

Voluntary Report – Voluntary - Public Distribution

Date: March 26,2020

Report Number: PL2020-0012

Report Name: Poultry and Products Annual

Country: Poland

Post: Warsaw

Report Category: Poultry and Products

Prepared By: Piotr Rucinski

Approved By: Jonn Slette

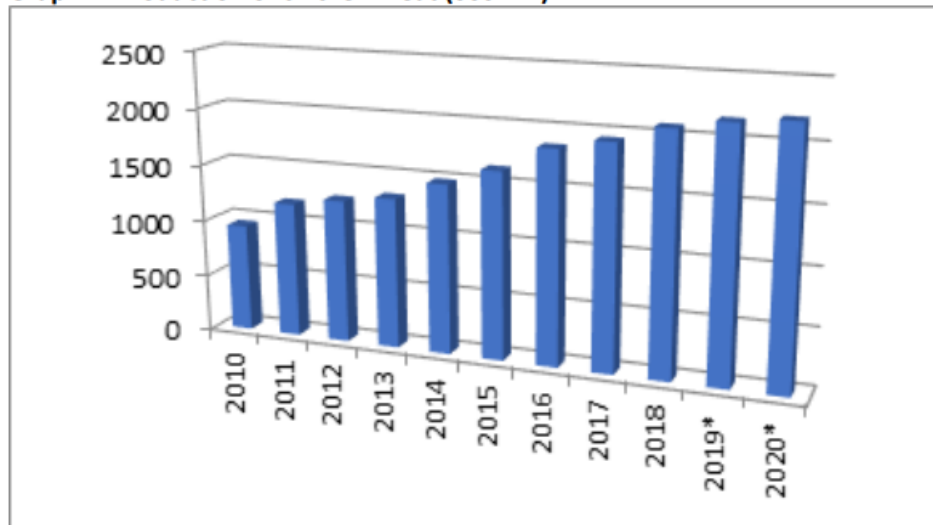
Report Highlights:

Post forecasts that 2020 chicken meat production will grow by 1.5 percent over 2019. Despite more moderate growth, Poland will remain the European Union's (EU) largest poultry meat producer. Although growing domestic consumption and international demand will drive Polish poultry meat production in 2020, a highly pathogenic avian influenza (HPAI) outbreak in late December 2019 will moderate that growth. Until March 12, 2020, there were 30 confirmed HPAI outbreaks in domestic flocks. Post estimates 2020 exports of chicken meat will decline by seven percent from 2019, mainly due to lower exports outside of the EU. In 2019, over 70 percent of exported chicken meat was shipped to other EU markets.

Production

Post estimates that in 2020, Polish chicken meat production will reach 2.2 million metric tons (MMT), a 1.5 percent increase over 2019. This production increase stems from growing domestic demand, as poultry is perceived as more healthful and less expensive than red meat. Despite this increase, Post estimates that 2020 chicken meat production growth will decline from 2019 due to the HPAI outbreak in December 2019. The average farm-gate price for broilers in January 2020 was PLN 3.77 (\$1.00), a three-percent increase over January 2019. Chicken broilers account for 85 percent of total poultry meat production, while turkey accounts for 14 percent. Both are primarily processed by the domestic meat processing industry. Duck and goose meat are produced on a smaller scale and are exported mainly to Germany and other countries in Western Europe. Post estimates that 2019, broiler production grew by four percent over 2018. Poultry meat production largely depends on local grain (mainly corn) and 2.0 MMT of imported soybean meal, mainly from South America or the United States.

Graph 1: Production of chicken meat (000 MT)



*2019, 2020 – FAS Warsaw estimate

Source: Main Statistical Office (GUS) and FAS Warsaw estimate

Consumption

Post estimates that 2019 poultry meat consumption reached 27.5 kilograms per capita, almost two percent over 2018. Poultry meat remains the cheapest animal protein on the Polish market, which drives demand. In the first eight months of 2019, poultry meat prices increased by almost eight percent over the same period in 2018. Pork and beef prices also increased during the same period by 13 and 0.7 percent, respectively. Although Polish consumers continue to prefer pork, with annual per capita consumption at 41 kilograms, poultry meat is perceived as a more healthful and less expensive. The Polish meat processing industry also produces poultry sausages and pâté to imitate pork products. Post estimates that 2020 poultry consumption will continue to grow because of higher production, lower exports due to HPAI, and growing retail prices for pork. Poultry meat constitutes 36 percent of

meat consumed in Poland, compared to 51 percent for pork and only five percent for beef. Post estimates that birds from back-yard flocks account for two percent of total consumption.

Trade

Post estimates that 2019 chicken meat exports reached 1.34 MMT, a 12-percent increase over 2018. However, in value terms, 2019 Polish chicken meat reached five percent, at \$2.53 billion, reflecting a price decline. After an HPAI outbreak in December 2019, several countries imposed bans on Polish poultry and egg products, notably South Africa, China, South Korea, Singapore, Japan, Taiwan, United Arab Emirates, and Philippines. A limited ban based on Poland’s regionalization principle was introduced by Ukraine, Belarus, Hong Kong, Kazakhstan, Russia, Armenia, Cuba, and Saudi Arabia. Post estimates that in 2019, almost 70 percent of Polish chicken meat exports were to neighboring EU markets, particularly to the UK, Germany, and France. Last year Poland’s major non-EU poultry export markets were South Africa, Hong Kong, Ghana, Vietnam, and China. The HPAI related bans on by important export markets will adversely affect Polish exports in 2020. In addition, outbreak of HPAI in Germany will result in lower import demand for meat from Poland. The Polish poultry industry is highly integrated and export oriented. Although the majority of exports are directed to the internal EU market, the industry and GOP is trying to open new market opportunities, including U.S. market access.

Imports of poultry meat mostly consisted of chicken and turkey cuts from Ukraine, Germany, and the UK. Post estimates that 2019 imports were valued at about \$154 million, a nine percent decrease from 2018, notably lower chicken-cut imports from Ukraine and the UK.

Graph 2: Exports of Chicken Meat (000 MT)



*2019, 2020 – FAS Warsaw estimate

Source: TDM

Attachments:

No Attachments.