



Meat MO Economic Board

2 October 2018

- o The eighth meeting of the Economic Board of the Meat Market Observatory (Meat MO) took place on 2 October 2018, 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 difficult situation. The severe drought, in certain Member States, of last summer has led farmers, faced with a shortage of fodder, to some destocking.
- o The increase in production in the first half of 2018 is putting pressure on prices and, therefore on margins as production costs have increased.
- o A positive aspect is the good export performance. New market outlets are being open and exports of live bovines remain essential for the internal market balance.
- o For pigmeat, discussions showed that African swine fever (see Annex III) remains a threat for the EU market balance, while the Chinese import demand in the wake of the confirmation of several outbreaks of ASF is expected to increase.
- o For the time being, pig prices remain under pressure both due to an increase in production in the first half of the year, as well as due to a stable level of exports in the same reference period. Furthermore, considering the drought that has affected certain Member States, costs of production are expected to increase in the coming months.
- o UECBV provided a presentation on pigmeat cuts prices and their evolution (see Annex IV).
- o A matter for concern for the Expert Group is the current evolution of meat consumption patterns. Existing data indicate an overall decline. Experts stressed the importance of an appropriate monitoring and study of meat consumption trends. On this aspect, Eurocommerce provided a presentation (see Annex V) on trends in sales of meat products from a retail perspective.
- o The expert group exchanged views on a possible methodology for the estimation of beef and veal and pigmeat production and consumption patterns in the EU (see Annex VI).
- o The Commission also provided a detailed description of the structure and functioning of the meat supply chain in the EU (see Annex VII).
- o The next meeting of the Meat MO Economic Board will take place on 22 February 2018¹.

¹ Provisional date