

Voluntary Report – Voluntary - Public Distribution

Date: March 23,2020

Report Number: RO2020-0006

Report Name: ASF Drives Romanian Swine Herd to New Low

Country: Romania

Post: Bucharest

Report Category: Livestock and Products, Pest/Disease Occurrences

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Report Highlights:

African Swine Fever (ASF) continues to negatively affect both backyard and commercial hog holdings in Romania. The number of active ASF cases as of early March 2020 was 528, roughly half of what it was a year earlier. High pork prices in the European Union (EU) curbed pork meat and live-piglet imports in Romania during the latter half of 2019.

Swine Inventory and Pork Production

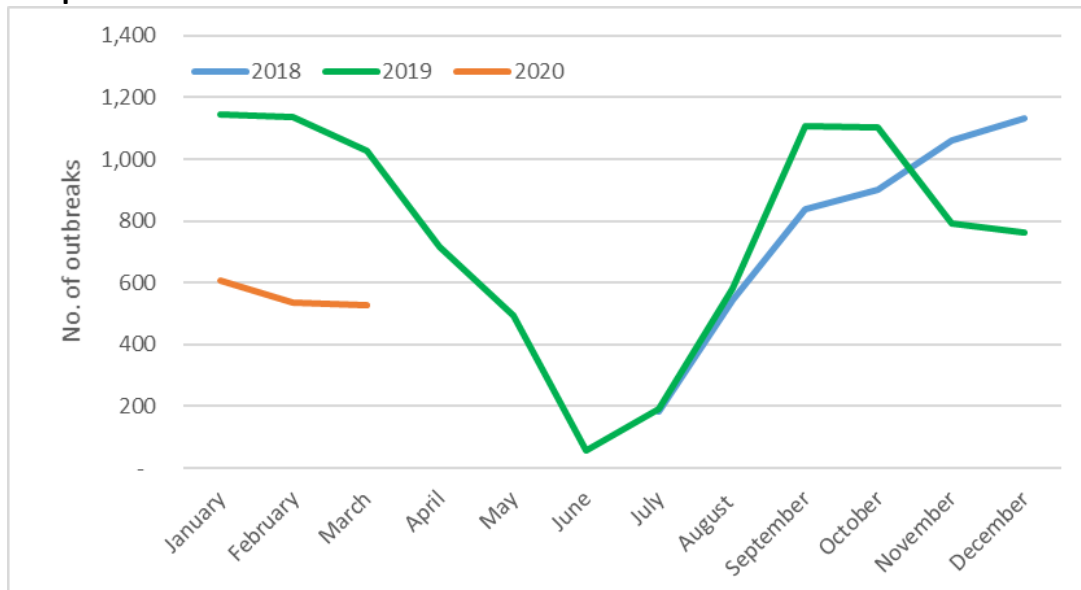
Romania’s swine inventory continued to decline in 2019. According to National Institute of Statistics data, there were 3.7 million total hogs, down from 4.1 million head in 2018, a 9.76 percent decline, and a 17 percent decline from May 2017. Breeding sows followed a similar pattern, falling from 280,000 in May 2018 to 250,000 in 2019, a 10.4 percent drop.

Consequently, 2019 slaughter hogs fell by 11 percent from 2018, while pork meat production dropped by eight percent during the same timeframe, from 480,824 metric tons (MT) to 441,526 MT carcass weight. The smaller national pig herd and demand from other EU markets level led to price increases for both live piglet and carcass weight during the latter half of 2019. These developments reduced profit margins and forced producers to import piglets that cost on 63 percent more year-on-year in November 2019. Some Romanian pig farms also seized the opportunity to increase production of their own piglets. The Carcass Grading Commission reported for December 2019 a year-on-year increase of 52 percent in slaughterhouse pork meat prices.

ASF Outbreaks Situation

Romania’s lower swine numbers are largely due to ASF, which continued to spread and destabilize the hog production sector. According to the data published by the National Sanitary Veterinary and Food Safety Authority (NSVFSA), as of beginning of March 2020, there were 3,210 positive cases in wild boars and 528 active ASF cases in domestic pigs, including seven on commercial farms. While ASF remains a clear and present danger to Romania’s hog and pork industries, it is noteworthy that the number of year-on-year active cases dropped by about 50 percent (see Graph 1).

Graph 1: Romania - Number of outbreaks

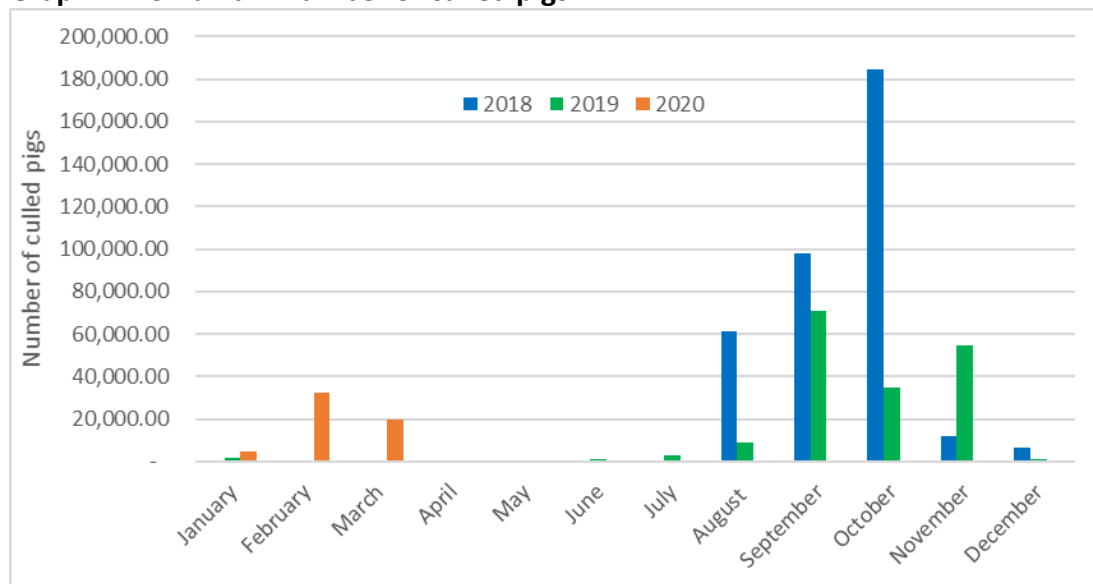


Source: NSVFSA

To date, Romanian authorities have culled nearly 600,000 pigs under its ASF eradication program. The Government of Romania (GOR) has disbursed over \$100 million from the national budget to compensate almost 15,000 pig owners for their losses. Most of the cullings (over 455,000 pigs)

occurred during the falls of 2018 and 2019 at commercial operations (see Chart 2). Unlike the beginning of 2019, there was a significant number of pigs culled in the first part of 2020 because of outbreaks confirmed in commercial farms.

Graph 2: Romania – Number of culled pigs



Source: NSVFSA

In terms of distribution, ASF was detected in 37 of the 42 Romanian counties. According to the latest EU regionalization map, two counties are included in Part II and the rest of the counties are included in Part III of the Annex of the [EU Decision 2020/397](#) (Map 1). Rules on moving live pigs and pork shipments, pork products, or animal by-products are applied to each zone per [EU Decision 709/2014](#).

Map 1: ASF Regionalization Zones as of March 12, 2020



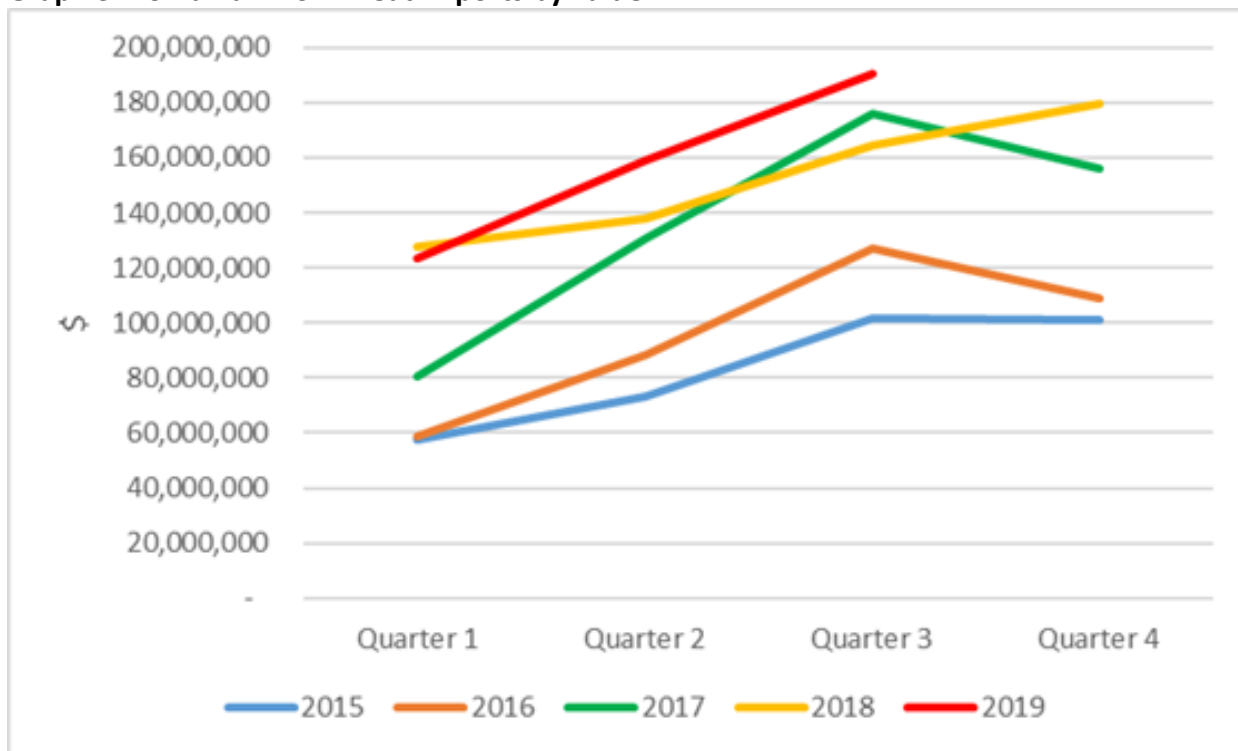
Legend: Part II, Part III Source: [EU Commission/Food Safety](#)

In terms of legislation, in October 2019 the Ministry of Agriculture and Rural Development approved Order 538/2019 establishing legal categories for pig farms. The objective of the Order was to regulate smallholders with unregistered pigs, most of which follow minimal biosecurity measures, and thereby endanger legal hog operations. According to its provisions, pig farms fall into one of the four categories: subsistence farms, with no more than five head; small swine farms, with an inventory of 6-65 head; medium-size swine farms, with an inventory of 66-130 head; and large swine farms, with an inventory of more than 130 head. The level of biosecurity to be implemented by each of these types of farms will be provided in NSVFSA implementing regulations, still are still being finalized. Draft implementing regulations, posted on NSVFSA’s website for public comment, are strongly supported by the commercial hog producers, but criticized by backyard producers. Comments and observations to the draft are expected until the end of March.

ASF's Trade Impact

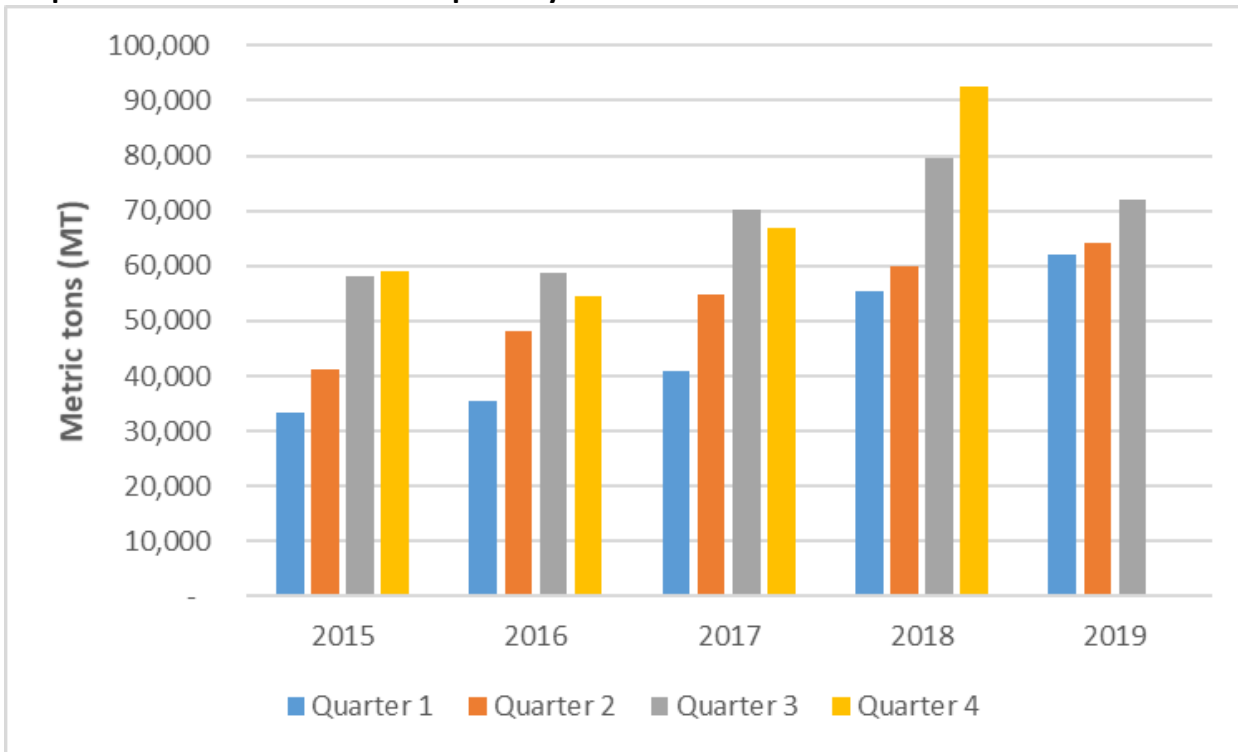
Pork meat imports rose by 9.7 percent in value terms (Graph 3), but only marginally in volume (1.6 percent) during the first nine months of 2019 (Graph 4). The number of imported piglets dropped by 16 percent during the same timeframe. Tight local supplies triggered an increased level of pork meat imports in 2018. They continued to surge in the first two quarters of 2019, but the pace of imports slowed down in the third quarter compared to 2018, due to the rising EU pork prices due to strong export demand from China. This means that the market deficit from domestic production could not be fully offset by imports due to the price hike, hence the pork meat consumption declined during the first nine months of 2019. Spain and Hungary are equally supplying the Romanian market, followed closely by Germany. Over the same timeframe, pork meat exports fell by 65 percent during January-September 2019 in quantitative terms.

Graph 3: Romania – Pork meat imports by value



Source: Trade Data Monitor LLC

Graph 4: Romania – Pork meat imports by amount



Source: Trade Data Monitor LLC

Attachments:

No Attachments.