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**AGRI 388** 

## **NOTE**

From:	General Secretariat of the Council
To:	Delegations
Subject:	The ongoing difficult situation in the pig market

Delegations will find attached a note from the <u>Austrian delegation</u> as supported by the <u>Belgian and Polish delegations</u> on the above subject, concerning an item under "Any other business" at the <u>Council</u> ("Agriculture and Fisheries") on 13 July 2015.

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## The ongoing difficult situation in the pig market

The pig sector is marked by an ongoing difficult situation. Starting point was the ban by the Russian Federation due to the occurrence of the African swine fever at the beginning of 2014, subsequently aggravated by the import ban of the Russian Federation in August 2014. Hopes for a re-opening of the sales market, which is of great significance to the EU, in the near future have been destroyed by the prolongation of the ban, as decided recently.

The price development for the pig market was not satisfactory during the whole year of 2014. For example in Austria the average price for class E was about 7 % below the respective price in 2013. Unfortunately there has not been any improvement in 2015 either. In Belgium the average price in 2014 was 8.2% lower than in 2013 and in the first six months of 2015 the price further decreased by 12%. Alarmingly, severe slumps have been recorded even in a period, where the prices normally reach a seasonal peak.

Austria, Belgium and Poland would therefore ask the Commission for permanent market observation and analysis, for examination of all possible relief measures and for intensification of the negotiations with the Russian Federation regarding the resumption of the export of products which are not included in the list of banned products (e.g. edible offal, bacon).