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Taiwan

On October 15, 2002, in reaction to the outbreak of Newcastle Disease in game bird flocks in the Los Angeles, California area, Taiwan banned the import of most poultry and poultry products, including dry pet food, from California. The ban has an effective date of October 3, 2002. Products originating in California, produced or loaded for shipment on or after October 3 are banned entry into Taiwan. Poultry and products, as well as pet foods, transiting California in sealed containers may be imported into Taiwan.

Source: USDA/FAS

Mexico

Concern is being voiced in Mexico that the agricultural sector is at the border of a collapse due to the increase of imported products, mainly from U.S. origin, and also due to the impossibility of competing with U.S. producers who will receive subsidies for US\$190 million in the next 10 years. Some consider that Mexico is at risk of losing its food sovereignty, and therefore are calling for a moratorium on the tax phase-out on agricultural products.

Due to the high cost of production in Mexico, producers in Mexico will be at a disadvantage with U.S. competitors. Poultry meat costs are 64.8 percent higher than U.S. costs and egg production costs are 21 percent higher in Mexico than the U.S. Therefore, a request has been made to the Mexican government for a safeguard on poultry leg quarter imports.

Current NAFTA tariff for poultry imports are 49.4 percent and 9.5 percent for egg imports. However, for 2003 there will be no tariffs resulting in an anticipated loss of 30,000 jobs directly related to the industry. Poultry producers indicate that the problem is not a lack of efficiency in the industry, but of competitive conditions offered by the country. Mexican producers are wanting more support for feed grain purchasing, long term financing as well as energy and fuel tariffs similar to their competitors.

(Source: Reforma, 10/05/02 and 10/14/02)

Source: USDA

Philippines

The Philippine Department of Agriculture (DA) has announced the imposition of an additional special safeguard (SSG) duty on imports of chicken and chicken parts based on Republic Act 8800, referred to as the Safeguard Measures Act effective immediately. Based on 1986-88 data provided by the Bureau of Customs (BOC) on chicken and chicken part imports, the DA has concluded that the trigger prices of five agricultural products have been breached, such that their actual c.i.f. prices have fallen below the published trigger prices (refer to GAIN RP2067).

Post estimates that the additional SSG duty over and above the out-of-quota duty for whole fresh or chilled chickens effectively increases duties by around 20 percent. For chicken cuts and pieces, the SSG duty would increase duty by about 100 percent. Chicken liver imports would be hit especially hard by the SSG measure, effective duty would be raised by as much as 1800

percent. Other chicken cuts and offals would increase by around 150 percent. For prepared and preserved chicken meat, tariffs would be increased by about 50 percent. Out-of-quota duties for chicken for the current year range from 50 to 60 percent. The majority of US chicken exports to the Philippines fall within the GRP's TRQs for poultry and are thus not affected by this additional SSG. According to the DA, the effectivity of this price-based SSG duty shall lapse with the termination of the reform process in agriculture as established by the WTO Agreement on Agriculture.

Likewise, the DA has imposed an additional duty on "Meat and offal of fowls of the species Gallus domesticus prepared or preserved in airtight containers" since its cumulative volume from January to July 2002 has already exceeded its set trigger volume. The amount of SSG duty to be imposed shall be 15% or one third of the applicable out-of-quota customs duty (Chapter III, rule 23, 1b of RA 8800). The regular out-of-quota duty for preserved chicken meat in airtight containers stands at 50 percent. The duration of this additional SSG duty has been set until the end of the current year only.

1. SSG duties are only estimates computed using average unit price. SSG duties are specific and dependant on the price difference ratio between the c.i.f. import price and the set trigger price (per Section 24 (b) of Chapter III of Republic Act 8800).

Source: USDA/FAS

Saudi Arabia

On September 17, 2002, the Saudi Ministry of Commerce informed the French Embassy in Riyadh that it had lifted the immediate temporary import ban imposed on July 25, 2002 on French poultry and poultry products because of reported contamination by synthetic hormones harmful to humans. The major conditions stipulated that must be met by French exporters are listed below:

1. Hormone Free Certificate: The responsible French government agency issues a health certificate with each poultry meat shipment confirming that the poultry meat was tested and found totally free from any kind of hormones.

2. Chicken Meet Quality Standards: Imported poultry meat & products must meet all existing Saudi Arabian quality standards and specifications including the Halal Slaughtering requirements.

3. Bans on Animal Ruminants in Poultry Feeding: The MOC stressed that the health certificates of all imported poultry and poultry products conform to the Ministerial decree number 123 issued in January 2001. The decree requires that health certificate issued by government agency of exporting country clearly indicate that the birds slaughtered had not been fed animal protein, animal fats, or animal by products. The MOC, which implemented the requirement on March 25, 2001, says that the measure is necessary to prevent the entry of poultry meat considered unfit for human consumption due to feeding of animal ruminants.

4. Laboratory Test: All poultry meat and products imported will be tested at Saudi ports of entry to ascertain that they meet the above requirements.

Source: USDA/FAS

Inspected Egg Products-U.S. & Canada Export/Import Trade

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Week Ending October 19, 2002	Year-To-Date			
	2002	2001/1	2002	20012002
Liquid	552	405	21,251	10,471
Frozen	0	0	21	78
Dried	0	160	735	240
Total	552	565	22,007	10,789

U.S. Imports From Canada, in Pounds (Preliminary)

Week Ending OCTOBER 19, 2002	Year-To-Date			
	2002	2001 /1	2002	2001
Liquid	70	90	5,122	4,514
Frozen	5	77	2,889	1,301
Dried	120	0	4,411	486
Total	195	167	12,422	6,301

Inspected Shell Eggs

U.S Exports To Canada, In 30-Dozen Cases (Preliminary)

Week Ending OCTOBER 19, 2002	Year-To-Date			
	2002	2001 /1	2002	2001
Jumbo	0	0	1,596	87
Extra Large	2,175	1,050	34,055	56,522
Large	4,252	4,432	108,367	112,628
Medium	750	330	40,361	37,228
Ungraded	7,620	5,910	288,575	332,570
Misc	0	0	14,797	68,144
Total	14,797	11,722	487,751	607,179

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN 25-OCT-2002
 — PRICES — VOLUME —
 (Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

— PRICES — VOLUME —
 (Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	14.00	99,600	-
WTD AVERAGE		14.00		
15-20%				
RANGE	11.00-14.00	8.00-13.00	2,111,200	734,400
WTD AVERAGE	11.91	10.35		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

LIVE POULTRY SLTRD UNDER INSPECTION W/E 19-Oct-02
 (PRELIMINARY) **U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,822	1,603	3,425
LAST WEEK	1,754	1,536	3,290
SAME WEEK YR AGO	1,697	1,519	3,216
TO-DATE/2002	73,819	59,223	133,042
TO-DATE/2001	74,913	58,165	133,078

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	294	0	294
LAST WEEK	266	4	270
SAME WEEK YR AGO	319	22	341
TO-DATE/2002	12,893	265	13,158
TO-DATE/2001	17,827	269	18,096

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	2,116	1,603	3,719
LAST WEEK	2,020	1,540	3,560
SAME WEEK YR AGO	2,016	1,541	3,557
TO-DATE/2002	86,712	59,488	146,200
TO-DATE/2001	92,740	58,434	151,174

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN 25-OCT-2002
 — PRICES — VOLUME —
 (Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

— PRICES — VOLUME —
 (Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.00-17.00	13.50-14.00	706,500	266,000
WTD AVERAGE	16.47	13.70		
15-20%				
RANGE	13.00-16.00	10.00-13.00	1,815,484	104,000
WTD AVERAGE	14.33	11.57		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 25 OCTOBER 2002.

Fresh tom breast meat was available at steady to weak prices, frozen was steady to barely steady. Tom drums and tom v-type wings were readily available and ranged steady to weak. Supplies of tom full cut wings were mostly balanced and steady. Frozen thigh meat was adequate to fully adequate and the undertone varied by destination. Frozen Grade A nonbasted 12-14 lb breasts were 107, plant grade nonbasted 18-20 lb breasts were 110. Spot loads of fresh thigh trim and fresh wing meat moved at 35 and 59 cents respectively. Export sales centered on light volumes of thigh meat and tom drums. Tom necks were 13 cents delivered port.

FRIDAY, OCTOBER 25, 2002

<u>EXPORT TRADING</u>	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	20.00		20.00	120	20.55	820
WINGS FULL-CUT - TOMS		R	18.00	52	18.00	52
WINGS, V-TYPE, TOM	23.50		23.50	52	23.75	104
TAILS						
MECHANICALLY SEPARATED 4/		R	22.00	104	22.00	104
THIGH MEAT - FROZEN	47.50-49.50		48.70	260	51.26	956

THURSDAY OCTOBER 24, 2002

<u>EXPORT TRADING</u>	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.50-23.00		20.90	500
WINGS FULL-CUT - TOMS	18.00		18.00	52
WINGS, V-TYPE, TOM	24.00		24.00	52
TAILS				
MECHANICALLY SEPARATED 2/	22.00		22.00	104
THIGH MEAT - FROZEN	49.00-53.00		50.36	236

WEDNESDAY, OCTOBER 23, 2002

<u>EXPORT TRADING</u>	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		T	20.00	200
WINGS FULL-CUT - TOMS		W	22.00	80
WINGS, V-TYPE, TOM		F	23.83	156
TAILS				
MECHANICALLY SEPARATED 2/		F	17.68	236
THIGH MEAT - FROZEN		T	53.17	460

TUESDAY, OCTOBER 22, 2002

<u>EXPORT TRADING</u>	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00		20.00	200
WINGS FULL-CUT - TOMS		W	22.00	80
WINGS, V-TYPE, TOM		F	23.83	156
TAILS				
MECHANICALLY SEPARATED 2/		F	17.68	236
THIGH MEAT - FROZEN	53.00-55.00		53.17	460

MONDAY, OCTOBER 21, 2002

<u>EXPORT TRADING</u>	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	20.00	600
WINGS FULL-CUT - TOMS		W	22.00	80
WINGS, V-TYPE, TOM		F	23.83	156
TAILS				
MECHANICALLY SEPARATED 2/		F	17.68	236
THIGH MEAT - FROZEN		F	49.00	52

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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