



Meat MO Economic Board

22 February 2019

- o The ninth meeting of the Economic Board of the Meat Market Observatory (Meat MO) took place on 22 February 2019, with the participation of experts from the various steps in the meat supply chain.
- o The Expert Group based its exchange of views on the beef and veal and pigmeat market situation on factual presentations from the Commission (see Annexes I and II).
- o For beef and veal, discussions showed that the EU beef market remains in a fragile balance. In particular a hard Brexit could have a negative impact.
- o The severe drought of last summer, in certain Member States, had led to some destocking at farm level. The increase in production has put pressure on prices. Moreover, the export performance in 2018 had been slightly weaker than in 2017.
- o For pigmeat, discussions showed that African swine fever remains the main threat for the EU market, while the Chinese import demand, given the extent of the ASF spread, might increase. Nevertheless, volumes remain uncertain as consumers switch to eating more poultry and beef.
- o EU pig prices remained stable end of 2018 and into 2019, on the back of increased production as well as stable exports. Costs of production have slightly increased towards end of 2018, on lower crops and rocketing piglet prices, all these having put a strain on pig fatteners' margins.
- o A matter of concern for the Expert Group remains the current evolution of meat consumption patterns in the European Union. In this respect, Eurocommerce (see Annex III) provided a presentation on trends in sales of meat products from a retail perspective.
- o The Commission presented the latest state of play of the methodology proposed to estimate the bovine and pig production as well as consumption in the EU (see Annex IV). The Commission intends to organise an ad-hoc expert group on 2nd April 2019 to discuss the current methodology developed as regards EU meat consumption.
- o Finally, a representative of INRA made a presentation on beef meat quality: predictions and consumer perceptions (see Annex V).
- o The next meeting of the Meat MO Economic Board will take place on 14 June 2019¹.

¹ Provisional date