



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 20 January 2011

5511/11

**AGRI 31
AGRIORG 7**

NOTE

from : Belgian delegation
to : Council
Subject : Crisis in the pigmeat sector

Delegations will find attached a note submitted by the Belgian delegation, supported by the Irish delegation, to be dealt with under "Any other business" at the Council (Agriculture and Fisheries) on 24 January 2011.

The continuing negative trend of reductions in meat prices and increases in feed costs has resulted in creating an intolerable socially-economic situation for many pig farmers. Many farms will be forced into ceasing their activities. Actions from desperate farmers are rapidly approaching.

Since mid 2008 (end of export restitutions for fresh and frozen pig meat) there have been no supporting initiatives at European level. However the European Commission has indicated several times that they were following the situation closely and were willing to intervene if necessary. Given the current critical situation, and in order to prevent producer prices dropping to insufferably low levels (or having prices remain low over an extended period of time) an overall action for support for **private storage** is urgently needed. The resulting stocks can then be sold outside the internal market so as not to compromise the recovery of the Community market.

As a result of the reflection day on the future of the European pig sector, held on 3 December 2010 under Belgian Presidency, participants supported the idea of discussing the future of the pig meat sector at high level to determine the challenges facing the industry. Several delegations welcomed this suggestion during the December Council.

Belgium welcomes the fact that the Commission will be informing the Special Committee on Agriculture on a regular basis regarding the situation on the pig meat market.
