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Mr Wolfgang Burtscher  
Director-General  
DG AGRI  
European Commission  
200, rue de la Loi  
B-1000 Brussels

Brussels, 6<sup>th</sup> April 2020**RE: the impact of Covid-19 on the sheep and goats market**

Dear Director-General,

Following the outbreak and spread of Covid-19, Copa-Cogeca would like to share with you their views on its impact on the sheep sector.

Sheep meat is a seasonal product which is being consumed particularly during festivities, mainly Easter period and also Ramadan. Unfortunately, this year, because of the Covid-19 outbreak, the consumption is already severely impacted and the situation at Easter time might be even more difficult. However, this seasonality can't be postponed to another time of the year.

The fact that restaurants and canteens have been closed is having a direct impact on these sectors as a significant part of the consumption is concentrated at that level. Even if there has been a transfer of sheep meat towards retail, it has created an additional pressure at that level as it wasn't fully assimilated nor sold.

The change in consumer behavior, "panic buying" of more easily cooked food and the economic uncertainty have made consumers choose cheaper products and these have not been beneficial to the sectors. At the same time, imported lamb meat is already on the market, creating a competition with the EU lamb. Prices have already seen a decreasing trend at a time when usually they see an ascending trend, also given that EU is not self-sufficient in sheep. The lack of outlets would lead to increased costs due to keeping animals on farm and to a decrease in the value of animals. Lamb meat under quality certification is also particularly affected by this crisis. Live sheep exports are difficult.

Also, a big worry is with people and farmers involved in slaughtering, dairy factories, transport/ people going from one farm to another, as there is not enough special equipment to protect them.

It seems the goat sector is facing the same difficulties at a time when goat milk production is increasing. There have been significant drops in volume sales of goat and sheep cheeses at retail level, and in addition to PDO cheeses, which have been strongly affected, every producer of goat's milk and cheese is today facing severe problems and needs to be heard and helped. Furthermore, milk, cheese and other dairy products export (a major outlet for these products) has drastically fallen down or disappeared. The situation in the goat meat sector is also difficult, especially for young goats, which are slaughtered particularly for festive consumption at Easter. Furthermore, the collection of cull goats is no longer guaranteed, as there is no market for them.

Therefore, given the long-lasting estimated impact, we call on the European Commission, together with the Member States, to rapidly ensure a toolbox of measures for the sector in order to avoid market collapse:

- to ensure the free movement of goods and labour.
- to look into the TRQ management. EU imports of lamb need to be reviewed.
- to examine the activation of the private storage for sheep and goat meat
- to consider the activation of exceptional measures to cover the costs with keeping animals on the farm (a pseudo private storage for live animals) and to put in place a private storage scheme for sheep and goats cheese (either or not under a quality scheme), curd and powder. All these have to be financed outside the CAP.
- to ensure CAP flexibility (on productivity rate and livestock density).
- to facilitate the promotion of EU lamb and goat meat at retail level in order to encourage the consumption of EU lamb.

We would like to thank you for considering our requests.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Pekka Pesonen', with a long horizontal stroke extending to the right.

Pekka Pesonen  
Secretary General

*Copy: Agricultural attachés of Member States*