

CONSIDERATIONS ON THE C.E.E.CS' POSITION IN THE EU-27 POULTRY MEAT PRODUCTION AND FOREIGN TRADE

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Abstract

The paper aimed to analyze the CEECs' contribution to the EU-27 poultry livestock, meat production, export, import and trade balance in the period 2007-2009 based on the FAO Stat data, using the index, score and comparison methods. The CEECs contribute by 25.13 % to the EU-27 poultry livestock, by 22.28 % to poultry meat production, by 14.73 % to meat export and 17.74 % to meat import, by 15.45 % to meat export value and by 12.11 % to meat import value and finally by 54.38 % to poultry meat trade balance. As a conclusion, the CEECs' access to the EU has had a benefic effect on the EU poultry market and also on the coverage of consumer's need.

Key words: CEECs, livestock, meat, poultry, trade.

INTRODUCTION

Poultry meat is continuously increasing due to its to high quality, flavor and convenient price (Văcaru-Opris, 2007).

The EU-27 is an important poultry meat producer, exporter and importer in the world, coming on the 3rd position based on meat production, after USA, China and Brazil and consuming 12 % of global poultry meat (Pîrvuțoiu et al., 2012b, Van Horne, 2010, Windhorst, 2011).

The recent accession of 12 new member states in the EU has increased its potential in producing and exporting more poultry meat (Sanda-Costachie et al., 2011a,b).

Romania is the 2nd poultry meat producer in the area after Poland and also is placed on the 7th position as exporter (Pîrvuțoiu et al., 2012a, Popescu, 2009)

In this context, the paper aimed to analyze the development of poultry meat production and trade in the CEECs and their contribution to the EU-27 poultry livestock, meat production, export, import and trade balance, economic efficiency of poultry meat foreign trade in the period 2007-2009.

MATERIALS AND METHODS

In order to set up this paper, the following indicators have been studied: poultry livestock, poultry meat production, amount of imported and exported poultry meat, poultry meat import and export values, as well as economic efficiency of poultry meat foreign trade based on poultry meat foreign trade, export/production ratio, export/import ratio, import and export price.

In this purpose, the data provided by FAO Stat were collected for the period 2007-2009 and processed using index and score methods in order to identify the position of each country within the CEECs and also comparison method for showing the CEECs contribution to the EU-27 and differences among the member states.

RESULTS AND DISCUSSIONS

Poultry Livestock in the CEECs-12 registered a decline in the period 2007-2009, by 2.21 %, from 323.56 millions heads in 2007 to 316.36 million heads in 2009. This was a similar trend like in the EU-27, where poultry livestock decreased by 6.10 % from 1,340.14 million heads in 2007 to 1,258.43 million heads in 2009.

Because livestock decline in CEECs-12 was lower than in the EU-27, the share of the

CEECs in the EU's poultry livestock has increased from 24.14 % in 2007 to 25.13 % in 2009.

The highest number of poultry is in 5 countries: Poland, Romania, Hungary, Czech Republic and Bulgaria, which had together 280.72 million heads poultry in the year 2009, representing 88.73% of the CEECs livestock and 22.30% of the EU's poultry livestock. The smallest number of poultry is in Malta, Estonia and Cyprus.

Romania comes on the second position after Poland with 83.84 million poultry in the year 2009.

In the analyzed period, poultry livestock increased in Estonia (+7.19%), Hungary (+2.84%), Romania (+1.59%), Slovakia (+6.47%) and Slovenia (+50.29%) But, in other countries it recorded a decrease: Bulgaria (-2.29%), Cyprus (-5.36%), Czech Republic (-7.91%), Latvia (-2.37%), Lithuania (-4.26%), Malta (-28.58%), and Poland (-6.73%) (Table 1).

Table 1. Poultry Livestock in the CEECs

Country	2007		2008		2009		2009/ 2007 %	Total score	Position
	Million heads	Score	Million heads	Score	Million heads	Score	%		
Bulgaria	17.96	5	16.43	5	17.55	5	97.71	15	5
Cyprus	3.06	9	3.03	10	2.90	10	97.74	29	10
Czech Republic	26.10	4	25.49	4	24.04	4	92.09	12	4
Estonia	1.64	11	1.48	11	1.76	11	107.19	33	11
Hungary	30.30	3	29.87	3	31.16	3	102.84	9	3
Latvia	4.10	8	4.0	9	4.0	9	97.63	27	9
Lithuania	9.23	7	9.69	7	8.84	7	95.74	21	7
Malta	0.70	12	0.48	12	0.50	12	71.42	36	12
Poland	133.07	1	128.79	1	124.13	1	93.27	3	1
Romania	82.04	2	84.37	2	84.37	2	83.84	2	101.59
Slovakia	12.44	6	10.88	6	13.25	6	106.47	18	6
Slovenia	2.92	10	4.35	8	4.39	8	150.29	26	8
CEECs-12	323.56	24.14	318.86	23.86	316.36	25.13	397.77	-	-
EU-27	1,340.14	100.00	1,335.97	100.00	1,258.43	100.00	93.90	-	-
Share of CEECs	24.14	-	23.86	-	25.13	-	-	-	-

Source: FAO Stat, 2011, Own calculations.

Poultry meat Production increased by 12.62 % in the analyzed period, by around 2 % more than in the EU-27. From 1,956.3 thousand tons in 2007, it reached 2,203.2 thousand tons in 2009 in the CEECs-12, while the EU-27 poultry meat production increased by 10.70 %, from 8,734.8 thousand tons in 2007 to 9,669.6 thousand tons in 2009.

Because of the more dynamic poultry meat production, the CEECs' share in the EU-27 poultry meat production has increased from 22.39 % in 2007 to 22.78 % in 2009.

The highest performance in poultry meat production is reached in 5 countries: Poland, Romania, Hungary, Czech Republic and Bulgaria, which are raising 88.73% of the CEECs poultry livestock. Their poultry meat production accounted for 1,936.7 thousand tons in 2009, representing 87.90% of the CEECs

production and 20.02 % of the EU poultry meat production.

The lowest poultry meat production is in Malta, Estonia and Latvia.

In the analyzed period, poultry meat production increased in Bulgaria (+6.13%), Estonia (+29.56%), Hungary (+8.99%), Latvia (+13.17%), Lithuania (+5.38%), Malta (+2.17%), Poland (+18.23%), Romania (+18.96%), Slovakia (+29.34%) and Slovenia (+12,62%).

If one takes into account that the poultry livestock decreased and meat production increased, this means that productivity has increased per slaughtered poultry in the CEECs.

A decline of poultry production was registered in Slovakia (-9.52%), Czech Republic (-6.27%) and Cyprus (-3.24%) (Table 2).

Table 2. Poultry meat production in the CEECs

Country	2007		2008		2009		2009/ 2007 %	Total score	Position
	Thousand tons	Score	Thousand tons	Score	Thousand tons	Score			
Bulgaria	97.9	5	98.4	5	103.9	5	106.13	15	5
Cyprus	27.8	9	18.4	10	26.9	9	96.76	28	9
Czech Republic	201.0	3	195.3	4	188.4	4	93.73	11	4
Estonia	11.5	11	13.1	11	14.9	11	129.56	33	11
Hungary	195.7	4	217.2	3	213.3	3	108.99	10	3
Latvia	20.5	10	23.1	9	23.2	10	113.17	29	10
Lithuania	63.2	7	65.4	7	66.6	7	105.38	21	7
Malta	4.6	12	5.0	12	4.7	12	102.17	36	12
Poland	896.4	1	729.8	1	1,059.8	1	118.23	3	1
Romania	312.1	2	316.0	2	371.3	2	118.96	6	2
Slovakia	83.0	6	75.5	6	75.1	6	90.48	18	6
Slovenia	42.6	8	52.2	8	55.1	8	129.34	24	8
CEECs-12	1,956.3	-	1,809.4	-	2,203.2	-	112.62	-	-
EU-27	8,734	-	8,704.2	-	9,669.6	-	110.70	-	-
Share of CEECs	32.39	-	20.78	-	22.78	-	-	-	-

Source: FAO Stat, 2011, Own calculations.

The amount of imported poultry meat increased in the analyzed period by 6.48 %, from 313.1 thousand tons in 2007 to 333.4 thousand tons in 2009, to cover consumption need better. The CEECs imports registered a similar trend like in the EU-27 as a whole.

In 2009, the EU-27 imported poultry meat was by 9.18% higher than in 2007. So, it accounted for 1,879 thousand tons in 2009. Due to the higher rate of imported poultry meat amount in the EU-27 compared to the CEECs rate, the share of the CEECs imports in the EU's imports declined from 18.19% in 2007 to 17.74% in the year 2009.

The main CEECs importers of poultry meat are Romania, Czech Republic, Bulgaria, Lithuania and Latvia. Their import accounted for 239.1 thousand tons in the year 2009, representing 71.71 % of the CEECs imported amount and 12.72 % of the EU-27 imported poultry meat.

The quantity of imported poultry meat increased in the analyzed period in the following countries: Bulgaria (+111.71%), Cyprus (+38.23), Czech Republic (+49.42%), Estonia (+6.35%), Hungary (+3.21%), Malta (+11.90%), Slovakia (+22.64%) and Slovenia (+3.84%).

In other countries the imported amount of poultry meat decreased: Latvia (-12.22%),

Lithuania (-30.08%), Poland (-47.46%) and Romania (-1.30%) (Table 3).

The amount of poultry meat exported by the CEECs increased by 56.11%, from 240 thousand tons in 2007 to 375 thousand tons in 2009, showing that export was a dynamic activity in this area of Europe. In the EU-27 as a whole, the quantity of exported poultry meat increased by only 11.31% from 2,287.7 thousand tons in 2007 to 2,544.1 thousand tons in 2009. As a consequence, the contribution of the CEECs to the EU-27 exports increased from 10.50% in 2007 to 14.73% in 2009.

The main CEECs poultry meat exporters are Poland, Hungary, Czech Republic, Slovakia and Lithuania, whose exports accounted for 300.7 thousand tons in 2009, representing 80.18 % of the CEECs export and 11.81 % of the EU-27 exports of poultry meat.

In the analyzed interval, exports of poultry meat increased in Bulgaria (+121.69%), Cyprus (+50%), Czech Republic (+3.24%), Estonia (+50%), Hungary (+68.39%), Latvia (+33.33%), Lithuania (+11.48%), Poland (+53.36%), Romania (+75.29%), Slovenia (+1.67%). But, in Slovakia exported meat registered a decline by 8.70% (Table 4).

Table 3. The amount of imported poultry meat in the CEECs

Country	2007		2008		2009		2009/ 2007 %	Total score	Position
	Thousand tons	Score	Thousand tons	Score	Thousand tons	Score			
Bulgaria	22.2	5	3.36	3	47.0	3	211.71	12	3
Cyprus	3.4	12	4.6	11	4.7	11	138.23	34	11
Czech Republic	35.0	2	43.3	2	52.3	2	149.42	6	2
Estonia	12.6	9	12.2	9	13.4	9	106.35	27	9
Hungary	21.8	7	75.2	6	22.5	5	103.21	18	6
Latvia	25.9	5	24.1	7	21.7	6	83.78	18	5
Lithuania	28.0	4	26.1	4	19.3	7	69.92	15	4
Malta	4.2	11	3.9	12	4.7	11	111.90	34	12
Poland	33.5	3	16.4	8	17.6	8	52.54	19	8
Romania	100.1	1	86.4	1	98.9	1	98.70	3	1
Slovakia	21.2	8	25.9	5	26.0	4	122.64	17	7
Slovenia	5.2	10	5.7	10	5.4	10	103.84	30	10
CEECs-12	313.1	-	307.4	-	333.4	-	106.48	-	-
EU-27	1,721.0	-	1,858.8	-	1,879.0	-	109.18	-	-
Share of CEECs	18.19	-	16.53	-	17.4	-	-	-	-

Source: FAO Stat, 2011, Own calculations.

Table 4. The amount of poultry meat exported by the CEECs

Country	2007	2008	2009	2009/2007	Total score	Position
	Thousand tones	Thousand tones	Thousand tones	%		
Bulgaria	10.6	9.4	23.5	221.69	18	6
Cyprus	0.6	0.9	0.9	150.00	33	11
Czech Republic	18.5	18.1	19.1	103.24	11	3
Estonia	1.4	2.9	3.5	250.00	30	10
Hungary	21.2	35.3	35.7	168.39	6	2
Latvia	3.3	3.4	4.4	133.33	26	9
Lithuania	14.8	13.8	16.5	111.48	16	5
Malta	0.005	0.008	0	0	36	12
Poland	140.0	153.3	214.7	153.36	3	1
Romania	1.7	8.9	29.8	175.29	20	7
Slovakia	16.1	15.6	14.7	91.30	15	4
Slovenia	12.0	13.6	12.2	101.67	20	8
CEECs-12	240.205	275.208	375.0	156.11	-	-
EU-27	2,285.7	2,324.4	2,544.1	111.31	-	-
Share of CEECs-12	10.50	11.83	14.73	-	-	-

Source: FAO Stat, 2011, Own calculations.

The poultry meat import value increased in the CEECs-12 by 17.92% from 537.4 USD million in 2007 to 633.7 USA million in 2009. At the mean time, the EU-27 import value of poultry meat registered a lower increase, by 8.45%, from 4,806.7 USD million in 2007 to 5,231.1 USD million in 2009. In consequence, the share of CEECs into the EU-27 poultry meat import value increased from 11.18 % in 2007 to 12.11% in 2009.

Based on the poultry meat import value, on the top positions are 5 countries: Romania, Czech Republic, Slovakia, Bulgaria and Lithuania,

whose import accounted for 471.3 USD million in 2009, representing 74.33% of the CEECs import value and 9% of the EU-27 import value.

The value of the imported poultry meat increased in Bulgaria (+192.31%), Cyprus (+35.86%), Czech Rep (+41.08%), Estonia (+8.96 %), Hungary (+17.59%), Malta (+17.21%) and Slovakia (+47.51%) and decreased in Latvia (-7.42%), Lithuania (-24.23%), Poland (-26.6%) and Romania (-0.65%) (Table 5).

Table 5. Poultry meat import value in the CEECs-12

Country	2007		2008		2009		2009/ 2007 %	Total score	Position
	USD million	Score	USD million	Score	USD million	Score			
Bulgaria	23.4	4	47.9	4	68.4	4	292.31	15	4
Cyprus	9.2	11	14.4	11	12.5	12	135.86	34	12
Czech Republic	86.4	2	124.1	2	121.9	2	141.08	6	2
Estonia	21.2	8	24.9	9	23.1	9	108.96	26	9
Hungary	29.0	6	46.8	5	34.1	6	117.54	18	7
Latvia	39.1	5	42.8	7	36.2	5	92.58	17	6
Lithuania	42.1	4	45.2	6	31.9	7	75.77	16	5
Malta	12.2	9	13.5	12	14.3	10	117.21	31	10
Poland	39.1	5	34.5	8	28.7	8	23.4	21	8
Romania	170.1	1	174.1	1	169.0	1	99.35	3	1
Slovakia	54.3	3	76.6	3	80.1	3	147.51	9	3
Slovenia	11.3	10	14.6	10	13.5	11	119.46	32	11
CEECs-12	537.4	-	659.4	-	633.7	-	117.92	-	-
EU-27	4,806.7	-	5,434.3	-	5,231.1	-	108.45	-	-
Share of CEECs	11.18	-	12.13	-	12.11	-	-	-	-

Source: FAO Stat, 2011, Own calculations.

The poultry meat export value increased by 32.66 % in the CEECs-12 from USD 661.5 million in 2007 to USD 877.6 million in 2009 as a result of the increased exported meat. In the EU-27, export value raised only by 8.49 % from USD 5,235.1 million in 2007 to USD 5,679.6 million in 2009. As a result, the CEECs-12 contribution to the EU-27 export value increased from 12.63 % in 2007 to 15.45 % in 2009.

Based on the poultry meat export value, the top 5 countries are Poland, Hungary, Czech Republic, Slovakia and Bulgaria, whose export accounted for USD 214.7 million in 2007, representing 81.43 % of the CEECs export value and 12.58 % of the EU export value.

The poultry meat export value increased in the analyzed period in the following countries: Bulgaria (+9.39 %), Cyprus (+40 %), Czech Republic (+39 %), Estonia (+90.24 %), Hungary (+38.52 %), Latvia (+31.46 %), Lithuania (+25.54 %), Poland (+29.88 %), Romania (+45.48 %), Slovenia (+0.56 %), but in Slovakia it decreased by 7.21 % because of the decline of the exported quantity. (Table 6).

The CEECs poultry meat trade balance was a positive one in all the analyzed years, because export value exceeded import value, showing that the CEECs are a net exporting group, with

a positive influence on the EU-27 poultry meat trade balance. In 2009, the CEECs balance accounted for USD 243.9 million, being by 96.50 % higher than in 2007 (Table 7).

If in 2007, the CEECs poultry meat trade balance contributed by 28.99 % to the EU-27 balance, in 2009, its contribution was a very substantial one, accounting for 54.38 % (Table 7).

The economic efficiency of the CEECs poultry meat foreign trade is, in general, very efficient regarding export/production ratio, export/import ratio from a quantitative point of view and export/import ratio taking into account its value.

In 2009, the export/production ratio was 0.17, by 41.66 % higher than in 2007.

The export/import ratio regarding the quantity of poultry meat increased by 47.36 % from 0.76 in 2007 to 1.12 in 2009. Therefore, if in 2007 and 2008 imported amount of poultry meat exceeded the exported one, in 2009, the ratio advantaged export.

The average import price increased by 8.94 % from USD 1.90 in 2007 to USD 2.07 while the average export price decreased by 14.49 % from USD 2.90 in 2007 to USD 2.48 in 2009, which is a negative aspect (Table 8).

Table 6. Poultry meat export value of the CEECs-12

Country	2007	2008	2009	2009/2007	Total score	Position
	USD million	USD million	USD million	%		
Bulgaria	42.6	44.5	46.6	39	14	5
Cyprus	0.5	0.7	0.7	140.00	30	11
Czech Republic	42.6	56.7	46.6	109.39	11	3
Estonia	4.1	7.8	7.8	190.34	27	10
Hungary	81.0	119.4	112.2	138.52	6	2
Latvia	8.9	10.5	11.7	131.46	23	9
Lithuania	36.8	39.5	46.2	125.54	16	6
Malta	0.019	0.049	0	0	33	12
Poland	358.4	397.2	465.5	129.88	3	1
Romania	4.2	19.9	61.1	145.48	18	7
Slovakia	47.2	54.6	43.8	92.79	13	4
Slovenia	35.2	39.5	35.4	100.56	19	8
CEECs-12	661.519	790.349	877.6	132.66	-	-
EU-27	5,235.1	5,836.7	5,679.6	108.49	-	-
Share of CEECs 12	12.63	13.54	15.45	-	-	-

Source: FAO Stat, 2011, Own calculations.

Table 7. The CEECs poultry meat trade balance compared to the EU's trade balance (USD million)

	2007	2008	2009	2009/2007 %
The CEECs-12				
Export	661.519	790.349	877.6	132.66
Import	537.400	659.400	633.7	117.92
Balance	124.119	130.949	243.9	196.50
The EU-27				
Export	5,235.1	5,836.7	5,679.6	108.49
Import	4,806.7	5,464.3	5,231.1	108.45
Balance	428.400	402.400	448.500	104.69

Source: FAO Stat, 2011, Own calculations.

Looking at the figures regarding the EU-27 poultry meat foreign trade, one can see that the export/production ratio remained constant at 0.26 from a year to another in the period 2007-2009.

Compared with the CEECs export/production ratio, one can notice the efficiency of poultry meat foreign trade in the EU-27 is lower.

Looking at export/import ratio from a quantitative point of view, one can see that in the EU-27 it has a higher performance than in

the CEECs. However, the increase of the EU-27's export/import ratio was only 2.27 % compared to 47.36 % in the CEECs, reflecting a more dynamic development of the exported amount of poultry meat in the CEECs.

Comparing the export/import ratio based on export and import value, one can observe that the CEECs registered a better situation compared to the EU-27.

This ratio registered higher values in the CEECs compared to the ones recorded at the EU-27 level in the analyzed period.

Also, the export/import ratio increased by 12.19 % in the CEECs, while at the EU-27 it decreased by 0.92 %.

The average import price at the EU-27 level registered just a slight increase, 0.71 %, but its level was higher in the analyzed period compared to the CEECs average import price.

The EU-27 export price was lower than the one recorded by the CEECs showing a more efficient foreign trade from this point of view (Table 8).

Table 8. Economic efficiency of poultry meat foreign trade in the CEECs-12 and the EU-27, 2007-2009

	MU	2007	2008	2009	2009/2007
CEECs-12					
Export/Production	quantity	0.12	0.15	0.17	141.66
Export/Import	quantity	0.76	0.89	1.12	147.36
Export/Import	value	1.23	1.20	1.38	112.19
Average import price	USD/tonne	1.90	2.32	2.07	108.94
Average export price	USD/tonne	2.90	3.15	2.48	85.51
EU-27					
Export/Production	quantity	0.26	0.26	0.26	100.00
Export/Import	quantity	1.32	1.25	1.35	102.27
Export/Import	value	1.09	1.07	1.08	99.08
Average import price	USD/tonne	2.79	2.92	2.81	100.71
Average export price	USD/tonne	2.29	2.51	2.21	96.50

Source: Own calculations

CONCLUSIONS

The CEECs accession to the EU has had a benefic impact regarding poultry meat production and foreign trade.

The CEECs poultry livestock represents 22.30 % of the EU-27 poultry livestock and contributes by 22.78 % to the EU-27 poultry meat production.

In the period 2007-2009, while the CEECs share in the EU-27 imported poultry meat declined to 17.74 %, the CEECs contribution to the EU-27 exported meat increased to 14.73 %.

The CEECs have a positive influence on the EU-27 poultry meat trade balance, because of the dynamic increase of the export value compared to import value. In 2009, the CEECs contribution to the EU-27 balance accounted for USD 243.9 million, representing 54.38 % compared to 28.97 % in 2007. This was due to the increased poultry meat export, favorable export/import ratio and better average export price in case of the CEECs compared to the EU-27.

The main CEECs poultry meat producers are Poland, Romania, Hungary, Czech Republic and Bulgaria. The main CEECs poultry meat importers are Romania, Czech Republic, Bulgaria, Lithuania, Latvia, while the main exporting countries are: Poland, Hungary, Czech Republic, Slovakia and Bulgaria.

Romania has a high potential for producing poultry meat, coming on the 2nd position regarding its poultry livestock and meat production. It is on 1st position regarding the amount and value of imported poultry meat, on

the 7th position concerning the exported meat amount and value. Therefore, it has to pay more attention to the increase of meat production in order to cover better the domestic market, to improve meat quality in order to grow its competitiveness for export, to decrease imports in order to protect local producers and intensify exports in order to improve poultry meat trade balance and assure a better return to the Romanian producers.

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