



# INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

## Fifth Ministerial Conference Ends Without Agreement

Mexican Trade Minister Luis Ernesto Derbez formally closed the Fifth Ministerial Conference on September 14, 2003. The meeting had collapsed in mid-afternoon over ongoing deep divisions among Members and closed without agreement on a Ministerial Text. According to the one page Ministerial Statement, a meeting of the WTO General Council at Senior Officials level will be convened no later than December 15, 2003, "to take the action necessary at that stage to enable us to move towards a successful and timely conclusion of the negotiations. We shall continue to exercise close personal supervision of his process."

WTO talks to free up world trade collapsed when delegates from Africa, the Caribbean and Asia walked out of the talks. Those countries rejected new rules on investment and rich and poor states clashed on farm reforms. According to the WTO, as of April 4, 2003 there were 146 member countries. Cambodia and Nepal membership was sealed on September 11 and they are set to become the WTO's 147th and 148th members, 30 days after they ratify their agreements. The current 146 member countries of the WTO were not able to bridge large differences over how quickly rich countries should lower payouts for farm subsidies and developing countries were unwilling to negotiate new rules for foreign investment and other issues.

Agriculture had been expected to be the main issue. In July, 2003, 25 members of the WTO met in Montreal to bridge gaps over agriculture. However, in Cancun ministers spent little time on agriculture and instead discussed the Singapore issues – cross-border investment, competition policies, trade facilitation and transparency in government contracts. Developing countries wanted an agreement on agricultural issues before addressing the Singapore issues.

Many countries are now expected to actively pursue bilateral trade talks with individual countries. The United States wants a free-trade agreement stretching from Canada to Chile, however, the failure of talks in Cancun could severely complicate negotiations at the November ministerial negotiations for the Free Trade Area of the Americas (FTAA). Brazil led a group of middle income countries such as Mexico, Korea, China and India, that stood up to the United States and the European Commission.

U.S. Senator Chuck Grassley warned: "The US evaluates potential partners for free trade agreements on an ongoing basis. I'll take note of those nations that played a constructive role in Cancun and those that didn't."

The WTO was formed in 1995 as an organization to negotiate and adjudicate trade agreements. A World Bank report "Reciprocity in Free Trade Agreements," listed 64 Free Trade Agreements from January 1, 1983 though December 1, 1999.

Sources: Bridges Weekly Trade News Digest, World Trade Organization, USDA/FAS, various news wires

## Dutch Avian Flu Costs

The avian influenza epidemic is estimated to be at least E750 million by the Agricultural Economics Institute (LEI). Preliminary figures indicate the loss of income from the sales of poultry and eggs was E500m. The culling of about 30 million hens and broilers cost E270m, of which the EU will have paid half. Ancillary trades have incurred losses and some export companies may not survive. The Netherlands has been the leading exporter of eggs (over 7000 million a year) and a large part of this trade may be lost. This could double the sector's losses.

### Dutch Poultry Industry in 2002, in metric tons

	Netherlands	European Union
Egg Production	547,000	5,173,000
Chicken meat	635,000	6,431,000
Turkey meat	43,000	1,827,000
Duck meat	15,000	398,000

Source: AGRI.D.2

### Production Figures for Dutch Poultry Industry

	No. of Establishments	No. of birds/eggs
<b>Egg Sector</b>		
Parent stock farms	55	600,000
*Hatcheries	5	88,000,000
Rearing pullets	400	28,000,000
Laying hens	2,000	31,000,000
**Egg packing centers	235	10 billion
<b>Meat Sector</b>		
Parent stock	530	6,000,000
Hatcheries	28	580,000,000
***Broilers	1,200	50,000,000
Slaughterhouses	46	NA

\* Number of eggs = expressed in hatched eggs

\*\* Number of eggs produced (<2.5 billion table eggs)

\*\*\* Number of broilers present (one cycle)

The national poultry stock amounts to some 100 million birds at any given moment

Source: LNV

Source: International Egg Commission, European Commission

## French Farmers Compensated for Heat Loss

French pig, poultry and rabbit farmers could receive some reimbursement for losses during the recent heat wave. Around 5 million chickens and turkeys died in August due to the heat. The impact on chicken production will probably be less than a 5,000 MT drop in the 985,000 MT production estimate. Most poultry production is located in the western part of France, where the heat and drought were not so severe. Production in affected areas should resume in a short time. Production costs will probably increase by a few cents per kilo, plus feed costs are likely higher due to the short grain crop in France. While some farmers may have had insurance to cover losses due to drought, some insurance policies did not cover losses due to heat stroke.

Source: USDA/FAS, news wires

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

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

	2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	460	456	11,895	13,931
Frozen	0	0	96	21
Dried	3	91	396	634
Total	463	547	12,387	14,586

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

	2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	251	125	4,375	4,759
Frozen	223	8	2,466	2,519
Dried	0	160	944	3,831
Total	474	293	7,785	11,109

**Inspected Shell Eggs**

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

	2003		Year-To-Date	
	2003	2002/1	2003	2002
Jumbo	0	33	290	1,257
Extra Large	1,080	1,380	20,217	25,940
Large	1,640	3,425	77,215	101,146
Medium	2,430	1,230	46,643	37,165
Ungraded	7,204	19,230	99,720	224,064
Misc	0	0	13,062	12,912
Total	12,354	25,298	257,147	402,484

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.

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 13-Sep-03 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS		HEAVY HENS		TOTAL HENS
	THOUSANDS				
HEAD	1,121	1,597			2,718
LAST WEEK	980	1,378			2,358
SAME WEEK YR AGO	1,622	1,672			3,294
TO-DATE/2003	55,274	51,629			106,903
TO-DATE/2002	64,668	51,234			115,902

**U. S. FOWL SLAUGHTERED IN CANAADA**

	LIGHT HENS		HEAVY HENS		TOTAL HENS
	THOUSANDS				
HEAD	61	7			68
LAST WEEK	103	0			103
SAME WEEK YR AGO	410	13			423
TO-DATE/2003	8,631	129			8,760
TO-DATE/2002	11,553	250			11,803

SOURCE: Agriculture Canada, Poultry Development Division

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

	LIGHT HENS		HEAVY HENS		TOTAL HENS
	THOUSANDS				
HEAD	1,182	1,604			2,786
LAST WEEK	1,083	1,378			2,461
SAME WEEK YR AGO	2,032	1,685			3,717
TO-DATE/2003	63,905	51,758			115,663
TO-DATE/2002	76,221	51,484			127,705

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** 19-SEP-2003

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

**CHICKEN, WITH SKIN ADDED** 19-SEP-2003

FAT CONTENT	PRICES		VOLUME	
	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.00-21.00	12.50-13.00	213,600	80,000
WTD AVERAGE	18.51	12.66		
15-20%				
RANGE	15.75-21.50	11.00-17.00	2,511,800	1,044,000
WTD AVERAGE	19.86	14.02		
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

**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** 19-SEP-2003

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

**CHICKEN, WITH SKIN ADDED** 19-SEP-2003

FAT CONTENT	PRICES		VOLUME	
	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.25-22.00	17.00	972,000	772,000
WTD AVERAGE	20.12	17.00		
15-20%				
RANGE	14.00-30.00	11.00-16.00	2,672,000	912,000
WTD AVERAGE	24.80	12.60		
20% OR MORE				
RANGE	-	11.00	41,000	-
WTD AVERAGE		11.00		

\* 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 19 SEPTEMBER 2003.**

The market tone on frozen thigh meat was steady to firm. Demand was moderate to good with most interest noted from exporters. Supplies were light and held with confidence. Increased offering prices have meet some resistance. Processors remain firm on offering prices, as most unable to fill current demand. Inquiry mixed. Trade sentiment was steady to firm on tom bulk parts. Trading generally light on all items.

**FRIDAY, SEPTEMBER 19, 2003**

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	40.00-41.00		40.50	112	40.40	592
WINGS FULL-CUT - TOMS	28.00		28.00	224	28.00	384
WINGS, V-TYPE, TOM TAILS						
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	24.00	R	24.00 93.00	40 280	24.38 92.63	160 320

**THURSDAY, SEPTEMBER 18, 2003**

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	39.00-41.00		40.25	160
WINGS FULL-CUT - TOMS		W	28.00	160
WINGS, V-TYPE, TOM TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	91.00-95.00	W	24.00 93.00	80 280

**WEDNESDAY, SEPTEMBER 17, 2003**

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	40.00-43.50		41.70	200
WINGS FULL-CUT - TOMS	28.00		28.00	160
WINGS, V-TYPE, TOM TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	24.00 90.00		24.00 90.00	80 40

**TUESDAY, SEPTEMBER 16, 2003**

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	38.00-39.00		38.33	120
WINGS FULL-CUT - TOMS		W	27.00	104
WINGS, V-TYPE, TOM TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	25.50	F	25.50 88.00	40 60

**MONDAY, SEPTEMBER 15, 2003**

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	36.88	172
WINGS FULL-CUT - TOMS		W	27.00	104
WINGS, V-TYPE, TOM TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		T F	27.50 88.00	104 60

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.