



## REPORT FOR OCTOBER 2023 YTD TRADE

### Beef Exports to the EU-27

Canadian beef export volumes in October 2023 were down 3% from last year but up 6% from the five-year average for October. Federally inspected slaughter was down 3.6% from October 2022 and down 2.0% from September 2023.

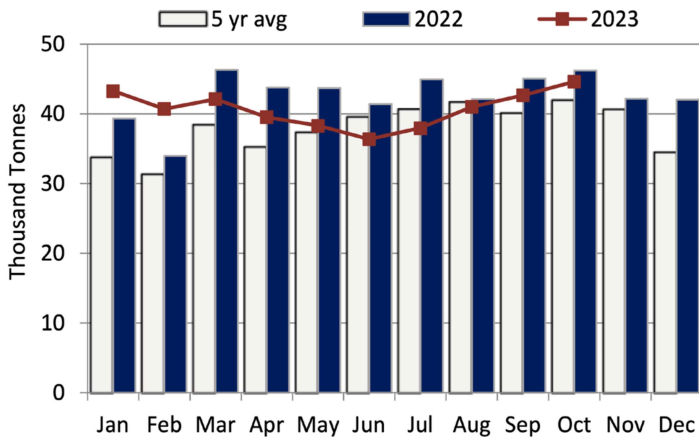
Year-to-date (YTD) beef exports of 406,481 tonnes valued at \$4 billion were down 5% in volume but up 4% in value from last year. Year-to-date volumes increased to the U.S. (+2%), Hong Kong and Macau (+4%), Mexico (+21%), and the EU27 (+18%), but declined to Japan (-34%), SE Asia (-30%), South Korea (-28%), Taiwan (-23%), and MENA (-36%). There were no exports to the U.K. or China.

EU's regulatory frameworks has resulted in many Canadian processors deciding not to export beef to the EU.

Nonetheless, there is strong demand by importers in the EU market for high quality Canadian beef as Europe is a premium beef import market that appreciates and desires a high quality product for sale in select retail stores and restaurants as well as online sales platforms.

Imported beef volumes to the EU are forecast to continue to grow modestly within the next years as local beef production growth remains flat. The biggest challenge to further growth of Canadian beef in this market is the limited number of beef plants in Canada that are willing to meet the current EU regulatory requirements.

Canadian Monthly Beef and Veal Exports



Source: Statistics Canada

### Exports to the EU 27

From January to October 2023, YTD beef exports to the European Union (EU27) were up 18% in volume compared to a year ago. The average unit price was down 4% to \$18 / kg.

Canadian beef trade with Europe represents a small portion of total Canadian beef exports and have only grown slightly since the signing of the Comprehensive Economic and Trade Agreement (CETA) between Canada and the EU in 2017. Under the CETA agreement, Canada gained annual quotas for 65,000 MT of duty free access for Canadian beef but unresolved technical barriers and non-alignment of Canadian and



Promotion of Canadian Beef in Germany at ANUGA 2023 \*  
\*Photo credit: Canada Beef



## Beef Production in the EU 27

Since 2017, the European Union's (EU) cattle herd has been shrinking and this trend is expected to continue in 2024.

The most significant cuts are projected in France, Spain, and Portugal.

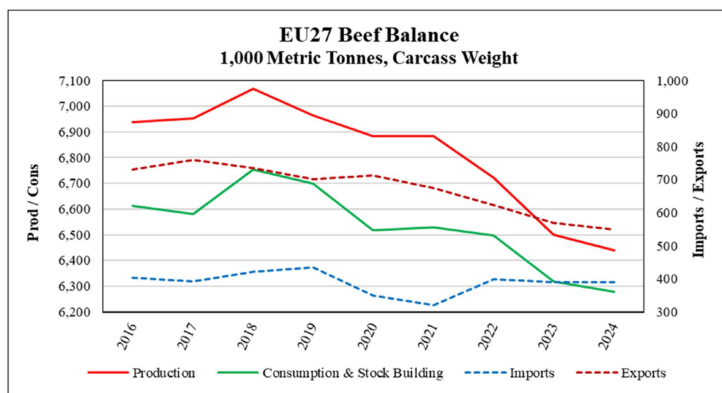
The French cattle herd might continue its decline in 2024 as ranchers continue to face relatively high feed cost. Producers in Spain and Portugal have been experiencing a severe drought, reducing pasture production, and limiting the availability of fodders and forages.

Producers are confronted with high input prices and complex regulations, which combined are pressing profit margins and creating investment uncertainty by the farmers.

## High Prices are Pressing Consumption and Imports of High-Quality Beef

With lower volumes of domestically produced beef, EU exports are also falling. This trend is expected to continue in 2024.

EU beef imports from all countries reached a record in 2019 (435,000 tonnes) but plummeted to a record low in 2021 (321,000 tonnes) because of the COVID pandemic. Beef imports recovered in 2022 and the first quarter of 2023.



Source: <sup>2</sup> USDA FAS Livestock and Products Annual, GAIN Report Number: E42023-0038, September 15, 2023

While imports from Argentina, Uruguay, the U.S., and Australia, increased further during the second quarter. EU beef imports from the United Kingdom, the principal supplier in 2022, fell significantly. <sup>1</sup>

Another factor pressing imports is the high price level of beef, which is eroding food service as well as retail sales, especially for high-quality beef.

Consumption is also shifting towards lower-priced meats such as minced meat versus muscle, and to poultry meat. Based on the limited domestic and global supply, coupled with high price levels, EU beef consumption is anticipated to further decline in 2024. <sup>2</sup>

According to Statistics Canada, the three major importers of Canadian beef and other bovine meat products in the EU in 2023 are the Netherlands with 561 tonnes (48%), Italy with 360 tonnes (31%) and Belgium with 182 tonnes (16%).

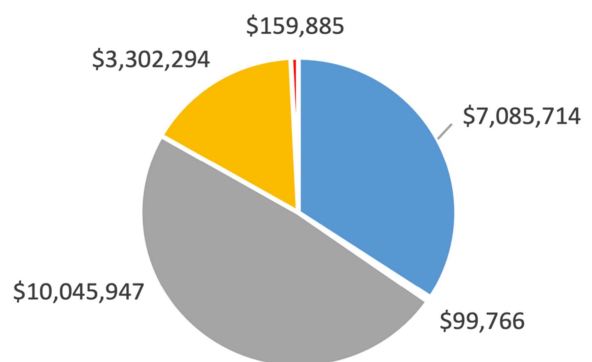
## Canadian Beef Exports to the EU 27 by Product Type

The main categories of Canadian beef exported to the EU 27 are Fresh/Chilled Beef, Frozen and Offal products.

From January to October 2023, Fresh/Chilled beef exports to EU 27 totaled 1,165 tonnes valued at \$21 million, marking an 18% increase in volume and a 15% increase in value compared to the same period in 2022. Fresh/Chilled beef represents 95% of the volume and 98% of the value of beef exports to the EU 27.

From January to October 2023, frozen beef exports totaled 37 tonnes valued at \$411,000, up 4,222% in volume and 2,516% in value. Frozen beef represents 3% of the volume and 2% of the value of beef exports to the EU 27.

Canadian Beef Exports - Fresh/Chilled Beef - Value CAD\$ YTD January - October 2023

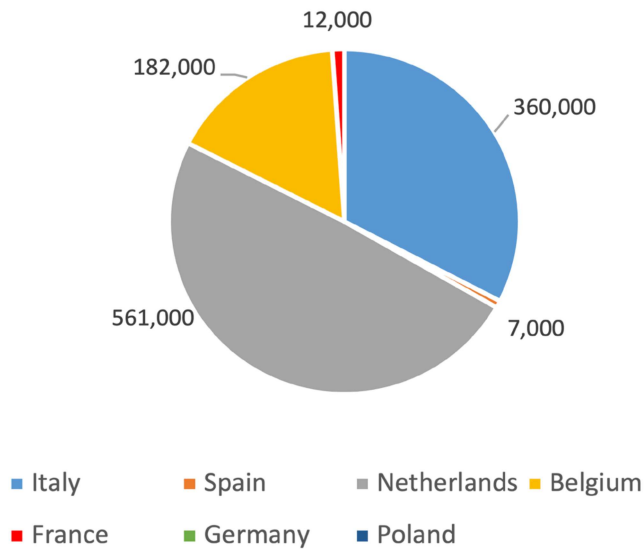


- Italy
- Spain
- Netherlands
- Belgium
- France
- Germany
- Poland

# CANADIAN BEEF TRADE



Canadian Beef Exports of Fresh/Chilled Beef - Volume (kg)  
YTD January - October 2023



## References:

(1) Eurostat, Agricultural production - livestock and meat, October 18, 2023 [https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=427096#Veal\\_and\\_beef](https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=427096#Veal_and_beef)

(2) Bob Flach and Tania de Belder, USDA FAS Livestock and Products Annual, GAIN Report Number: E42023-0038, September 15, 2023 <https://usda-eu.org/reports/gain-reports/>