

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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ASF Hits one of Romania's Largest Pork Production Areas

Report Categories:

Livestock and Products

Pest/Disease Occurrences

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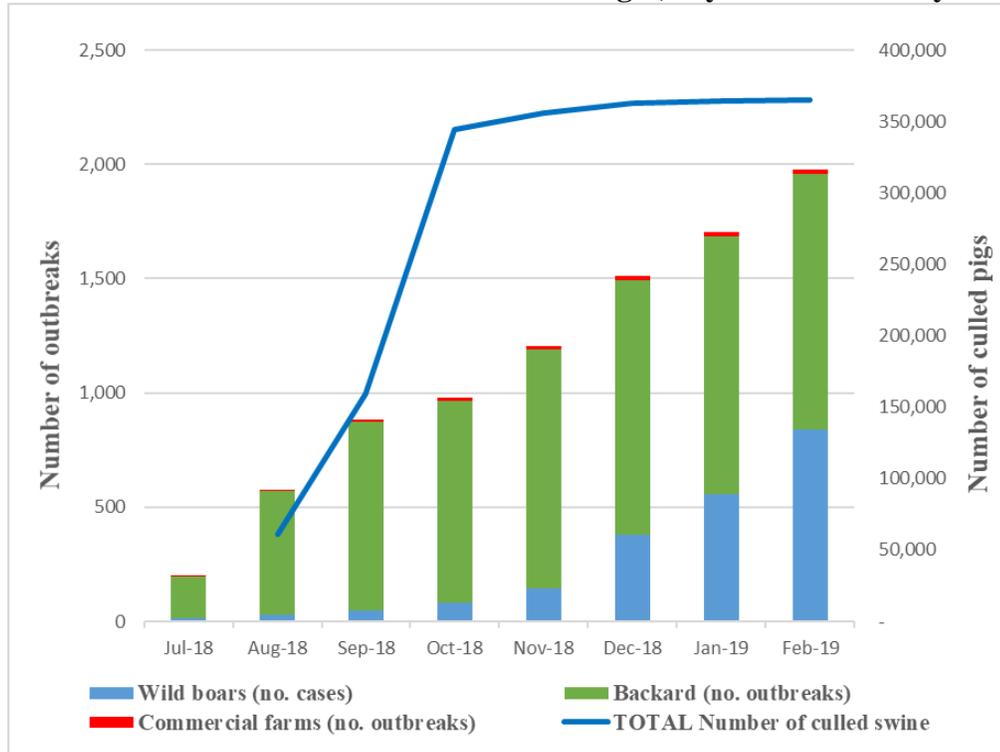
Report Highlights:

New cases of African swine fever (ASF) were confirmed in Romania's western region, including two counties which account for 18 percent of Romania's total swine herd. Despite strong biosecurity measures, pork exports from commercial operations in these area are threatened, as the current regionalization plan is imposed at the county-level. Romania's National Sanitary Veterinary and Food Safety Authority (NSVFSA) has confirmed over 1,100 African swine fever (ASF) cases, including 19 in commercial holdings.

Status Update: ASF in Romania

From July 2017 to January 2019, Romania's NSVFSA confirmed 1,137 ASF outbreaks in domestic pigs, including 19 in commercial holdings, and 838 cases in wild boars. As of February 1, 2019, Government of Romania (GOR) authorities have culled about 366,000 pigs under its disease control program, of which 82 percent were from commercial farms. Although the number of backyard cases has continued to increase, the number of cullings has moderated, which directly corresponds with the recent decline in commercial-farm cases (see Chart 1).

Chart 1: Number of outbreaks and Culled Pigs (July 2018 - February 2019)



Source: NSVFSA; Note: Cumulative figures (beginning of each month)

Relations between government regulators and small-holder farmers remains fraught. Some backyard farmers have denied GOR vets access to their swine herds, as they fear preventive cullings by veterinary officials. These relations between farmers and official vets became particularly tense in December. As many Romanian families consume pork as part of their traditional Christmas meal, live-hog and pork prices saw a temporary seasonal spike.

Romania's swine herd started to decline prior to the large summer 2018 outbreaks. The total swine inventory was 4.13 million animals in May 2018, an eight-percent drop from May 2017, according to the latest statistics. Post expects that December 2018 data will also reflect a decline, particularly given the large-scale cullings and movements restrictions.

Recent ASF detections in western Romania, particularly around Timis and Arad, where 18 percent of the total swine inventory is raised, pose significant threats to pork producers and meat processors in that region. That region's gray-market hog trade, which often occurs without proper veterinary certificates

and/or registered ear tags, is likely a significant factor in ASF transmission. Despite the biosecurity measures implemented by many farmers, lax biosecurity by many smallholder farmers poses a major risk to large and small swine producers.

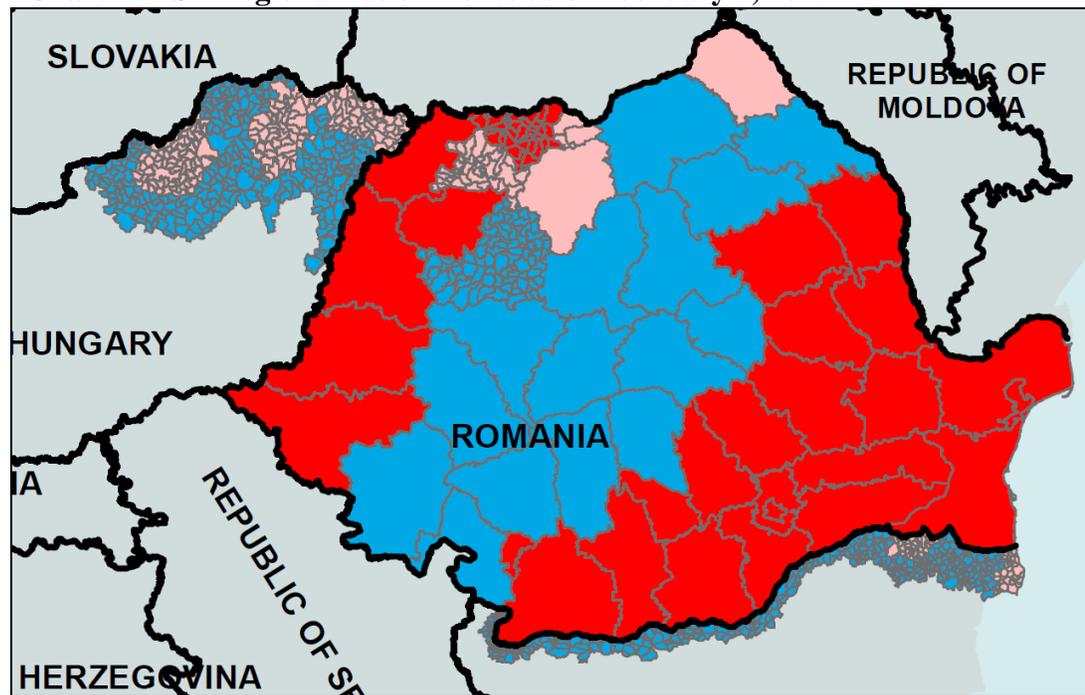
In recent months, the GOR compensated 8,537 pig owners for their losses. As of February 1, 2019, nearly \$63 million from the Romanian budget was dispersed. In December 2018, the European Commission also approved a €34 million (\$37.5 million) grant to assist ASF-afflicted farmers. Almost €14.0 million (\$15 million) has been dispersed to date.

ASF Regionalization

Romania implemented its regionalization plan as per [EU Decision 709/2014](#) (Chart 2). Zone III include domestic pigs and the wild boars that have tested positive for ASF. Zone II areas only have confirmed wild boar ASF cases. Zone I still has no confirmed detections, but remains high-risk due to its proximity to Zones II and III. Decision 709/2014 contains provisions in regard to dispatching of live pigs and consignments of pig meat, pig meat products or animal by-products, depending on the zone from which the swine originates.

Considering that backyard farming is widespread throughout Romania, in February 2019 the NSVFSA initiated discussions with the European Commission regarding amending the EU Decision 2014/709, especially the criteria on which the restrictions are established.

Chart 2: ASF Regionalization Zones as of February 1, 2019



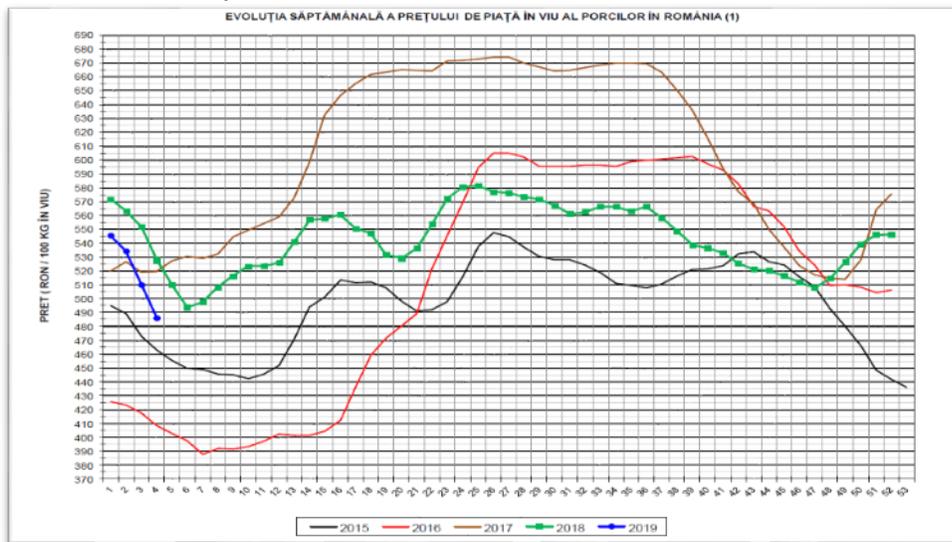
Legend: ■ Zone I, ■ Zone II, ■ Zone III:

Source: European Commission

Trade Impact

Live-hog prices generally declined in the last quarter of 2018, despite a slight rebound in December (Chart 3). January 2019 live-hog prices were below the 2017 and 2018. Live-hog prices will likely remain low in the coming months, particularly given the new ASF cases.

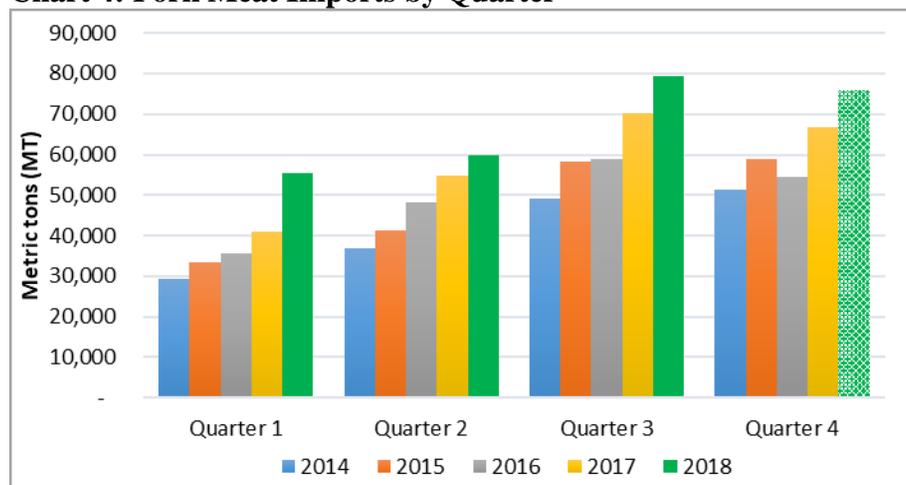
Chart 3: Weekly Live-swine Prices



Source: CCC Europ (Carcass Grading Commission)

Because of the restrictions in Zones II and III, pork-meat imports (fresh, chilled and frozen pork meat) climbed by 20 percent during October-January 2018 over the same period in 2017. During the peak of Romania's ASF outbreak in the third quarter of 2018, Romania imported nearly 80,000 MT of pork meat, a 13 percent higher than the same quarter last year (Chart 4). Live-piglet imports during the third quarter was about 20 percent lower than any similar third-quarter figure from the past four years, reflecting a lower demand among producers to stock hog farms.

Chart 4: Pork Meat Imports by Quarter



Source: Global Trade Atlas; estimated value for quarter 4/2018

Total pork meat exports continued to drop during the fall of 2018. Increases in consignments to several

EU members states, notably Germany, Cyprus, and Sweden, did not offset the sharp declines in shipments to other markets, including China (-97 percent), Bulgaria (-41 percent), Spain (-37 percent), Moldova (-57 percent) and Greece (-13 percent). Overall January-October 2018 pork exports reached 16,073 MT, a 44-percent decline from the same period in 2017.