



# INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture    Agricultural Marketing Service    Poultry Programs    Market News and Analysis Branch

## Colombia Free Trade Agreements

Colombia is in various stages of negotiation on Free Trade Agreements with several countries, including the United States. Colombia's FTA with Switzerland will enter into force on July 1, 2011 and Colombia also expects to enter into an FTA with Canada by July 1, 2011. There is a pending FTA with the European Union; Colombia and the EU signed the final texts on March 25, 2011 and now must wait for the final process of translation and official approval of the agreement.

The U.S.-Colombia Trade Promotion Agreement (CTPA), sometimes call the Colombia Free Trade Agreement, was signed on November 22, 2006; Colombia's Congress approved the agreement and a protocol of amendment in 2007. In July 2008 Colombia's Constitutional Court completed its review and concluded that the Agreement conforms to Colombia's Constitution.

The agreement immediately eliminates Colombia's use of Andean Price Bands (variable tariffs), thereby ensuring that Colombia stops applying high duties resulting from the application of this mechanism. The price band system affects more than 150 products, including poultry. Under the current price band system, the tariffs on these products vary with world prices and may reach up to Colombia's WTO bound rates.

The CTPA includes volume-based agricultural safeguards for a limited number of products covered by TRQs. The availability of using an agricultural safeguard expires when the tariff for that product has been phased out. The agricultural safeguard measure and the trigger level for each such good are set out below:

Good	Tariff Classification	Trigger Level
Spent Fowl (Chickens)	02071100.A, 02071200.A	130% of TRQ
Chicken Leg Quarters	02071300.A, 02071400.A, 16023200.A	130% of TRQ

In 2010, the U.S. exported \$22 million of poultry and poultry products to Colombia. Colombia's WTO tariff bindings on poultry range from 70 to 209%. Colombia's applied tariff rates range from 5 to 20% on some products, while other products are subject to Colombia's price bands with tariffs ranging from zero percent up to the WTO bound rate, depending on world prices.

Under CTPA the U.S. secures a 27,040MT Tariff Rate Quota (TRQ) at zero duty with 4% annual growth for chicken leg quarters. Colombia will phase out the out-of-quota tariff of 164.4% for fresh, chilled, and frozen chicken leg quarters, as well as the 70% out-of-quota tariff for processed chicken leg quarters over 18 years with a grace period during the first 6 years. Colombia will have access to a safeguard on chicken leg quarters in the event of an annual import surge during the 18-year tariff phase-out period.

Colombia will also establish a zero-duty, 412-metric ton TRQ with 3% annual growth for "spent fowl," typically post-production layers. The 45% above-quota tariff on spent fowl will be phased out over 18 years. Colombia will have access to a safeguard on spent fowl in the event of an annual import surge during the 18-year tariff phase-out period. The Colombia TPA immediately eliminates tariffs on most other poultry products and on the rest within 10 years.

Source: Embassy of Colombia; Office of the U.S. Trade Representative; USDA Foreign Agricultural Service; newswires

## Colombia: Broiler Production, Supply and Demand MT

	2006	2007	2008	2009	2010	2011
Production*	850	925	1,011	1,025	1,040	1,045
Imports*	9	26	30	29	36	35
Exports*	0	0	4	2	5	3
Consumption*						
Domestic	859	951	1,037	1,052	1,071	1,077
Per Capita (KG)	20.43	22.33	24.04	24.09	24.20	24.10

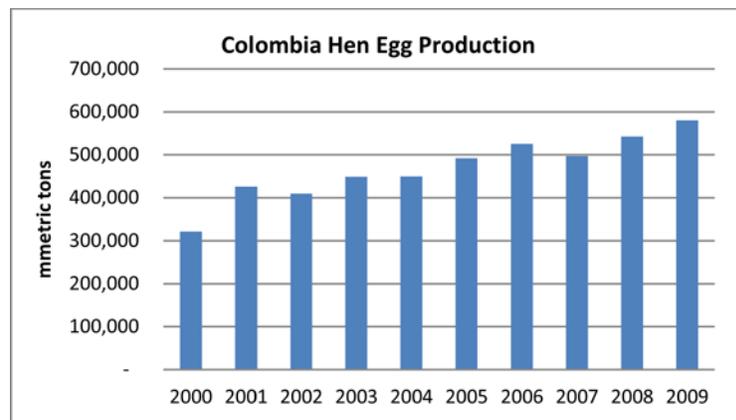
\*1,000 metric tons

Source: Foreign Agricultural Service, Official USDA Estimates

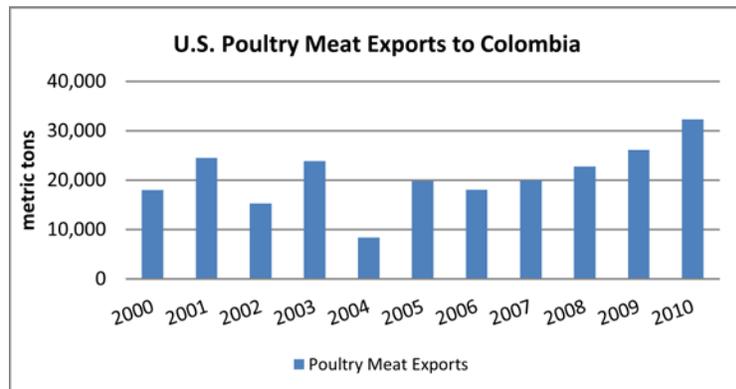
## Top Production – Indigenous Chicken Meat 2008

Rank	Area	Production (Int \$1000)	Production (MT)
1	United States	18,989,434	16,998,000
2	China	12,957,495	11,074,194
3	Brazil	11,948,791	10,244,000
4	Mexico	3,004,190	2,576,410
5	Russian Federation	2,318,678	1,990,550
6	Iran	1,830,434	1,570,240
7	Indonesia	1,775,825	1,523,160
8	Argentina	1,352,114	1,399,110
9	Japan	1,592,220	1,367,990
10	United Kingdom	1,508,098	1,292,760
11	Turkey	1,266,757	1,086,020
12	Spain	1,206,571	1,034,420
13	Colombia	1,191,460	1,021,470

Source: FAOSTAT | © FAO Statistics Division 2011



Source: FAOSTAT | © FAO Statistics Division 2011 | 31 May 2011



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

**Inspected Egg Products-U.S. & Canada Import/Export Trade**

**U.S. Exports to Canada, in Pounds (000) (Preliminary)**  
Week Ending May 28, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Liquid	0	44	528	1,933
Frozen	0	0	0	0
Dried	0	8	64	204
Total	0	52	592	2,137

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**  
Week Ending May 28, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Liquid	186	321	6,878	8,538
Frozen	82	3	403	186
Dried	0	0	0	0
Total	268	324	7,281	8,724

**Inspected Shell Eggs**

**U.S Exports to Canada, In 30-Dozen Cases (Preliminary)**  
Week Ending May 28, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Jumbo	0	0	0	0
Extra Large	1,470	3,930	34,369	25,746
Large	5,170	4,720	61,036	47,055
Medium	240	1,545	17,635	20,862
Ungraded	3,408	3,780	73,754	86,863
Misc	0	0	0	0
Total	10,288	13,975	186,794	180,526

/1 Comparable Week, to-date figures may not total due to rounding.

/2 Includes revisions to previous week(s)

\*Note: Year to-date totals reflect comparable time periods.

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**U.S./Canadian Live Poultry Slaughtered Under Inspection**

Week Ending May 28, 2011 (Preliminary)

**U.S. fowl slaughtered domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,502	1,389	2,891
Last Week	1,569	1,464	3,033
Same week yr ago	1,440	1,386	2,826
To-date/2011*	30,797	30,768	61,565
To-date/2010*	30,762	28,409	59,171

**U.S. fowl slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	215	24	239
Last Week	450	26	476
Same week yr ago	293	0	293
To-date/2011*	8,292	203	8,495
To-date/2010*	7,549	153	7,702

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. fowl slaughtered in the U.S. and Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,717	1,413	3,130
Last Week	2,019	1,490	3,509
Same week yr ago	1,733	1,386	3,119
To-date/2011*	39,089	30,971	70,060
To-date/2010*	38,311	28,562	66,873

\*Note: Year to-date totals reflect comparable time periods.

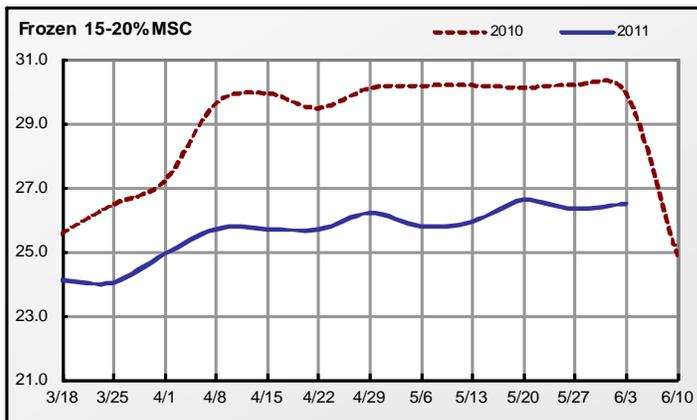
**National Mechanically Separated Chicken**

(FOB Shipper Dock or equiv., negotiated prices in trucklot and less-than-trucklot volumes reported in thousand lb. quantities, cents/lb.; delivery within 2 weeks.)

MSC prices continue to trend steady to firm for all fat contents. Supplies are light to moderate. Schedules are noted as less than normal due to down time for the Memorial Day holiday. Demand into domestic and export channels was moderate to good with best interest centering on fresh and frozen 15-20%. Market activity was moderate to active. Supplies of raw materials are tight. Frame values were firm with limited trading between 11-14.5 cents FOB.

**Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

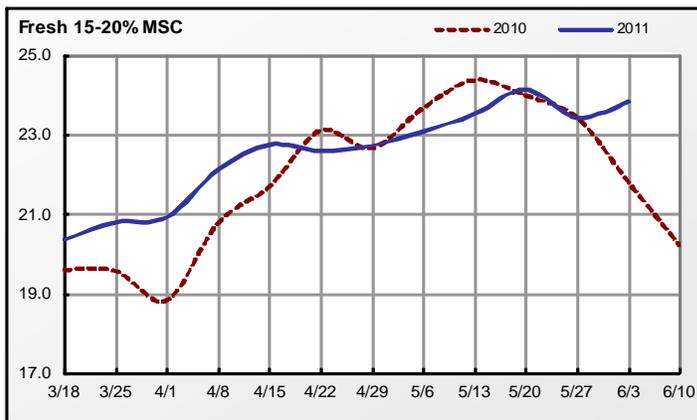
Fat Content	Frozen			Fresh		
	3-Jun-11	Last Week	Last Year	3-Jun-11	Last Week	Last Year
<b>15% or Less</b>						
Price Range			-	23.00 - 29.00	23.00 - 25.00	26.00-28.00
Wtd Avg Price			-	26.20	24.56	27.20
Volume Traded	-	-	-	204	184	136
Volume Exported	-	-	-	-	-	54
<b>15-20%</b>						
Price Range	24.00 - 28.00	24.00 - 28.00	26.00-33.00	20.00 - 27.00	20.00 - 27.00	18.00-26.00
Wtd Avg Price	26.49	26.31	29.94	23.83	23.43	21.81
Volume Traded	1,759	1,720	1,522	3,978	3,926	3,519
Volume Exported	1,559	1,520	1,266	245	571	41
<b>20% or More</b>						
Price Range	-	-	-	20.00	20.00	22.00
Wtd Avg Price	-	-	-	20.00	20.00	22.00
Volume Traded	-	-	-	82	122	41
Volume Exported	-	-	-	-	-	-



**Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	May 2011	Apr 2011	May 2010	May 2011	Apr 2011	May 2010
<b>15% or Less</b>						
Wtd Avg Price	-	28.00	32.00	24.88	23.86	26.28
Volume Traded	-	80	40	673	714	718
Volume Exported	-	-	-	-	-	100
<b>15-20%</b>						
Wtd Avg Price	26.13	25.64	30.15	***23.54***	22.23	23.90
Volume Traded	7,008	9,019	7,357	***14,807***	17,678	15,816
Volume Exported	6,186	7,939	6,645	938	245	2,407
<b>20% or More</b>						
Wtd Avg Price	-	-	-	19.78	19.20	22.00
Volume Traded	-	-	-	367	612	204
Volume Exported	-	-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets.



Source: USDA AMS Poultry Market News & Analysis

**National Young Turkey Parts**

Including bulk meat and frozen (unless specified), cents per lb., delivered first receivers, part and full trucklots as of 27 May 2011.

The market on white meat is mostly steady. Demand light to moderate for the moderate offerings. The market on tom bulk parts is mostly steady; however some spot strength is reported into export channels. Demand and offerings light to moderate. The market on bone-in breasts is steady to firm, mostly steady to fully steady. Demand light to moderate for the light offerings. The market on thigh meat is steady to fully steady. Demand light to moderate. Offerings light. Trading light to moderate for all items. For domestic: fresh strap-in tenders 238 cents delivered. For export: tom necks 34.50-36.50 cents shipping point.

**Export Trading**

	Price	L.S.T.	Wtd Avg	Volume	Weekly	Weekly
	Range	Code 1/	Price	(000)	Wtd Avg	Volume
					Price	(000)
<b>Friday, June 03, 2011</b>						
Drumsticks, Toms	92.00		92.00	216	89.71	552
Wings Full-Cut - Toms		R	79.50	80	81.80	188
Wings, V-Type, Tom		R	98.00	240	98.00	240
Tails	42.00-43.00		42.73	148	43.45	268
Mechanically Separated 2/	27.00-29.00		27.29	187	27.65	267
Thigh Meat - Frozen	135.00-143.5		140.67	81	140.67	81
<b>Thursday, June 02, 2011</b>						
Drumsticks, Toms	85.00-90.00		87.63	228		
Wings Full-Cut - Toms	79.00-80.00		79.50	80		
Wings, V-Type, Tom	98.00		98.00	240		
Tails	42.00-44.00		43.00	80		
Mechanically Separated 2/	28.00-29.00		28.50	80		
Thigh Meat - Frozen		F	135.00	60		
<b>Wednesday, June 01, 2011</b>						
Drumsticks, Toms		T	89.50	108		
Wings Full-Cut - Toms		T	83.50	108		
Wings, V-Type, Tom		F	98.00	108		
Tails	47.00		47.00	40		
Mechanically Separated 2/						
Thigh Meat - Frozen		F	135.00	60		
<b>Tuesday, May 31, 2011</b>						
Drumsticks, Toms	88.00-91.00		89.50	108		
Wings Full-Cut - Toms	82.00-85.00		83.50	108		
Wings, V-Type, Tom		F	98.00	108		
Tails		F	43.00	40		
Mechanically Separated 2/						
Thigh Meat - Frozen		F	135.00	60		

No trading reported on Monday, June 06, 2011, due to Memorial Day Holiday.

1/ Codes For Last Significant Trade (L.S.T.): M=Monday T=Tuesday W=Wednesday R=Thursday F=Friday  
2/ Product contains 15-20% fat with skin added.