



Global Meat Congress in Shanghai – keeping an eye on the most vital sector of global trade

The first Congress was held in December, 2016 in Dubai and became the place for vivid discussions on latest global meat trade issues. It gathered professionals from all over the world and led to desire to continue its journey. Therefore, the place for the **second Congress – Shanghai** - was picked out of the most vibrant places. The Congress went within frames of the exhibition **SIAL Asia**.

Key sponsors of the event - **West Food Group** (the Netherlands), **Great Silk Way** (Hong Kong), **CAITE** (China) and main organizer of the event **APK-Inform** have joint their efforts to follow purposes of information sharing between the major meat suppliers and Chinese importers, as well as reporting on the leading countries-suppliers of meat on the Chinese market - Australia, Brazil, Argentina, the EU, etc. The Congress focused on three main types of meat - pork, beef and poultry meat.

Asia is the most dynamically growing segment of global agribusiness at the moment. During 10 recent years, China - the main meat purchaser - significantly increased the consumption of basic meat types, which led to the growth in both domestic production (mostly pork) and the imports of both pork, beef and chicken. And according to the USDA and Rabobank experts, the current growth trend of consumption will continue developing in several following years.

It is no wonder that the Global Meat Congress captured the great interest from both Chinese companies and representatives of authorities, as well

as foreign traders and meat producers. In particular, the list of speakers and guests of the event included: **Wang Junbing**, Secretary General of the China Entry-Exit Inspection Authority and Quarantine Association (CIQA), **Xiao Wensin**, Director of the food department at Shanghai Entry-Exit Inspection and Quarantine Bureau, as well as foreign guests - **Head of the World Meat Organization**, **Director of the German Meat and Dairy Association**, **Director of Danish Agri and Food Council**, **representatives of the China Meat Association (CMA)**, etc. A guest of honor - Consul of Ukraine in Shanghai **Dmytro Ponomarenko** - also attended the event. Time-proof partner and one of the best logistics company – **COSCO**, famous for its outstanding service, was invited to participate in discussions and the Congress itself.

More than 250 representatives of meat business from 15 countries, including China, Australia, the Netherlands, Argentina, Brazil, Ukraine, Canada, the USA, Hong Kong, several key business media in China and large-scale Chinese consulting agencies, became members of the Congress.

The press-conference became the opening part of the Congress agenda, in which representatives of the public sector of China (CIQA, Shanghai Exit-Entry Inspection, Association of Commercial Enterprises of China, etc.) and leaders of various international associations operating in the country's meat market, took active part.

As for the speakers they highlighted hot points of current global protein production, consumption and trade. A presentation of the Deputy General Director at the Center for International Agricultural Research (CIAR), the Chinese Academy of Agricultural Sciences, **Nie Fengying**, became the key one at the Congress. The expert covered the main trends in development of the Chinese meat market. According to CIAR, in the period of 1996-2015, China doubled the domestic production of meat, and pork production was the fastest growing segment of the market. The production of poultry meat increased from 8.3 mln tonnes in 1996 to 19 mln tonnes in 2016. According to the expert, during several recent years consolidation of the market, moving from small to large-scale farms, and creation of integrated agricultural holdings became the main trend of the domestic market. However, the domestic production goes behind to the consumption growth, and China has to import large volumes of meat. According to CIAR forecasts, until 2026 the annual growth in the production of basic meat in China will total 1.7% (and will reach 100 mln tonnes in 2026).

Lautaro Navarro from Bustos y Beltran group presented the topic about the offal's role in global beef export market. He explained the reasons for ascending numbers of offal's consumption and the growth of its segment around the world. Mr. Navarro also mentioned the historical backgrounds and dietary preferences regarding offal and meat by-products.

Another speaker, **Roman Kryvosheyev**, CEO of Fialan company in Guangzhou, gave a presentation about private labeling for China and stressed on key points before entering the Chinese market. He urged the attention of the participants of the Congress to the possibilities of cooperation with Asian countries and potential of Ukraine as a new sufficient exporter of agri-products.

Zhao Qin from Sichuan Goldkinn Industry Group Co. Ltd. talked about best cooperation point in frozen meat field in China. The international expert on meat trade, **Kateryna Iarosh**, reported about the global pork market. According to her, to date pork covers 40% of the global meat market (the shares of beef and chicken total 21% and 34%, respectively). To date, China, the EU (mainly Germany and Spain), the USA, Brazil, Russia and Vietnam are the main countries-producers of pork. At the same time, China, the EU countries and the USA are the key global consumers of pork. The EU, the USA, Canada and Brazil keep the positions of global leaders in pork exports. As for China, in 2016 the country doubled the imports of pork, and supplied 2/3 of the product from the EU. According to the expert forecasts, in 2017 the EU will give the leading positions in pork supplying to the USA.

The Brazilian meat scandal became a catalyst for efforts of other countries to strengthen their positions and/or enter the meat market of China. However, Brazil does not plan to give away its leading positions on the Asian market, and announces the high-quality standards of meat products. The country even promises to increase its production volumes. Two speakers represented the country in the Global Meat Congress - the Director of JBS, and the intelligence and market access manager at the Brazilian Association of Animal Protein (ABPA). **Bassem Sami Akl** from JBS reported about the successes of Brazilian producers and exporters of beef - to date, the country is the second global producer of beef after the USA, and the second largest exporter (after India). Brazil exports beef to 133 countries. Hong Kong, China, the EU, Egypt, Russia and Iran are the main importers of Brazilian beef. As for pork, in 2016 Brazil produced 3.7 mln tonnes of the meat type, and became the fourth largest producer in the world. To date, there are 39'000 pork producers in the country (including small-scale pig farms and large agricultural holdings). In 2016, the





exports of Brazilian pork totaled 730 thsd tonnes (the fourth largest exporter of pork meat in the world). More than 70 countries imported Brazilian pork, but the major volumes went to Asia (42%).

Also, a representative of ABPA Association, **José Luiz Pimenta Jr.** reported about development of poultry production in Brazil, which has really awesome rates. In 2016, Brazil produced 12.9 mln tonnes of chicken meat, and become the second largest producer of such meat type, the exports reached 30% of production. To date, Brazil is the largest global exporter of chicken meat, and supplies the product to 150 countries. Saudi Arabia (17%), China (11%), and the EU (9%) were the main buyers of Brazilian chicken. Chicken meat production is the large-scale industry and significant part of the economy of the country, employing 3.56 mln people, said the speaker. The Brazilian experts stressed that despite the temporary reputation troubles, the country will continue developing as the leader in the supply of meat on Asian markets.

Also, the Marketing Director of West Food Group (WFG), **Tatyana Golofievskaya** made an interesting

report about the global and Asian meat markets. According to the report, in 2000 the average global consumption of meat totaled nearly 37 kg per man-year, in 2015 the figures increased to 43 kg per man-year, and in 2030 - 52 kg per man-year. The USA, the EU, Australia, Argentina, Canada and Brazil became the leaders of meat consumption. According to Rabobank estimations, in the following 20 years the global meat market will increase by 40%, and total 400 mln tonnes. To date, Asian countries demonstrate the highest growth rates in meat consumption. Thus, in China meat consumption already reached 57 kg per man-year and continues growing. She also prepared up-to-date information about specificity of cooperation between foreign companies and domestic Asian buyers.

Communication on the sidelines of the Congress was very active, and Chinese buyers arrived not only to talk with the current meat suppliers and become acquainted with the new ones, but also to sign new contracts for new deliveries of meat and by-products. All of those who had attended the event were pleased with the result, and hopefully would continue participating in development of meat trade on global markets, within frames of the event in the new year.



Nie Fengying



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