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### **EU Egg Producers Seek Relief for Free Range Eggs Impacted by AI**

**Report Categories:**

Poultry and Products

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**Report Highlights:**

Farmers union COPA-COGECA joined forces with EU egg packers and retailers to ask the European Commission to take measures for free range egg producers. EU producers of free range eggs are facing considerable financial loss as ongoing veterinary measures against Avian Influenza (AI) will force them to label their production as “barn” eggs instead of “free range”, which engenders forgoing a 15-20 percent price premium. While this doesn’t affect the total market supply of eggs, retail shelves may run out of free range eggs, as up to 80 percent of EU free range production in 12 member states may be affected in coming weeks if the AI measures continue. Free range egg production is about 14 percent of total EU egg production.

## **General Information:**

On January 30, 2017, COPA-COGECA, the umbrella organization of European farmer organizations, together with the European poultry and egg packer organizations AVEC and EUWEP and supported by European retail association Eurocommerce, called upon the European Commission in a [press release](#) to take additional emergency measures for egg producers in member states (MS) that will soon be unable to use the free range label due to ongoing Avian Influenza (AI) outbreaks. [Commission Regulation \(EC\) No 589/2008](#) defines free range eggs as eggs coming from layer hens that have continuous daytime access to the open air, but provides for a derogation which allows free range egg producers to continue using the “free range” marketing label for up to 12 weeks if laying hens are unable to have the required outdoor access for specific reasons like the current poultry confinement measures against AI. Free range egg producers in 12 MS are under such confinement restrictions. [1] The 12-week period for “free range” labeling expired on February 2 for several MS, like Austria, Belgium and The Netherlands. Other MS’s period will expire in the coming days and weeks. About 14 percent of the EU’s egg production is free range eggs.

The agriculture organizations are requesting that the Commission extends the 12-week derogation period, arguing that farmers who may need to instead label their eggs as “barn eggs” will suffer financially, as free range eggs usually carry a premium price over barn eggs of 15-20 percent. At the same time consumers and retailers may face a shortage of “free range” eggs, probably leading to a surge in price. In some MS like the United Kingdom, which imports a significant part of its free range eggs from The Netherlands, more than 50 percent of eggs sold carry the “free range” label.

However, it remains to be seen if the Commission will grant this request as its view is that the rules are not new and that a 12-week derogation is already generous. Furthermore, it argues that further derogations will undermine consumer confidence if they must pay a premium price for eggs that do not meet the specifications. Also, as the situation is different from MS to MS and the majority of MS are not under AI measures, it would lead to market distortion for the genuine free range eggs produced. Because few commercial flocks have been killed because of AI outbreaks this year, there is no egg shortage in the EU market, only a labeling downgrade for the affected farms. Nevertheless, expectations are that concerned farmers will lose several thousand euros per week while this situation continues.

## **Background**

High Pathogenic AI (HPAI) outbreaks have been threatening European poultry production for many years. For example, the HPAI H5N1 epidemic of 2005 eventually became a global pandemic and cost the European poultry billions of euros. In recent years, the HPAI threat has caused little damage as farmers have put in place biosecurity measures and occasional outbreaks in wild birds do not spread to commercial birds. This year’s current AI season in Europe began early as France already faced its first cases in July 2016. However, the threat increased after the first case of AI H5N8 was detected in Hungary on November 4, 2016. The Commission sent out a warning for poultry producers on November 8, urging them to step up vigilance. Several MS followed suit on November 10 by ordering producers to take measures to prevent physical contact between farmed poultry and wild birds, which in most cases resulted in blocking flocks off from the outdoors. As a result, the 12-week grace period provided by Commission Regulation (EC) No 589/2008 for allowing continued “free range” labeling

expired on February 2, 2017.

The measures to protect poultry from physical contact with wild birds do not necessarily mean that all birds must stay inside. Reportedly, up to 80 percent of EU free range egg production may suffer from a labeling downgrade in the coming weeks, but some farmers maintain outdoor access by building large cages or net-covered areas. Also, many flocks that were sequestered after the starting date of the measures have not yet reached the end of their 12-week period. In countries like Germany, the measures affect only some areas within the country.

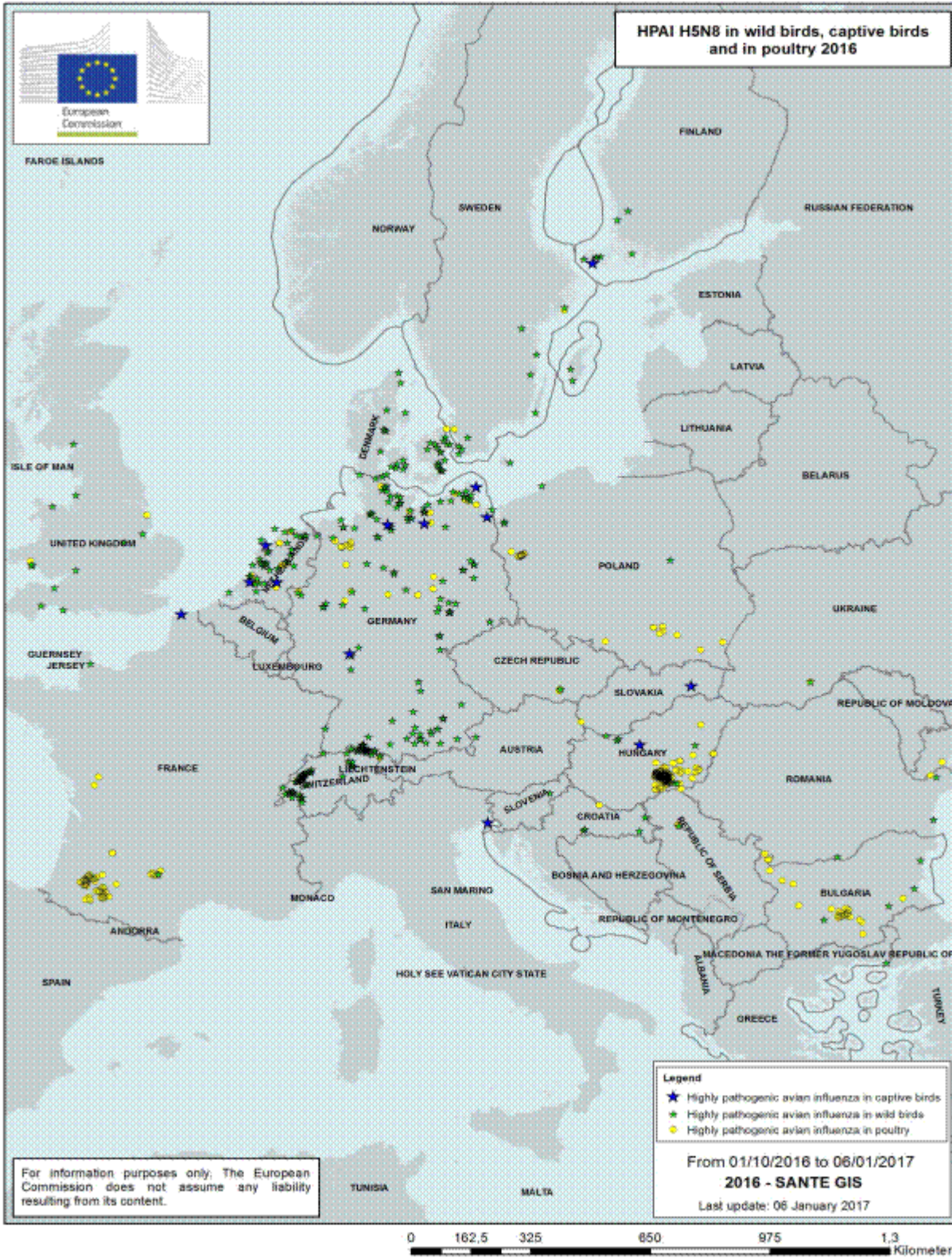
<sup>[1]</sup> Austria, Belgium, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Netherlands, Sweden and United Kingdom

### List of AI Outbreaks in the European Union, Winter 2016/2017

Country	Date First Outbreak	AI Virus Type
Austria	11/10/2016	H5N8
Bulgaria	12/22/2016	H5
Croatia	11/10/2016	H5N8
Czech Republic	1/5/2017	H5N8
Denmark	11/11/2016	H5N8
Finland	11/25/2016	H5N8
France	7/13/2016	H5N1
France	7/11/2016	H5N2
France	11/28/2016	H5N8
Germany	11/10/2016	H5N8
Germany	1/24/2017	H5N5
Greece	12/23/2016	H5N8
Greece	1/27/2017	H5N5
Hungary	11/4/2016	H5N8
Ireland	1/10/2017	H5N8
Italy	12/30/2016	H5N5
Italy	1/11/2017	H5N8
Netherlands	11/11/2016	H5N8
Netherlands	12/15/2016	H5N5
Poland	11/7/2016	H5N8
Portugal	2/1/2017	H5N8
Romania	11/29/2016	H5N8
Slovakia	12/29/2016	H5
Slovenia	1/12/2017	H5N8
Spain	1/11/2017	H5N8
Sweden	11/23/2016	H5N8
Switzerland	11/10/2016	H5N8
United Kingdom	12/17/2016	H5N8

Source: Office International des Epizooties (OIE)

### Location of European AI Outbreaks, Winter 2016/2017



Source:

European Commission

