



## EU Meat Market Observatory

**26 October 2022**

- o The 20th meeting of the EU Meat Market Observatory (Meat MO) took place on 26 October 2022, with the participation of experts from the meat supply chain.
  - o The EU Meat MO adopted its Rules of Procedure (Annex I), in accordance with the expert group's Terms of Reference<sup>1</sup>.
  - o The exchange of views on the beef, veal and pigmeat market situation was based on the Commission's factual presentations (see Annexes II and III).
  - o For the beef market, the Meat MO highlighted the exceptional high prices situation sustained by decreasing supply, good demand and limited imports. The substantial increase in input costs, in particular for feed and fertilisers, is putting pressure on farmers' margins, in particular in the grain-finished system. Animals are slaughtered at a lower weight due to high costs for proper finishing that makes it difficult to reach the usual final weight.
  - o The availability and prices of most inputs in the coming months and the uncertainty around the effects on consumption of high inflation push farmers to be very prudent in buying cattle for the next year.
  - o The Meat MO also noted that EU imports are gradually coming back to pre-covid levels while exports are decreasing due to high internal prices.
  - o For pigmeat, the EU Meat MO noted that there is a continued decrease in production in the EU, also in the main producing Member States. The experts expect production to further decrease. Pigmeat prices remain at a very high level.
- Nevertheless, participants expressed concerns about rising costs for producers' raw materials, as well as for consumers of meat, in particular pork.
- o On international trade, the Meat MO noted decreased exports to China – though still the main importer - Hong Kong and Vietnam, while demand in other third countries improved. In that respect, agreements to recognize the EU's regionalisation measures to control outbreaks of African Swine Fever are considered essential.
  - o Copa-Cogeca presented its observations on livestock decrease, consumption decrease and export reduction of pigmeat (Annex VI).
  - o A matter of concern for the meat sector remains the evolution of meat consumption patterns in the EU. In this regard, Eurocommerce provided a presentation on trends in sales of meat products from a retail perspective (Annex IV). Sales of meat went down due to food inflation, in addition to a trend towards reducing consumption of animal protein. Consumers also shift to discounters and supermarkets.
  - o UECBV provided an insight on the EU beef market (Annex V.ii) and in particular on decreasing production and consumption, mainly driven by societal concerns, especially in Germany. China's expected production growth and the need to valorise the whole carcass on international markets for a proper remuneration of the EU sector were highlighted. Moreover, UECBV also addressed price developments of meat cuts focusing on pork (Annex V.i)
  - o The next meeting of the EU Meat MO is scheduled for 2 March 2023 (tbc).

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<sup>1</sup> [Register of Commission expert groups and other similar entities \(europa.eu\)](https://ec.europa.eu/economy_finance/committees/working-groups-expert-groups)