

Brussels, 14 January 2022

Honourable Commissioner for Agriculture  
Honourable Janusz Wojciechowski,

### **Urgent need for EU-wide targeted support measures for European pig farmers**

European farmers are nowadays facing huge challenges. Feed prices are experiencing the highest levels in 8 years, which affects all European farmers. Especially the European pig meat sector has, over the past year, been at its lowest in the last decade. In my region Flanders, for example, since the beginning of the COVID pandemic, farmers are confronted with a 65-percent drop in the price of pigs. The record feed prices combined with historically low prices for pig carcasses have a devastating effect.

The low prices in several member states are the result of multiple factors. Not only has the consumption of pig meat been impacted by the COVID-19 crisis due to a decrease in food service and catering; also did the Chinese demand drop due to sourcing from other regions and increased domestic production. In addition, African Swine Fever is impacting export channels of different member states, resulting in pressure on the European internal market. This makes the crisis more outspoken in Member States that have been confronted with outbreaks of African Swine Fever in recent years.

This dangerous combination of a disadvantageous market situation and high production costs is weighing extremely hard. Short-term support will be crucial for the sector to survive the current crisis and reposition itself, to stand ready for a more sustainable future in order to reach the Green Deal commitments. In that sense, the pig sector is already restructuring itself, e.g. through product diversification and aligning production more with consumer demands, like animal welfare and environmental considerations, cooperation through producers and interbranch organisations and matching supply and demand.

We call upon you to take swift and adequate measures supporting the European pig meat farmers in a manner appropriate to the exceptional circumstances they are enduring. This call endorses the concerns regarding the pig meat market raised by many delegations at the European Council the last few months. We strongly believe that the approach used so far, in referring Member States to the COVID temporary state aid framework creates an unlevel playing field across Europe and is in fact aggravating the crisis in a large number of Member States who will not/cannot support their pig farmers under this framework. As guardian of fair competition in the EU single market, notably in the agricultural market, the Commission has to avoid this fragmentation.

The CMO regulation provides the necessary tools for a European response to tackle this type of crisis and to ensure solidarity between EU farmers.

It is crucial that the right measures are taken and funded by the EU budget, in particular by mobilizing the margins available under the EAGF sub-ceiling or the revenues assigned to the EAGF. Given the root causes of this crisis and how it is affecting farmers, we are strongly calling for liquidity measures to be taken. Given the unpredictability of ASF outbreaks and changing COVID measures private storage has already been intensively used. Hence, activating private storage aid will not make a real difference any more and only threatens to prolong the crisis in time.

Indeed, it is only through a swift and EU-wide targeted direct-support measure that pig farmers will be able to get through this crisis. These companies need acute financial breathing space to avoid bankruptcy and to safeguard their ability to adjust their businesses taking into account market conditions, sustainability requirements and ambitions, and public expectations. We see that the European pig farmers are ready to invest in a more sustainable future, but will not even be able to start making those investments without surviving this crisis financially and mentally. European support is the only way to give our pig farmers and their families the opportunity to contribute to this Green Deal future.

**We count on your decisive action in the interest of our farmers, in the interest of the European consumer and in the interest of a powerful European Union.**

Thank you in advance for your consideration.

Yours faithfully,

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