

**CARIBBEAN POULTRY ASSOCIATION
Broiler Processing & Marketing School
Speaking Notes for Bernhard Bergen**

Caribbean Small Poultry Producers

**Honourable Minister
Chief Veterinary Officer
Director Chief Veterinary Public Health
Director – CASE
Caribbean Government Officials
Caribbean National Poultry Association members
Visitors ...**

Welcome to the 2004 CPA Broiler Processing and Marketing School.

This school is happening at a very opportune time for our industry for several important reasons.

- i. A recent report by the CPA has revealed strong positive growth in the performance of the Regional Industry particularly in Guyana, Jamaica and Belize over the last five years as a result of a mix of continued growth in consumer demand, market development by the food distribution sector, new product introductions by the industry and changes on trade policy for the industry. Suriname, Haiti, the Bahamas and to a lesser extent the OECS continue to show stagnating performance. So once more the Broiler industry has demonstrated its important role in the diversification of the agro economy from traditional products.**
- ii. However we have seen some very strong movements in the international industry prices in the grain, hatching eggs, ocean freight and energy commodity markets which have led to increased production costs. This together with the impact of the Mad Cow and BIRD FLU epidemics has led to increases in poultry product prices across the region which is impacting on the cost of living for CARICOM citizens.**

- iii. In addition there has been a negative impact of the Global Disease Outbreaks in Avian Influenza in over 15 countries. These have led to destruction of up to 25 – 80% of the national / regional poultry flock in some countries and regions, including those with relatively stronger SPS systems than those in CARICOM states. Some 150 million birds have been lost. There have been losses of human lives.**
- iv. And even more worrisome the FAO/OIE/WHO have warned of continued risk of further outbreaks across the world and even the risk of a human bird flu pandemic.**
- v. On other fronts ...we continue to be threatened by the Brazilian poultry industry which has achieved increased competitiveness through a 300%+ devaluation of their currency over 5 year, large economies of scale, cheap labour, abundant grain, supportive trade and domestic policy, thereby allowing for a whole broiler price/cost which is 50% of that of the more competitive international poultry industries and 25% of the CARICOM average price/cost.**
- vi. Fortunately, the global market conditions have led to the increase in US leg quarters and a temporary slow down of imports in the region.**
- vii. At the same time, I am happy to report to the meeting, the progress some of our Caribbean broiler integrations have been subscribing to Agristats, an international competitiveness database. This database, which includes over 90% of the US industry and the leading operations in Central America. The database provides them with a monthly comparison of how they ranked with all participants in the database. For the last year integrators from Jamaica and Barbados have been achieving processing plant and live production efficiencies rankings which often place them in the top 5 – 25% most efficient operations in North America or Central American group.**

So given these development ... This CPA School is very important to our industry because it provides our producers with the skills and technical assistance resources to continue to improve our processing productivity and cost effectiveness. But as small producers, we recognise that cost is not enough. And so we are also equipping our

processors with the capability to add value to their products to more closely meet the market demand with poultry products with convenience, choice and food safety.

So I urge participants to embrace this opportunity to improve their processing and marketing skills as a means of improving our competitiveness. Take time to learn more about your Caribbean “competitors” because we have good reason to work together to develop strategies to address the extra regional challenges.

Have a productive school.

I thank you.

**Bernhard Bergen
Chairman, Caribbean Poultry Association
1st June 2004**