

Irish Poultry & Egg Industry Situation

Peter Duggan

15th July 2020

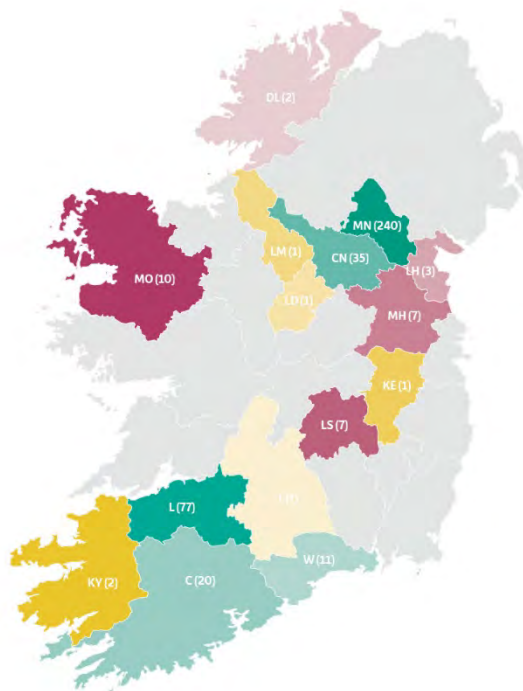
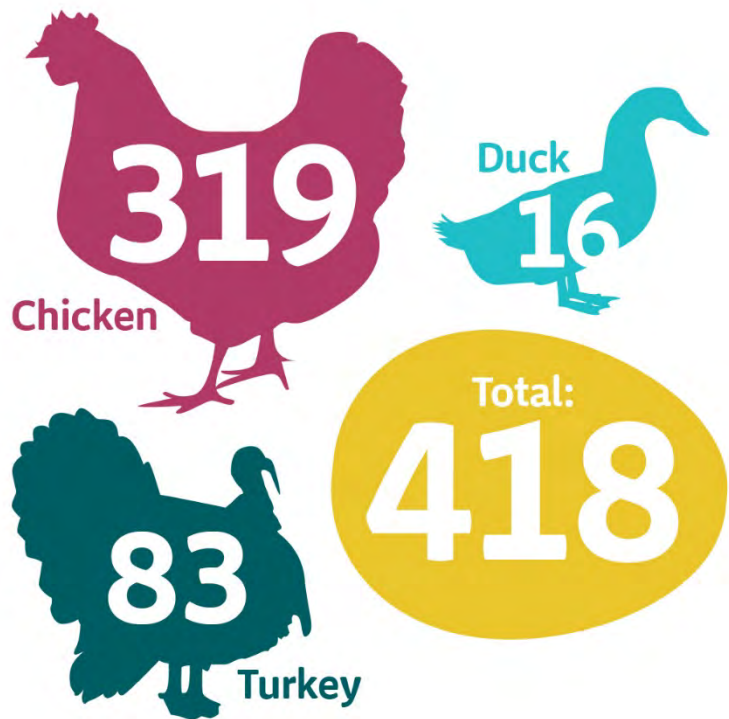
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Agenda

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- QA Members
- SPPAS
- Production
- Global Trends
- Promotional Activities
- Consumer Behaviour



Monaghan.....	240
Limerick.....	77
Cavan.....	35
Cork.....	20
Waterford.....	11
Mayo.....	10
Laois.....	7
Meath.....	7
Louth.....	3
Donegal.....	2
Kerry.....	2
Kildare.....	1
Leitrim.....	1
Longford.....	1
Tipperary.....	1

Total
number of egg
production
sites:

186

Production System



Enriched Colony

30



Barn

3

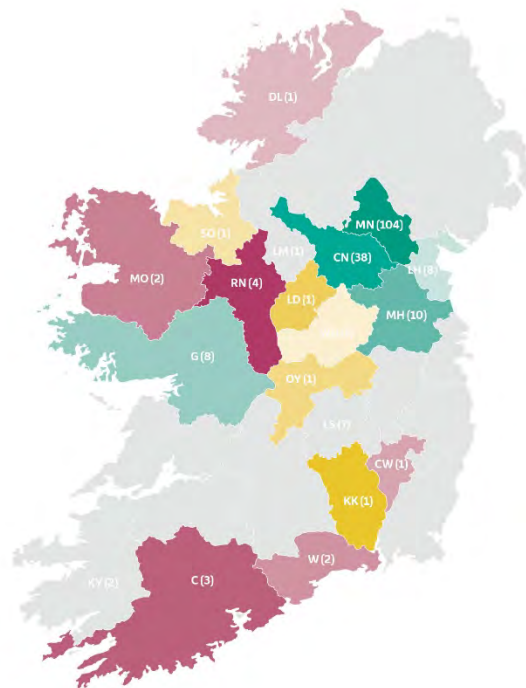
Free
Range

135



Organic

18



Monaghan.....	104
Cavan.....	38
Meath.....	10
Galway.....	8
Louth.....	8
Roscommon.....	4
Cork.....	3
Mayo.....	2
Waterford.....	2
Carlow.....	1
Donegal.....	1
Kilkenny.....	1
Longford.....	1
Offaly.....	1
Sligo.....	1
Westmeath.....	1

Sustainable Poultry Products Assurance Scheme Rev01

November 2019

This replaces the current Poultry
Products Quality Assurance Scheme
(PPQAS)

Sustainable Poultry Products Assurance Scheme

Breeder-Rearer, Breeder-Layer,
Producer & Hatchery Standard



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SPPAS will launch as soon as the **COVID-19 / Avian Influenza** situation allows training and **on-site audits** to resume.



Scope includes **breeder farms (rearing & laying), hatcheries** and for **poultry producers** across the **chicken, turkey and duck** sectors.

SPPAS Objectives

- To demonstrate to customers that poultry meat is produced under an **accredited sustainability & quality assurance scheme**;
- To set out the criteria for **best practice at all stages** in the poultry **production process**.
- To provide a uniform mechanism for **recording and monitoring**:
 1. Compliance of participants with quality assurance, food hygiene and food safety criteria;
 2. The level of sustainability improvement over time



Benefits from Participation in the SPPAS

On Farm Benefits

- Quality & sustainability measures can deliver **environmental & economic** benefits.
- Allows members to meet both **regulatory and market demands**.

Industry Benefits

- **Effectively communicates** the **marketing credentials** with key customers.
- Create a **market preference** for certified produce among customers.

What's New?

- Producers must engage in a **Campylobacter Improvement Plan** with their abattoir (in line with FSAI Recommendations for a Practical Control Programme for Campylobacter in the Poultry Production and Slaughter Chain) (2011).
- **Highest Priority Critically Important Antimicrobials (HP-CIAs)** products and usage methods set out by DAFM recommendations.
- **Develop Animal Welfare Plan** & implement in consultation with Veterinary Practitioner and **review annually**.
- Sustainability data gathering (e.g. energy, feed, etc.) to determine **Carbon Footprint** of each production house.





What's New?

- Staff '**Welfare in the Workplace**' policy
- Rodent Control Plan in line with **Campaign for Responsible Rodenticide Use Code** (CRRU)
- Chemical handling – producers must be registered with DAFM as a **Professional User** (PU)
- **Biosecurity Protocols** – House entry / exit procedures
- **Litter** must be sourced from an **approved supplier**.
- '**Catching**' protocols

Production

Irish poultry supplies

EU supplies

Chinese situation

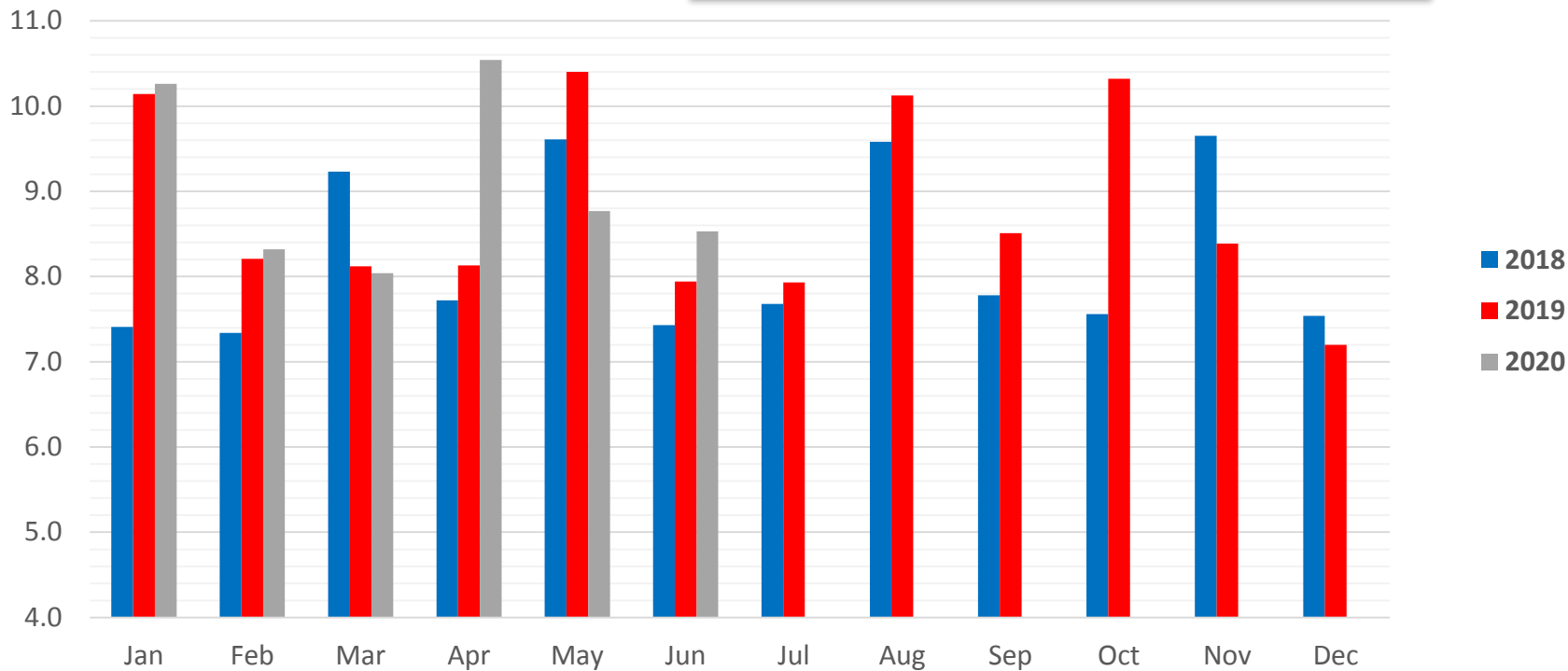
Global export developments

Irish layer situation

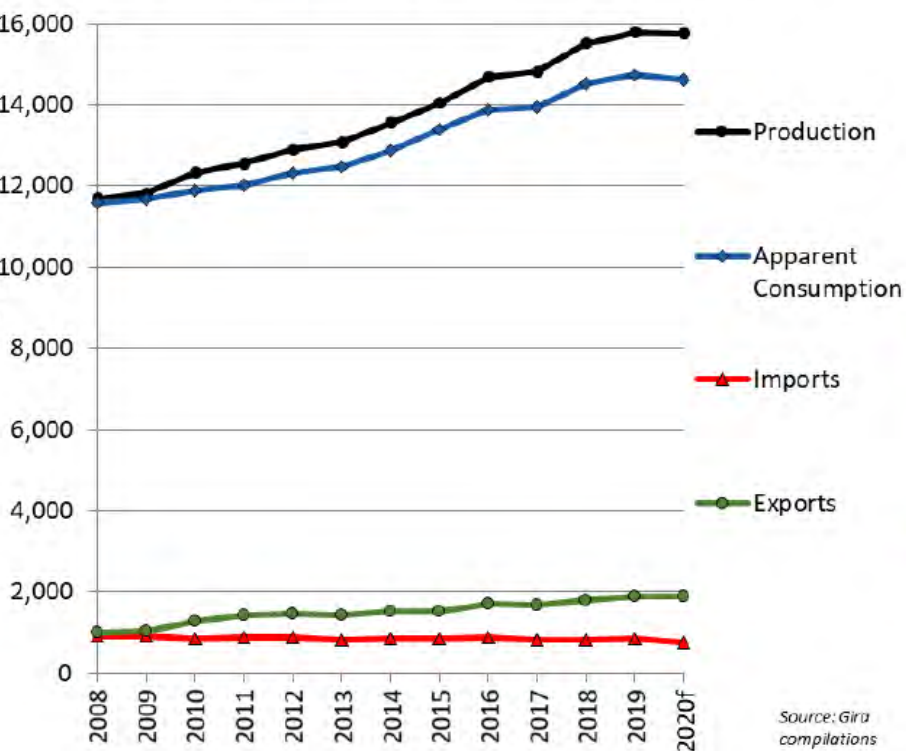
Irish poultry supplies continue to hit record levels

Million head

Irish poultry supplies 3% higher at 55m birds ytd



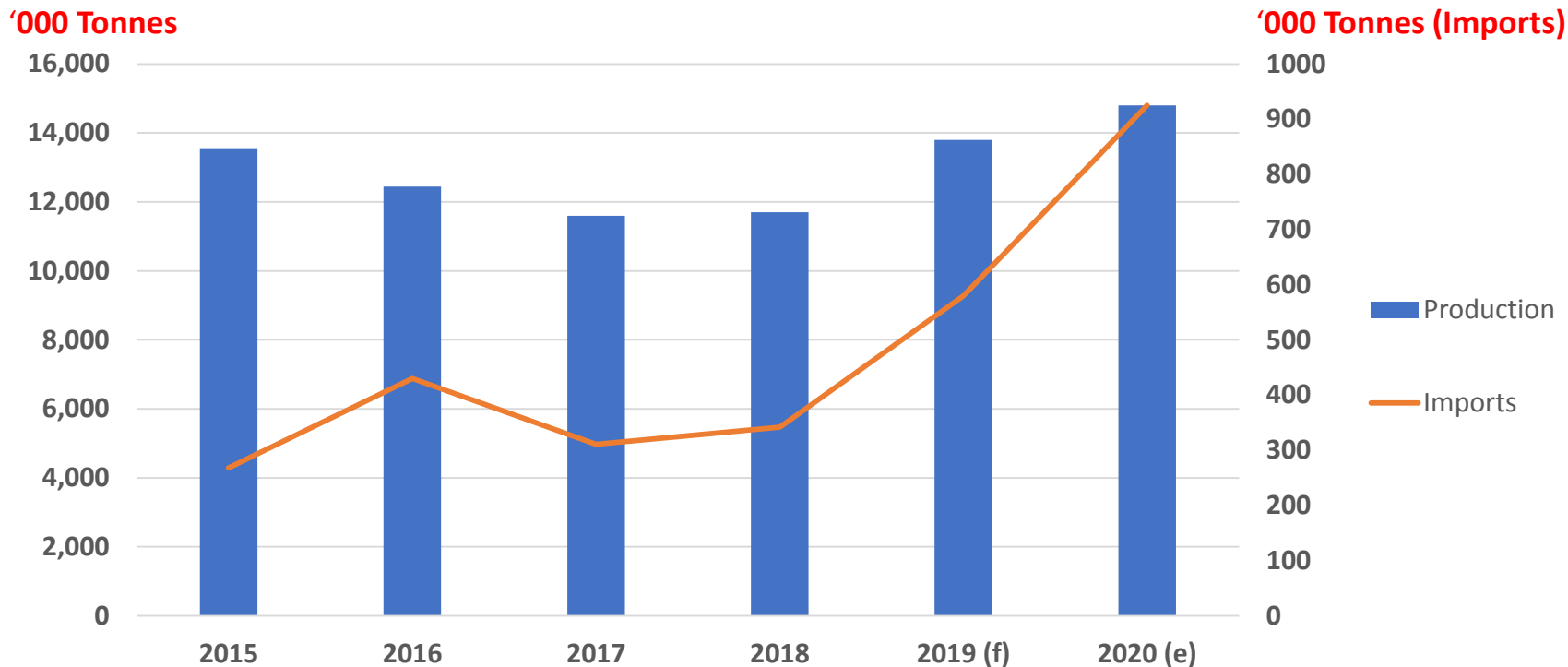
EU27+1 Py Balance Table (updated July)



Source: Gira
compilations

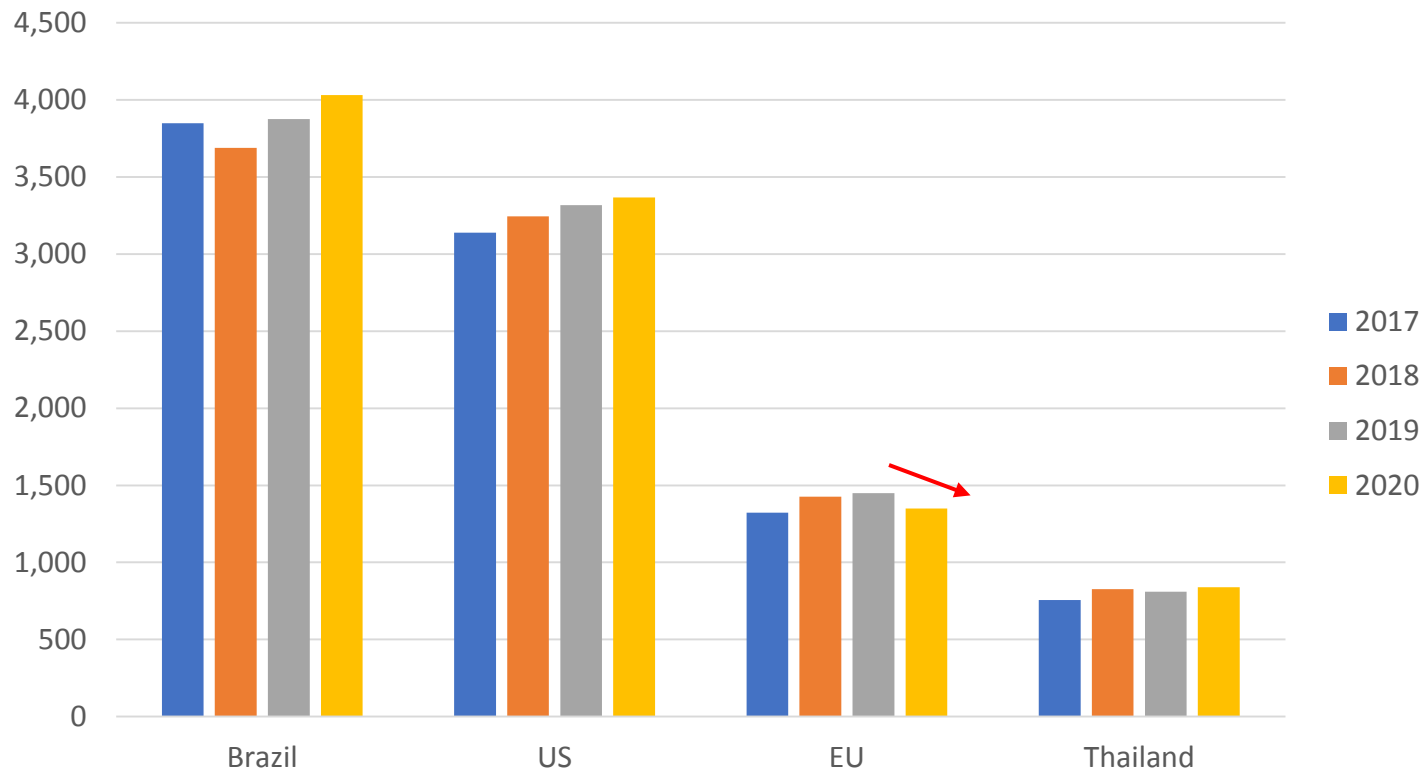
- **GMC production growth expectation was for +1.3% ... due:**
 - Benign pricing due to Asian ASF impact on competing meats both in the domestic and export markets (EUPy by-product export opportunities)
 - Continued consumer 'pull'
 - Low feed costs
 - ... that now looks too optimistic ... 2Q20 downturn. Chick placement data inconclusive
- **C-19 and HPAI are disruptive** especially to PL – the 'star' performer in recent years
 - its export demand has slackened due to the EU FS downturn and the 'local preference' in EU retail
- **Py consumption stalled by 2Q20 FS closure**
 - **recovery** as QSR/takeaway re-opens first
 - increased share of meat basket in the ensuing economic downturn

Changing Chinese Chicken Industry Dynamic

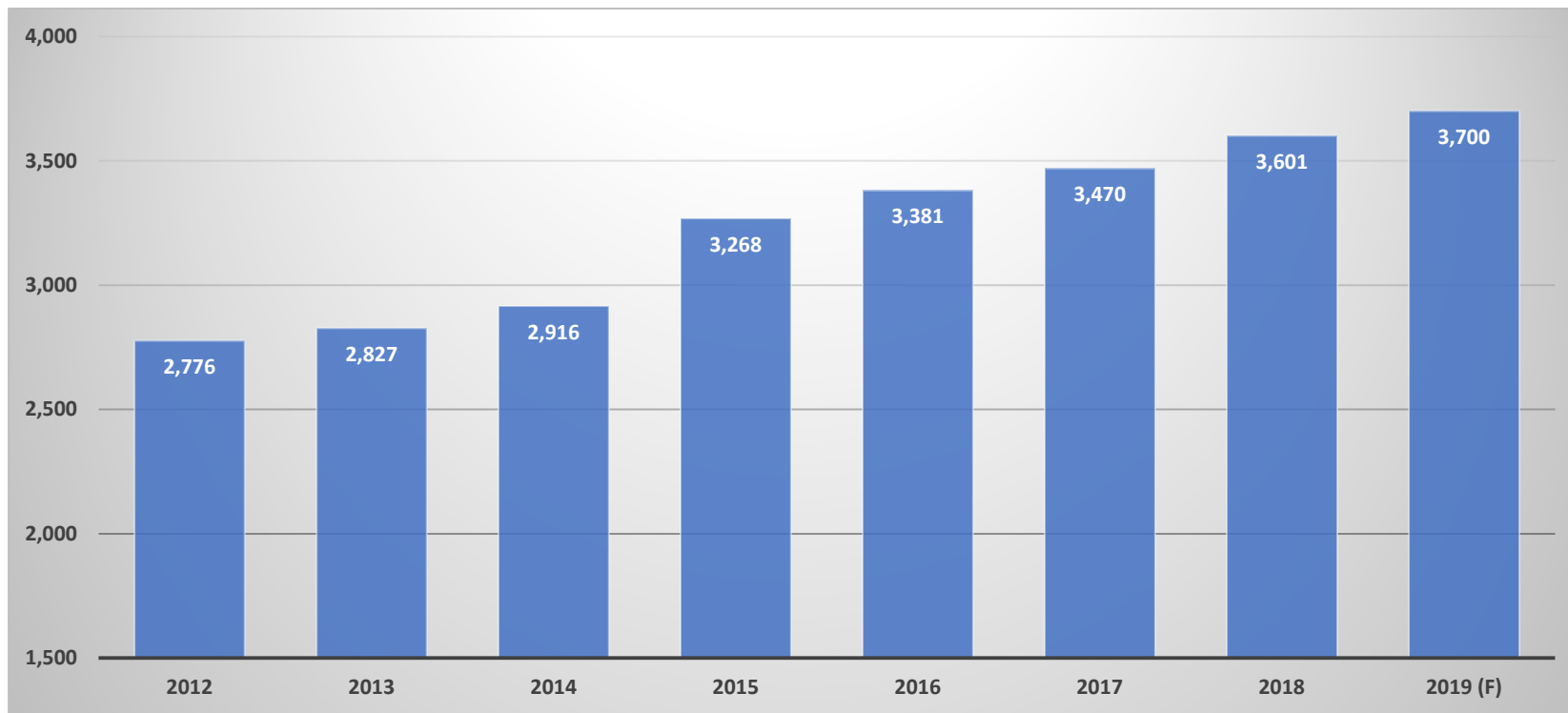


Source: USDA/FAS/Jul 20

Chicken exports by key region, 000 tonnes



Evolution of Irish layers, '000 head



Promotional Activities

Domestic chicken & egg campaign
Global initiatives

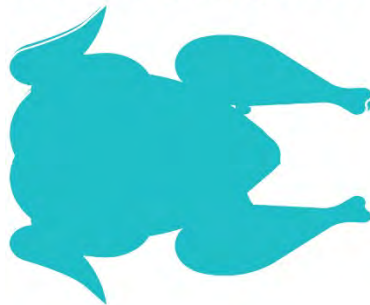




of all who consume
chicken at home
claim to always or
sometimes look for the
Bord Bia Quality Mark

82%

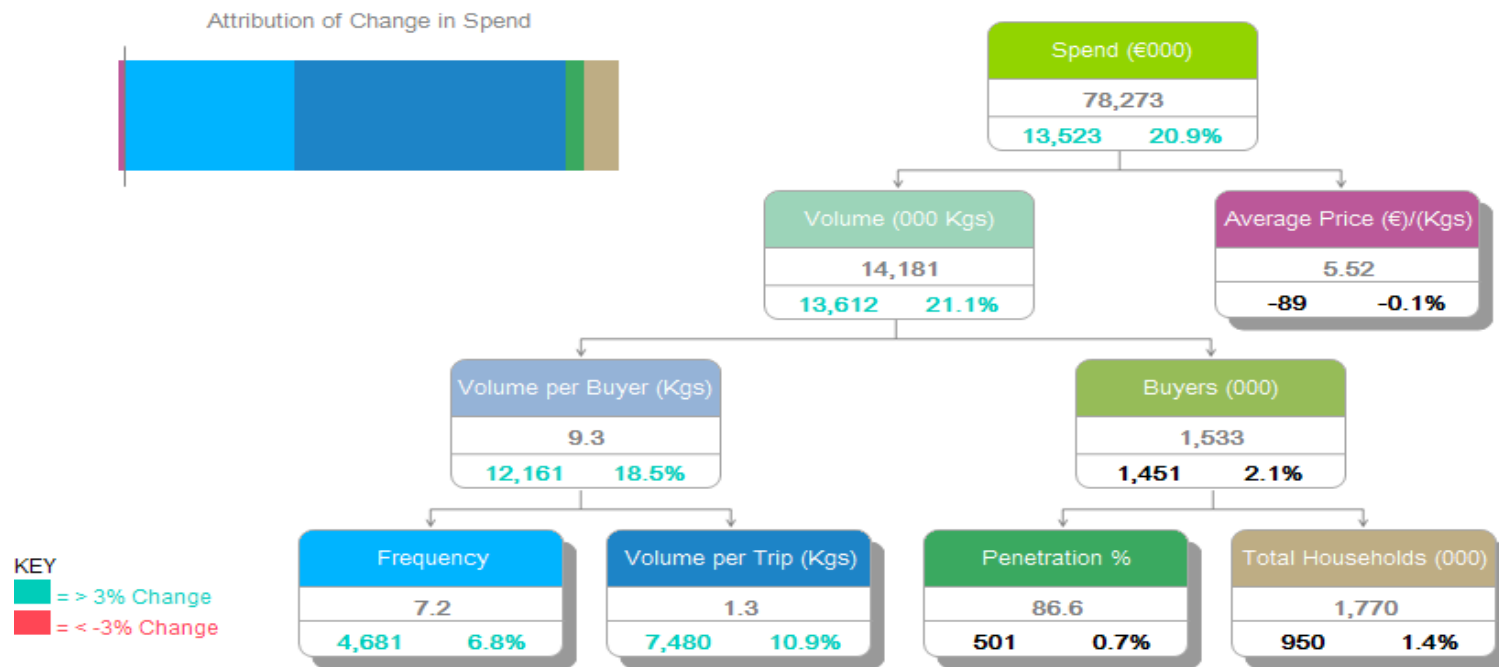
claim to either always
or sometimes purchase
chicken that carries the
Bord Bia Quality Mark



of all adults now
claim to consume
chicken at home
on at least a
weekly basis. The
proportion
consuming a
couple of times
a week has
witnessed the
most growth
since September
2019 (+7%).

COVID-19 Influencing Strong Poultry Retail Demand

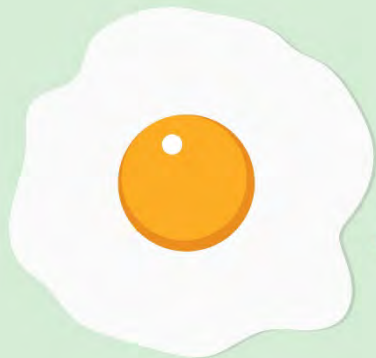
12 week period ending 14th June v's 2019











84%

of all adults claim to consume
eggs a couple of times a week



89%

claim that the TV adverts
encourages them to look
out for eggs with the Bord
Bia Quality Mark

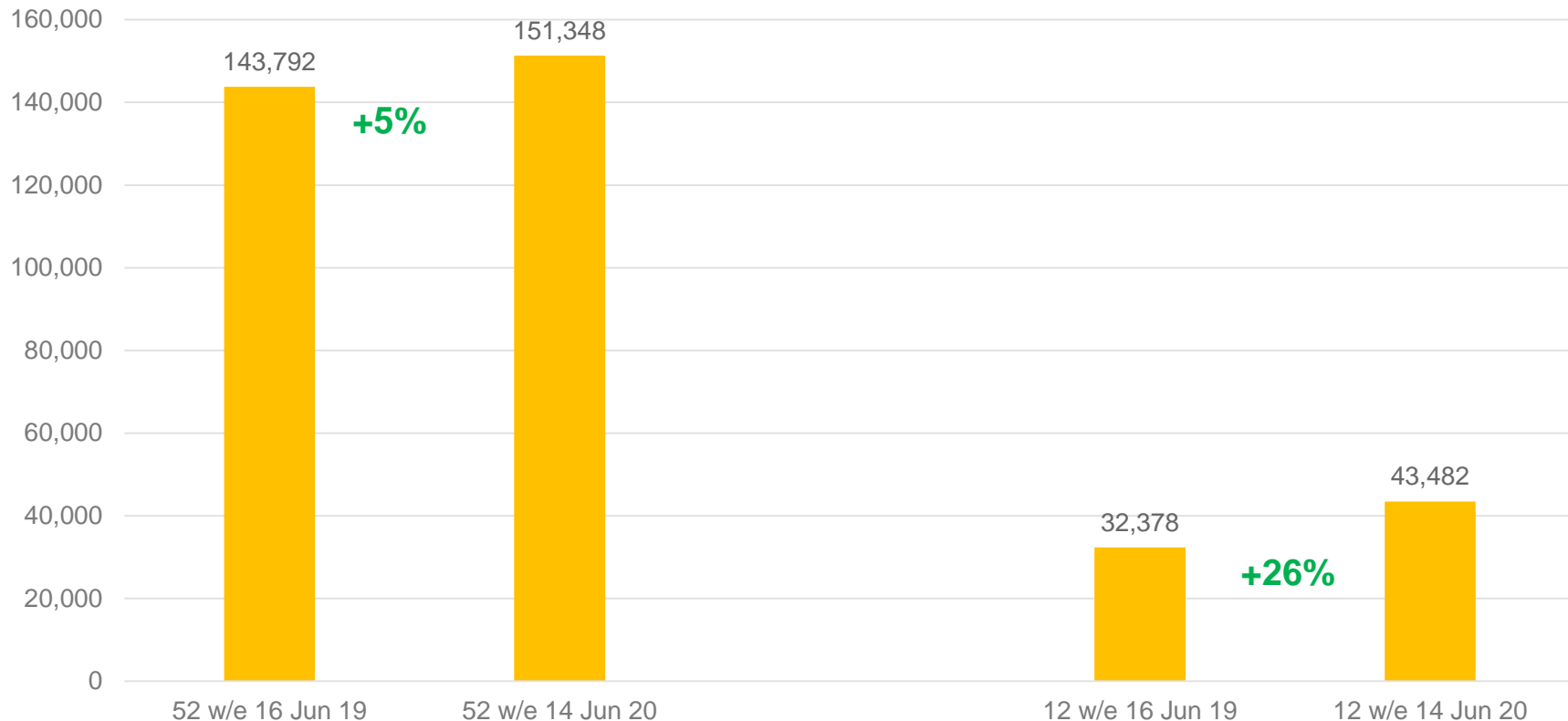
9 out of 10

adults believing that eggs are easy to cook, are
high in protein and are a convenient meal option

85%

claim that the
ads made them
want to buy
more eggs

Hens Eggs – Value Sales YoY, €000



EU CO-FUNDED

€3.82m Pork and Poultry Campaign

Targeting China & Mexico (2020-2022)



China
Population
1.4 billion



Mexico
Population
128 million



CAMPAIGN OVERVIEW



Digital & Social Media



Communications



Trade Shows



Trade Seminars



**Cooking Demonstrations
& VIP Event**



Inward Study Visits



Knowledge Transfer Visits

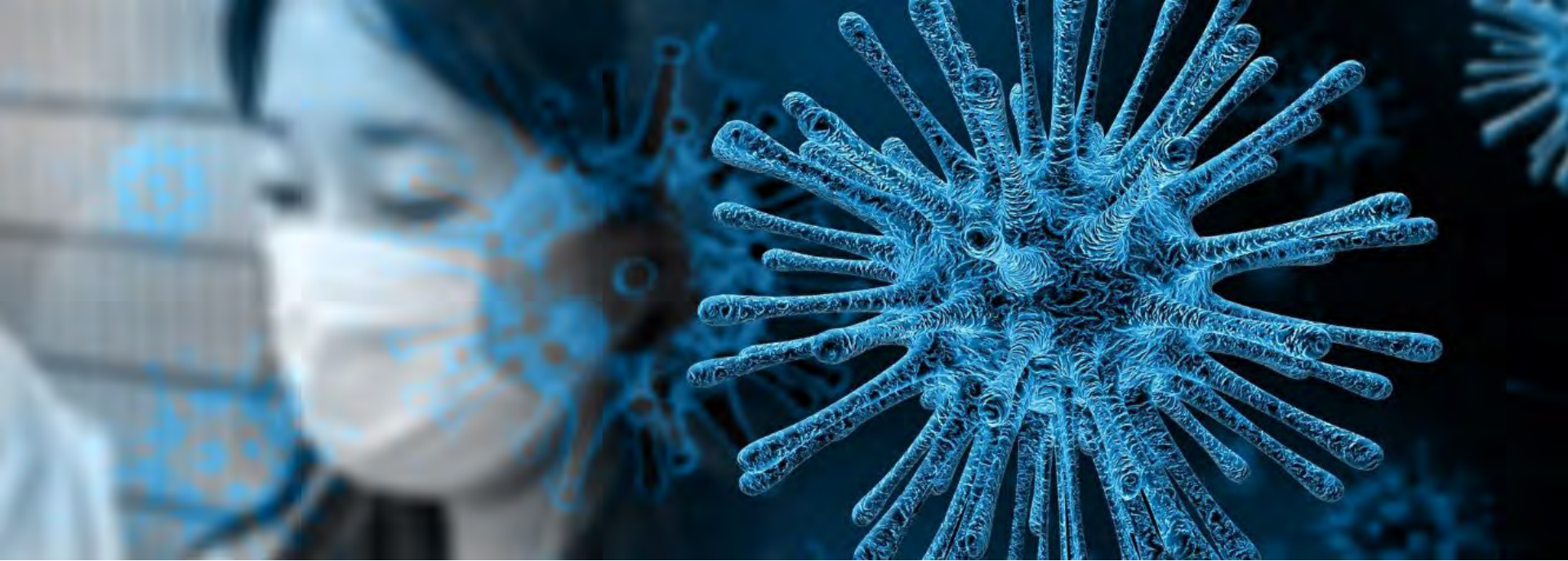
UAE B2C Egg Campaign

**EGGS FROM IRELAND
CAN BE TRUSTED
AS THEY HAVE BEEN PRODUCED
TO THE HIGHEST SAFETY STANDARDS**

Find out where I'm Available >>

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COVID-19 led to uncertainty & volatility

Significant disruption to trade, production and consumption



June 2020

Poultry Purchase Behaviour Since Covid Restrictions



Frequency of Purchasing Each Type of Protein

(Base: All grocery shoppers)

Jan-
Feb
'20

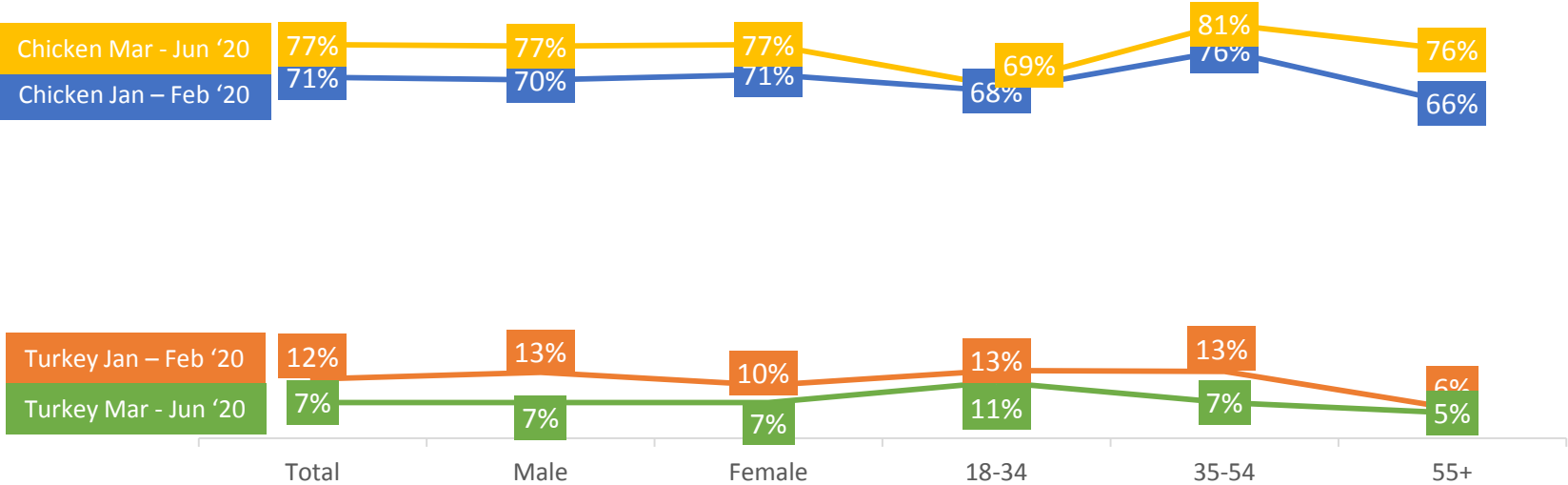
Mar-
Jun
'20

N=750

N=1,500

Once a week
or more often

How often, if at all, do you purchase each of the following types of meats, either for yourself or someone else in your household?



Significant difference @ 95% confidence level

The growth in the weekly or more often purchase of chicken is evident across all demographics, with the exception of those aged 18-34. The older cohort has particularly bought chicken more frequently since March.

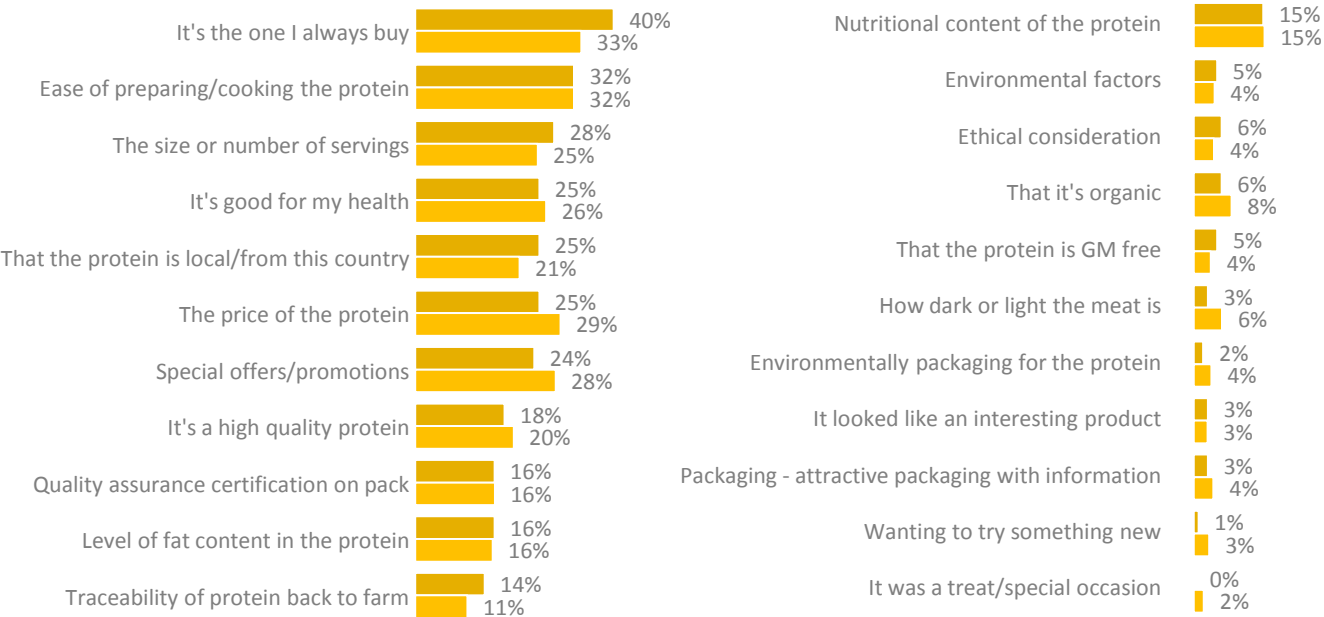
Key Reasons for Purchasing Chicken

(Base: All grocery shoppers who purchased each type of protein for a main evening meal on the last occasion)

Mar- Jun '20 (n=1,065)

Jan-Feb '20 (n=488)

Thinking about when you bought chicken on the last occasion, which of the following were reasons why you decided to purchase it?



Key Covid Behaviour Changes

(Base: All Irish adults, n= 1,015)

Stocking up on
essential food
and drink

41%

Doing this
more



27%

Expect to do
this more in
the future

Covid Indicator =
“Stocking In”

Cooking
from
scratch

32%

Doing this
more



61%

Expect to do
this more in
the future

Covid Indicator =
“Mood Food”

Eating for
improved
immunity

29%

Doing this
more



71%

Expect to do
this more in
the future

Covid Indicator
=“Shielding”

Choosing
familiar
favourite foods

27%

Doing this
more

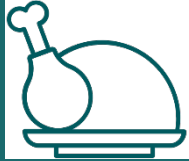


32%

Expect to do
this more in
the future

Covid Indicator =
“Comfort Cooking”

Summary



BB scheme & member update



Promotional activity update



Global production trending upwards



Changing Consumer Behaviour

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