Poultry products Market:
Food safety
and
International trade
Poultry on world market
- World meat market: an overview - 2008
- World poultry meat market
- European poultry market

Food quality, safety problems and their effects on trade
- European food safety law
  - Objectives
  - Institutional aspects
  - The general food law
- European import conditions
  - Principles
  - Importation of poultry products in the European Union
Uncertain sanitary situations (avian flu, Newcastle disease) jeopardize international trade.
World meat market: an overview - 2008

Worldwide Meat Production (278 millions tons)
- Pork meat: 39%
- Poultry meat: 31%
- Bovine meat: 25%
- Sheep meat: 5%

Worldwide Meat Trade (21 millions tons)
- Pork meat: 24%
- Poultry meat: 31%
- Bovine meat: 33%
- Sheep meat: 4%

Most universal meat in the world:
1. Poultry Meat
2. Bovine Meat

Sanitary alerts

Global Meat Exchanges = 8% of global meat production

World meat market

Poultry on world market

Food quality, safety problems and their effects on trade
In 2006:
- Avian flu crisis
  - Drop of demand for poultry

→ Global decline of meat prices – 6%

In 2007:
- Global increase of
  - Meat trade: + 2%
  - Meat prices: + 10%  

BUT:
- Row materials
- Maize, wheat, soya
- Milk Products

Feed Costs: + 35%

Marine freight Costs: + 50%

Pork meat and beef value: ≈

**Poultry value**: + 25%

Sheep meat value:

Partial transposition of rise in costs-of-production on the final product
World poultry meat market

World Consumption

- Slowing of demand growth in 2006 (avian flu)
- Recovery in 2007
  → Consumers’ psychosis disappeared
  → Demand ↑

The Chinese Situation:
- Pork meat = 65% of the total Chinese meat consumption
  → 60% animal feed prices increase
  → sanitary alert: Swine infertility respiratory syndrome
    (Blue-ear disease)
  → Substitution of chicken for pork
  → World Demand ↑↑

TEC: tons carcass equivalent
**International trade**

**International poultry meat trade recovered in 2007!**

**Exportations (1000 tons*)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Brazil</th>
<th>USA</th>
<th>UE (12-25)</th>
<th>Thailand</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
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<td>1989</td>
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<td>3070</td>
<td>2730</td>
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<td>970</td>
<td>320</td>
</tr>
<tr>
<td>1993</td>
<td>+14%</td>
<td>+1%</td>
<td></td>
<td>+1%</td>
<td>+23%</td>
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<tr>
<td>1995</td>
<td>3500</td>
<td>350</td>
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<tr>
<td>1997</td>
<td>+9%</td>
<td></td>
<td></td>
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<tr>
<td>1999</td>
<td>3600</td>
<td>350</td>
<td></td>
<td>1000</td>
<td>1200</td>
</tr>
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<td>1000</td>
<td>1200</td>
</tr>
<tr>
<td>2005</td>
<td>3800</td>
<td>350</td>
<td></td>
<td>1000</td>
<td>1200</td>
</tr>
<tr>
<td>2007</td>
<td>3900</td>
<td>350</td>
<td></td>
<td>1000</td>
<td>1200</td>
</tr>
</tbody>
</table>

**Importations (1000 tons*)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Russia</th>
<th>Middle East</th>
<th>Japan</th>
<th>UE (25)</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>1400</td>
<td>1130</td>
<td>720</td>
<td>740</td>
<td>700</td>
</tr>
<tr>
<td>1989</td>
<td>+0%</td>
<td>+23%</td>
<td>-6%</td>
<td>+10%</td>
<td>+29%</td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>1700</td>
<td>1400</td>
<td>620</td>
<td>780</td>
<td>770</td>
</tr>
</tbody>
</table>

**Principal exporters**

- Brazil: 3,070 (14% increase)
- USA: 2,730 (1% increase)
- UE (25): 970 (1% increase)
- Thailand: 320 (23% increase)
- China: 350 (9% increase)

**Principal importers**

- Russia: 1,400 (0% increase)
- Middle East: 1,130 (23% increase)
- Japan: 720 (-6% decrease)
- UE (25): 740 (10% increase)
- China: 700 (29% increase)

*ready-to-cook meat equivalent*
World Production

A spectacular rise in spite of the persistence of the avian flu

2006: Avian flu crisis

→ Global average growth rate: 1%

2007:

→ End of embargoes (avian flu + Newcastle disease)

→ International trade

Global average growth rate: 3%

Brazil

→ Abundance of animal feed, while feed costs on the international trade market

Average Brazilian growth rate: 15%

Average growth rate 2006-2007

3% 0% 15% 3% 3% 1%

*ready-to-cook meat equivalent
European poultry meat market

- Evolution of demand
  - Drop of demand in Europe (15) in 2006
  - Recovery of the market in 2007

- Evolution of commercial balance
  - Drop of exportations since 2004 (sanitary alerts)
  - Importations overtook exportations in 2007
  - Embargo on european poultry products → exportations ↓

**European consumption of poultry products (1000 TEC)**

- UE(15) New European countries (10-12) TOTAL UE 25/27

**Source:** Office de l'Elevage d'apres Douanes et Eurostat

TEC : tons carcass equivalent

**Food quality, safety problems and their effects on trade**
European trade of poultry products structure: *Rapid evolution*

- Trade of preparations ⇑
- Trade of raw meat ↘

**European importations structure for poultry meat in 2007 (1,092,000 tons)**

- Frozen chicken parts 26%
- In brine and other 28%
- Other 8%
- Frozen whole chicken 26%
- Meat preparations 46%

+15% in 5 yrs

+ Brazil & Thailand

**European importations structure for poultry meat in 2007 (1,092,000 tons)**

- Frozen chicken parts 66%
- Frozen whole chicken 26%
- Other 8%

+20% in 5 yrs

Poultry on world market

World meat market

World poultry market

European poultry

Food quality, safety problems and their effects on trade
Food quality, safety problems and their effects on trade
Food quality, safety problems and their effects on trade

- Lack of sanitary infrastructure
- No tradition of Hygiene
- Pollution
- Risks
  - Suspicion towards Food Products
  - Restriction of international F.P. trade

Reinforcement of the control of food safety at all stages of the production chain in each country
Food safety law in the European Union

Objectives: Consumer’s protection.

Food Safety:
state where food contains no hazard that may harm the health of the consumers in a short-term or a long-term perspective

- Science:
  → chemistry, biology, agronomy, medicine, veterinary medicine, …

- Policy
  → legislation, crisis management plan, predictive measures, …

Top priority of the European Commission
Food safety law in the European Union

Institutional aspects

European Commission
Directorate-General for Health and Consumer Protection
DG SANCO

European Food Safety Authority
EFSA

Risk assessment
- Human food safety
- Animal feed safety
- Animal health and welfare
- Plant health

Risk communication
Independent scientific advice

Constant review of scientific data and studies

Risk management
- Development of legislative actions
- Ensure effective control systems
- Manage international relations

Decision
Regulations /Directives

Science

Policy

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The General Food Law

Assurance of a high level of protection of human health

From Farm to Fork!

Consideration of all stages of the food and the animal feed production chain

Responsibilities are common to all stages of production and distribution!

+ Hygiene during transport!

New emphasis on Animal feed!!!

= Consequence of the Mad Cow Disease

Poultry on world market

Food quality, safety problems and their effects on trade

European food safety law

Objectives

Institutional aspects

The general food

European import conditions

Principles

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Food safety law in the European Union

The General Food law:

**General principles:**

- Responsibilities and Regulation system
- Traceability
- Precautionary principle
- Rapid Alert System
- ...

Poultry on world market

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The General Food law:

**General principles:** Responsibilities and Regulation System

- Washing
- Disinfecting
- Peeling
- Cooking

Adoption of measures that guarantee food safety

**Food Operator**

Good food handling practices
- Compliance with microbiological criteria
- Compliance with temperature controls

National food Safety Authority

Official audits and inspections of the food operators

- Sampling & analysis
- Cold Chain verification

European Commission Food Authority: DG SANCO

Self-Control regulation (HACCP system)
- Identification of critical points on the production chain
- Monitoring procedures at these critical points
- Establishment of procedures to correct eventual critical situations

Effectiveness of the procedures

Veriﬁcation of the effectiveness and the control capacity of the State Members’ Food Authority

Poultry on world market

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Food safety law in the European Union

The General Food law:

**General principles: Traceability**

*An original European Food Handling system*

Constraints on every food business operator:

Identify their sources and customers

- **Records** of where there food material originated and where it went

  One step up and one step down the food chain

- Identification methods and labelling of food or feed
Food safety law in the European Union

The General Food Law:

**General principles**: Precautionary principle

*Used when the possibility of harmful effects on health is identified but scientific uncertainty persists*

→ Adoption of health protection measures

- Proportional
  - to the desired level of protection

- Non-discriminator
  - comparable situations should not be treated differently

- Cost-effective
  - The costs of action must be greater than the costs of non-action

- Temporary
  - Review within a reasonable period of time

**Measures**

- Public information about adverse effects
- Funding new research programs
- Use interdiction of certain products or practices
- Sale interdiction of certain foodstuff

Linked to

- the nature of the risk
- the development of scientific knowledge
  - Clarification of the scientific uncertainty
  - Review of the risk assessment

<table>
<thead>
<tr>
<th>GM's</th>
<th>Irradiation of meat</th>
<th>Beef spinal cord</th>
<th>Veterinary drugs</th>
<th>Pesticides</th>
</tr>
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<td>The general food</td>
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</tbody>
</table>
Food safety law in the European Union

The General Food law:

**General principles:** The Rapid Alert System

- Identification of a serious risk to the:
  - human health,
  - animal health
  - environment

National competent authorities ➔ EFSA ➔ EU Commission ➔ DG SANCO ➔ Emergency measures:

- Suspension of a feed or food from the market
- Interim measures restricting the products marketing or use

Estimates that such a risk cannot be satisfactorily contained by measures taken by the Member States

Special Powers of the Commission

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The General Food law:

General principles: And also ...

- Respect of animal welfare and environment
- Contribution to a fair trade
- Protection of consumer’s interests
  
  Prevention of:
  
  - fraudulent practices
  - adulteration of food
  - any practices which may mislead the consumer

- …
European import conditions

Principles

Obligation for the imported products to fulfill the same high standards as products from the UE Member States

EU = the world’s largest importer of food

Importations from over 200 countries

Harmonization of import rules in all EU countries
European import conditions

Principles

Food safety begins in farm, wherever the food comes from

→ Organisation of inspection missions in the exporting country
  → Inspection of the food safety authority
→ Recognition of the competent authority of the non-EU country
  Ensure credible inspection and control throughout the production chain
  Which covers all relevant aspects of
  - Hygiene
  - Consumer Safety
  - Animal health Status

→ Official European Certification of the third country’s products
European import conditions

Principles

Other European importation policies

→ Fair solution
  • Participation with other countries on drawing up adequate international food safety rules
    → Same high level standards worldwide
    → Easier exportations to the EU

• Supply of technical assistance to help developing countries to meet its own standards

- Reduction of the number of deaths from contaminated food and water

• Campaigns for ‘fair trade’ products

  foodstuffs from producers who have been paid a fair price and which have been handled and processed by workers who receive fair treatment.
European import conditions

Importation of poultry products in the European Union

Requirement for European official authorisation

- European recognition of the third country's competent authority
  - Insurance of effective enforcement of all necessary health and hygiene controls
  - Efficiency of laboratories to diagnose diseases

  Inspected on the spot by the Commission’s Food and Veterinary Office

- Membership of the World Organisation for Animal Health (OIE)
  - Respect of animal health standards
  - Respect of animal welfare standards

- Existence of a residue monitoring system
  - *For veterinary medicines, pesticides, contaminants*
  - Accordance to European requirements
  - Yearly renewed and submitted to the European Commission for approval
European import conditions

Importation of poultry products in the European Union

Only approved establishments may export food products to the European Union

Requirements for approved establishments

- Authorization of the competent authority, after inspection
- Guarantee of hygiene
  - Structure of establishments
  - Equipments
  - Operational processes (slaughter, cutting, storage, handling, …)

Specific requirements for poultry products

- Notification obligation of outbreaks of avian influenza or Newcastle disease within 24 h
  + isolation of the virus and sending to the EU Community Reference Laboratory
- Existence of a salmonella control program
  - Accordance to European requirements
  - Yearly renewed and submitted to the European Commission for approval
**European import conditions**

Importation of poultry products in the European Union

- **European recognition of the third country’s competent Authority**

  - Recognition of establishments

  - European list of approved and establishments

  - Authorisation to import

  - Border inspection
    - documentary check
    - identity check
    - physical check (sampling and analysis)

- **Poultry on world market**

- **Food quality, safety problems and their effects on trade**

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  - The general food law

- **Europe an import conditi**

- **Principles**