



Meat MO Economic Board

24 February 2020

- o The 12th meeting of the Economic Board of the Meat Market Observatory (Meat MO) took place on 24 February 2020, with the participation of experts from the meat supply chain.
- o The Commission's presentations on the beef and pigmeat markets (see Annexes I and II) provided the basis for the exchange of views.
- o For beef and veal, discussions showed that the EU beef market is gradually regaining balance following the price drop of the summer 2019. Moderate production has improved price levels in almost all categories of carcasses and live animals, even if prices remain lower than in 2018. The current and future evolution of internal EU consumption, economic developments around the coronavirus, the Farm to Fork Strategy and Brexit are matters of major concern. Societal concerns linked to climate change are a renewed opportunity to stress the importance of providing actual data on beef production methods.
- o For pigmeat, discussions reflected the good market situation due to the Chinese import demand. While increased exports could have stimulated production expansion, this did not materialise, notably because investments in pig farming face environmental restrictions and societal concerns. Stakeholders also noted that the sector needs a long term strategy for once the Asian production recovers.
- o In the meantime, raw material prices have reached record levels that affect the margin of processing companies, in particular small and medium sized ones, unable to fully pass the price increase of raw materials to the next step in the value chain.
- o A matter of concern for the meat sector remains the current evolution of meat consumption patterns in the EU. In this respect, Eurocommerce provided a presentation on trends in sales of meat products from a retail perspective.
- o While overall meat consumption may not be falling dramatically, consumer choices are likely to be affected by repeated attacks on the meat sector's sustainability, production methods and animal welfare practices. The use of "meat" designations for non-meat products is also influencing consumption choices and having a downward market impact.
- o The Commission informed on the state of play of the implementation of market transparency Regulation (EU) 2019/1746 amending Regulation (EU) 2017/1185 in relation to new notification obligations for meat from 1 January 2021.
- o Finally, the Commission drew attention to an ongoing public consultation on the evaluation of existing EU rules on origin-labelling for fresh, chilled and frozen meat of swine, sheep, goats and poultry.
- o The Meat MO will keep monitoring the situation and evolution of the beef and veal, and pigmeat markets paying particular attention to the challenges that the ASF situation, Brexit and other events of the kind pose for the immediate future.
- o The next meeting of the Meat MO Economic Board is scheduled on 22 June 2020.