



Foreign Agricultural Service

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Portugal

Dairy Livestock and Poultry

EU Extends Ban on Portugal's Beef Exports

1999

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Report Highlights:

Due continuing high incidence BSE cases in Portugal , the EU will extend the ban on Portugal's beef exports until at least 31 July, 2000. The embargo on live cattle exports remains in effect. 1 USD = 192 Pte.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Lisbon [PO1], PO

Executive Summary

As the 31 July deadline for the EU's embargo on Portugal's beef exports is approaching, the EU Commission has decided to extend the ban for at least until 31 July 2000. The EU's proposal is currently going through the final stages of EU clearance procedures, and is expected to be approved by July 19th.

Two main factors led to the extension of the ban: Portugal's classification as a high risk country by international epizootic organization (IEO) standards; and most importantly, continually rising BSE cases. By IEO standards, a country is considered to be high-risk if during a one year period the disease incidence is over 100 cases per million head of adult cattle (i.e. animals more than 24 old). This threshold was clearly surpassed as Portugal's IEO index was 191.8 between June 1998 and May 1999. As for BSE numbers, the national veterinary authorities report that during the first semester of 1999, BSE-positive cases were 57, compared to 44 during the first semester of 1998, and 10 during that of 1997. The GOP opposed the Commission's decision, arguing against the legitimacy of using the IEO index and claiming that BSE was gradually being controlled due to their anti-BSE Program. However, it is expected that in the future the ban will probably be extended again for another couple of years, as it will take Portugal more time to satisfy the EU Commission's risk assessments.

It is hard to predict what, if any, impact the extension of the ban will have on the beef market and the beef sector in general. The public's reaction to the announcement of the original 9-month EU embargo on November 1998 has so far been muted, which enabled per capita beef consumption to continue growing. Seriously affected by the 1996 BSE-shock that took place after the announcement the disease could be transmitted to humans, per capita beef consumption rebounded in 1997 and 1998, with the national cattle producers federation reporting it be at 86% of its 1996 pre-crisis level. In any case, Portugal's beef exports have never been significant.

The extension of the embargo is expected to be formally approved by the 20 EU Commissioners on 9 July and presented to voting by the Standing Veterinary Committee on July 13-14. Failing to achieve qualified majority, the proposal will be voted in the EU Ministers Council meeting on July 19. Following proof that no BSE case was identified in the Azores, the islands have been excluded from the embargo proposal. Other measures to be considered include lifting the ban on exporting fighting bulls, an activity of some interest to Portugal. However, the export regulations in this case are so restrictive that in practical terms the measure is expected to have minimal benefits for the local producers.

Live cattle exports remain subject to a EU ban also established in November 1998 for an 18-month period, which will likely be extended as well. During Jan/March 1999, Portugal has imported 10,595 Mt of beef, mostly from the EU, and exported 46 Mt, mostly into Angola.

1 USD = 192 Pte

Statistics

BSE Cases

Portugal: BSE cases between 1990
and June 1999

Year	Number of BSE Cases
1990	1
1991	1
1992	1
1993	3
1994	12
1995	15
1996	31
1997	30
1998	127
1999*/	57
TOTAL */	278

SOURCE: GENERAL VETERINARY
DIRECTORATE

Beef Trade

PORTUGAL: 1 ST QUARTER 1999 FRESH BEEF IMPORTS			100 KG	1,000 USD
20110000	1	FRANCe	1687	576
20110000	3	NETHERLANDS	4242	1438
20110000	5	ITALY	177	55
20110000	6	U.K.	370	112
20110000	7	IRELAND	734	177
20110000	8	DENMARK	1761	517
20110000	11	SPAIN	27541	7523
20120200	1	FRANCE	6351	2148
20120200	3	NETHERLANDS	562	197
20120200	7	IRELAND	268	79
20120200	8	DENMARK	70	25
20120200	11	SPAIN	11441	3496
20120300	1	FRANCE	1342	407
20120300	3	NETHERLANDS	290	72
20120300	7	IRELAND	19	5
20120300	8	DENMARK	174	36
20120300	11	SPAIN	1046	307
20120500	1	FRANCE	3120	1188
20120500	3	NETHERLANDS	566	247
20120500	7	IRELAND	3	0
20120500	11	SPAIN	1516	468
20120900	1	FRANCE	1592	660
20120900	3	NETHERLANDS	1122	488
20120900	6	U.K.	18	10
20120900	8	DENMARK	204	63
20120900	11	SPAIN	2049	683
20120900	17	BELGIUM	3	1
20130000	1	FRANCE	3834	1640
20130000	3	NETHERLANDS	2326	1294
20130000	4	GERMANY	31	21
20130000	5	ITALY	3	2
20130000	6	U.K.	290	159
20130000	7	IRELAND	1063	627
20130000	8	DENMARK	465	286
20130000	11	SPAIN	238	131
20130000	508	BRAZIL	702	291
20130000	524	URUGUAY	115	40
20130000	528	ARGENTINA	109	63
TOTAL FRESH BEEF IMPORTS			77444	25531

PORTUGAL: 1 ST QUARTER 1999 FROZEN BEEF IMPORTS			100 KG	1,000 USD
20210000	1	FRANCE	8070	2546
20210000	11	SPAIN	402	135
20220300	1	FRANCE	1269	316
20220500	1	FRANCE	264	100
20220500	3	NETHERLANDS	116	72
20220500	11	SPAIN	125	47
20220900	1	FRANCE	253	59
20220900	3	NETHERLANDS	43	37
20220900	6	U.K.	47	42
20220900	11	SPAIN	19	11
20230900	1	FRANCE	1121	362
20230900	3	NETHERLANDS	2408	1390
20230900	5	ITALY	100	37
20230900	6	U.K.	19	11
20230900	7	IRELAND	378	156
20230900	8	DENMARK	159	91
20230900	11	SPAIN	5783	1548
20230900	508	BRAZIL	3827	1464
20230900	524	URUGUAY	2729	1052
20230900	528	ARGENTINA	111	58
20230900	804	NEW ZEALAND	1263	378
TOTAL FROZEN BEEF IMPORTS			28506	9915
TOTAL BEEF IMPORTS			105950	35446

PORTUGAL: 1 ST QUARTER 1999 BEEF EXPORTS			100 KG	1,000 USD
20120300	11	SPAIN	0	0
20120500	11	SPAIN	1	1
20130000	743	MACAU	6	4
20220100	960	NON-DETER.	3	0
20220900	330	ANGOLA	6	3
20230900	330	ANGOLA	430	133
20230900	960	NON-DETER.	10	6
TOTAL FRESH BEEF EXPORTS			7	5
TOTAL FROZEN BEEF EXPORTS			449	141
TOTAL BEEF EXPORTS			456	146