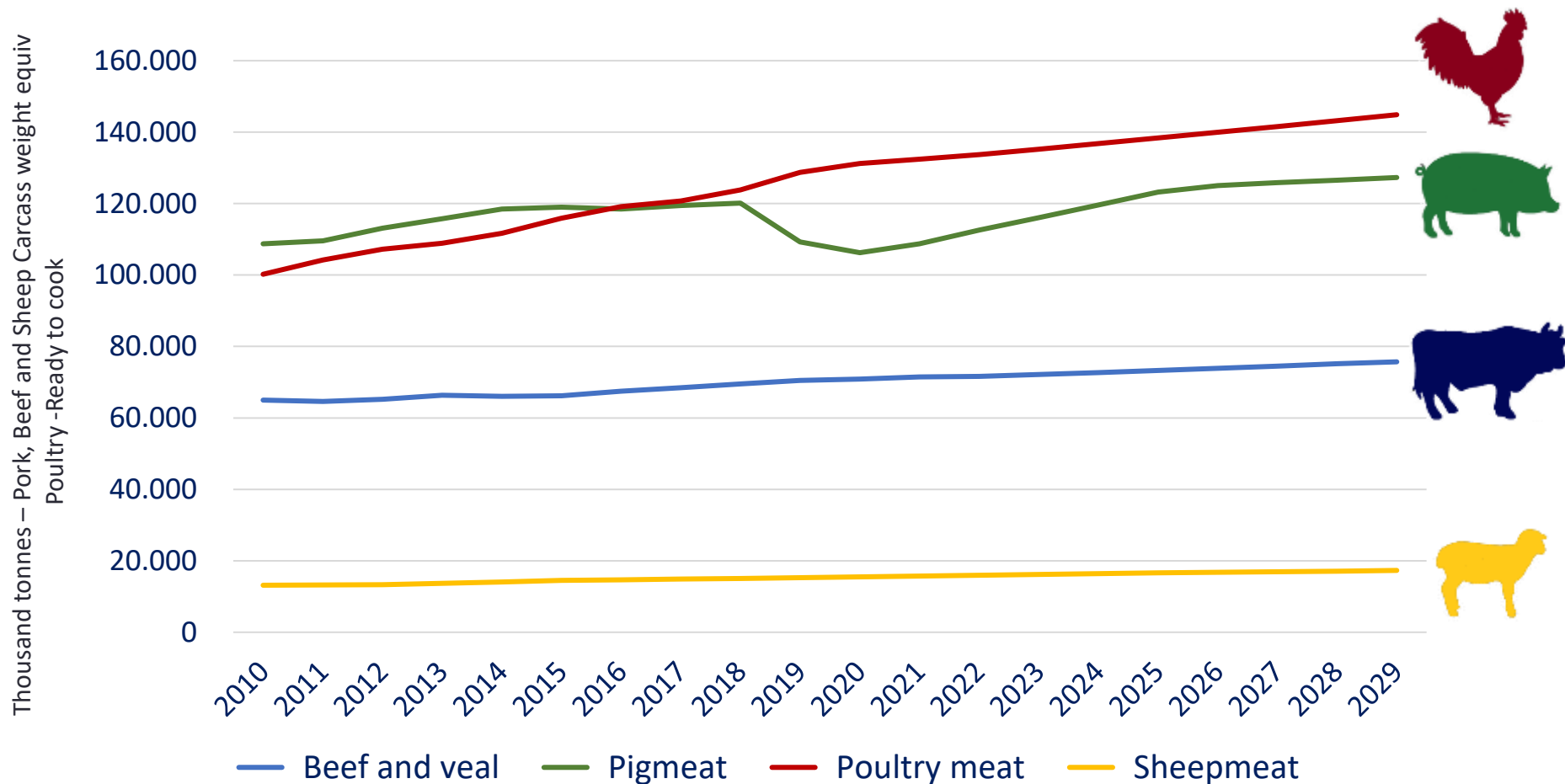


THE MERCOSUR AGREEMENT - IMPACT ON THE EU POULTRY MEAT SECTOR

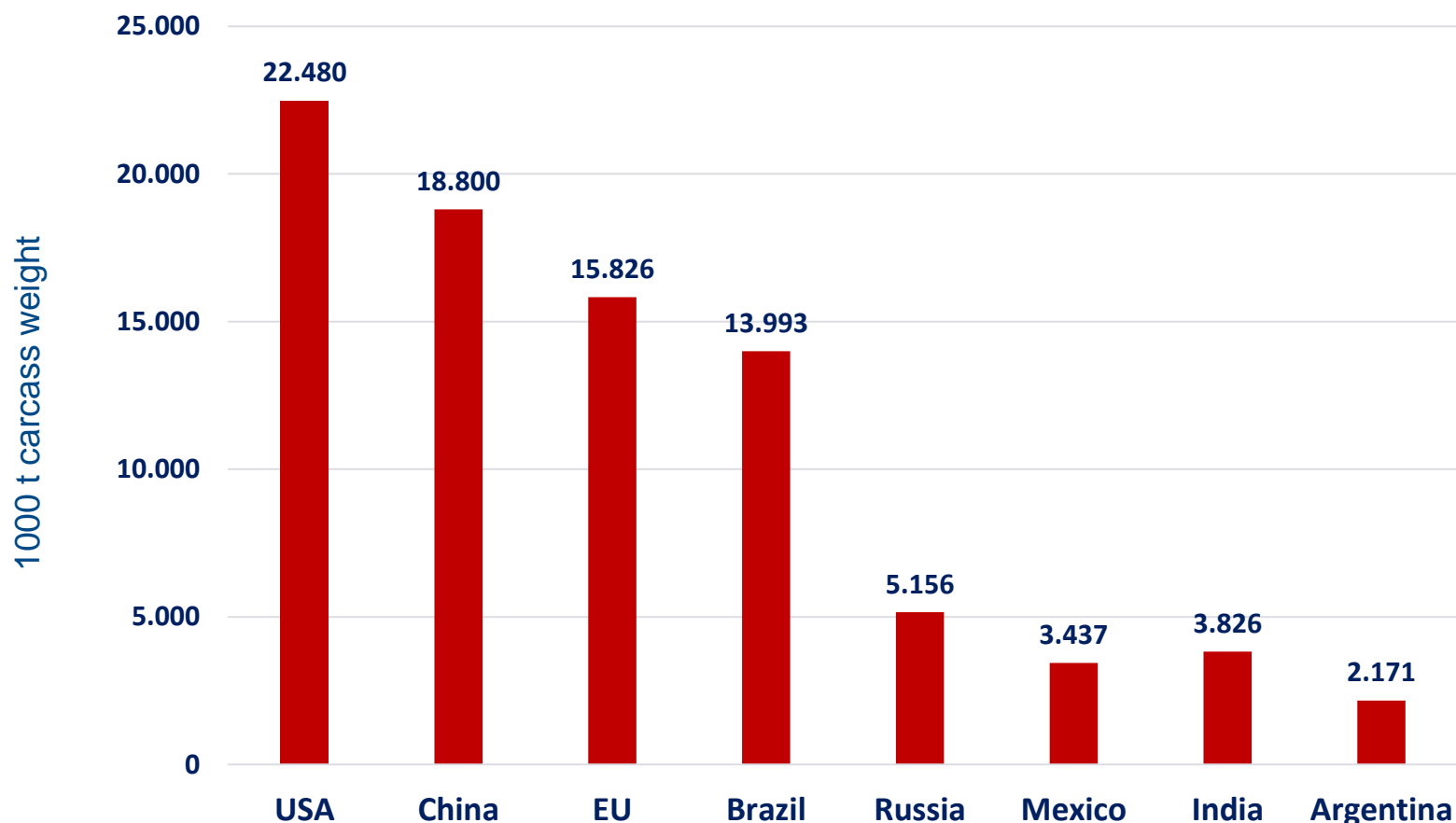
CDG Poultry Meat and Eggs, 17 May 2021

Birthe Steenberg, Secretary General, AVEC

World Meat Consumption Forecast



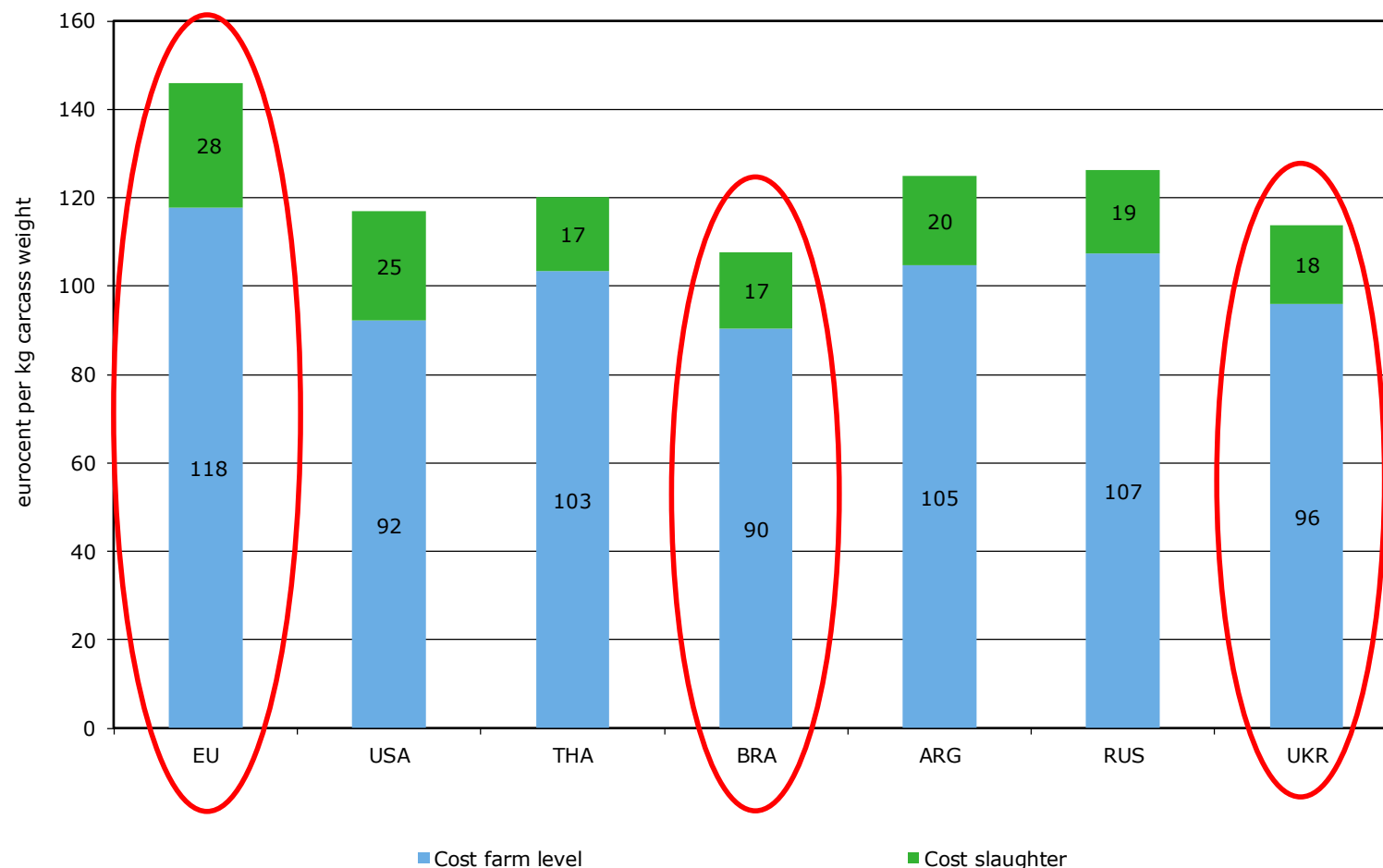
Poultry meat Production 2019



AVEC | The voice of Europe's poultry meat sector

Sources: MEG according to EU Commission, national data, FAO and EUROSTAT.

We are not able to compete on price

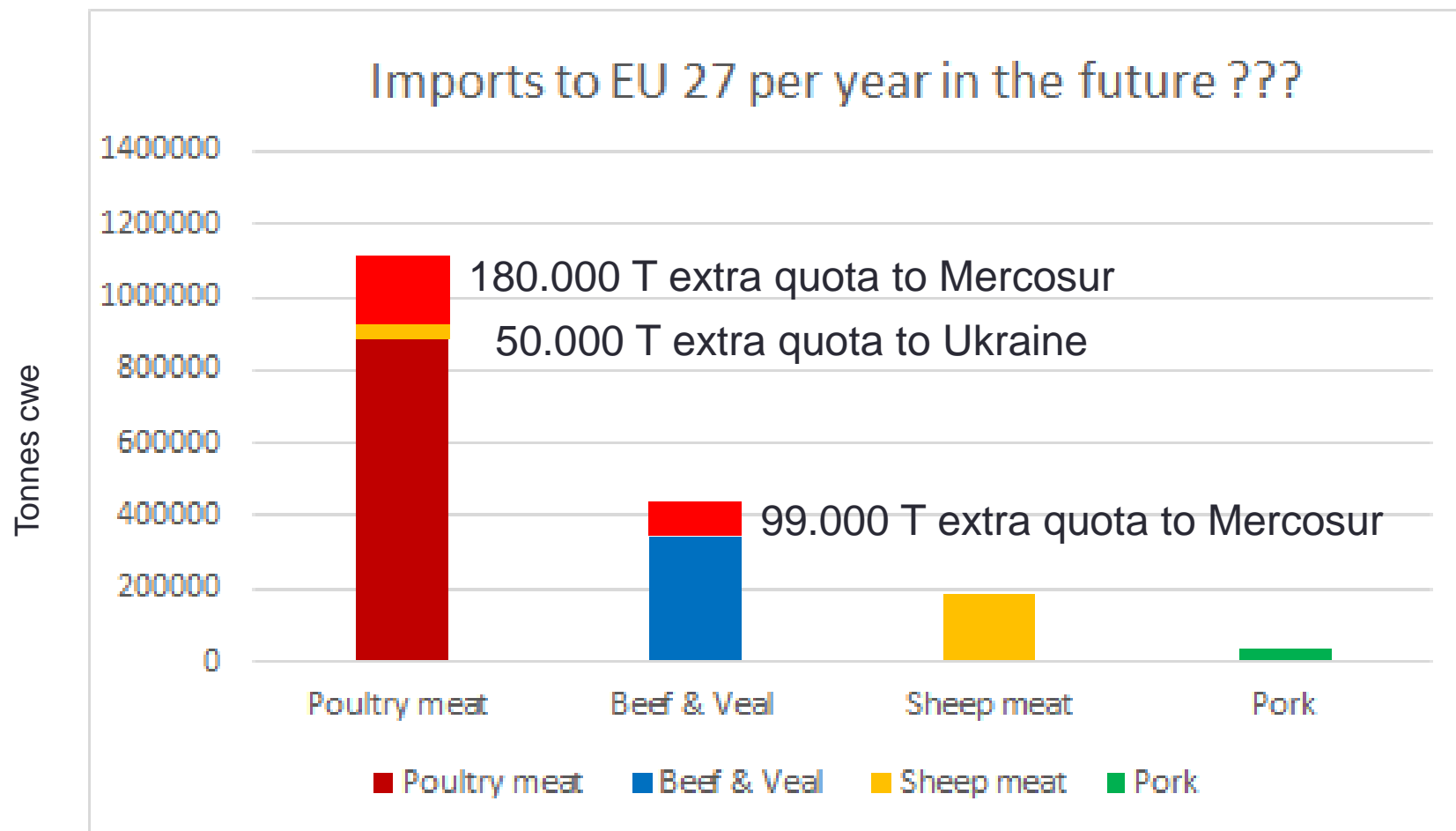


Mercosur negotiations

- COM offered 90.000 additional T to Mercosur against a demand of 200.000 T.
In the very last week of the negotiations, COM finally settled at 180.000 T to conclude the deal
- In addition ... The reform of the TRQ management system will give full control of the TRQs to big Brazilian multinationals



Imports to EU 27 ... in the future ??



180.000 Tonnes ... how much is that?

180.000 Tonnes

- 90.000 Tonnes bone in
- 90.000 Tonnes bone out (= breast fillets)

Assumption

1 slaughtered carcass weighs 1400 g

1 chicken breast fillet weighs 190 g ... so every chicken has 380 g breast

90.000 tonnes bone in equals 64.000.000 chickens

90.000 tonnes bone out equals 236.000.000 chickens*

In total 300.000.000 chickens ... 6 millions a week !

These chickens - if produced in EU –
would total carcass weight of 420.000 Tonnes

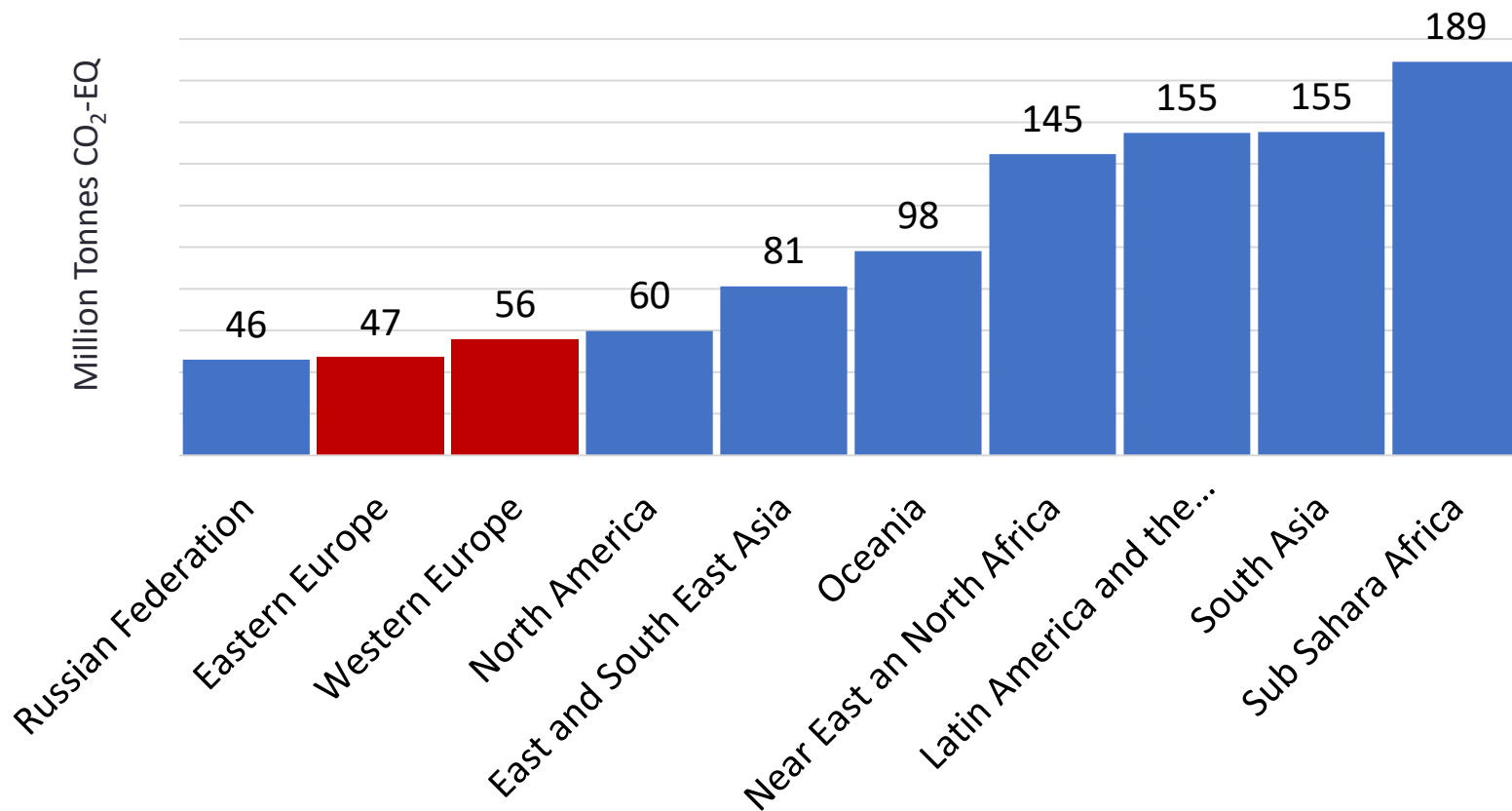
**And this is the same as the chicken production of
Finland + Sweden + Denmark !!!**

* Every time TWO breast fillets are imported to EU - ONE less chicken will be raised in the EU



We produce meat in a efficient and climate smart way in Europe ...

Emission per million tons of produced animal protein



Legislation in third countries (BRA ARG,THA,USA)

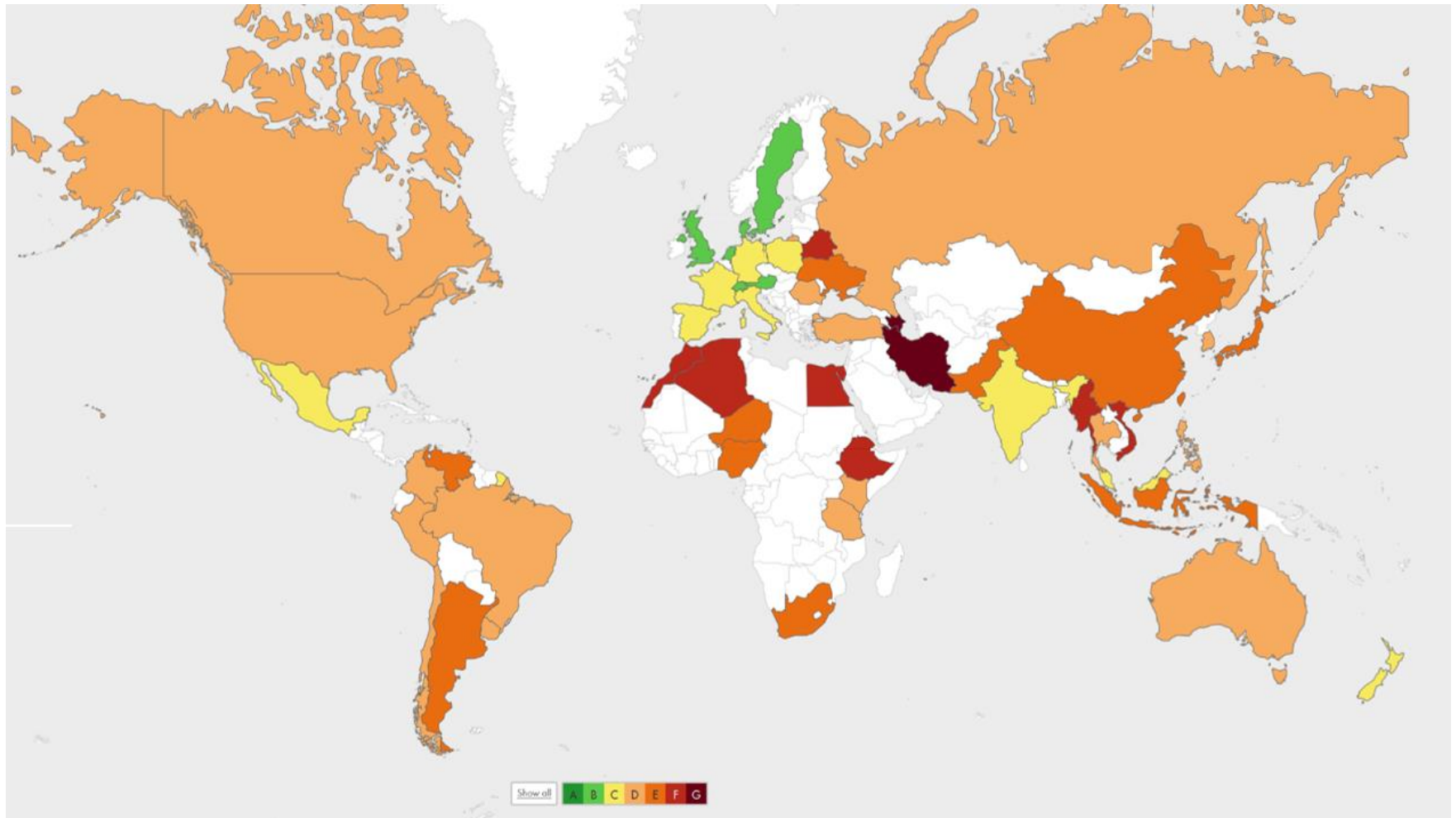
Topic	Political and Societal interest	Regulation in place	Situation in current practice
Environment:			
Manure disposal	Medium	Differs *	Manure revenue
Ammonia emission	Low	No	No measures
Food safety:			
Salmonella	Medium	Differs **	Limited action
Meat and bone meal	Low	No	MBM is used
antibiotics	Differs	Differs **	Common use AGP
GMO	Low	No	All GMOs are used
Animal welfare:			
Stocking density	Low	No	Low densities

Animal Welfare

The Animal Protection Index (API)

Second edition of the API released in 2020

Source: <https://api.worldanimalprotection.org>



Compliance with EU standards

EU COM says

- “By insisting on **full compliance with the EU’s strict sanitary standards**, the Commission is actually improving food safety standards in the Mercosur countries. EU food safety standards are non-negotiable and will be applied rigorously”
- “There is an **illusion that the EU applies lower standards to imports from Mercosur than apply within the EU itself**. This illusion has been created by misinformation and needs to be corrected.”

AVEC | The voice of Europe’s poultry meat sector

The Opinion of AVEC

- There are many examples that different identical standards are not applied to Brazilian imports:
 - Use of PAPs (
 - Use of antibiotics not allowed in the EU, often as growth promoters
 - EU broiler welfare directive and welfare at transport not applicable to Brazilian imports
- Controls are not sufficient (this is not to blame the Commission only): without Carne Fraca = no additional controls = no rejections of thousands of containers not complying with EU rules

What we ask:

If the agreement would be validated...

- New rules will apply to EU producers with F2F-Green deal-biodiversity strategy: if that does not apply to Mercosur countries, credibility on sustainability of EU institutions is at stake
- Deforestation: due diligence has to apply on poultry exports from Brazil
- We need a compensation mechanism where sectors benefiting from the agreement should compensate loss of jobs (in rural areas) sectors harmed by the agreement
- The agreement must not be split or implemented provisionally

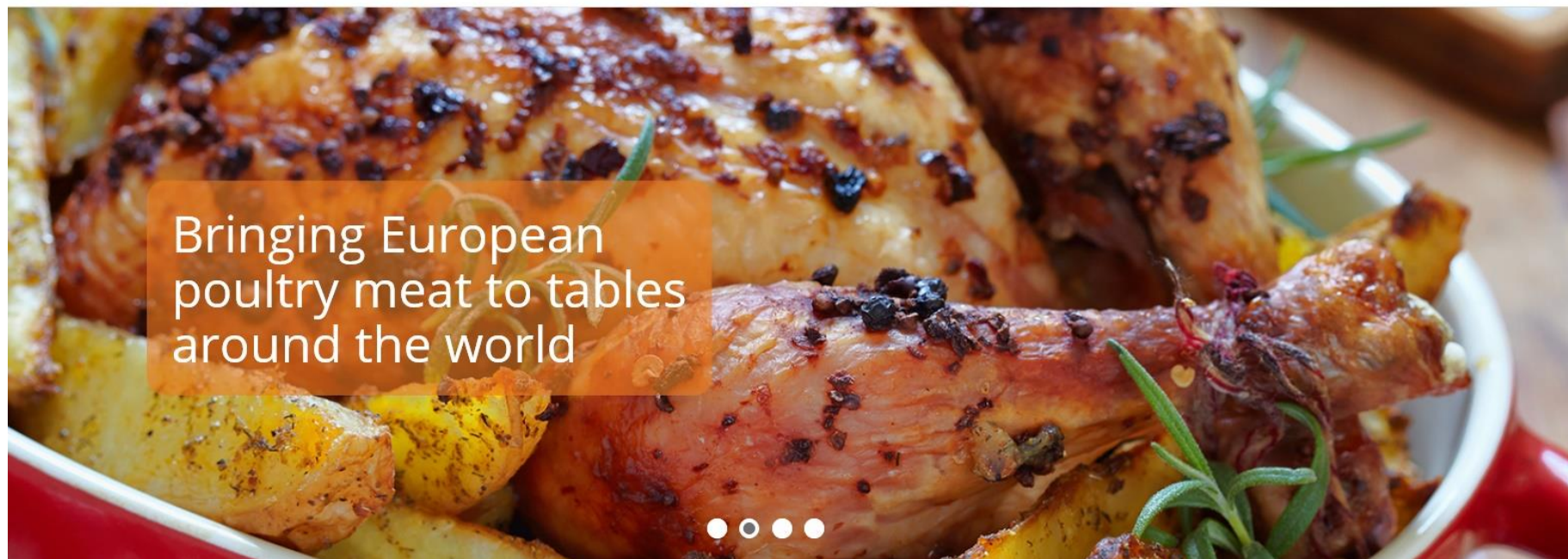
EU Poultry Meat



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Bringing European
poultry meat to tables
around the world

