

Brussels,

## **FINAL MINUTES**

### **Meeting of the Civil Dialogue Group ANIMAL PRODUCTS – Poultrymeat and Eggs sector**

**Date: 22 July 2020**

Chair: Lukasz Dominiak

Organisations present: All Organisations were present, except Beelife, BEUC, birdlife, CEJA, EFFAT, EFNCP, EMB, EPHA, EuroCommerce and AnimalHealthEurope.

#### **1. Approval of the agenda**

The agenda was approved. Due to the availability of the speakers, the order of items discussed differed from the initial agenda.

#### **2. Nature of the meeting**

The meeting was non-public. It was held by a videoconference through the Interactio platform.

#### **3. List of points discussed**

##### **1/ Farm to Fork Strategy**

The Farm to Fork Strategy will serve as the work programme for the European Commission in the area of food until 2024 with four overall goals: reducing the environmental and climate footprint of the food system, leading a global transition towards competitive sustainability, embracing new opportunities and creating a robust and resilient food system. The sustainable system will be established along 3 main axes: neutral or positive environmental impact, ensuring food security and public health, and preserving the affordability of food. The 4 aspirational targets set for 2030 include: halving the use and risk from chemical pesticides; halving nutrient losses while ensuring the reduction of the use of fertiliser by 20%; halving the sales of antimicrobials for farmed animals; achieving at least 25% of the EU's agricultural land under organic farming.

In order to ensure sustainable food production, recommendations will be adopted to each Member State on the nine specific objectives of the Common Agricultural Policy (CAP) to be included in their Strategic Plans. Other actions include revision of the Sustainable Use of Pesticides Directive, revision of existing animal welfare legislation, and the revision of feed additives regulation. A shift towards healthy, sustainable diets shall be

promoted, among others through the review of the EU promotion programme for agricultural and food products, as well as labelling initiatives, including one for animal welfare. EU-level targets for food waste reduction shall be proposed.

### Discussion

During the discussion, the industry stressed the importance of food security and inquired if the Commission has planned a cumulative risk assessment as part of the Farm to Fork Strategy. DG AGRI assured that food supply is high on the agenda of the Farm to Fork Strategy, and that a cumulative assessment shall be conducted.

With regards to the goal of the reduced sales of antimicrobials, one of the delegates pointed out that the data provided by Member States does not allow to determine if the antimicrobials have been administered to farm or pet animals. DG AGRI confirmed that the Commission is aware of the limitations of the current data collection method. The Commission also confirmed that the goals would be adapted per Member State according to their already attained position (for instance: some MSs already reduced antibiotic use by 70%).

#### 2/ Market situation, including the impact of COVID-19 and imports from Ukraine

##### a) Market situation for poultrymeat

The total EU production of poultrymeat in 2020 is estimated to decline by 2.4% compared to 2019. The decline has been noted across all species, with a decline of 1% for the production of chicken broiler, 3% for turkey and a significant decrease for duck at 22.7%. The general decrease in poultry production has been observed in main EU poultry producing countries. The decline in duck production is driven by FR and HU, where it decreased by 25% and 49% respectively.

The average EU price for broiler increased sharply from the beginning of COVID-19 lockdown due to panic buying. Starting from mid-April 2020, there was a sharp drop, followed by a recovery, however, at the time of the presentation, the price level was still below the levels from 2019, with 184.37 EUR/100 kg. Broiler prices in the US also displayed high volatility and were historically low.

The imports of poultrymeat into EU from third countries, including major sources: Brazil, Thailand and Ukraine, dropped sharply in January–May 2020, compared to the same period of 2019, with the total decline of 21% (18.5% without the UK) in volume. With regards to the imports from Ukraine, duty free imports for “other cuts” stopped in 2020. EU exports of poultrymeat have declined as well, by 17.2% (9.8% without UK) in volume, in January-May 2020, compared to the same period of 2019. There was an increase in exports to some destinations (Philippines, Congo). Exports to South Africa declined from the beginning of 2020, as SA imposed a countrywide import ban on exports from PL. EU poultrymeat trade balance remains positive in terms of volume, as well as value.

##### b) Market situation for eggs

No significant change in the EU production of total eggs is expected in 2020, compared to 2019. A slight increase has been noted among big producers (FR, DE, ES, IT) and a decline in PL and RO in volume, with -7.9% and -6.5% respectively. A slight decline of 0.8% is projected for hatching eggs at the EU level. For the first time in EU history more than half of the laying hens are kept in alternative systems, with 32.5% in barn and

11.8% in free range farming systems. Compared to the poultrymeat sector, the average price for eggs remained strong throughout the COVID-19 crisis.

In January–May 2020, compared to the same period of 2019, the imports of eggs from third countries into the EU (without UK) increased by 41.3% in volume, including an increase of 25.3% from Ukraine, and 11% from the US. Total EU exports of eggs (without UK) declined by 8.3% in volume for the abovementioned period, compared to the same period in 2019. EU egg trade balance remains positive in terms of volume and value.

With regards to EU exports of hatching eggs in Jan-May 2020, there has been a slight decline of 1.5% compared to Jan-May 2019. The impact of COVID-19 and related transport problems is visible in the export of one-day chicks with a decline of 26.3% in Jan-May 2020, compared to the same period of 2019.

### Discussion

The industry pointed out that while the prices of consumption eggs have not been affected, by the COVID-19 crisis strongly impacted the sales of eggs for catering and retail. The Commission representative stressed the fact that the prices notified by the Member States mainly come from packing stations, mirroring about 25% of the egg market.

Stakeholders from one of the animal welfare groups pointed at sometimes weak implementation of animal welfare rules in alternative farming systems.

The industry also presented the view that poultrymeat should be included in the EU meat market observatory. The point was noted by the Commission. The industry additionally signalled the hardships faced by the poultrymeat sector, caused by HPAI outbreaks, and, subsequently, the COVID-19 pandemic. With large stocks of meat throughout Europe, there are fears in the industry that the unfavourable situation for producers might continue until summer 2021.

### 3/ Brexit – state of play

With the United Kingdom's withdrawal from the EU on February 1, the Withdrawal Agreement came into force, opening the transition period ending December 31, 2020. The period allows for negotiations of the future agreement and implementation of the elements of the Withdrawal Agreement. The implementation of the Protocol on Ireland and Northern Ireland included in the agreement is important from the standpoint of agriculture. The two main areas from the agricultural perspective are the products at risk, and the amount of agriculture subsidies for Northern Irish farmers. Discussions are ongoing on defining the products at risk, as well as on the proposal of setting the maximum level of subsidies, and Green Box subsidies.

The European Commission has published a Communication on Readiness at the end of the transition period between the European Union and the United Kingdom (July 9). Additional notices to stakeholders published by the European Commission include: notice on food law (March 13), notice on organic products (March 25), and notice on geographical indications (July 9). An additional notice on TRQs is being prepared.

The negotiations on the future relationship started on March 2, based on a joint Political Declaration. On March 18, a draft text for the agreement on the EU side has been put forward. Negotiations are ongoing, progress is still to be made in important fields. The

negotiations on WTO TRQs are also ongoing. In the EU-UK agreement, EU has proposed a provision to exclude each other's use of the erga omnes TRQs.

### Discussion

Stakeholders from the egg sector voiced a concern over the preparedness of customs services on the UK side, in view of the short shelf life of liquid egg products, and in the context of the SPS and veterinarian certificates-related systems and their readiness to connect to the European system. The Commission has pointed out that the United Kingdom has published a Border Operating Model plan. From January 1, 2021, the EU system for risk management shall be replicated as much as possible on the UK side. The certificates will resemble EU certificates and the checks will take place at the destination point. As of April 2021, there will be a need to pre-notify for animal and plant products. As of July 2021, risk-based checks will be performed at the border.

#### 4/ Promotion and marketing standards

Under the Farm to Fork strategy, in Q4 2020 the European Commission is set to undertake a review of the EU promotion programme for agricultural products. In relation to meat, the review will focus on ways of supporting the most sustainable, carbon efficient methods of livestock production. The Commission will put forward an Action Plan on organic farming that will help Member States stimulating supply and demand for organic products. The approach is aimed at helping to reach the objective of at least 25% of the EU's agricultural land under organic farming by 2030. The first milestone leading to the review of the policy will be the [external evaluation](#), of the implementation of the promotion policy enforced between 2016 and 2019. In addition, an [open public consultation](#) has been launched on May 8 through September 11, 2020. Before the end of 2020, the Commission will produce a report on the implementation of the promotion policy. The proper review will begin in 2021 with impact assessment of policy options, followed by open public consultation. Legislative proposals will be tabled in Q4 2021.

With regards to the revision of marketing standards, the external evaluation has been concluded and was published in April 2020. The [final report, executive summary, quality assessment](#) of the evaluation, as well as the [results of the open public consultation](#), have been made available. Based on these results the Commission services are preparing the staff working document with conclusions and recommendations that should be finalised in Q3 2020. The Annex to the Farm to Fork strategy, contains a proposal for a revision of EU marketing standards for agricultural products, foreseen for 2021-2022. The next step will be impact assessment and public consultation, which should take place at the end of 2020/2021. The main conclusions of the evaluation of EU marketing standards is that they continue to fulfil their role and remain relevant for the stakeholders, with no case for a policy overhaul.

### Discussion

A delegate from one of the animal welfare groups pointed out that the criterion of carbon efficiency might lead to favouring production systems that, according to this delegate, are not sustainable. A more general point of view was advocated by the delegate, with the idea of linking promotion to sustainability and the reduced usage of automated systems.

The industry pointed out that EU is facing a substantial import of poultrymeat from third countries that differs in terms of animal welfare, as well as other standards, from the European meat. Hope was expressed that future promotion programmes will also offer

possibilities to promote European poultrymeat in Europe. The animal welfare NGOs were called by the industry delegate to help in ensuring that Europeans eat European poultrymeat produced in line with animal welfare legislation. The delegate also presented the opinion that organic meat is not necessarily sustainable from the point of carbon footprint.

One animal welfare group additionally presented a suggestion to include in the work programme 2020-2021 a condition that recipients of European money can demonstrate full compliance with EU legislation through independent auditing, and that the promotion programmes should only apply to products that are legal throughout the EU. Introduction of comprehensive labelling, including the method of production, was advocated.

#### 5/ Animal welfare legislation in Ukraine

The draft law on the veterinary medicine and animal welfare had been passed to the Ukrainian parliament Verkhovna Rada. Once adopted, it will enter into force after the signature of the Ukrainian President. The law includes important elements of animal welfare legislation listed in Annex V of the EU-Ukraine Association Agreement.

#### Discussion

The delegates inquired, about the transitional period for the Ukrainian farmers to adopt EU farming standards. The Commission representative explained that the legislation is supposed to be approximated by the end of 2021; the longest transitional period for the implementation of the legislation, communicated by Ukraine, was by 2026.

#### 6/ AOB

No additional issues were raised.

#### **4. Conclusions/recommendations/opinions**

#### **5. Next steps**

#### **6. Next meeting**

The next meeting will tentatively take place on 5 November, 2020.

#### Disclaimer

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."*

#### **7. List of participants – Annex**

List of participants– Minutes

**Civil Dialogue Group ANIMAL PRODUCTS – Poultrymeat and Eggs  
22 July 2020**

| MEMBER ORGANISATION  | NUMBER OF PERSONS |
|--|-------------------|
| AnimalHealthEurope   | --                |
| Beelife  | --                |
| Bureau Européen des Unions des Consommateurs (BEUC)  | --                |
| EuroCommerce   | --                |
| Eurogroup for Animals  | 2                 |
| European agri-cooperatives (COGECA)  | 7                 |
| European Coordination Via Campesina (ECVC)   | 1                 |
| European Council of Young Farmers (CEJA)   | --                |
| European Environmental Bureau (EEB)  | 1                 |
| European farmers (COPA)  | 7                 |
| European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)                    | --                |
| European Forum on Nature Conservation and Pastoralism (EFNCP)                                | --                |
| European Liaison Committee for Agriculture and agri-food trade (CELCAA)                      | 5                 |
| European Public Health Alliance (EPHA)   | --                |
| European Rural Poultry Association (ERPA)  | 1                 |
| FoodDrinkEurope  | 9                 |
| International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group) | 1                 |
| Fédération Européenne pour la santé Animale et la Sécurité Sanitaire (FESASS)                | 1                 |
| Stichting BirdLife Europe (BirdLife Europe)  | --                |
| <b>Total: 35</b>   |                   |