

CC(20)2540:1 – TS/jg

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

Brussels, 29th April 2020

RE : Impact of the COVID-19 pandemic on the poultry meat and egg sectors

Dear Director-General,

Copa and Cogeca would like to share with you their views on the impact of the COVID-19 pandemic on the poultry meat and egg sectors.

Poultry meat and eggs are two of the main protein sources European consumers are buying from retailers during the crisis. However, there are a number of segments that are suffering due to the closures of some markets.

The loss of the HORECA channel has had a great impact on certain high-quality products such as duck, pigeon, quail, rabbit, guinea fowl and goose. Even though consumers are still buying broiler and turkey meat from retailers, this market has also been impacted. Poultry meat sold in retail does not compensate for the loss of the HORECA channel.

Regarding the egg sector, a similar phenomenon is occurring with egg products, as most of these would normally go to out-of-home food services. At the same time, demand has risen for shell eggs sold in retail, including enriched cage eggs, leading to some shortages. The egg sector has also notified problems with transport for hatching eggs and day-old chicks, as many of them are flown in using passenger aircraft. Moreover, placements in most Member States have decreased.

Producers have also reported a strong decrease and lack of availability of some types of feed, such as organic soy.

In parallel to this, we keep importing great quantities of frozen poultry meat from third countries. The HORECA sector is almost the exclusive outlet for this. Poultry meat is thus piling up and freezers all over the EU are already full, waiting for the confinement measures to be over. This will cause an oversupply crisis from the moment restaurants, hotels and catering open up again, as consumers will not start eating out of home twice as much as they did before the crisis. This will put tremendous pressure on prices.

Given the key role of TRQ management as a strong market management measure, we **would like to request that the European Commission manage the influx of imports in a way that avoids an oversupply crisis.** This is a budget-neutral measure.

Regarding the imports of eggs and egg products, strict compliance by third countries with the aim of the trade agreements already signed is extremely important in order to avoid ever-growing flows and unfair competition.

Combined with this, it would be particularly beneficial to have a private storage scheme available for the sector, as well as different support measures for:

- Production for major (broiler and turkey) and specialised products (duck, pigeon, quail, rabbit, guinea fowl and goose).
- Egg products.
- Maintenance of parent stock for minor species.
- Maintenance of grandparent stock for broilers and turkeys.
- Reintroduction of processed animal protein for non-ruminants.

All of these measures would have to be financed from outside the CAP. We hope that you will give Copa and Cogeca's arguments due consideration. We remain available should you have any further questions or wish to discuss this matter further.

Yours sincerely,

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

Pekka Pesonen
Secretary General

Cc: María Ángeles Benítez Salas, Michael Scannell, Brigitte Misonne.