



Council of the  
European Union

Brussels, 22 January 2018  
(OR. en)

5342/18

AGRI 24  
AGRIORG 7

**NOTE**

---

From: General Secretariat of the Council  
To: Delegations

---

Subject: Situation in the pig meat market  
- Information from the Polish delegation

---

Delegations will find attached in Annex a note from the Polish delegation on the above subject, concerning an item under "Any other business" at the Council ("Agriculture and Fisheries") on 29 January 2018.

### **Situation in the pig meat market**

Since the beginning of September 2017, a decrease in purchase prices of pigs in Poland has been observed. During this time, the average purchase price of pigs decreased by 21%. The currently quoted price is 11.5% lower than a year ago. It is also 5% lower compared to the long-term average. In addition, cereals prices which are higher than last year result in increased production costs. The fall in pigs prices and the increase in feed prices worsen the profitability of pig production.

Polish producers are also affected by results of restrictions connected with the occurrence of African swine fever. They results, among others, from closure of many destinations of pig meat exports outside of the European Union but also from lower prices obtained by producers in the areas affected by restrictions. The highest losses are incurred by those producers who were forced by the current situation to cease the production due to African swine fever, losing by this the source of income for themselves and their families. Taking that into account, Poland requests the aid, from Union and national budget, for pig producers affected by African swine fever.

The analysis of the market situation in the EU indicates that the downward trend is observed in the majority of Member States. The current price situation in the pig meat market, in addition to seasonal factors, is influenced by the increased supply of pig meat in the EU market. One of the reasons is decreased exports from the European Union. In the period January-October 2017, approx. 3.1 million tonnes of pig meat were exported outside the EU, i.e. almost 10% less than in the same period of 2016.

The medium-term predictions of the European Commission indicate that in 2018 the supply of pig meat will increase, which will affect prices on the EU market. The expected increase in pig meat production in the United States in 2018 may be an additional factor affecting negatively the situation on the EU market.

Taking the above into account Poland is of the opinion that the sufficiently fast undertaking of efficient actions by the European Commission is needed to improve situation in the pig meat market, including launching aid for private storage of pig meat and granting financial support for pig producers due to lack of profitability of their production. With a view to have entire package to deal with market surpluses of pig meat, it is important to actively open new markets for Union pig meat. Taking that into account, in the opinion of Poland, export refunds should be also activated.

---