

# Scottish Egg Producer Retailers Association

## MARKET REPORT

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	Size	V. Large	Large	Medium	Small
<b>Farm to Shop</b>	Prices	£1.49	£1.25	£1.15	80p
<b>Scottish Wholesaler</b>	Colony F/R	£1.15 £1.50	90p £1.40	80p £1.30	
<b>English Wholesaler</b>	Colony F/R Colony F/R	£1.40 £1.70 £1.50 £1.45	£1.10 £1.50 £1.25 £1.45	£1.00 £1.40 £1.20 £1.20	80p 80p 85p 75p
<b>Packer / Producer Contracted average Price</b>					
		<b>Organic</b> £1.20/£1.45	<b>FreeRange</b> 90p/£1.15	<b>Barn</b> 75p/95p	<b>Colony</b> 65p/85p
<b>Producer / Consumer</b>		<b>V. Large</b>	<b>Large</b>	<b>Medium</b>	<b>Small</b>
<b>- Colony</b>	Prices	£2.00	£1.85	£1.40	90p
<b>- Free Range</b>	Prices	£3.00	£2.35	£1.93	£1.05
<b>Free-Range to Farm Shop</b>	Prices	£1.75/£2.25	£1.31/£1.91	£1.15/£1.45	95p
<b>Central Egg Agency</b>	Colony F/R	£1.16 £1.43	£1.01 £1.33	91p £1.23	71p 98p
<b>Imported Continental Prices in Bulk</b>					
<b>Dutch Eggs</b>	Barn	92p(+1p)	78p(+2p)	73p(+2p)	60p
<b>German</b>			81p(+2p)	75p(+2p)	

The market basically trading water with demand expected to increase next week in England with the returning holidaymakers, next week should show if increase demand will increase prices.

Continental prices have firmed slightly purely as a result of the devaluation of the pound linked to the problems in China, but they are optimistic for the period up to Christmas and possibly beyond.

### Germany

Our first article shows the level of interest that the German government has in their industry, they were first to introduce the conventional cage ban, which hit their industry fairly hard, they are now about to introduce a ban on beak trimming and stated they did not wish their industry to be disadvantaged again by their push towards their ideas on higher welfare standards.

Their ideas to pay compensation to farmers signing up to no beak trimming contracts give some indication of their higher costs and possible increase in mortality and the push to lower stocking densities, compensation at 1.70 Euros = approximately £1.20 per hen, that is one carrot to dangle in front of a poultry farmer in this day and age and on the grounds of welfare slips through legislation as not a subsidy.

The USA has had one heck of a fight with AI and are crashing through programs to expand research and education, whereas in this country we appear to be dismantling with steady cut backs.

Their list of prevention measures against disease is good, but we would have put Bio-Security training and recording of standards at the top of the list as the human connections are very high risk.

Feed, although we now have a ban on GM crops in Scotland, they seem to have forgotten that we are dependent on grain and ingredients from other parts of the world! And feed from England.

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## German egg farmers to get premium for intact beaks

Almost 600,000 laying hens in Lower Saxony, Germany, have been included in applications for a new initiative to improve bird welfare, which also includes measures to end beak-trimming.

According to the agriculture minister of Lower Saxony, Christian Meyer, some 250 farmers in the German region have applied to join the scheme, giving a clear signal of their engagement in improving animal welfare.

### **An end to beak-trimming of hens**

The initiative aims to bring an end to beak-trimming of hens and tail docking in pigs. Applications cover nearly 600,000 layers and well over 115,000 finishing pigs from the conventional and organic sectors.

Egg farms accepted on to the scheme will receive a premium of €1.70 for each hen with an intact beak and additional space.

### **Improvements in animal welfare**

Small- and medium-sized businesses have been particularly attracted to the deal, Meyer said, adding that €950,000 will be taken up by the poultry sector this year. It is foreseen that the scheme will continue in future years, with a larger budget, aiming to bring about continuous improvement in animal welfare.

As well as ending beak-trimming and reducing stocking density, participating farms will be required to undergo additional training and advice.

The Agriculture Chamber is currently reviewing the applications and, by the end of December this year, the first non-beak-trimmed birds will qualify for payment.

Source: [Poultry World](#)

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## European feed industry demands room to manoeuvre

The European feed industry, producing around 153 million tonnes per year, represents about 15% of the global animal feed market. The sector has noticed EU standards have started to deviate considerably from those in other countries, despite the fact it depends heavily on imports. That puts the long-term availability of competitively priced feed raw materials at risk, says Ruud Tijssens, president of the European umbrella organisation of animal feed companies Fefac.

Ruud Tijssens: "In the end, everything has its price. If the customers of our clients ask and are willing to pay the additional costs, then feed companies will implement the needs of the market. But we do warn for market fragmentation."

According to Tijssens, the European standards and ideas about genetic engineering, sustainability and food safety are not in line with the import-dependent situation where the EU finds itself in.

### **So changes are needed?**

"The European policy makers must be aware of the fact that the EU is slowly becoming an island if we don't make sure our legislation is more in line with market reality. To clarify straight from the start, it is not about lowering the European standards. But if the European livestock sector wants to remain competitive, we need guaranteed access to affordable feed commodities on the world market. Strategic provision of protein is crucial, but also the supply of phosphates and cereals should be better secured. The current legislation, combined with market demand due to consumer requirements, gives us additional trade barriers – we speak of non-tariff barriers – which also leads to additional costs."

### **Who is paying for these extra costs at the moment?**

"Additional costs disappear in commodity prices. This discussion is therefore about the viability of the agricultural sector in Europe. At the moment, we make up for that by having an excellent farmer productivity in Europe. But other continents are developing rapidly."

### **GM crops in the EU are always a tricky and lingering topic. How does this affect the European feed sector?**

"In many European states, there is clearly a lot of resistance against the cultivation of genetically modified crops. However, the suppliers of soybean meal and maize on the world market have fully embraced GM technology. Therefore the EU feed sector doesn't have a lot to choose from. Practically all farmers in the US, Brazil and Argentina who grow these crops produce GM varieties. And keep in mind, we are talking about imports. This should be completely separate from the debate about whether or not to grow GM

crops in Europe. Due to delays in the European authorisation procedure for GM imports, there are currently 17 new varieties on the waiting list to be approved by the European Commission. And this accumulation of pending files started over a year ago already, despite positive signals from the European Food Safety Authority (EFSA). The GM crops are approved, cultivated and harvested in exporting countries already and exporters don't want to wait for the EU legal process to be finished. In the meantime, we are still waiting for the political approval.

This means that we, importers, take the risk of finding traces of unauthorised feed commodities (above the prescribed limits). This could lead to potentially large financial consequences. The association of grain importers (Coceral) estimates the costs for next season will be €100 million cost price disadvantage per month, if the European Commission continues like this. Reason is that imports of soybeans and soybean meal from the US incur too much risk. We cannot tell countries outside Europe which breeding techniques they can and cannot use. We are the ones that have to adapt.”

## **Speaking of soy, what is happening about the development of responsible soy on a European level?**

“Driven by social considerations, Fefac has been actively involved in the development of minimum standards for responsible soy since 2006. But this discussion is mainly pushed by NGOs, retailers and dairy processors in North-Western Europe. We notice that opinions vary widely between countries on what exactly makes responsible soy.”

## **Does the demand for responsible soy lead to any problems for feed manufacturers?**

“In the end, everything has its price. If the customers of downstream chain partners are willing to pay the additional costs, then feed companies will implement the needs of the market. But we do warn for market fragmentation. The cost can be quite substantial, especially if the link is made to the physical product. In the EU, we are dependent on imports of particular protein crops, such as soybeans. It is therefore important that there are good, workable solutions. As Fefac we are working on facilitating mainstream market supply of responsible soy. In the end, it's all one trade flow. With our supply chain partners, we keep the dialogue open and we try to contribute to the implementation of minimum requirements.”

## **Are there non-GMO chains?**

“Yes, these exist. However, again, these kind of extralegal market demands come with additional costs. We have seen premiums for non-GMO soybeans reaching € 200 per tonne. Fefac is not necessarily pro or against GMOs, for us the safety and quality are the key factors to decide whether the raw material is suitable as a feed material. So we are back to the discussion about the admission of new genetic varieties. For the GM varieties awaiting European Commission approval, we need a so-called ‘low level presence’ solution to maintain access to global markets. The idea of zero-tolerance in the food chain is a terrible dogma. ‘Zero pollution’ simply does not exist. In addition, the analytical equipment to define zero has become increasingly more sensitive. Where ten years ago, ‘proof of absence’ was measured, now all of a sudden one ppb (parts per billion) is found. Does that mean that the commodity is unsafe? Legislation must adapt here.”

## **We just discussed GMO, but the discussion of food safety may be more sensitive, right?**

“There is no need to worry about the animal industry's attitude towards safety, as this is always a priority. However, there are still too many incidents, and these should be reduced through vigorous monitoring and self-regulation. But in Europe we cannot always have it our own way regarding food safety, while we

are so dependent on imports. To illustrate, in 2013 we were confronted with aflatoxins in corn, which caused a major crisis. The same consignment of aflatoxin-contaminated corn, which was not allowed in the EU, was eventually shipped (with the permission of the German authorities) to the US. The corn was used as a feed material, because of lower standards in the US. I am not saying that we wanted to use this shipment of corn, but it is strange that we are facing a crisis, and trying to localise the source, while in the US it is 'business as usual'. You must also realise that animal products from animals fed with such raw materials also enter the world market, just like other animal products. It's not a level playing field."



"Where 10 years ago 'proof of absence' was measured, now all of a sudden one ppb is found. But does this mean the commodity is unsafe now? Legislation must adapt to this."

## **So what does Fefac propose here?**

"We propagate the 'top of the pyramid' concept, which is the most cost efficient way of checking for chemical contamination within the chain. With this, the suppliers of raw materials and feed additives are held responsible for the safety of their products. It is not about shifting the responsibility, but effectively distributing it back up the chain. We advocate a risk-based approach, throughout the entire chain, from consumer to the producer of our raw materials. The starting point must be that there are no risks for the consumer, and this has to be translated to the entire chain. In Europe we are familiar with the so-called 'precautionary principle'. From a political standpoint this is understandable. Sometimes we are voluntarily stricter than the law, such as with the levels of mycotoxins in dairy cow feed. But sometimes it is difficult to explain from a risk monitoring standpoint. And zero tolerance is something we have already mentioned."

Ruud Tijssens

Ruud Tijssens is president of Fefac (European Feed Manufacturers' Federation) and director of corporate affairs, strategic r&d and csr of Agrifirm Group. He is a member of the board of Nevedi, The Dutch Feed Industry Association that protects the interests of the Dutch feed industry, Secure Feed, an independent organisation for safeguarding food safety of animal feed and The International Feed Industry Federation (IFIF).

What is Fefac?

Fefac (Fédération Européenne des Fabricants d'Aliments Composés) is the European umbrella organisation for the animal feed industry. The organisation is based in Brussels and is supported by national member organisations, such as NEVEDI (NL), BEMEFA (Belgium), DVT (Germany), DAKOFO (Denmark) and SNIA (France). Fefac has 24 full members, 7 associate members and two observers. Within Fefac, the European feed industry develops its policy. From the Brussels office, the Fefac secretariat stays in contact with the European Commission, the European parliament and other organisations. Ruud Tijssens is president of Fefac and is also director of corporate affairs at the Agrifirm Group.

By Klaas van der Horst

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## NCC: biosecurity principles for reemergence of AI

In preparation for the potential reemergence of highly pathogenic avian influenza (HPAI) in the fall as wild birds begin to migrate south from Canada, the National Chicken Council (NCC) has identified the top biosecurity principles for broiler and broiler-breeder producers.

Biosecurity is the poultry industry's first line of defense to all avian diseases, including HPAI, says the NCC. The following biosecurity measures have been identified by NCC, members of the NCC biosecurity working group, veterinarians and avian health experts as the most important to prevent disease spread and promote flock health:

- Limiting visitors on the farm and minimizing foot traffic;
- Avoiding contact with wild and domestic fowl;
- Avoiding the sharing of farm equipment;
- Having a clean and functioning footbath at each entrance to the broiler house;
- Ensuring that all visitors or personnel have disinfected or new footwear before entering a house or facility;
- Making sure feed and water sources are covered and free of contaminants, limiting the attraction of wild fowl and pests;
- Having official signage clearly stating the farm is a biosecure zone and any unauthorized entry is strictly prohibited;
- Employing effective pest and wild bird management practices;
- Adequately training farmers, farm and company personnel in biosecurity and disease prevention.

"Rigorous implementation of biosecurity principles will be essential to preventing disease introduction onto poultry operations," said NCC President Mike Brown. "I know each industry has been preparing similarly. By maintaining this strong collaboration and sharing of lessons learned, I am confident we will all be in a much better place this year."

These practices are intended to be applicable to a wide variety of production settings, and to serve as a list of recommendations to farmers and associated personnel.

Source NCC /USA

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## Texan University opens new avian health complex

A new avian health complex has been opened at the Texas A&M University College of Veterinary Medicine & Biomedical Sciences (CVM), which hosts one of the top avian medicine programs in the US.

The new climate-controlled aviary, which is located at 701 Farm Service Road in College Station, will provide a comfortable and safe environment for a variety of birds in various conditions, CVM officials note. The original complex was founded in 1987 with an endowment established by the late Richard M. Schubot and matching funds provided by the university. The commitment to avian medicine demonstrates Texas A&M's understanding of the important role birds play in ecosystems and disease transmission across all species.

## Infectious disease research

Containing approximately 11,000 square feet of floor space, the state-of-the-art complex includes a functional hospital, receiving area with quarantine capabilities, three isolation rooms, a Biosafety Level 2 laboratory for infectious disease research and separate areas for infected and healthy birds, along with teaching, classroom and office space.

The centre conducts research into all aspects of diseases in wild and captive birds, as well as avian genetics, genomics, nutrition, and behaviour. The results of research at the centre are already being applied to improve the health of birds kept by zoos, aviculturists, and individual pet owners, as well as conserving threatened avian species in the wild.

## Promote an understanding of avian diseases

The new centre provides better teaching facilities, not only for undergraduates and veterinary medical students, but also for continuing education and other courses – all the while promoting an understanding of avian diseases, husbandry, and conservation among current and future veterinarians. The enlarged and enhanced facilities also provide space for specialised birds, such as raptors, for which the students can learn appropriate handling, care, and treatment.

"Our faculty have made substantial contributions to the health and welfare of birds and to the avian industry in terms of educating future and current veterinarians," said Dr Eleanor M. Green, the Carl B. King Dean of Veterinary Medicine. "As leaders in avian medicine, we train the next generation of veterinarians and scientists to continue this important mission. This facility provides the laboratory, avian housing, and classroom space that will allow this program to continue to thrive."

By Rosie Burgin

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