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## **Poland**

## **Livestock and Products**

## **Annual**

## **2000**

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### **Report Highlights:**

**Poland's red meat output is expected to decrease 7 percent in 2000 and an additional 7 percent in 2001 in response to decreased exports of meat and meat products to FSU countries, increased feed costs and consumer preference for poultry meat vis a vis beef. In 2000, Polish exports of red meat are expected to drop by 25 percent due to lower demand from the FSU markets. Imports of pork are expected to grow in 2001 as a result of lower domestic supplies.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
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## I. Situation and Outlook

Poland's red meat output is expected to decrease 7 percent in 2000 and another 7 percent in 2001. Pork and beef production will contract in response to decreased exports of meat and meat products to the Former Soviet Union (FSU), higher feed costs caused by the severe drought in 2000 and competition from poultry meat. The 2000 grain harvest is expected to be 13 percent below the previous year which will tighten feed supplies for cattle and swine. As a result, feed prices are expected to increase in the second half of 2000 and maintain low profitability of red meat production.

Cattle inventories are expected to continue to decrease in 2000 and 2001 in response to low milk and beef procurement prices. As demand for locally produced beef is very limited, farmers traditionally concentrate on fattening young cattle for export mostly to Italy as a side enterprise of their dairy operations. Most of the beef produced domestically is combined with pork to produce sausages or canned meat products and exported to FSU markets. Since high-quality corn-fed beef is not produced in Poland, U.S. choice beef has found a niche in premier Polish restaurants. The market could be potentially expanded to the large supermarkets which currently dominate the Polish retail market. Poland also represents a potential market for U.S. dairy and beef genetics. In 1999, imports of Holstein heifers from the Netherlands and Germany increased significantly reflecting higher interest of farmers in good genetics. Declining supplies of raw milk and beef will likely have a positive effect on the future profitability of the cattle sector due to an expected increase in procurement prices for milk and beef in 2001.

Beef production is expected to decrease in 2000 and 2001 as a result of lower cattle inventories and substitution of poultry meat. Over the last five years average consumption of beef decreased from 8.6 kilograms to 7.3 kilograms while consumption of poultry meat increased from 10.2 to 14.0 kilograms. Low prices for domestic

beef are expected to reduce imports. Beef offal, especially tripe, remains very popular. Poland imports an estimated 12,000 tons of tripe every year. Most tripe is imported from the United States and Australia. In 1999, Polish exports of beef decreased by 70 percent as a result of decreased demand from FSU countries. Exports are expected to remain low in 2000 and 2001.

Since 1995, Poland has maintained a tariff rate quota for beef. The quota for 2000 is 23,195 tons of beef (5,650 MT for HTS 0201 and 17,545 MT for HTS 0202). The tariff on in-quota trade for fresh, chilled and frozen beef is 30 percent. The over-quota tariff is 45 percent. There is a zero tolerance for presence of hormones in imported beef but Polish veterinary authorities do not require that beef originates from cattle which have not been treated with growth promoting hormones. Each imported shipment of beef is tested for presence of hormones. To date, no shipments have been rejected due to the presence of hormone residues.

In 1999, the GOP introduced levies for products imported below threshold prices. Beef was included in this group of products. While the tariff for in-quota imports remained unchanged, beef imported "out of quota" was subject to a 60 percent tariff plus an additional levy equal to the difference between the shipment price and the reference price. The reference price is calculated according to WTO safeguard requirements by the Polish Institute of Agricultural Economics.

Reduced demand for pork exports, low profitability of hog production and expected high feed costs should result in lower hog inventories in 2000. Reduced supplies of pork in the second half of 2000 will probably result in higher hog prices and, subsequently, higher hog inventories in 2001.

Pork output is expected to drop in 2000 and 2001 as a result of lower slaughter. Despite reduced output in 2000, pork consumption is expected to decline by only one percent because of lower Polish exports. Higher retail prices are expected in 2001, which could impact pork consumption.

In 1999, large scale slaughter companies purchased and processed about 54 percent of all hogs slaughtered. Small scale processors/butchers processed 33 percent of total production while 13 percent was slaughtered on farm. Total production of meat plants in 1999 was down by 6 percent. Large meat plants involved in shipping meat and meat products to the FSU countries suffered the most from the 1998 Russian crisis. It was easier for medium and small size meat plants to adjust to reduced exports and switch production to the domestic market. Adjustments needed to improve quality of products and packaging.

In 2000, imports of pork are expected to decrease reflecting lower demand for processing and limited exports to the FSU. Polish processors used to import trimmings or lower quality pork cuts and use them to produce sausages or canned meat exported mainly to Russia. Pork imports will also be constrained by the increased out-of-quota tariff which went up in 1999 from 60 percent to 83.3 percent and then was reduced to 76 percent in 2000. The total import quota for pork in 2000 is 46,480 tons. The within tariff quota is 30 percent. Imports of pork are expected to grow in 2001 due to lower supplies and higher prices on the domestic market.

It is estimated that exports of pork and pork products in 2000 will drop because of lower output and limited demand from FSU countries. Forty-three percent of pork exported in 1999 was halves originating from governmental stocks. In 1999, Poland also exported 26,100 tons of lard and grease and 6,800 tons of pork offal. Seventy-four percent of fats and 60 percent of offal were exported to FSU countries. Poland's live hog imports are limited to breeding hogs mainly from France. The export of canned hams to the United States continues to grow. Canned hams and shoulders exported to the U.S. come from USDA inspected plants and

are of generally high quality.

The Agricultural Market Agency (AMA) is responsible for stabilization of agricultural markets and governmental stocks of pork and other commodities. In 1999, AMA purchased 123,000 tons of pork from farmers and sold it to private companies for export. Private companies are responsible for exporting pork from AMA stocks. In order to obtain these stocks, the companies had to ensure that the pork was exported or processed and then exported. In the first four months of 2000, the AMA purchased 61,500 tons of pork halves and processed pork. It is expected that intervention purchases of pork will be continued by AMA until June 2000.

All meat shipments to Poland must be accompanied by a health certificate issued by a government-approved veterinarian from the exporting country. Products also must bear a label in the Polish language with the date of production clearly stated. In addition, suppliers have to check with importers Polish standards regarding exported products. Poland has a set of quality standards published as Polish Norms. Each norm has its number and is available in the Central Library of Norms in Warsaw. The same norms are set for storage conditions of meat and meat products and validity of the products depending on conditions and temperature of storage.

Please note: The following coefficients were used to re-calculate product weight of exported pork products to CWE: hams&shoulders 1.5; canned pork and sausages 1.39.

## **II. Statistical Tables**

## Animal Numbers, Cattle

PSD Table						
Country	Poland					
Commodity	Animal Numbers, Cattle				(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Total Cattle Beg. Stks	6455	6455	6200	6093	0	6000
Dairy Cows Beg. Stocks	3471	3471	3300	3296	0	3200
Beef Cows Beg. Stocks	0	0	0	0	0	0
Production (Calf Crop)	3100	3100	2900	3000	0	2850
Intra EC Imports	0	0	0	0	0	0
Other Imports	5	5	6	6	0	10
TOTAL Imports	5	5	6	6	0	10
TOTAL SUPPLY	9560	9560	9106	9099	0	8860
Intra EC Exports	0	0	0	0	0	0
Other Exports	520	499	450	480	0	500
TOTAL Exports	520	499	450	480	0	500
Cow Slaughter	150	200	200	150	0	150
Calf Slaughter	750	750	700	700	0	650
Other Slaughter	1800	1850	1600	1650	0	1450
Total Slaughter	2700	2800	2500	2500	0	2250
Loss	140	168	156	119	0	110
Ending Inventories	6200	6093	6000	6000	0	6000
TOTAL DISTRIBUTION	9560	9560	9106	9099	0	8860
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

## Import trade Matrix, Live Cattle

Import Trade Matrix				
Country	Poland		Units:	head
Commodity	Animal Numbers, Cattle		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.				
Others				
The Netherlands	2592	3610	777	1028
Germany	1695	1309	326	372
France	575	142	24	112
Denmark	263	249	33	110
Slovenia	0	107	0	0
Czech Republic	0	0	35	40
Sweden	120	0	0	0
Lithuania	0	197	0	2335
Total for Others	5245	5614	1195	3997
Others not Listed	0	239	1	0
Grand Total	5245	5853	1196	3997

Export trade Matrix, Live Cattle

Export Trade Matrix				
Country	Poland		Units:	head
Commodity	Animal Numbers, Cattle		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.				
Others				
Italy	317305	304104	77111	70782
Bosnia & Herceg	42992	49202	11850	12377
Croatia	26910	29155	4789	11271
The Netherlands	23396	27360	6364	6492
Israel	14490	24625	4750	15558
Slovenia	14643	17698	4052	5149
Germany	20269	15330	4952	4033
Czech Republic	13091	8929	1683	3366
Spain	11490	6819	2347	3025
Egypt	0	2526	0	2702
Total for Others	484586	485748	117898	134755
Others not Listed	34656	12940	2273	1629
Grand Total	519242	498688	120171	136384

Prices Table for Live Cattle

Prices Table			
Country	Poland		
Commodity	Animal Numbers, Cattle		
Prices in	zlotys	per uom	kilogram of live weight
Year	1999	2000	% Change
Jan	2.6	2.62	0.77%
Feb	2.64	2.62	-0.76%
Mar	2.6	2.67	2.69%
Apr	2.58	2.72	5.43%
May	2.56	2.71	5.86%
Jun	2.52		-100.00%
Jul	2.5		-100.00%
Aug	2.52		-100.00%
Sep	2.55		-100.00%
Oct	2.6		-100.00%
Nov	2.61		-100.00%
Dec	2.63		-100.00%
Exchange Rate	4.27	Local currency/US \$	

Meat, Beef and Veal



PSD Table						
Country	Poland					
Commodity	Meat, Beef and Veal				(1000 MT CWE)(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	2700	2800	2500	2500	0	2250
Beginning Stocks	10	10	16	16	0	6
Production	365	365	335	330	0	300
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	0	1	0	0	1
TOTAL Imports	1	0	1	0	0	1
TOTAL SUPPLY	376	375	352	346	0	307
Intra EC Exports	0	0	0	0	0	0
Other Exports	24	33	24	35	0	35
TOTAL Exports	24	33	24	35	0	35
Human Dom. Consumption	330	320	315	300	0	265
Other Use, Losses	6	6	5	5	0	0
TOTAL Dom. Consumption	336	326	320	305	0	265
Ending Stocks	16	16	8	6	0	7
TOTAL DISTRIBUTION	376	375	352	346	0	307
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix, Meat, Beef and Veal

Import Trade Matrix				
Country	Poland		Units:	tons
Commodity	Meat, Beef and Veal		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	6	34	5	3
Others				
Australia	227	0	0	16
Russia	184	25	5	20
France	64	0	0	0
Denmark	41	0	0	0
Germany	0	95	32	0
Sweden	28	21	8	6
Ukraine	40	0	0	0
Bulgaria	18	0	0	0
Hungary	0	7	0	0
Norway	0	0	0	122
Total for Others	602	148	45	164
Others not Listed	332	0	5	44
Grand Total	940	182	55	211

Export Trade Matrix, Meat, Beef and Veal

Export Trade Matrix				
Country	Poland		Units:	tons
Commodity	Meat, Beef and Veal		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	38	17	0	33
Others				
Russia	38736	4585	463	193
Germany	5746	4461	0	1554
Italy	2509	4141	607	1526
Macedonia	3128	2965	505	846
Bulgaria	4076	1464	75	190
Sweden	1963	1434	175	373
Slovak Republic	0	836	0	208
Bosnia & Herceg	0	702	0	389
Monaco	0	691	0	0
Ukraine	2780	660	0	41
Total for Others	58938	21939	1825	5320
Others not Listed	20792	3448	866	614
Grand Total	79768	25404	2691	5967

Prices Table for Beef /1

Prices Table			
Country	Poland		
Commodity	Meat, Beef and Veal		
Prices in	zlotys	per uom	kilogram
Year	1999	2000	% Change
Jan	12.4	13.03	5.08%
Feb	12.45	13.01	4.50%
Mar	12.54	13.05	4.07%
Apr	12.54	13.15	4.86%
May	12.58		-100.00%
Jun	12.6		-100.00%
Jul	12.64		-100.00%
Aug	12.88		-100.00%
Sep	12.97		-100.00%
Oct	12.98		-100.00%
Nov	12.96		-100.00%
Dec	12.96		-100.00%
Exchange Rate	4.27	Local currency/US \$	

1/ Retail price for boneless rosbef

Animal Numbers, Swine

PSD Table						
Country	Poland					
Commodity	Animal Numbers, Swine				(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
TOTAL Beginning Stocks	19275	19275	18300	18224	0	16000
Sow Beginning Stocks	1879	1879	1750	1703	0	1750
Production (Pig Crop)	23900	23900	23400	21200	0	21500
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	1	1	0	2
TOTAL Imports	1	1	1	1	0	2
TOTAL SUPPLY	43176	43176	41701	39425	0	37502
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	3	0	3	0	2
TOTAL Exports	0	3	0	3	0	2
Sow Slaughter	350	350	400	400	0	400
OTHER SLAUGHTER	22900	22900	21700	21200	0	19200
Total Slaughter	23250	23250	22100	21600	0	19600
Loss	1626	1699	1601	1822	0	1400
Ending Inventories	18300	18224	18000	16000	0	16500
TOTAL DISTRIBUTION	43176	43176	41701	39425	0	37502
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix, Live Hogs

Import Trade Matrix				
Country	Poland		Units:	heads
Commodity	Animal Numbers, Swine		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.				
Others				
France	74	116	23	590
The Netherlands	0	382	0	0
Great Britain	1440	8	0	0
Denmark	414	36	0	0
Sweden	0	38	0	0
Hungary	263	0	0	0
Norway	220	0	0	0
Belgium	11	0	0	0
Germany	0	0	0	1
Total for Others	2422	580	23	591
Others not Listed	0	0	0	7
Grand Total	2422	580	23	598

Export Trade Matrix, Live Hogs

Export Trade Matrix				
Country	Poland		Units:	heads
Commodity	Animal Numbers, Swine		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.				
Others				
Lithuania	0	1609	0	0
Latvia	0	550	0	380
Thailand	0	369	0	0
Hungary	693	368	0	0
Ukraine	0	121	0	122
Croatia	12320	0	0	0
Russia	16505	28	0	101
Byelorussia	30	88	88	0
India	0	20	0	0
Panama	0	10	0	0
Total for Others	29548	3163	88	603
Others not Listed	283	0	0	0
Grand Total	29831	3163	88	603

Prices Table, Live Hogs

Prices Table			
Country	Poland		
Commodity	Animal Numbers, Swine		
Prices in	zlotys	per uom	kilogram of live weight
Year	1999	2000	% Change
Jan	2.46	3.22	30.89%
Feb	2.9	3.08	6.21%
Mar	2.75	3.11	13.09%
Apr	2.83	3.25	14.84%
May	2.77	3.37	21.66%
Jun	2.76		-100.00%
Jul	2.82		-100.00%
Aug	3.26		-100.00%
Sep	3.24		-100.00%
Oct	3.3		-100.00%
Nov	3.34		-100.00%
Dec	3.21		-100.00%
Exchange Rate	4.27	Local currency/US \$	

Meat, Swine



PSD Table						
Country	Poland					
Commodity	Meat, Swine				(1000 MT CWE)(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	23250	1699	1601	1822	0	0
Beginning Stocks	70	70	74	74	0	30
Production	1700	1730	1636	1610	0	1500
Intra EC Imports	0	0	0	0	0	0
Other Imports	34	44	34	30	0	50
TOTAL Imports	34	44	34	30	0	50
TOTAL SUPPLY	1804	1844	1744	1714	0	1580
Intra EC Exports	0	0	0	0	0	0
Other Exports	200	215	200	150	0	120
TOTAL Exports	200	215	200	150	0	120
Human Dom. Consumption	1500	1525	1464	1500	0	1400
Other Use, Losses	30	30	30	30	0	30
TOTAL Dom. Consumption	1530	1555	1494	1530	0	1430
Ending Stocks	74	74	50	34	0	30
TOTAL DISTRIBUTION	1804	1844	1744	1714	0	1580
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	7	10	7	10	0	10

Import Trade Matrix, Meat, Swine

Import Trade Matrix				
Country	Poland		Units:	tons
Commodity	Meat, Swine		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	397	88	0	0
Others				
Denmark	41035	22889	11238	3886
Canada	4798	2887	330	0
Great Britain	4813	3890	502	367
Hungary	2022	7541	2316	1062
Norway	0	1572	0	195
France	3578	1238	502	564
Czech Republic	57	1100	12	78
Germany	727	769	224	211
Austria	57	574	0	0
The Netherlands	0	170	0	40
Total for Others	57087	42630	15124	6403
Others not Listed	524	988	1771	382
Grand Total	58008	43706	16895	6785

Export Trade Matrix, Meat, Swine

Export Trade Matrix				
Country	Poland		Units:	tons
Commodity	Meat, Swine		Partial Begin	Jan
			Partial End	March
Exports for:	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	5916	6948	1441	1560
Others				
Russia	133913	130061	14559	18258
Ukraine	5590	9388	1541	1418
Latvia	3027	7848	947	1395
Byelorussia	1667	6136	1415	1279
Moldovia	4621	5039	1078	948
Lithuania	0	2801	0	223
Romania	0	1617	0	746
Azerbaijan	2575	1530	261	352
Great Britain	980	1316	233	263
Bulgaria	0	1250	0	40
Total for Others	152373	166986	20034	24922
Others not Listed	5406	5022	1528	1137
Grand Total	163695	178956	23003	27619

Tariff Rate Table

Tariff Number	Product Description	Applied Tariff	Basic Tariff
102.10 0	Breeding Cattle	0	5.0
0201	Fresh or Frozen Beef	45	19 + maximum 3.03 EUR/kg
0210	Beef Products	35	22 + maximum 3.12 EUR/kg
0206.10	Beef Offal	20	12.8 + maximum 3.04 ECU/kg
0504.00.00.9	Beef Tripe	15	19
0203	Pork: fresh, chilled and frozen	30/3	76 + maximum 0.9 EUR/kg
1602.41 1602.42 1602.49	Pork products	40	102 + maximum 3.04 EUR/kg

1/ Applied tariff: used for MFN and WTO members if lower than conventional (basic) tariff;

Basic or conventional tariff: maximum bound tariff.

2/ For UE, CEFTA, Latvia and Lithuania tariff is zero.

3/ Within the Quota

Average Meat Consumption (kilograms per capita )

	Pork	Beef	Poultry
1996	40.1	8.6	10.2
1997	35.4	8.3	12.4
1998	37.6	8.1	13.1
1999	38.5	7.7	14.0
2000	37.5	7.3	14.0