

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Required Report - public distribution

Date: 9/1/2010

GAIN Report Number: FR9049

EU-27

Poultry and Products Annual

EU-27 Poultry Sector Growth to Slow in 2011

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Report Highlights:

After a 2 percent growth in 2009 and 2010, the EU-27 broiler growth is projected to lessen to less than one percent in 2011, due to rising grain prices. The EU-27 broiler trade surplus is likely to stagnate in 2011 as competitors are expanding production and high feed costs are expected to reduce the margins of poultry farmers. Brazil and Thailand remain the largest suppliers of broiler meat. Poultry meat, the cheapest source of protein, was less affected by the impact of the economic recession. Its consumption growth was less than demographic growth, which indicated a decrease of per capita consumption. EU-27 turkey production is expected to stabilize, as declines in France, the UK, and Hungary are forecast to be outweighed by gains in Germany and Poland.

Executive Summary:

Despite fears that the impact of the global financial crisis could hurt EU-27 poultry production, it now appears that the **EU broiler sector expanded at around 2 percent per year in 2009 and 2010**, benefiting both from rising demand (which was less affected than other meats by the economic recession) and exports. The overall EU-27 2010 production expansion hides differences between countries, such as the UK, France, Italy, Germany, and Poland where production increased, and for other countries, such as Spain and Benelux production declined or stagnated. The rising grain prices in mid 2010 are more likely **to slow the growth of the production to less than one percent in 2011**.

The EU-27 broiler trade surplus is expected to improve in 2010 in light of diminishing imports and growing exports. Brazil and Thailand remain the largest suppliers of broiler meat. Broiler imports are expected to decline slightly because of the weakening Euro against the Real and Baht, as well as the change in the management of the Brazil import quota. The weak Euro is expected to support EU-27 broiler exports in 2010. Moreover, traditional EU-27 export markets such as the Middle East are less impacted by the economic recession. **In 2011, EU exports are forecast to stagnate** as competitors are expanding production and high feed costs are expected to reduce the margins of poultry farmers and the competitiveness of the EU poultry sector.

While all sources show that total meat consumption in the EU-27 has been negatively impacted by the economic recession, **poultry meat, which is the cheapest source of protein, was less affected**. Its consumption growth was less than the demographic one, which indicated a decrease of per capita consumption. In general, consumers switched from beef or pork meat to poultry meat; however, consumers in lower income brackets reduced their protein purchases, favoring products rich in carbohydrates. In the EU-27, sales of cheaper cuts added to the detriment of more expensive parts. **This trend is probable for 2011** in the absence of any economic recovery.

EU-27 turkey production is expected to stabilize in 2010 and 2011, as declines in France, the UK, and Hungary are forecast to be outweighed by gains in Germany and Poland. EU-27 turkey imports in 2010 and 2011 are expected to remain stable under import quota controls. Lower French turkey exports to Africa replaced by stable or increasing German and Dutch exports to Russia should steady the EU-27 export market at a stable level in 2010 and 2011. EU-27 turkey meat consumption is also expected to continue to stabilize in 2010 and 2011.

Regarding policy issues, during the 18 May 2010 EU-27-Latin American Countries Summit, it was decided that negotiations for an EU-Mercosur Free Trade Agreement would begin again. Such an agreement is likely to deeply impact the European poultry sector with a potential 25 percent rise in EU-27 poultry imports. The final implementation date of [Council Directive 2007/43/CE](#) on the protection of broilers was June 30, 2010. This Directive limits the stocking density of birds on broiler to reduce overcrowding. This legislation sets in place other conditions to ensure animal welfare, such as lighting, litter, feeding, and ventilation requirements. The true impact of the Directive on the EU-27 poultry industry's competitiveness has yet to be assessed, but most analysts believe that it could further hamper EU broiler meat exports in the future.

Commodities:

Poultry, Meat, Broiler

Production:

Broiler Production (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
United Kingdom	1220	1300	1300
Benelux	1152	1150	1148
Spain	1101	1080	1065
France	936	960	980
Poland	815	870	920

Despite earlier fears that the impact of the global financial crisis could hurt EU-27 poultry production, it now appears that the EU poultry sector has continued to grow, benefiting both from growing domestic demand (which was less affected than other meats by the economic recession) and exports. Producers also benefited in 2009 and early 2010 from lower grain prices, which increased their competitiveness. The overall EU-27 2010 production increase hides differences between countries such as UK, France, Italy, Germany, and Poland where production increased and other countries such as Spain and Benelux where production declined or stagnated.

As grain prices rise due to short grain crops in 2010 in major producing areas such as Russia, Ukraine, Kazakhstan, and even Germany, they are expected to negatively impact EU-27 poultry production competitiveness in 2011 and force producers to either increase their prices or reduce their margin. It is likely that production growth will slow to less than one percent in 2011.

Growth in **France** is also driven by growing domestic demand and exports as the main third countries export market (namely the Middle East) is less affected by the global economic crunch.

For **Germany**, the hike in production is driven by the following factors: the increase in domestic demand (because poultry meat is perceived as healthier) which is also fueled by the success of the promotion of the D/D/D origin labeling (born/raised/slaughtered). This is an effective incentive for increased slaughter as opposed to imports from neighboring countries. In addition, the top four German poultry processing companies are expanding their slaughter capacity in a quest for higher market share. As a result, self sufficiency for broiler meat increased from 92 percent in 2004 to 99 percent in 2007 and 105 percent in 2009.

Broiler production in **Hungary** increased about 6 percent in 2009 and sales of chicken for slaughter continued to grow in the 1st quarter of 2010. Hungarian producer prices of chicken in early 2010 were 3 percent lower than in the beginning of 2009.

Italian broiler production increased slightly in 2009 thanks to growth in internal demand and to a general input costs decline, particularly for feeds (mainly grains). It, however, led to a production

surplus at the end of 2009, leading broiler meat prices to fall sharply and pushing Italian producers to slow their setting of broiler chicks in the beginning of 2010.

Broiler production in **Poland** is expected to increase by 7 percent in 2010 and 6 percent in 2011, due to high supplies of cheap feed and growing domestic and export demand.

Broiler domestic production in 2009 for **Romania** continued its ascending trend, haven grown by 8 percent. The same pattern is forecast for 2010 and 2011; however, at a lower pace, 2.6 percent, mainly due to the impact of the economic situation and the suspension in 2010 of the per capita subsidy (which covered about 15-20 percent of the production cost) by the Romanian Ministry of Agriculture. Another program was authorized by the European Union for animal welfare compliance, but due to a lack of financial resources, support will be disbursed no earlier than January 2011 to breeders. Additionally, the total procedure for applying is different, as only part of the expenditure for animal welfare will be covered by the Romanian Ministry of Agriculture as opposed to a per head amount disbursed so far.

The resurgence in broiler meat production in the **UK** in 2010 is mainly due to increased domestic demand, due to the economic situation which favors cheaper protein sources such as poultry meat.

Production in **Spain** is declining. Poultry meat is still the second most important meat after pork, in terms of production. It represents about 22 percent of all meat produced. The evolution of the poultry sector is highly conditioned by feed costs and consumer demand. During 2009, feed prices were fairly stable and are expected to remain the same in 2010. Demand for poultry meat was weak during 2009, due to the economic situation and lower consumption.

Benelux broiler production peaked during 2009. Despite the recession, demand remained strong on the EU domestic market, as well as for export markets. In the **Netherlands**, consumption of broilers increased, in particular legs; however, leg prices declined significantly during the last half of 2009. This decline was due to higher supply and lower demand from New Member States (NMS) and in particular Eastern Europe. Due to reduced demand, poultry meat is reportedly being stored. During 2010, production is expected to fall marginally. Demand for fresh and frozen poultry meat remains strong in North-west EU-27, but margins are expected to be pressed by higher feed prices.

A decline in animal production has been the normal trend in the **Czech Republic** in the last decade, and this applies to poultry production. Broiler production is gradually decreasing and imports from Thailand and other Asian countries are replacing domestic supply.

Consumption:

Broiler Consumption (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
United Kingdom	1466	1500	1500
Spain	1124	1097	1085
France	900	923	950
Germany	845	860	870

Italy	705	720	725
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While all sources indicate that total meat consumption in the EU-27 was negatively impacted by the economic recession, poultry meat, which is the cheapest source of protein, was less affected. Its consumption growth is less than the demographic one, showing that, per capita, consumption is decreasing. Several market analyses have shown that while some consumers switched from beef or pork meat to poultry meat, consumers in the lower income brackets reduced their protein purchases, switching to carbohydrate products (i.e., bread, pasta) with the exception of Spain, where pork meat is preferred over poultry meat. Tax hikes on food products implemented in Hungary and Romania are also expected to negatively impact poultry meat consumption, but in line with other food products.

In the EU-27, sales of cheaper cuts increased to the detriment of more expensive parts. In the UK, retailers have reportedly discounted significantly cuts and parts. This trend is foreseen to extend into 2011 in the absence of any economic recovery. In other EU countries, such as Germany and France, the switch to poultry meat is enhanced by the consumers' perception that it is a healthier and leaner meat and more convenient to cook. It is also considered easier to prepare for catering and restaurant dishes than other meats. Data from Italy shows that 64 percent of the broiler consumption is sold in Italy as legs and breasts, 21 percent as processed products (such as stuffed chicken, sausages and wurstel) and 15 percent as whole birds.

Trade:

Broiler Extra EU-27 Imports (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
Benelux	300	303	308
United Kingdom	163	150	150
Germany	78	50	50
Spain	33	31	31
France	28	23	25

Broiler Extra EU-27 Exports (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
France	262	275	280
Benelux	211	205	205
Germany	92	90	90
Poland	45	35	40
United Kingdom	34	50	50

Extra EU-27 Imports:

1000 MT		2006	2007	2008	2009	2010*	Quota reg.
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							(EC) No 616/2007 (July-June MY)
020712	Frozen whole	8	21	17	17	15	
020714	Frozen cuts	272	161	177	166	140	-
16023219	Preparations of chicken meat	240	252	313	320	335	251
02109939	Salted, or in brine	86	217	204	211	190	264
Total		606	652	712	715	680	-

*Forecast

(Source World Trade Atlas)

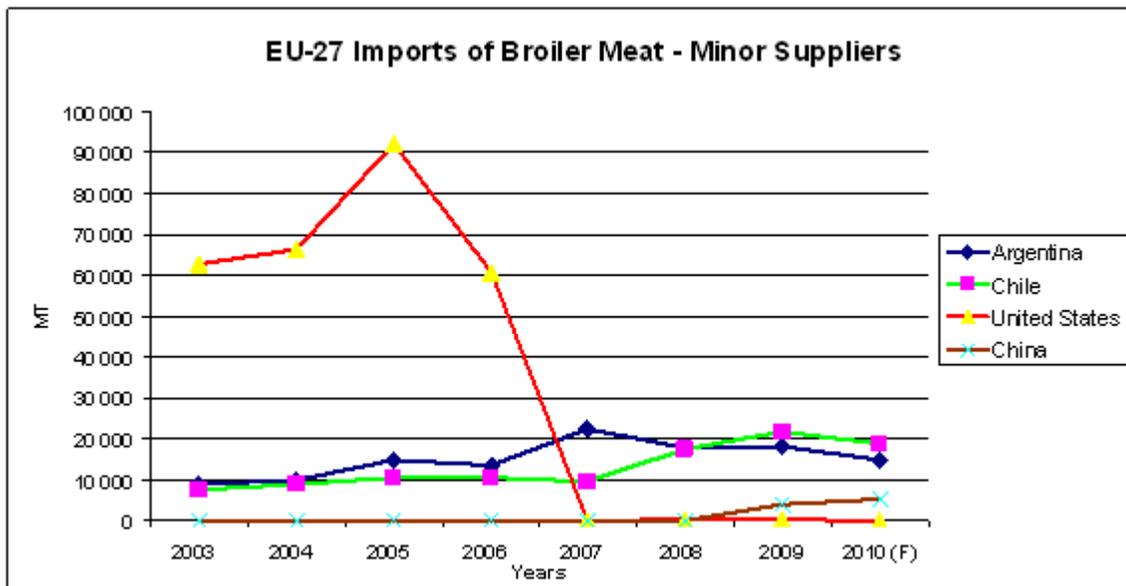
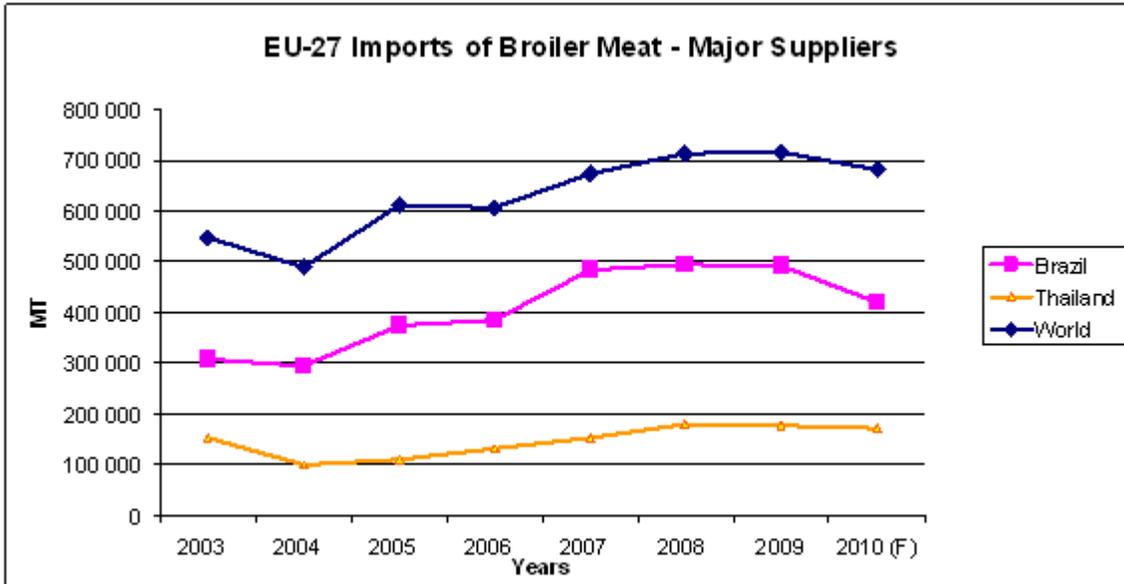
Extra EU-27 Exports:

1000 MT		2006	2007	2008	2009	2010*
020712	Frozen whole	187	217	267	274	300
020713	Fresh/chilled cuts	19	19	16	25	10
020714	Frozen cuts	453	363	421	447	470
0160232	Preparations of chicken meat	26	28	31	31	30
Total		690	628	737	778	810

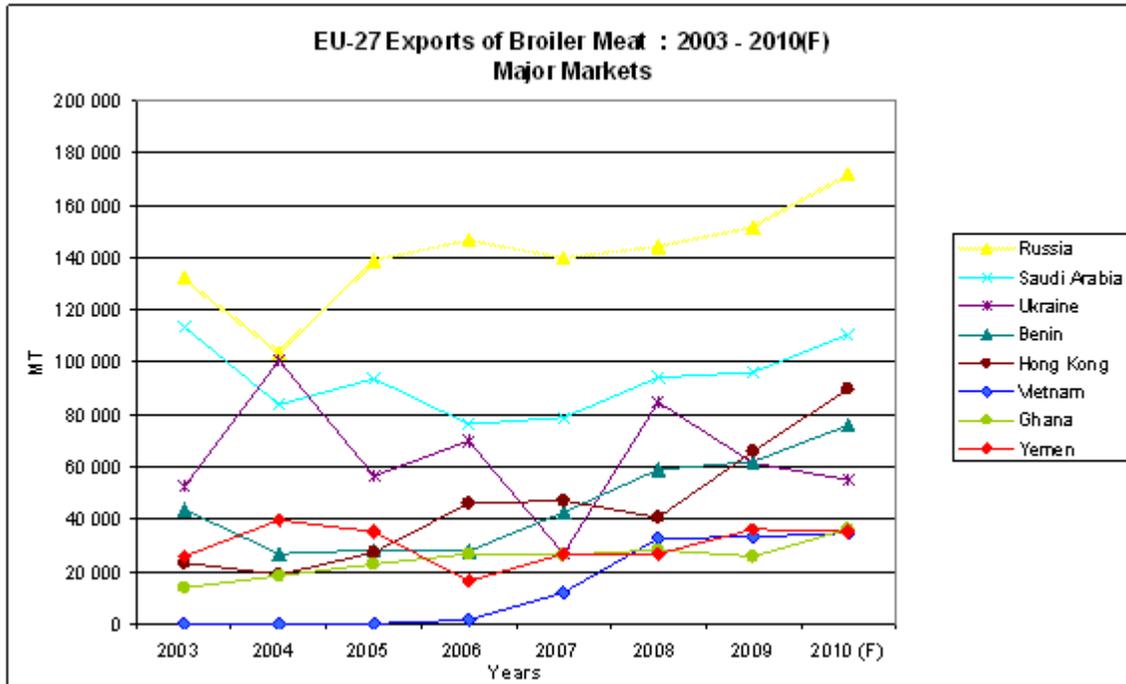
*Forecast

(Source World Trade Atlas)

EU-27 broiler trade surplus is expected to swell in 2010 in light of declining imports and growing exports. Brazil and Thailand remain the principal suppliers of broiler meat to the EU-27, followed by Chile and Argentina. Broiler imports are expected to drop slightly, due to the weakened Euro against the Real and Baht. Additionally, the change in the management of the Brazil import quota, the main supplier of broiler meat to the EU-27, is also another factor. It is estimated that less than 50,000 MT of broiler meat is imported outside the quota. Some importers import outside the quota to build an import volume with a company in order to be eligible to participate in the quota the following year. EU poultry imports could decline because the EU has imposed stringent regulations for fresh poultry - frozen cannot be sold as fresh. EU-27 broiler imports from China (exclusively cooked and prepared broiler meat) are also expected to grow in 2010 and 2011, the first 5 months of 2010 revealed a 37 percent surge in volume over the same period of 2009. The United States, which exported as much as 92,000 MT of broiler meat in 2005 to Romania and Bulgaria, is no longer a supplier to the EU-27 because the EU doesn't accept Pathogen Reduction Treatments.



The aforementioned weak Euro is also expected to support EU-27 broilers exports in 2010. Moreover, traditional French export markets, such as the Middle East, were less impacted by the economic recession, thus keeping demand high. Stable economic situations in the EU-27 export markets helped exporters keep export credit facilities from banks, according to Dutch exporters. EU-27 exports (of frozen cuts) to Greater China are surging at a high pace. Exports of low-priced cuts and mechanically deboned meat (MDM) to Africa are expected to remain stable. EU-27 broiler meat shipments to Russia will rise in 2010, as opportunities mount due to restrictions on U.S. poultry meat outweighing TRQ constraints and the de-listing of EU-27 poultry plants by Russian Veterinary authorities in 2009.



Broiler meat exports are also supported by increased supply. In 2009 and 2010, the strong demand for breasts in the EU-27, led to an elevated production of low-priced parts such as wings and legs, which are exported to non-EU destinations (mainly Africa). During the end of 2009, Dutch exporters reported lower demand from mainly the NMS and Eastern Europe. The Dutch Poultry Board requested export restitutions for legs to Eastern Europe and the Middle East as a result of low demand, and increased supply from Brazil. During the first half of 2010, demand from Eastern Europe remained limited.

Also noted is the Government of Poland effort to open new non-EU-27 export markets for its chicken meat. Recently, Poland signed an agreement with China on recognition of veterinary certification of poultry meat. Poland also applied for eligibility of export of poultry meat to the United States. USDA Food Safety and Inspection Service (FSIS) audit of Poland’s poultry meat plants is expected in late 2010. Positive results of the audit and publication of the final rule by USDA Animal and Plant Health Inspection Service (APHIS) will be the final steps in the process of opening U.S. market for exports of poultry meat from Poland.

In 2011, EU exports are forecast to stagnate as competitors are expanding production and high feed costs are expected to reduce the margins of poultry farmers and the competitiveness of the EU poultry sector.

Production, Supply and Demand Data Statistics:

PSD Table			
Country:	EU27		
Commodity:	Meat, Broiler (1000MT CWE)		
Year	2009	2010	2011

	USDA Official [EU-27]	Posts estimates [EU-27]	USDA Official [EU-27]	Posts estimates [EU-27]	USDA Official [EU-27]	Posts estimates [EU-27]
Beginning Stocks						
Production	8660	8756	8700	8920		9000
Imports	712	715	720	680		700
TOTAL SUPPLY	9372	9471	9420	9600		9700
Exports	783	778	770	810		810
TOTAL Dom. Consumption	8589	8693	8650	8790		8890
Ending Stocks						
TOTAL DISTRIBUTION	9372	9471	9420	9600		9700
Source: EU FAS Offices						

2009 and 2010 production data are adjusted to reflect new/amended data from reporting (and non reporting countries), mainly Italy, Spain and Poland.

Commodities:

Poultry, Meat, Turkey

Production:

Turkey Production (Top 5 EU-27 member states) 1000MT			
	2009	2010	2011
Germany	443	480	490
France	397	375	360
Italy	293	295	295
Poland	220	240	245
United Kingdom	157	150	145

EU-27 turkey production is expected to stabilize in 2010 and 2011, as declines in France, the UK, and Hungary will be outweighed by gains in Germany and Poland. In France, turkey production is not competitive compared to broilers, thus forcing processors to shut down several slaughterhouses for profitability reasons. As for broilers, the German turkey sector is expanding; however, while domestic turkey consumption has gradually increased over recent years, room for further increase seems to be limited. Future production increases will likely displace turkey meat imports or will be exported to either other EU member states or the world market.

It is worthwhile to note that the UK has corrected a historical error in its turkey meat production survey numbers. (Specifically, 2008 turkey meat production previously reported as 135 is revised to

160.) As such, what appears to be a large revision to the 2009 turkey meat production number is, in fact, a statistical change.

Consumption:

Turkey Consumption (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
Germany	464	485	495
France	312	301	296
Italy	249	250	250
Poland	157	161	164
United Kingdom	156	149	144

Turkey meat consumption in the EU-27, overall, is expected to continue to stabilize in 2010 and 2011.

In some countries such as France and the UK, consumers are shifting away from turkey to chicken, which is perceived as tastier and more convenient to use. Processors also prefer to switch to broiler from turkey as processing yields on carcasses are higher.

Trade:

Turkey Extra EU-27 Imports (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
Benelux	55	51	51
Germany	36	50	50
France	9	6	6
Italy	5	5	5
Spain	3	5	5

Turkey Extra EU-27 Exports (Top 5 EU-27 Member States) 1000MT			
	2009	2010	2011
France	36	30	25
Benelux	25	23	23
Germany	17	25	25
Italy	9	10	10
Poland	7	7	7

Imports should remain stable under import quota control. Lower French turkey exports to Africa, replaced by stable or increasing German and Dutch exports to Russia should hold the EU-27 export market.

Production, Supply and Demand Data Statistics:

Country:	EU27					
Commodity:	Meat, Turkey (1000MT CWE)					
Year	2009		2010		2011	
	USDA Official [EU-25]	Posts estimates [EU-27]	USDA Official [EU-25]	Posts estimates [EU-27]	USDA Official [old]	Posts estimates [EU-27]
Beginning Stocks					0	
Production	1820	1795	1815	1795	0	1795
Imports	120	110	120	115	0	115
TOTAL SUPPLY	1940	1905	1935	1910	0	1910
Exports	110	106	105	110	0	105
TOTAL Dom. Consumption	1830	1799	1830	1800	0	1805
Ending Stocks					0	
TOTAL DISTRIBUTION	1940	1905	1935	1910	0	1910
Source: EU FAS Offices						

**Author Defined:
Policy**

Mercosur negotiation

Mercosur was established in 1991 and encompasses Argentina, Brazil, Paraguay, and Uruguay. Venezuela was accepted as a full member in 2006, and is currently in the process of integrating into Mercosur. In 2009, EU-Mercosur trade represented nearly as much as EU-27 trade with the rest of Latin America taken together. Mercosur ranked 8th among EU trading partners, accounting for 2.7 percent of total EU trade in 2009. The EU is Mercosur's first market for its agricultural exports, accounting for 19.8 percent of total EU agricultural imports in 2009.

The EU-Latin American Countries (LAC) Summit, which took place on 18 May 2010 in Madrid, resulted in a decision to re-launch negotiations for an EU-Mercosur Free Trade Agreement, which had been stalled since 2004, due to important divergences related to the trade pillar of the agreement.

Several EU agricultural organizations condemned Europe's decision to reopen trade talks with South America and have expressed concerns about the impact the talks could have on their livestock sectors.

The European farmers union, Copa-Cogeca, has stated that a deal would put further pressure on farmers' incomes and cause an exodus from the sector and from rural areas. The Commission estimates that labor costs in the Mercosur area are only 16 percent of those in the EU-27.

Such an agreement is likely to deeply impact the European poultry sector. The French government has reiterated that the Commission's negotiating mandate with Mercosur should remain within the July 2008 agricultural proposals for the Doha round, and no free-trade agreement with the Mercosur should be concluded before an agreement is reached in the Doha round. French Agricultural Minister Bruno Le Maire has warned other EU agricultural ministers that removing EU import tariffs on agricultural products from Mercosur countries would lead to a 25 percent rise in poultry imports.

Animal welfare

New Animal Welfare Strategy 2011-2015

The EU-27 is working on the follow-up plan of the Community Action Plan 2006-2010. Key elements for the new plan include upgrading animal welfare standards, introducing standardized welfare indicators and promoting animal welfare on the international scene.
(http://ec.europa.eu/food/animal/welfare/actionplan/actionplan_en.htm)

Animal welfare labeling

On October 28, 2009, the EU-27 adopted a report [COM\(2009\) 584](#) [1] on Animal Welfare Labeling. This report will function as the basis for a future animal labeling system as part of the Animal Welfare Strategy 2011-2015.

Animal welfare for broilers

The final implementation date of the [Council Directive 2007/43/CE](#) of 28 June 2007 on the protection of broilers was June 30, 2010. This Directive limits the stocking density of birds on broiler farms to 33 kg/m² and establishes the requirements for derogations that allow in increase of the stocking density to a maximum of 42 kg/m². Despite calls from Member States (MS), particularly Poland, to delay the implementation deadline, the EU-27 has refused. It is arguing that this would lead to market distortions, as most MS have already transposed the Directive into their legislation. The true impact of this legislation on the EU-27 poultry industry's competitiveness is yet to be assessed, but most analysts believe that it could further hamper EU broiler meat exports in the future.

Bulgaria: Directive 2007/43 was transposed in the Bulgarian legislation by the National Veterinary Authority through Order 26/2008 (adopted on August 5, 2008)

http://www.nvms.government.bg/files/26_broileri.pdf with implementation on June 30, 2010.

According to the broiler industry representatives, the commercial farms do comply with the standards provided by the directive.

France: Implemented on July 1st, 2010. It notably establishes rules for producers to raise their density up to 42 kg/m² from the 33 kg per m² norm. Slaughterhouses should report to their local veterinarian offices if they find abnormal mortality rates, carcasses lesions, or diseases on animals brought in for slaughter. The impact on the competitiveness of the French broiler industry is still to be assessed.

Germany: Implemented into national law with the "Forth regulation to amend the farm animal welfare regulation" of Oct 1, 2009, which became effective on October 9, 2009. The requirements in the German regulation are more rigorous than those in the EU directive. The maximum density may not be higher than 39 kg/ m² at any given point in time, even if producers meet the derogation requirements. In addition, if the average weight of the boilers is less than 1600 g, the maximum density may not exceed 35 kg/ m² on average of three production cycles. The regulation is not expected to have a negative impact on the competitiveness of Germany broiler producers, as the industry already adhere to comparable voluntary production standards for the past ten years.

Hungary: The Order 178/2009 of the Ministry of Agriculture and Rural Development (MARD) amending the Order 32/1999 on Animal welfare rules for keeping farm animals, has adopted the EU Council Directive for broilers and other Directives governing other species of farm animal. The practical implementation of the broiler welfare rules goes well, differentiating between the old (existing)

barns and the new investments as allowed by the quoted EU legislation. EU co-funded investment program supported farms to change the technology.

Netherlands: Implementation of the EU broiler welfare directive in Dutch Law has been delayed. Farmers who want to stock up to 42 kg/m² were required to request permission to do so from the Dutch Ministry of Agriculture before June 17, 2010. The Ministry will inspect if these farms apply the additional measurements required for this stocking density. Compliance with the EC legislation will require investments by the Dutch poultry sector. This is not expected to significantly affect Dutch broiler production, as a result of the relatively good financial position the sector compared with, for example, the Dutch swine sector. In Belgium, the EU broiler welfare directive has been implemented in Belgian Law. Farmers who take part in the Belgian sector program Belpume, which are the majority of the Belgian poultry farmers, already applied the measurements required for the maximum stocking density of 42 kg/m². Before the EC legislation was implemented, the average stocking density in the Belgian sector was 45 kg/m².

Romania: Directive 2007/43 was transposed in the Romanian legislation by the National Sanitary-Veterinary Authority through Order 30/2010 (March 2010), with the implementation date June 30, 2010. The regulation allows farmers to increase the density up to 39 kg/sqm and up to 42 kg/sqm, based on the notification and additional documents submitted to the local veterinary authority.

Spain: The directive has been transposed to the national regulation by the Royal Decree 692/2010. The maximum stocking density in Spanish farms is 33 kg/m², however, higher densities are allowed under certain conditions (39 kg/m² and up to 42 kg/m² if stricter requirements are met). This regulation entered into force on June 30, 2010. The large majority of Spanish poultry farms are compliant with the 33 kg/m² limit, so the enforcement regulation will not seriously impact producers.

Sweden: National animal welfare legislation for broilers was already in place before the implementation of 2007/43/EC. While the EU maximum stocking density is 33 kg/m² and 39 kg/m² for producers who also meet the requirements on ventilation and water access, the Swedish maximum levels are 20 kg/m² and 36 kg/m², respectively.

Industry

The **French** company, DOUX, is the largest EU poultry producer by volume (and fifth world producer) with a 2009 turnover of about 1.3 billion Euros. It is operating both in France (40 percent of sales) and in Brazil (60 percent of sales). Doux sold its Spanish subsidiaries and has refocused on broiler meat, selling its Brazilian turkey activities to MARFRIG. DOUX is now processing more than 2 million birds a day. The leader, LDC, purchased in 2008 the number 4, ARRIVE. The two entities have expected sales in excess of 2.3 billion Euros, but produce fewer birds than DOUX. LDC is specialized in free-range “Red Label” poultry.

In **Germany**, the ROTHKOETTER GROUP originally a feed miller, branched out into poultry production in 2003 and is currently the number four in the highly integrated German poultry sector. According to the food journal, *Lebensmittelzeitung*, the poultry section of the group had an annual turnover of 500 million Euro in 2008. Its subsidiary CELLER LAND FRISCHGEFLUEGEL GMBH is planning to construct the ‘largest’ broiler slaughterhouse in Europe in Wietze, in order to capitalize on

the expected further increase in German per capita consumption of broiler meat. The plant is expected to come on line in 2011 and will have a slaughter capacity of 27,000 broilers per hour. According to press reports the plant will source broilers from about 400 broiler producers in the region; however, other sources question if enough broilers will be available. There may be potential problems in getting enough new production plants approved. The project is highly controversial in the region as opponents fear increased traffic and noise levels. The top three poultry companies (PHW GROUP, SPREHE, STOLLE) also expanded their slaughter capacity in recent years but to a lesser extent.

^[1] <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0584:FIN:EN:PDF>

Other EU-27 poultry reports can be accessed at the FAS website:

<http://fasintranetapps-gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx>

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