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Report Highlights:

Rising input costs, stringent regulations, and disease outbreaks are undermining the EU cattle sector's viability, leading to projected declines in herd sizes and beef production by 2026. These supply constraints and restricted imports are driving up beef prices, which is subsequently curbing domestic consumption. Meanwhile, the swine sector is restructuring as oversupply and trade barriers cause prices to plummet, forcing a reduction in the pig crop and slaughter particularly across Western Europe. While internal pork consumption remains supported by these lower prices, overall EU exports are expected to face significant cuts due to disease-related bans.

Executive Summary – Price Drop Forces Swine Sector to Restructure

Cattle and Beef – ***Mounting Regulations and Animal Diseases Are Paralyzing the Sector***

Herd Size and Calf Crop: Despite the high carcass, milk and beef prices, the herd size and calf crop are forecast to shrink in 2026. The dairy and beef cattle sector are losing their economic viability due to high input costs, an array of environmental and animal welfare regulations, and the further spread of animal diseases.

Slaughter and Trade: Slaughter is projected to fall in 2026, as the supply of young animals is declining. Both EU internal and export sales of live animals are constrained by the further spread of animal diseases.

Beef Production: In line with falling slaughter, EU beef production is forecast to decline in 2026, somewhat tempered by higher slaughter weights.

Beef Domestic Sales and Trade: Restricted imports and falling domestic production are boosting beef prices and curbing beef consumption.

Swine and Pork – ***The EU Swine Sector Is Facing a Restructuring in 2026***

Herd Size and Pig Crop: As a result of a domestic pork oversupply, Chinese tariffs, and detection of African Swine Fever (ASF) in Spain, carcass prices have plummeted in the EU. Deteriorating profit margins are forecast to reduce the swine herd and pig crop in 2026.

Slaughter and Trade: The lower piglet production will eventually press this year's slaughter throughout the EU but mainly in Western Europe, whose sectors are under pressure driven by high input costs and environmental regulations.

Pork Production: In line with lower slaughter, EU pork production will decline in 2026. However, Spanish pork banned by export markets will be redirected to the EU domestic markets.

Pork Domestic Sales and Trade: The relatively low pork price is supporting consumption in Central and Southern Europe. EU pork exports will be significantly cut in 2026 as the gap left by the banned Spanish exports can only partially be substituted by other EU Member States.

Cattle

Animal Numbers, Cattle	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stocks	73,745	73,745	71,896	71,896	70,685	70,850
Dairy Cows Beg. Stocks	19,912	19,912	19,221	19,222	19,050	19,050
Beef Cows Beg. Stocks	10,328	10,328	10,082	10,082	9,950	9,950
Production (Calf Crop)	23,350	23,350	22,900	22,700	22,700	22,500
Total Imports	7	6	15	16	10	15
Total Supply	97,102	97,101	94,811	94,612	93,395	93,365
Total Exports	805	891	650	636	600	670
Cow Slaughter	10,344	10,344	9,900	9,900	9,800	9,700
Calf Slaughter	5,592	5,592	5,275	5,150	5,100	5,080
Other Slaughter	6,951	6,951	6,800	6,600	6,750	6,570
Total Slaughter	22,887	22,887	21,975	21,650	21,650	21,350
Loss and Residual	1,514	1,427	1,501	1,476	1,455	1,395
Ending Inventories	71,896	71,896	70,685	70,850	69,690	69,950
Total Distribution	97,102	97,101	94,811	94,612	93,395	93,365
(1,000 HEAD)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

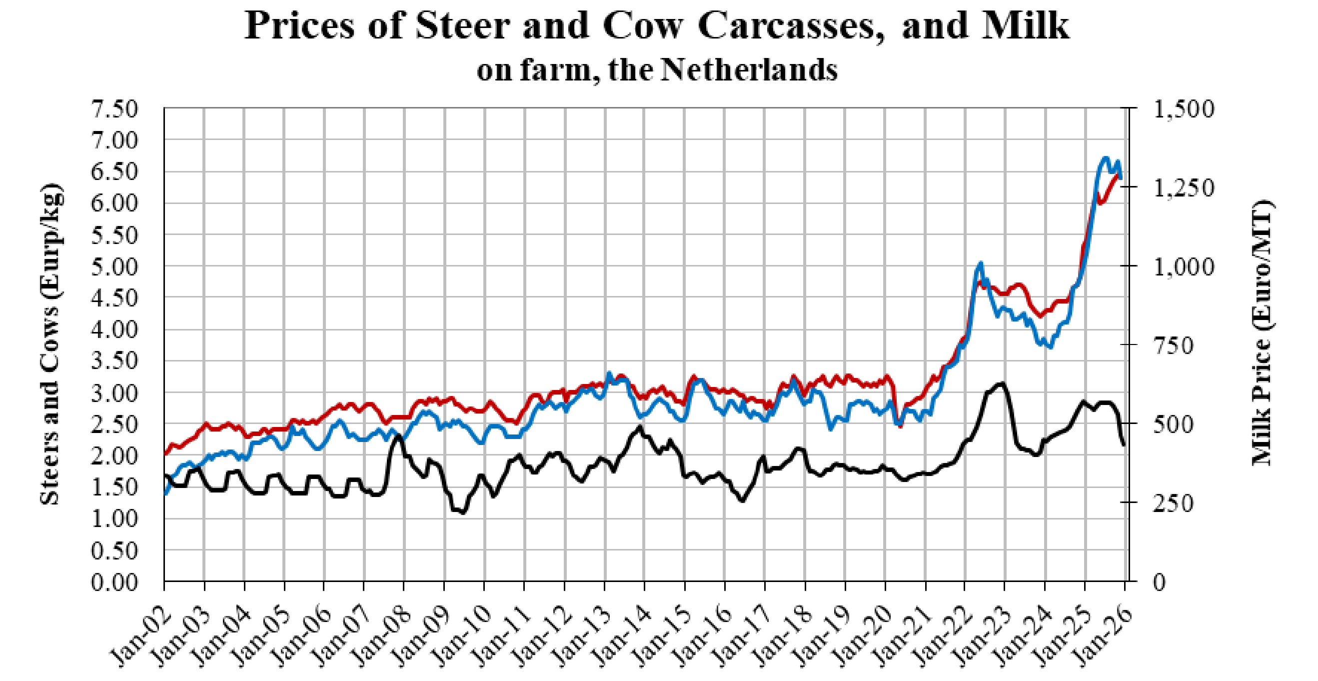
Not official USDA data. Source: Eurostat and FAS Offices. Includes backyard slaughter.

The EU Cattle Herd and Slaughter Are Forecast to Continue to Contract in 2026

The trends identified and forecast in the Annual report, an overall contraction of the EU cattle herd and falling slaughter during 2025 and 2026, remain. The 2024 cattle balance is slightly altered as a consequence of an upward revision of cattle exports by the Trade Data Monitor (TDM). While keeping the trends intact, the 2025 cattle balance is adjusted with a lower slaughter number than earlier anticipated in the Annual. The relatively high milk price during the first three quarters of 2025 (see graph below) encouraged farmers to hold on to their cattle and is the main reason for the lower than anticipated slaughter. During the first eleven months of 2025, official slaughter declined by 5.8 percent. With the addition of about half a million head of backyard slaughter, total EU slaughter is forecast at 21.65 million head, a reduction of 5.4 percent compared to 2024. In absolute terms, in 2025, the most significant reductions of total annual slaughter are reported in Germany, Ireland, the Netherlands, France, and Spain. In 2025 slaughter increased in only four of the 27 EU Member States; Romania, Hungary, Greece, and Bulgaria.

High Beef Prices Don't Outbalance High Input Costs and Obligatory Investments

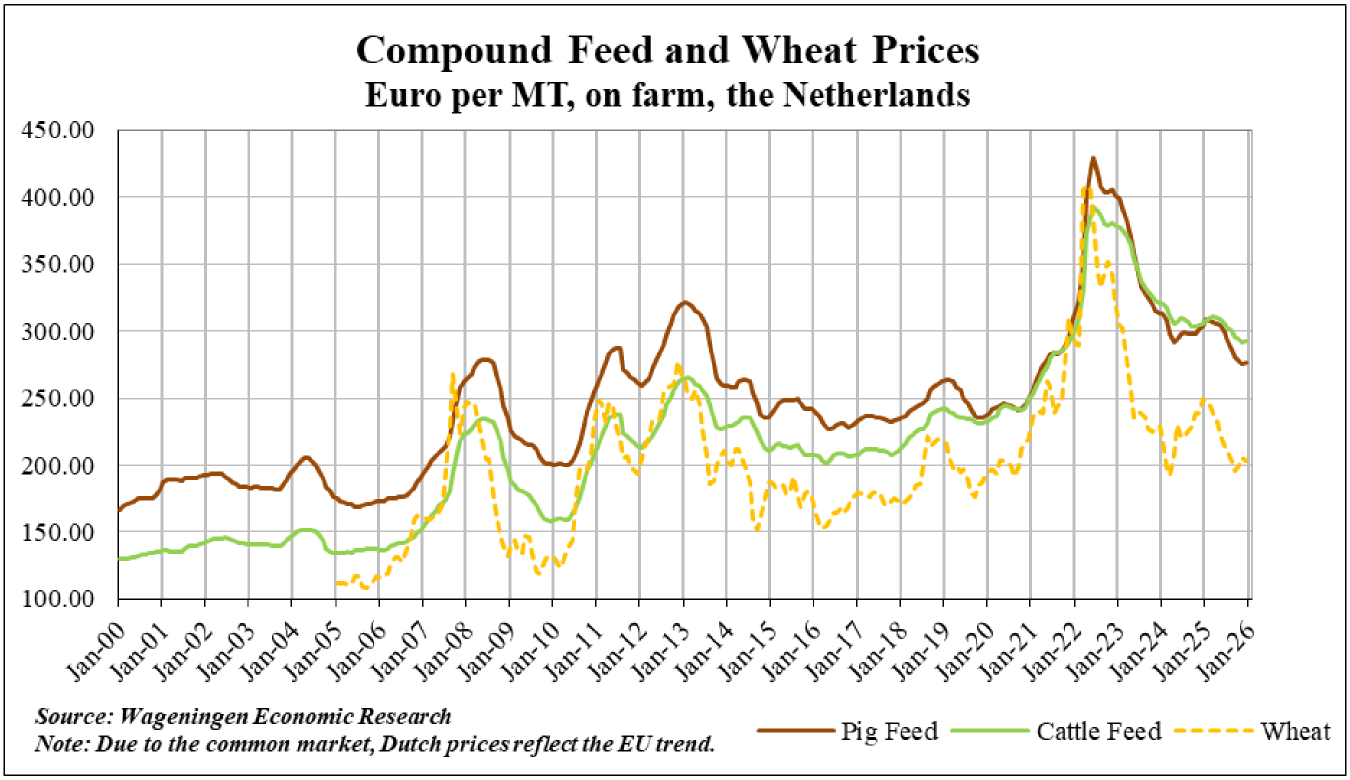
The underlying reason for the falling slaughter is the contraction of the dairy and beef cow herd causing a drop in the calf crop and consequently a lower supply of animals for slaughter. The contraction of the EU cattle herd is remarkable given the relatively low feed prices, high milk prices (until mid-2025), and the extremely high steer and cow prices (see graphs below). However, the farmer's incomes are under pressure by high costs for energy, labor, and land.



Source: Wageningen Economic Research
Note: Due to the common market, Dutch prices reflect the EU trend.

Other important factors are the restrictive environmental and animal welfare regulations, the further spread of animal diseases, and the lack of successors for family farms. All these factors are present to some extent in the majority of Member States. Overall, the continuous flow of new EU requirements requires additional financial investments and a change of farm management, pressing profit margins even further. As a result of the mounting requirements, there is considerable insecurity among cattle farmers. Stagnant herd numbers are only reported in some Member States in Central Europe (Czechia, Slovenia, and Romania) and the Balkan Region (Bulgaria and Greece). For instance, in Bulgaria, the beef herd in 2025 is expected to return to growth, driven by the rising importance of commercial farms. These farms, covering both dairy and beef production, now account for over 60 percent of the national cattle inventory. This reflects a broader trend seen across parts of Central Europe and the Balkans - greater commercialization and sector concentration, with less backyard slaughter and higher efficiency. For more information see the GAIN report - Bulgarian Livestock and Products Market Update, published on July 26, 2024.

A Hike of Slaughter as Reported in 2024 Is Not Expected
Because no fundamental changes in the underlaying factors are anticipated in 2026, the trend of herd contraction and declining slaughter is forecast to continue this year. There are, however, a few factors which could cause a temporary acceleration of slaughter. One of them is the milk price, which has plummeted since the start of 2026. Tightening environmental regulations could also force or tempt farmers to go out of business.



A fourth factor supporting slaughter could be third country demand for beef as reported in 2024 when Turkish demand caused a hike in EU slaughter. But not one of these above-mentioned factors is forecast to cause total slaughter to increase in 2026. An increase in slaughter because of an expansion of the herd is not expected in the short term, given the farm cost structures and existing production conditions. Below is a summary of the situation in the EU Member States with the largest cattle herds.

Germany Is Introducing Higher Animal Welfare Standards

The German cattle population continues to decline, but not as sharply as predicted in the Annual. In 2025, although only slightly, the number of dairy cows even increased, which is the first time since 2014. The interruption in the steady decline in dairy cows is likely due, among other things, to the comparatively high level of milk producer prices in 2025, which incentivized farmers to keep cows on their farms. This is also reflected in the lower slaughter figures for dairy cows in 2025. But slaughter of dairy cows might pick up this year as the milk price has plummeted since October 2025. Higher animal welfare standards are adding to the already high costs of production. In Germany, many retailers announced that they are planning to source beef and milk only from farms which adhere to higher standards of animal welfare. There are five levels of standards, which require more space per animal, genetically modified (GM)-free feed, and outdoor access (for more information see the Annual).

The Dutch and Belgian Sector Are Under Pressure by Environmental Regulations

In relative terms, the Netherlands, Belgium, and Ireland have shown the most significant reduction of animal numbers and slaughter during the past two years. In 2024, the Dutch dairy sector lost its EU derogation to spread more manure on pastures (related to EU water quality regulations). In the long term, the water quality and nitrogen regulations will result in less animals per farm, and to a lesser extent farm sales and buyouts. (for more information see the GAIN report - Dutch Loss of Manure Derogation, published on June 6, 2024). The falling supply of young animals is affecting the Dutch veal sector, which covers 28 percent of EU calf slaughter. To meet the Dutch demand for young calves for fattening and slaughter, Dutch imports have been increasing since 2025, mainly from Germany and Denmark. Also, the Belgian cattle sector is under pressure by environmental regulations, especially in Flanders, where it is failing to meet its conservation obligations under the EU Habitats Directive. About 25 percent of the Belgian beef farms are indicating that they are planning to stop their activities by 2030.

Ireland Was Granted an Extension of the Nitrate Derogation

A similar situation was anticipated in Ireland, where the EU manure derogation was expected to end in January 2026. However, on December 9, 2025, Ireland was granted a further three-year extension to its nitrate derogation - allowing Irish dairy and beef farmers to avoid more stringent EU nitrogen restrictions. Of Ireland's 140,000 beef and dairy farms, over 7,000 currently take advantage of the derogation which indirectly allows them higher stocking rates and increased dairy and beef production. In Ireland, prices are forecast to remain high and profit margins are expected to remain above historic norms. However, Irish slaughter is forecast to again fall in 2026. Exports of live animals to EU Member States (Spain, the Netherlands, Poland) and the United Kingdom are expected to remain elevated despite the recent confirmation of bluetongue (BTV-3) in Ireland.

The French Sector Is Struggling with Input Costs and Animal Diseases

In France, the structural unprofitability is most pronounced and persistent. Despite lower feeding costs, ranchers continue to face high costs for operating the farm, in particular labor and energy. Cattle farmers are also experiencing a sharp demographic decline, as ranchers are getting older and successors embracing the time-consuming cattle production are hard to find. The French cattle herd is also impacted by several disease outbreaks, notably the Bluetongue Virus (BTV) in the northern half of France and Epizootic Hemorrhagic Disease (EHD) in the southern half of France. It has led to abortions, and lower fertility. In addition, the Lumpy Skin Disease (LSD) is affecting dairy herds in the French Alps and in beef herds in the Southwest of France since the summer of 2025. The impact of LSD on the total herd remained limited in 2025, with approximately 3,000 animals being culled, mainly in dairy farms. In the affected regions, almost all animals have been vaccinated, and the outbreak seems to have been stopped. However, experts are cautious about the resumption of the outbreak in the spring, when warmer temperatures could boost the development of insects carrying LSD viruses.

Animal Diseases Have Reduced the Calf Crop as Well as the Trade of Live Animals

Animal diseases play an increasing negative role for both the dairy and beef sector, specifically Foot and Mouth Disease (FMD), BTV, (with several serotypes present: BTV-8, BTV-4 and more recently BTV-3), EHD, and LSD. While the spread is hindered by vaccination and natural immunity, new diseases and varieties are evolving and spreading. For instance, based on data from the Netherlands Food and Consumer Product Safety Authority (NVWA) no BTV infections have yet been recorded in the Netherlands in 2025 due to high immunity to BTV-3, resulting from vaccination or natural immunity. But BTV-8 is expanding to Northern France and Germany and was reported in the Belgian Province of Liege. BTV-3 vaccination doesn't protect against BTV-8. The above-mentioned diseases generally don't cause mass mortality but negatively affect productivity, such as calf production and milk deliveries, and the transport of animals. In 2025, Spain and Poland increased cattle imports to compensate for the lower domestic supply of animals. But the veal and beef sector are increasingly faced with a lower availability of animals to be fattened caused by a range of animal diseases negatively affecting animal movement. As a result, Dutch, Spanish and Polish slaughter is forecast to continue its decline in 2026.

Exports of Live Cattle Are Constrained Due to Animal Diseases and Transport Restrictions
Exports of live cattle to third countries are an important revenue for cattle farmers in Central Europe, the Balkan region, and the Iberian Peninsula. These exports, particularly to non-EU countries, are mainly comprised of finished cattle intended for slaughter. In 2023, Türkiye was the main destination for EU cattle exports. But since the beginning of 2024, live cattle exports to Türkiye are subject to stricter EU animal welfare regulations, as well as new Turkish sourcing policies (for more information see the Annual). In 2025, EU exports of live cattle to Türkiye were nearly absent. Currently the main destinations for EU exports are Israel and Morocco. During 2024 and 2025, several EU Member States have seen sales of their cattle restricted due to the spread of animal diseases such as FMD, BTV, and LSD. For instance, Morocco, Spain's main destination for live animals, stopped all purchases from Spain due to an LSD outbreak in October. Due to BTV occurrence in Poland, restrictions on the trade of ruminants and their genetics were introduced by Ukraine, Russia, Belarus, Kazakhstan, Kyrgyzstan, Algeria, Montenegro, and Türkiye. New EU animal welfare legislation, which is expected this year, has the potential to further restrict live cattle exports to third countries (for more information, see the Policy section of this report).

In 2026, the contraction of the cattle herd, calf crop, and slaughter is forecast to continue but at a slower pace with slight improvements of the calf/cow and loss ratio. The most significant reductions of slaughter are projected in France, Spain, Poland, and the Netherlands. Substantial increases are not foreseen in any of the EU Member States. With the lower influx of young animals and relatively higher slaughter ratio compared to 2025, the ending inventories are forecast to decline to 69.95 million head, a reduction of 1.27 percent.

Beef

Meat, Beef and Veal	**2024**		**2025**		**2026**	
Market Year Begins	**Jan 2024**		**Jan 2025**		**Jan 2026**	
European Union	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Slaughter (Reference)	22,887	22,887	21,975	21,650	21,650	21,350
Beginning Stocks	0	0	0	0	0	0
Production	6,661	6,661	6,475	6,410	6,425	6,350
Total Imports	391	391	425	460	405	465
Total Supply	7,052	7,052	6,900	6,870	6,830	6,815
Total Exports	671	671	615	595	600	575
Human Dom. Consumption	6,381	6,381	6,285	6,275	6,230	6,240
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	6,381	6,381	6,285	6,275	6,230	6,240
Ending Stocks	0	0	0	0	0	0
Total Distribution	7,052	7,052	6,900	6,870	6,830	6,815
(1,000 HEAD), (1,000 MT CWE)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Not official USDA data. Source: Eurostat and FAS Offices. Includes backyard slaughter.

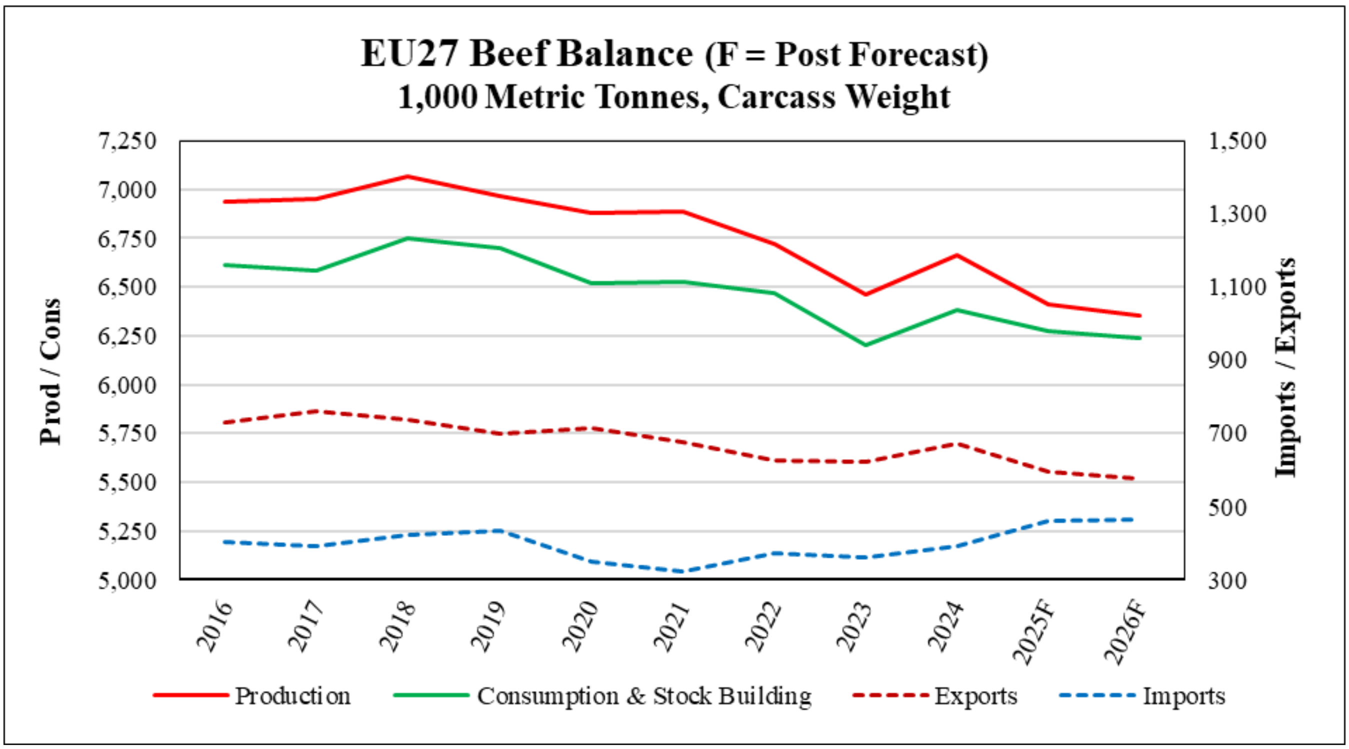
2025 Beef Production Is Cut in Line with a Downward Revision of Slaughter
The 2024 beef balance is left virtually unchanged. In line with the second revision of 2025 slaughter to a lower level (in the Annual and in this report), 2025 beef production is revised to a lower level accordingly. As reported for the annual analysis, the reduction is somewhat tempered by the higher than anticipated average slaughter weight for 2025. This upward revision of the average slaughter weight is based on the restricted access to young animals for fattening (for more information see the Cattle section), which, with the low feed prices and high carcass prices, inclined farmers to fatten their animals at a higher weight than normal, maximizing the value of each slaughter. Overall, EU beef production declined by 3.8 percent to 6.41 MMT Carcass Weight Equivalent (CWE). For more information about the EU grain and feed market see the FAS GAIN report - Grain and Feed Quarterly, published on December 4, 2025.

Restricted Beef Production and Imports Are Curbing Consumption
The lower domestic beef supply buoyed domestic prices and attracted beef from the global market, despite import tariffs and quotas. EU beef imports accelerated during 2025. During the first half of the year, EU beef imports increased by 4.3 percent, and over the whole year by 17.7 percent. Major increases were reported by TDM for imports from Brazil, Argentina, and Uruguay. Earlier, EU access to Brazilian beef was restricted due to concerns about Brazil's ability to guarantee the product is free from growth hormones. During the spring of 2025, imports from Brazil dipped, but recovered strongly during the second half of 2025. In 2025, EU imports of fresh, and generally high value, beef cuts increased by 9.9 percent and of generally lower value frozen beef by 37.5 percent. This trend indicates that in particular EU demand for lower value beef cuts is growing, commonly used for processing. The soaring beef prices are pressing down EU beef consumption with poultry and pork gaining market share. During 2026, EU imports are forecast to continue to rise with a temporary acceleration during the second half of the year in anticipation of the EU Deforestation-free Supply Chain Regulation (EUDR, for more information see the Policy section).

The Mercosur Deal Could Attract More Beef to the EU Market
On January 20, 2026, the European Commission (EC) and its counterparts from the Mercosur countries signed a political agreement for an EU-Mercosur partnership. The agreement, if approved, could potentially allow 99,000 MT Product Weight Equivalent (PWE) of Mercosur beef to enter the EU market with a 7.5 percent duty (for more information see the Policy section of this report). The EU has an out-of-quota MFN (Most Favored Nation) ad-valorem equivalent duty on beef and beef products of approximately 60 percent. The Hilton Quota for high quality beef offers an import tariff of 20 percent.

EU Beef Is Losing Its Competitiveness on Export Markets
While the high beef prices are forecast to attract more volume to the EU market this year, beef exports are losing their competitiveness. During 2025, EU beef exports declined by 11.3 percent, with major reductions reported for shipments to the United Kingdom (-7.4 percent) and Türkiye (-24.7 percent), in both volume and value the top two exports markets for the EU. The high prices quoted for EU beef supplies are hampering sales on the UK and Turkish market. The United Kingdom increased their sourcing from Brazil and Oceania while Türkiye reduced imports from almost all sources. Currently, the main growth market for EU beef exports is Switzerland, which is commonly regarded as a high-end market. A slight increase of exports is also reported to Algeria. After being virtually closed to Spanish exports between 2022 and 2023, Spanish beef exports to Algeria have soared since 2024. Reportedly, the country's cold storage availability allows Algeria to import meat in addition to live animals.

In Line with Slaughter, Beef Production and Exports Are Forecast to Further Fall in 2026
In 2026, EU beef production is projected to further fall based on the lower slaughter levels and only slightly increasing to stagnant slaughter weights. With the lower EU supply, the availability of exports is forecast to further decline. The main exporting EU Member States (Ireland and Poland) remain active in marketing their beef in third countries. While total Irish exports are on the decline, an increasing share is directed to the EU market (Scandinavia, Germany, Spain, and Portugal). Following a visit to China by the Irish Prime Minister from January 4 to 8, China agreed on January 12, 2026, to reopen its market to Irish beef exports. However, Ireland's celebration was short-lived, China again closing its market to Irish beef following the confirmation of bluetongue in late January. Polish beef exports rose in 2025, but as noted for Irish exports, an increasing share is shipped to the EU market (Germany, France, the Netherlands, and Spain).



Swine

Animal Numbers, Swine	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Beginning Stocks	132,846	132,846	132,136	132,136	128,500	127,000
Sow Beginning Stocks	10,518	10,518	10,214	10,214	9,950	9,950
Production (Pig Crop)	230,700	230,700	229,500	230,000	226,000	227,000
Total Imports	12	12	8	10	8	10
Total Supply	363,558	363,558	361,644	362,146	354,508	354,010
Total Exports	1,009	1,008	800	735	740	710
Sow Slaughter	3,999	3,999	3,870	3,870	3,750	3,750
Other Slaughter	220,322	220,322	223,130	225,130	218,750	220,250
Total Slaughter	224,321	224,321	227,000	229,000	222,500	224,000
Loss and Residual	6,092	6,093	5,344	5,411	5,018	5,100
Ending Inventories	132,136	132,136	128,500	127,000	126,250	124,200
Total Distribution	363,558	363,558	361,644	362,146	354,508	354,010
(1,000 HEAD)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

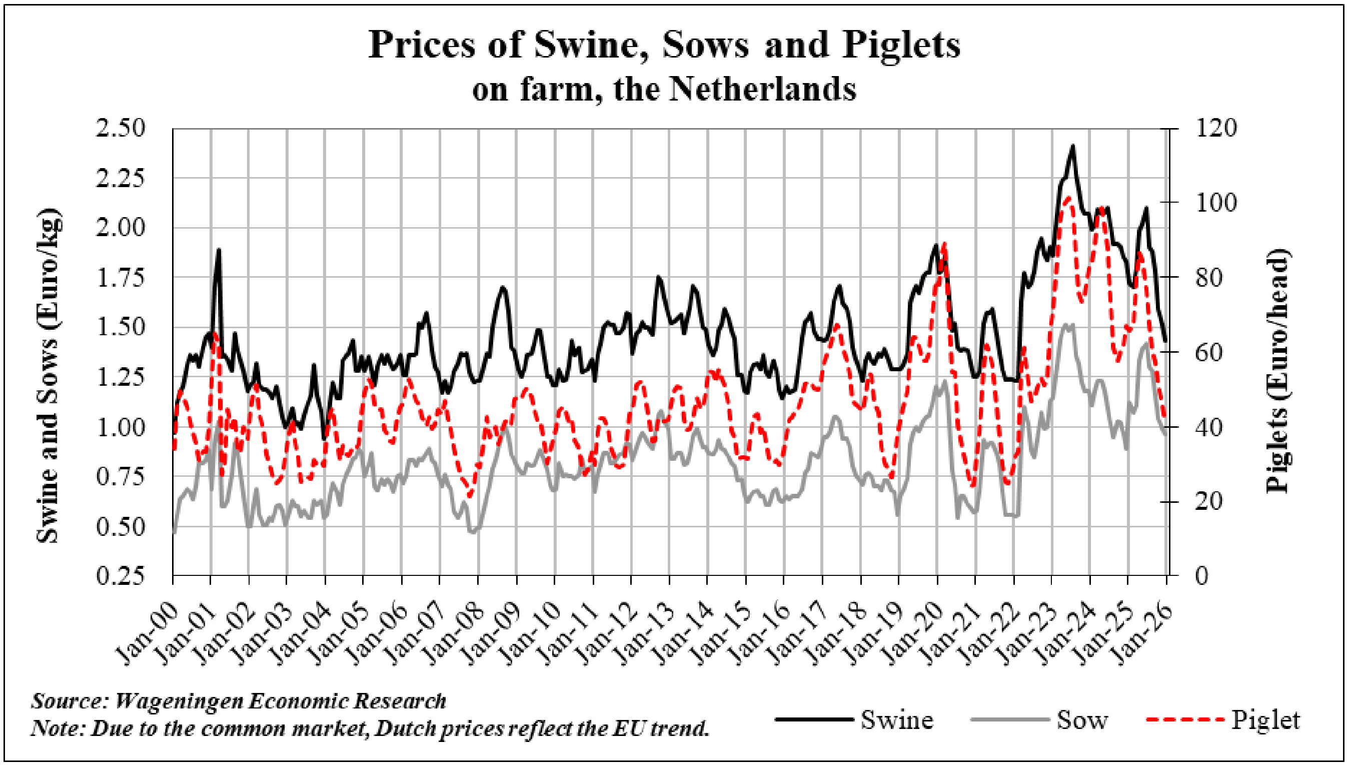
Not official USDA data. Source: Eurostat and FAS Offices. Includes backyard slaughter.

2025 Slaughter Raised in Anticipation of Steep Profit Margins

The trends identified and forecast in the Annual report, an increase of swine slaughter in 2025, a contraction of the herd, and a strong reduction of slaughter in 2026, are kept in this report. The increase of 2025 slaughter was, however, more pronounced than earlier projected. During the first eleven months of 2025, official slaughter increased by 1.98 percent. With the addition of about 2.2 million head of backyard slaughter, total EU slaughter is forecast at 229 million head, an increase of 2.1 percent compared to 2024. Such a hike in slaughter is remarkable because the sector started 2025 with a relatively small sow herd. The elevated slaughter was achieved by an improvement of the piglet/sow ratio, and a significant lower loss. Throughout the EU, swine farmers maximized the use of the sow herd and piglet supply taking advantage of the relatively low feed prices and high carcass prices (see graph below), hoping to achieve steep profit margins at the time of slaughter. In absolute terms, in 2025, the most significant increases of total annual slaughter are reported by Eurostat in Spain, Poland, Germany, Denmark, and the Netherlands.

Carcass Prices Fell During the Last Quarter of 2025, Squeezing Profit Margins

During the last quarter of 2025, carcass prices fell below the five-year average, squeezing profit margins and discouraging farmers to continue their production level. Because of the lower stocking of weaned piglets and concurrently accelerated slaughter, swine inventories fell by 3.9 percent to about 127 million head in 2025 (Post forecast). Due to the price drop, many swine farmers, breeders as well as fatteners, are producing at a loss. For instance, in Flanders (Belgium), a weaned piglet was quoted €62.5 in April 2025 but yielded only €10.5 by the end of the year. The pork price fell from €1.6 per kilo in June 2025 to €0.90 per kilo the third week of January (farmers need to make a profit at least €1.5 per kilo). The conclusion is that the average pig farm in Flanders is currently operating at a loss, although there are significant differences between pig farms.



The Price Drop Was Caused by a Pork Oversupply, Tariffs, and Detection of ASF in Spain
The price drop during the last quarter of 2025 was caused by several reasons. In chronological order, first, the elevated pork production exceeded the domestic demand. Second, China imposed additional tariffs on Spanish, Danish, and Dutch pork. Third, African Swine Fever (ASF) was detected in Spain (for more information see the GAIN report: African Swine Fever Hits Wild Fauna in Spain, published December 17, 2025). The detection of ASF in Spain had a significant effect on the EU swine and pork market and will have implications throughout 2026. Spanish pork which was destined for exports to third countries will be partly shipped to EU domestic markets, suppressing domestic carcass prices (for more information see the Pork section). Furthermore, the demand for piglets by the Spanish sector plummeted, which will suppress piglet prices, and support sow slaughter in the Netherlands, and to a lesser extent Denmark. As a result, EU piglet production, as well as slaughter will be cut more significantly this year than was anticipated in the Annual.

The Negative Profit Margins Will Cause Industry Restructuring Throughout the EU
The reduction of slaughter is forecast to mainly take place in Spain, Denmark, the Netherlands, and France. In the Annual, 2026 Spanish slaughter was forecast to flatten due to regulatory hurdles to open new sites and animal welfare requirements initially scheduled to enter into force in March 2026 (for more information see the Annual of 2024). But this regulation will be superseded by a new Spanish Royal Decree, to make pig welfare regulations more flexible. This new framework of animal welfare regulations will be open for public comments until April 9, 2026. After the detection of ASF in Spain, and the consequential price drop of hogs, Spanish swine farmers are operating at a loss (estimated at €30-40 per animal) and are tempted to terminate production. Post anticipates that the least efficient

farms will stop, making room for the more efficient producers, accelerating a restructuring of the sector. It should be noted that, because the price drop spread throughout the EU, this restructuring will also take place at the EU level. The crisis in Spain could even affect other EU Member State sectors more, as the Spanish sector has a strong integrated structure and is flexible in accessing feed as well as export markets.

The Dutch Breeding Sector Is Forecast to Be Most Affected

Both Denmark and the Netherlands are key suppliers of piglets in the EU. Although Danish breeders mostly ship their piglets to Germany and Poland, and not to Spain, they will feel the pinch of lower piglet and pork prices. While the Danish sector refocused, the Dutch sector still needs to restructure to reach their nitrogen reduction emission goals (for more information see the Annual). The detection of ASF in Spain is expected to reinforce the anticipated restructuring and contraction of the Dutch sector. Some sector sources predict that the Dutch exports of piglets to Spain will be cut in half. This will seriously affect the profitability of the Dutch breeders, elevate sow slaughter, and reduce Dutch piglet production. Another problem for the Dutch swine farmers is the rising costs for manure disposal. According the Wageningen University (WUR) an average Dutch swine farm pays €100,000 per year for manure disposal. To reduce national nitrogen emissions the Dutch Government has two funding programs in place to incentivize intensive livestock farmers to sell their farms through buy-out schemes. The WUR expects Dutch pork production will shrink by ten to fifteen percent in the coming years based on the signing up of swine farmers for the government buy-out programs. A significant cut in slaughter is also forecast in France. Even though the French sector lacks competitivity compared to the Spanish, Danish, and Dutch sector, slaughter increased in 2025 for the second successive year. In 2026, however, the worsening market conditions are projected to curb this trend.

German Swine Farmers Face Challenges Related to Animal Welfare Standards

Similar to French slaughter, German slaughter recovered in 2024 and 2025 and is projected to decline this year. German pig farmers (particularly sow farmers) face challenges from amendments to the Animal Welfare Livestock Ordinance made in 2021, which imposes new requirements for service centers (from 2029) and farrowing pens (from 2036), necessitating substantial investments in many cases. Farmers had to either submit plans for the restructuring or cease production as of February 9, 2026. Originally, a €1.5 billion state funding program was planned to support farmers willing to undertake these investments. However, the program was terminated prematurely, causing significant uncertainty among farmers. Several surveys indicate that approximately 10-30 percent of sow farmers plan to cease production in Germany within the next few years. Without new market incentives, many German farmers are likely to exit production, as current low slaughter pig prices make operations unprofitable. However, with the Federal Ministry's newly launched export strategy and the ASF outbreak in Spain, Germany's pork exports may benefit from new opportunities in Asian markets, as South Korea, for example, has reopened its market.

In Eastern and Southeastern Europe Production Will Be Supported by Robust Demand

In Eastern (Poland, the Baltic Region, Czechia, and Hungary), and Southeastern (Italy, Romania, Bulgaria, Greece, and Croatia) Europe swine slaughter is forecast to only slightly decline, stagnate, or in best cases even increase. In these countries, carcass prices also fell but there is currently an abundance of feed in parts of this region, by which, in combination with low piglet prices, positive profit margins could still be realized by the most efficient producers. The sectors in many of these countries are, furthermore, supported by EU co-financed farm modernization programs which boost private investments and realize further concentration in the industry. In Poland, the profitability of swine farming improved during the first half of 2025. However, in the second half of the year the trend was reversed and the decrease in feed prices did not compensate for the steep drop in farm-gate pig prices. This trend resulted in acceleration of pig farming sector restructuring and decreasing number of pig farms. Overall Polish slaughter is projected to only slightly increase in 2026. In Italy, pork consumption recovered in 2025. But despite a recovery in pork sales, an increase in slaughter is not forecast this year, primarily attributable to factors such as the limited competitiveness of enterprises and challenges in obtaining credit. Overall, for the EU, in 2026, the pig crop and subsequent slaughter is forecast to fall based on a significant restructuring of the sector in Western Europe.

Pork

Meat, Swine	2024		2025		2026	
Market Year Begins	Jan 2024		Jan 2025		Jan 2026	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference)	224,321	224,321	227,000	229,000	222,500	224,000
Beginning Stocks	0	0	0	0	0	0
Production	21,278	21,278	21,800	21,950	21,530	21,600
Total Imports	99	99	100	98	105	100
Total Supply	21,377	21,377	21,900	22,048	21,635	21,700
Total Exports	3,013	3,009	2,970	3,030	2,750	2,750
Human Dom. Consumption	18,364	18,368	18,930	19,018	18,885	18,950
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	18,364	18,368	18,930	19,018	18,885	18,950
Ending Stocks	0	0	0	0	0	0
Total Distribution	21,377	21,377	21,900	22,048	21,635	21,700
(1,000 HEAD), (1,000 MT CWE)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Not official USDA data. Source: Eurostat and FAS Offices. Includes backyard slaughter.

In 2025, EU Pork Production Rose Following the Hike in Slaughter

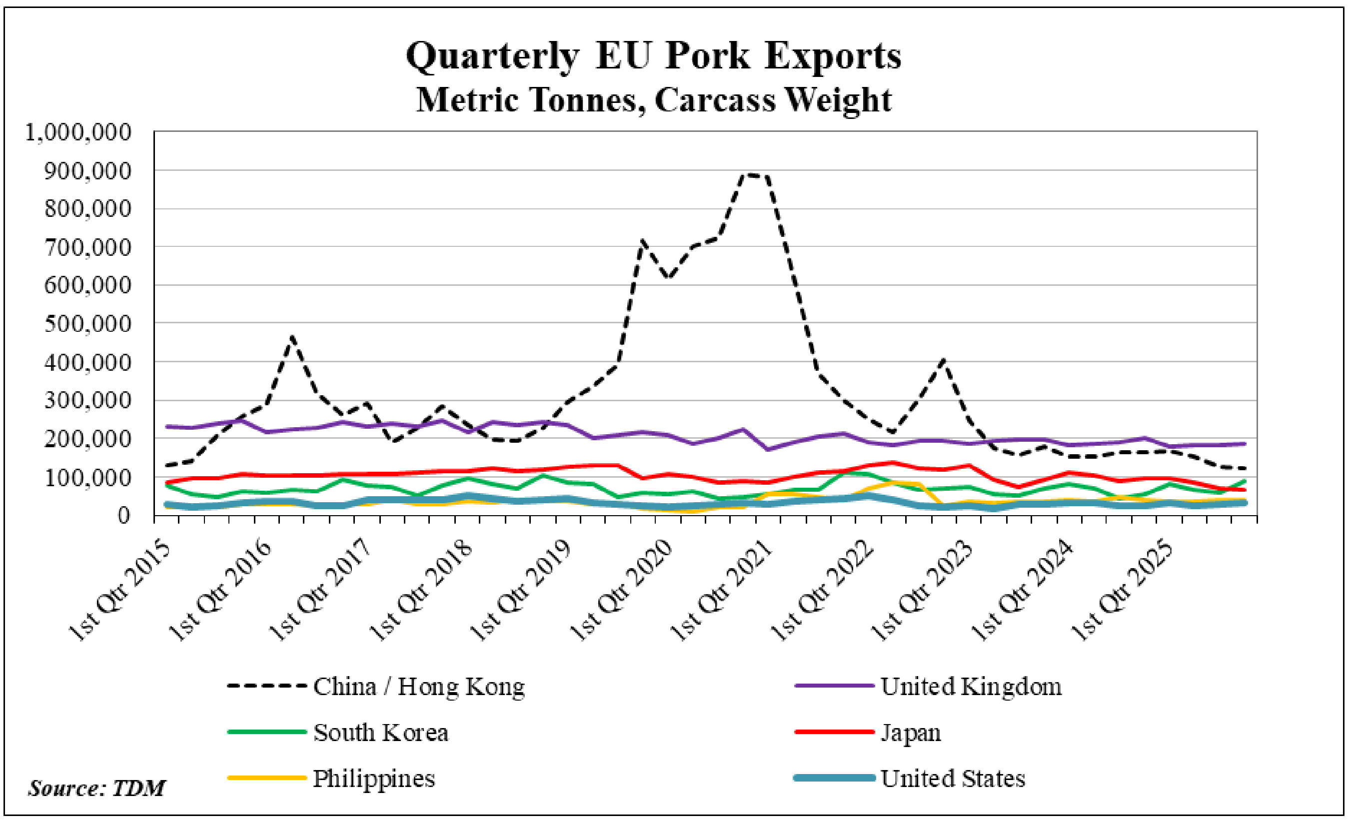
The 2024 pork balance is kept intact in this report. In line with the adjustment of 2025 slaughter, 2025 pork production is revised to a higher level, reinforced by a slightly higher weight at slaughter than projected in the Annual report. Like beef, this upward revision of the average EU slaughter weight is based on the restricted access to young animals for fattening, which, combined with the low feed and high carcass prices, inclined farmers to fatten their animals at a higher weight than projected. Overall, 2025 EU pork production is estimated at 21.95 MMT carcass weight equivalent (CWE), 3.16 percent higher than achieved in 2024, and the second annual increase in a row. Consistent with the slaughter level trend, in absolute terms the most significant increases were reported in Poland, Spain, Germany, Denmark, and the Netherlands. EU pork imports stagnated to close to 100,000 MT CWE with the United Kingdom as the prominent supplier. On August 29, 2025, the European Commission (EC) proposed legislation that would create a tariff rate quota (TRQ) for U.S. pork (25,000 MT PWE). This legislation still needs to be adopted by the European Parliament and the Council of the EU (for more information see the Policy section). The elevated production made slightly more pork available for export markets in 2025. During 2025, EU pork exports rose by 0.7 percent. In absolute terms, the most significant increases were reported by TDM for shipments to Taiwan, Angola, Ukraine, Malaysia, and South Korea. The most significant reductions were reported for Japan, China, United Kingdom, and the Philippines. EU pork exports to the United States grew marginally.

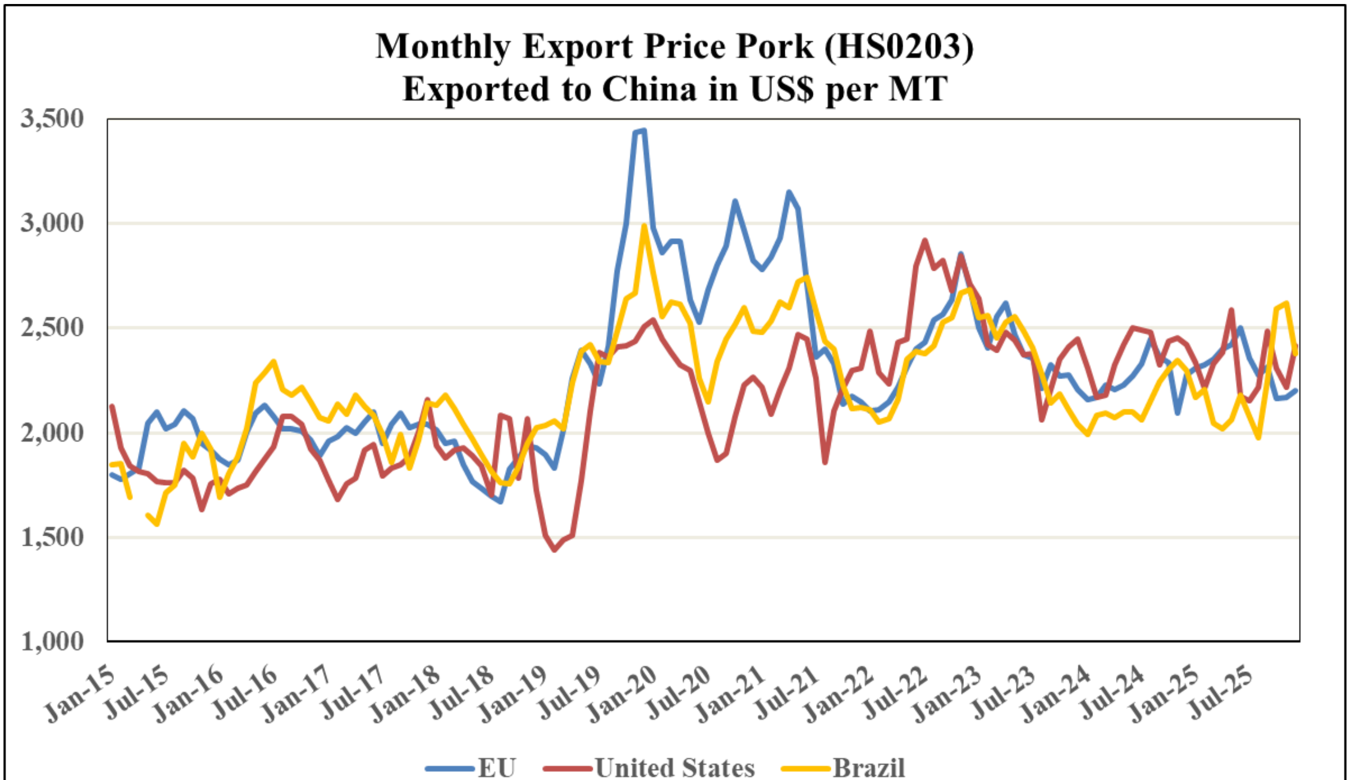
The Detection of ASF in Spain Immediately Affects Ten Percent of Spanish Production
Advancing the slaughter trend, EU pork production is forecast to fall by 1.59 percent to 21.60 MMT CWE in 2026. The annual average carcass weight is projected to only slightly increase because of premature slaughter as a result of the detection of ASF in Spain and natural disasters at the Iberian Peninsula (a hurricane in Portugal). As outlined in the Swine section, the end of the swine cycle was caused by a domestic oversupply further amplified by Chinese tariffs on Spanish, Dutch and German pork. On September 5, 2025, the Chinese ministry placed anti-dumping duties of 15.6 up to 62.4 percent as from September 10 (for more information see the Annual). As a result of the detection ASF in wild fauna in Spain, the reduction of slaughter and pork production is projected to be more substantial than projected in the Annual. The most immediate effect of the detection of ASF in Spain is the restriction on Spanish pork exports. After the United States, Spain is the second largest pork exporter in the world. Third-countries markets restrictions, most notably these of Japan, South Korea, and the Philippines account for about ten percent of Spanish pork production (400,000 – 500,000 MT CWE). Spain's main export markets—including the EU, China, the United Kingdom and South Korea have accepted regionalization, allowing trade from unaffected regions. China's preferential tariff decision allows Spain to maintain a comparatively competitive position in China, the leading market for European pork. In response the third country restrictions Spanish pork is directed to the EU domestic markets, leading to strong competition, particularly in the markets of Central Europe. But the most significant reductions in slaughter and pork production are forecast in Western Europe; Spain, the Netherlands, Denmark, and France (see Swine section).

Western European Producers Can Only Partly Fill the Gap Left by Spanish Exporters
On the third country export markets, the partial exit of Spain will leave a gap, which will be hard to replace by other prominent EU producing countries. The reduction in the EU's pork export prices has increased its competitiveness in export markets (see graph further below). But Denmark, the Netherlands, Germany, Poland, and Italy can only partially fill this gap left by Spanish exports. Specialty products like cured hams will be difficult to replace. And, also volume wise, replacement of the lost trade will be difficult. Over the past two years, the Danish sector significantly downsized its slaughter capacity. The Danish sector is concentrating on breeding and producing more value-added pork products emphasizing sustainability and quality, with an increased focus on the EU domestic market. The Dutch sector will also likely be subject to a significant restructuring,

Germany is a candidate to fill only a small portion of the gap. On April 14, 2025, Germany regained its full FMD-free status by the World Organization for Animal Health (WOAH), allowing trade with third countries to resume. EU pork exports have increased, driven mainly by shipments to Asian markets such as China, Malaysia, Taiwan, and Vietnam. The German Federal Ministry for Agriculture has launched an export strategy to foster exports to third countries, including pork. If no further animal disease occurs, German pork exports to third countries could increase again at the expense of exports to EU domestic markets.

Producers in Central Europe and Southern Can Only Marginally Increase Their Exports
Another candidate to fill the gap left by Spanish exports is Poland, but it is constrained by ASF occurrence in the country. On January 14, 2026, the Philippine Department of Agriculture confirmed the agreed health certificates for pork and pork offal exported from Poland to the Philippine market, recognizing Polish ASF regionalization. In practice, this means that the Philippines has now opened its market to Polish pork and pork offal derived from animals originating in farms located in ASF buffer zones and ASF free zones. As assessed by the Polish industry, the Philippines is becoming another key recipient of Polish food products in Southeast Asia, following Vietnam. The country can act as a "demand buffer" when the EU market is unable to absorb surpluses, in particular mass-produced items: ham, pork shoulder, and trimmings. Italian exports also have the potential to increase, but only marginally. Following the European Commission's recent authorization to lift ASF restrictions on pork products in the Lombard provinces of Lodi and Pavia and in the Piedmont provinces of Novara and Alessandria, operators in the national pork supply chain are regaining a positive outlook. However, several critical issues persist at the global level, particularly the continued closure of Asian markets to cured hams for sanitary reasons.

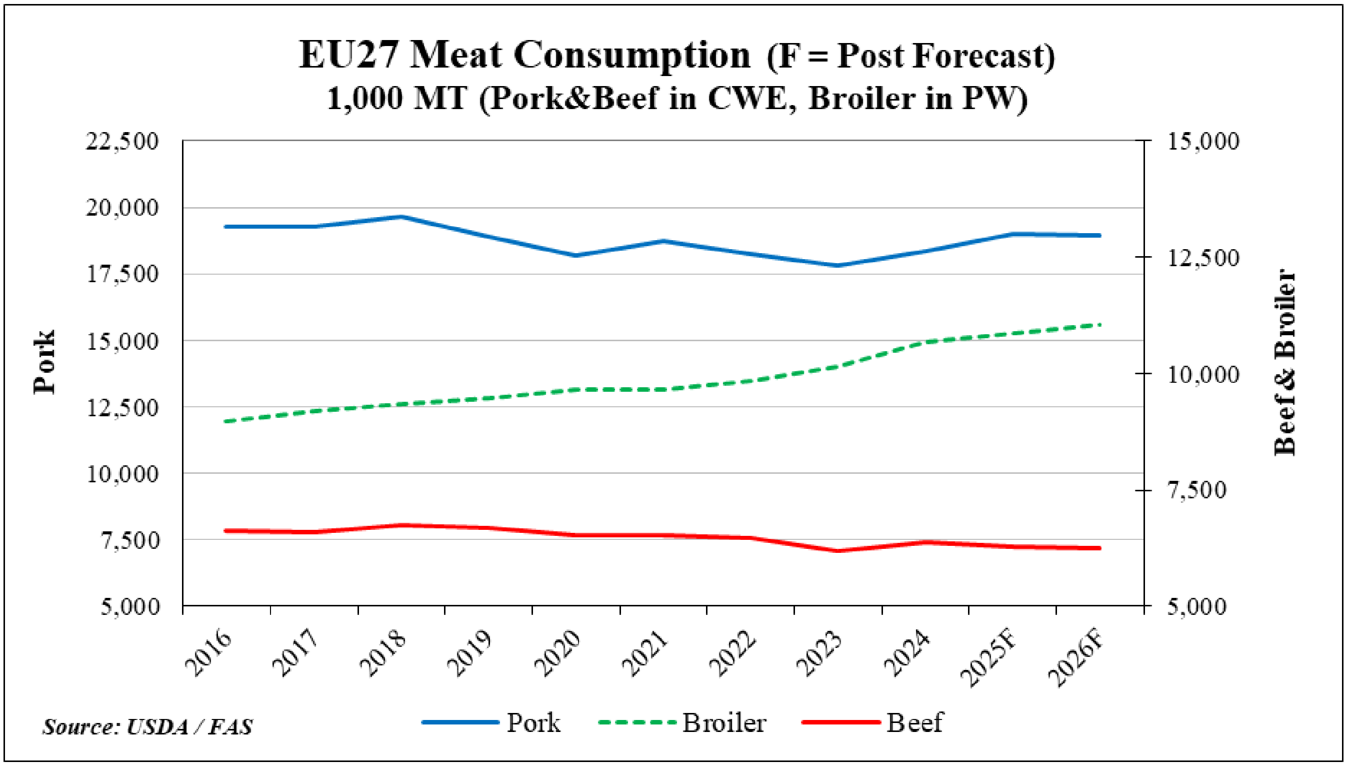




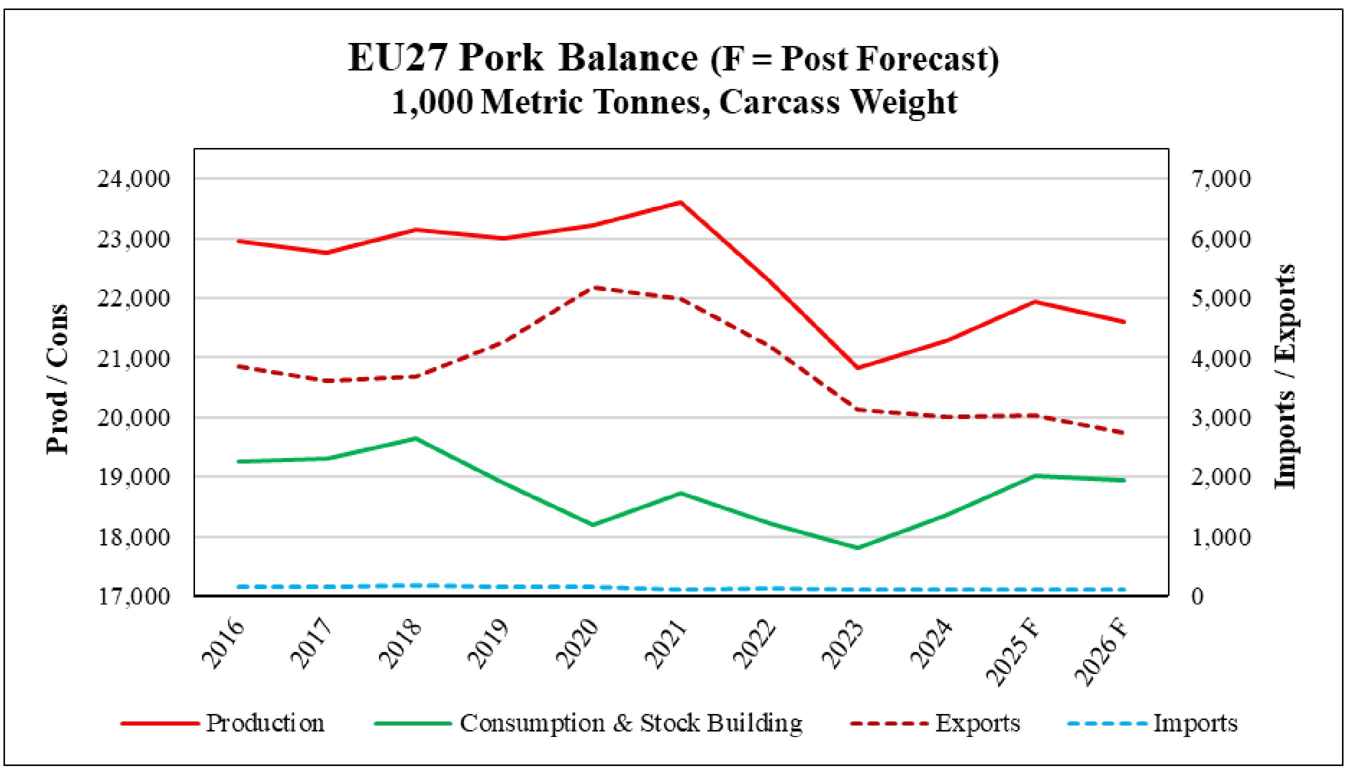
Source: Trade Data Monitor
Note: Prices for the United States Free Alongside Ship (FAS), for Brazil and the EU Free On Board (FOB)

Due to the Lower Price, EU Pork Consumption Will Remain Strong in 2026

Besides an effect on EU piglet production and slaughter, the ASF detection in Spain will likely also influence pork consumption. Due to the restricted exports to third countries, the price level of pork will be suppressed with an anticipated positive effect on EU domestic consumption. Spanish data indicates that fresh pork meat and processed products demand remained strong in household consumption and the booming tourism activity also contributes to a steady demand in the HRI channel. The increase in demand is also reported in Central Europe, the Balkan Region, and Southern Europe where pork is a key part of the cuisine. In these regions population growth, increased purchasing power, and the thriving tourism and food service sector play an important role in the increased domestic use of pork. In Italy, there was a rebound in purchases of fresh pork by households during 2025. Consumption of cured meats also increased, with broad-based growth across all major categories, although it was less pronounced for high-end products. In Poland, in 2025 and 2026 domestic consumption is expected to increase, supported by increasing purchasing power of consumers and competitive culinary pork prices versus other types of meat.



EU27 Meat Consumption (F = Post Forecast)
1,000 MT (Pork&Beef in CWE, Broiler in PW)
Pork
Beef & Broiler
Source: USDA / FAS
Pork
Broiler
Beef



EU27 Pork Balance (F = Post Forecast)
1,000 Metric Tonnes, Carcass Weight
Prod / Cons
Imports / Exports
Production
Consumption & Stock Building
Exports
Imports

Policy

EU Deforestation Regulation (EUDR)

In June 2023, the EC adopted Regulation 2023/1115, also known as the EU Deforestation Regulation (EUDR), aimed to prevent products causing deforestation entering the EU. The proposal targets products identified as main drivers of deforestation, including cattle.[1] In December 2024, the EU postponed the date of entry into application of the EUDR by one year to December 30, 2025.

In December 2025, the EU published Regulation 2025/2650 which delayed the EUDR's entry into application for another year until December 30, 2026. The updated Regulation creates new definitions that provide simplifications to some, primarily EU, operators. The new Regulation also calls on the EC to publish a simplification review of EUDR by April 30, 2026. For more information about the changes introduced by Regulation 2025/2650, please see GAIN Report: EU Adopts Changes to Deforestation Regulation.

Trade/Tariffs

Updated U.S.-EU Beef Deal
In the spring of 2019, the United States and the EU concluded an updated agreement modifying the Memorandum of Understanding (MOU) on High Quality Beef (HQB). Under the new regime, 18,500 MT PWE of hormone-free raised beef is reserved for the United States, increasing to 35,000 MT PWE in year seven under the new agreement. The U.S. specific quota rose to 30,200 MT PWE in calendar year 2024, however, the U.S. exported to the EU only 12,962 MT. Using only 43 percent of the quota means that 17,238 MT PWE of the U.S. HQB quota went unused. For 2025, the HQB quota increased to 32,600 MT PWE.

U.S. HQB Exports to the EU (MT PWE)

Calendar Year	Amount available	Actual import	Unused quota	Filled quota (%)
2024	30,200	12,962	17,238	43%
2023	27,800	14,387	13,413	52%
2022	25,400	13,528	11,872	53%

Source: TDM and FAS Brussels

EU Free Trade Agreements (FTAs)
The EU is negotiating and has implemented several FTAs with other countries and regions, which include concessions on livestock. Additional information is available on the website of the EC at: https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/

Mercosur: On December 6, 2024, the EC announced that President von der Leyen and her counterparts from four Mercosur countries (Brazilian President Lula, Argentinian President Milei, Paraguayan President Peña, and Uruguayan President Lacalle Pou) finalized negotiations and reached a political agreement for an EU-Mercosur partnership agreement. In 2019, the EC reached a preliminary agreement with Mercosur countries, but amendments were made to several sectors, including agriculture. The

[1] EUDR target products include cocoa, coffee, soy, palm oil, wood, rubber, and cattle.

agreement includes a bilateral safeguard clause in case increased imports cause - or even threaten to cause - serious injury to relevant sectors, including agricultural sectors. This safeguard clause also covers imports under tariff rate quotas (TRQs) in the agreement. Under the agreement, there is a gradual phase out of duties on 91 percent of EU exports to Mercosur and 92 percent of Mercosur exports to the EU. Under the new agreement, 99,000 MT PWE of Mercosur beef is allowed to enter the EU market with a 7.5 percent duty, 55 percent of the quota will consist of fresh or chilled meat and 45 percent of lower-value frozen meat.

On February 10, 2026, the European Parliament approved strengthened safeguard regulations that allow for the temporary suspension of tariff preferences if imports of sensitive products increase by more than 5 percent over a three-year average. The agreement is currently undergoing a legal review by the European Court of Justice (ECJ) following a request from the European Parliament in January 2026 to ensure its compatibility with EU treaties.

Ukraine: The EU granted Ukraine a temporary liberalization of trade with its Autonomous Trade Measures (ATMs) Regulation, which was in effect from June 4, 2022, until June 5, 2025. Between June 6 and October 29, 2025, the EU-Ukraine trade relationship reverted to the 2014 Deep and Comprehensive Free Trade Area (DCFTA) via Regulation (EU) 1132/2025 reintroducing import quotas on Ukrainian agricultural goods.

On October 29, 2025, the revised EU-Ukraine Deep and Comprehensive Free Trade Agreement (DCFTA) entered into force (Regulation (EU) 2025/2199). The new DCFTA updates the original agreement from 2014. The revised DCFTA increases market access in both directions compared to the 2014 agreement, but limits EU imports of sensitive agricultural products compared to the levels under the ATMs. It also enshrines a new safeguard clause and provides for the alignment of Ukrainian and EU production standards.

New EU Animal Welfare Legislation

In February 2025, as part of its Vision for Agriculture and Food, the EC announced its intention to revise the existing EU animal welfare legislation, including its commitment to phase out cages. This includes:

- Regulation (EC) No 1/2005 on the protection of animals during transport.
- Regulation (EC) No 1099/2009 on the protection of animals at the time of killing.
- Directives on on-farm welfare, including:
    - Directive 98/58/EC (horizontal)
    - Directive 2008/119/EC on calves

The EC aims to present a legislative proposal for the first sectors by the fourth quarter of 2026, following a call for evidence and public consultation in 2025. The EC's 2023 proposal on the protection of animals during transport is currently progressing through the legislative process and is under review by both the European Parliament and the Council. The proposal introduces stricter requirements for transporters, including training and certification for animals imported from third countries into the EU. The main impact is likely to be increased compliance costs and more frequent or intensive border checks, rather than a complete loss of access. The European Parliament is expected to vote on the file, including amendments (2023/0448(COD)) in 2026, while Council discussions continue in parallel. More information can be found in GAIN report - European Union: EU Proposes New Regulation on Animal Welfare During Transportation.

African Swine Fever (ASF) Situation Update

African Swine Fever (ASF) was initially discovered in Lithuania and Poland in 2014. ASF has continued to spread across EU Member States. Since 2014, the EU implemented several special control measures, including zoning to tackle the disease. For more information see this factsheet.
In 2025, there were several outbreaks across Europe:

- ASF in domestic pigs: Estonia (11), Greece (4), Croatia (53), Italy (1), Lithuania (9), Latvia (12), Poland (18), Romania (476), Slovakia (1), Bosnia and Herzegovina (55), Moldova (52), Serbia (233), Ukraine (19).
- ASF in wild boar: Bulgaria (939), Czech Republic (1), Germany (2001), Spain (11), Estonia (259), Greece (77), Croatia (255), Hungary (831), Italy (689), Lithuania (791), Latvia (1266), Poland (3429), Romania (302), Slovakia (185), Bosnia and Herzegovina (28), Moldova (26), North Macedonia (8), Serbia (62), Ukraine (34). More information about the current ASF situation in the EU is available online at: African swine fever – EC

Foot and Mouth Disease (FMD) Outbreak

In 2025, Europe experienced several outbreaks of Foot-and-Mouth Disease (FMD). In January, Germany reported one case, followed by Hungary with five and Slovakia with six outbreaks in March. In response to the outbreaks, several Member States (MS), particularly those bordering Hungary and Slovakia, swiftly implemented import bans on animals and products that could carry the virus. The EC adopted several Commission Implementing Decisions concerning interim emergency measures, demarcating at EU level the areas to be included by MS in the restricted zone around the outbreak establishment and setting the duration of these restricted zones. All the mentioned countries, were fully reinstated the World Organization for Animal Health (WOAH) as "FMD-free countries": All the mentioned countries had their status as 'FMD-free countries" fully reinstated by the World Organization for Animal Health (WOAH) on:

- Germany – April 14, 2025
- Hungary – September 10, 2025
- Slovakia – October 31, 2025

The last confirmed outbreak of FMD in the EU prior to 2025 occurred in the United Kingdom in 2007. More information about the current ASF situation in the EU is available online at EU ASF website: Foot-and-mouth disease - Food Safety - European Commission

Lumpy Skin Disease (LSD) Disease Outbreak

In 2025, the EU faced its first outbreaks of Lumpy Skin Disease (LSD), a viral disease affecting bovine animals, with cases reported in Italy, France and Spain. LSD, caused by a Capripoxvirus, is primarily transmitted by biting insects and under EU Animal Health Law it is classified as a disease that does not normally occur in the EU and requires immediate eradication upon detection. The disease emerged in Sardinia, Italy, in June, spreading to Lombardy and prompting emergency measures, including restricted zones and vaccination campaigns targeting 300,000 cattle. France reported its first outbreak later that month, leading to similar containment efforts and vaccination of 350,000 cattle. Spain confirmed its first outbreak in October 2025 on a cattle farm in Girona, near the French border, and subsequently implemented control measures and vaccination in the affected regions. Combined there were 213 outbreaks of LSD in the EU: 80 in Italy, 116 in France and 17 in Spain. More information about the current ASF situation in the EU is available online at EU ASF website: LSD - Food Safety - European Commission

DISCLAIMER

The numbers in the PSDs in this report are not official USDA numbers, but they result from a collaborative effort by FAS EU offices to consolidate PSDs from all 27 EU Member States.

This report is the result of collaboration among the following EU FAS colleagues:

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Ornella Bettini from FAS Rome covering Italy
Mila Boshnakova from FAS Sofia covering Bulgaria
Monica Dobrescu from FAS Bucharest covering Romania
Dimosthenis Faniadis from FAS Rome covering Greece
Bob Flach from FAS The Hague covering the Netherlands and Nordic countries
Jana Fischer from FAS Prague covering the Czech Republic and Slovak Republic
Anna Galica from FAS Warsaw covering Poland, Estonia, Latvia, and Lithuania
Gellert Golya from FAS Budapest covering Hungary and Slovenia
Marta Guerrero from FAS Madrid covering Portugal and Spain
Steve Knight from FAS London covering Ireland
Andreja Misir from FAS Zagreb covering Croatia
Antonia Rudolf from FAS Berlin covering Germany and Austria

Note: Effective January 1, 2021, the United Kingdom (UK) completed its departure from the European Union (EU). In this report, if not otherwise indicated, the term EU refers to the current EU27 (without the UK).

Conversion Rates: As a result of continuous efforts to improve data reliability, the “New Post” trade forecasts in this report reflect new conversion rates. Historical data revisions (from 2005 onward) were published in April 2020 in the PSD database (http://www.fas.usda.gov/psdonline).

Technical Note: The definition of Carcass Weight Equivalent/Product Weight Equivalent remains the same. All quantities (beef and pork) are reported in Carcass Weight Equivalent (CWE) unless otherwise noted as Product Weight Equivalent (PWE). CWE is the weight of an animal after slaughter and removal of internal organs, head, and skin. PWE is the actual weight of the meat product exported.

ABBREVIATIONS

EC: European Commission
EU: All twenty-seven Member States of the European Union.
MS: An EU Member State

Recent Livestock Related GAIN Reports from FAS Posts in Europe:

Country	Title	Date
EU	EU Adopts Changes to Deforestation Regulation	01/05/26
Spain	African Swine Fever Hits Wild Fauna in Spain	12/17/25
EU	Dairy and Products Annual	12/09/25
Lithuania	Bluetongue Disease Reaches Lithuania	11/24/25
EU	European Union Opened Public Consultation on the Revision of EU Legislation for On-Farm Animal Welfare	11/24/25
EU	Livestock and Products Annual	09/16/25
EU	EU Launches Call for Evidence on New On-Farm Animal Welfare Legislation	07/15/25
Spain	Spanish Dried Fodder Production Expansion to Support Export Recovery	07/07/25
EU	Dairy and Products Semi-annual	05/21/25
EU	Livestock and Products Semi-annual	02/25/25
EU	EU Deforestation Regulation - Revised Implementation Timeline for 2025	02/12/25
Germany	First Outbreak of Foot-and-Mouth-Disease in Germany since 1988	02/02/25
UK	UK Imposes Foot and Mouth Restrictions on Germany	01/22/25
Denmark	Bluetongue Disease Reaches Three Nordic Countries	11/06/24
EU	Livestock and Products Annual	09/06/24
Netherlands	Bluetongue Disease Outbreak Impacting Sheep and Dairy Sector Despite Vaccine	08/22/24
Bulgaria	Livestock and Products Market Update	07/26/24
Netherlands	Dutch Loss of Manure Derogation	06/06/24

These GAIN Reports, and more, can be downloaded from the FAS website:
https://gain.fas.usda.gov/#/search

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Attachments:

No Attachments