



EUROPE - NEWS SCAN

EU Demand for Brazilian Beef on the Rise - 2009/02

The price premium for Brazilian-traced cattle eligible for export to the EU has increased steadily in the past number of weeks, reaching a premium of 10% over non-traced cattle. Analysts suggest that the price premium for EU accredited cattle is the result of a steady increase in orders from European importers as beef stocks deplete and the credit situation eases. Analysts further expect Brazilian beef exports to grow throughout the year as the approved number of Brazilian farms increases.

In December 2007, the EU mandated that beef imports from Brazil would only be allowed from a list of approved Brazilian beef operations, beginning January 31 2008, arguing that the measure was necessary given Brazil's failure to address a number of animal health and traceability concerns. The European Union subsequently imposed a ban on Brazilian imports of frozen and fresh beef effective January 31, 2008. However, on February 28, 2008, EU officials announced that raw beef products from 106 approved Brazilian farms would be allowed to export into the European Union. Since then, a total of 816 farms have been approved, roughly a third of all Brazilian farms.

This development is significant for Alberta industry in that it seems to confirm earlier reports that the European Union will increasingly rely on imported beef to meet domestic demand, and that Alberta industry needs to take advantage of the growing opportunity to supply the EU before Brazil – the largest beef exporter to the EU – reestablishes itself in the market.

Source:

"EU demand on Brazil beef rising", February 05, 2009. Meatinternational.com;
<http://www.meatinternational.com/news/eu-demand-on-brazil-beef-rising-id991.html>

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