

# Historical agreement in the chicken sector

**B**RAZIL EXPORT Magazine had the opportunity to participate in the ceremony concerning the signature of an agreement between the chicken largest exporter (Brazil) and the chicken largest producer (the United States) in the world. This cooperation agreement was signed between the **ABEF** (Brazilian Chicken Producers and Exporters Association) and the **USAPEEC** (Poultry and Egg Export Council) during the Fair Anuga 2009, one of the world's largest food fairs, which took place in the city of Cologne, Germany.

That cooperation intends to join together those two countries for the defense of the sector's mutual interests and it was a result from two years of understandings. That agreement includes standard procedures in production terms, chicken export and industrialization, besides creating a strong defense against commercial barriers that can be put into practice by consuming countries.

During the ceremony, the chairman of ABEF, **Francisco Turra**, emphasized the importance of that understanding memo. "People ask what the world's largest chicken producer and exporter are signing today. We intend to use our leaderships to develop the sector and we will surely interact with the Americans in an honest way. We will make cooperation in the sanitary, quality, animal well-being, sustainability and environmental areas. We will also promote the sector in those and other issues. We are competitors, but



*Butch Johnson (L), vice-chairman of USAPEEC, and Jim Sumner, chairman, with the chairman of ABEF, Francisco Turra, and the executive-director of the Brazilian association, Ricardo Santin, at ANUGA.*

we cannot stop being partners. That cooperation with the American producers and exporters will be established under ethical and scientific criterion, but always in favor of a free trade. Soon, a group of American entrepreneurs will visit us in Brazil, as well as we will also visit American facilities in order to make the sector more and more strong and professional. It is important to emphasize that this is a historical moment, since we accounted for 78% of the chicken sales in the international market" declared Turra.

"I would like to highlight that the main goal of that understanding memo is to make us possible to work together seeking the free trade. We took some years to make true that historical moment. As we represent 78% of the international trade, that mutual cooperation is already born strong and certainly it will be

succeeded. It is important to point out that we are competitive in the international market, but there are moments to cooperate and there are moments to compete", stated **Jim Sumner**, the chairman of USAPEEC.

Two important reasons for the establishment of that agreement were not clearly mentioned at the ceremony. The first of them is that the agreement can be transformed into an embryo for a sanitary agreement between the two countries, what would lead to a bilateral trade of fresh chicken that doesn't exist today.

The second reason is that the union of forces between Brazil and the United States aims to create a strong opposition to the commercial barriers imposed by the European Union in its chicken imports. The Europeans have already shown that they intend to change the collection way of some taxes on Brazilian products, besides creating new export quotas, what could involve 30% and 40% of the country's chicken sales to that region.

In addition to the strive in favor of a free trade, which has been accomplished in order to avoid new European trade barriers, Brazil expects that the negotiations between Mercosur and European Union - whose next meeting takes place in November in the city of Lisbon - can bring a free trade between those economic blocks.



*Authorities and entrepreneurs during the ceremony of the signature of the understanding memo.*