

Proposal: Scoping research into 5 Latin American countries for expansion of CIWF's corporate outreach work for broilers

Organizationally one of our principle goals is to measurably improve the lives of broiler chickens globally as the most farmed land animal on the planet. While we are currently working in the US, the EU and critical parts of Asia, we are absent from Latin America. Expanding to Latin America, in particular into critical countries would expand our reach into more of the top producing broiler countries. (See appendix). We believe the time is right to now begin researching our approach into Latin America. There are many reasons for expanding our poultry work there: trade relations with the EU and USA where we have made progress, corporate connections with the EU and USA where we have made progress, and concern for dumping of substandard poultry are but a few. Latin America is an influential region for broiler production in its own right. It is impacted by US imports, but also is a major exporter to the EU. In addition, consumption of poultry in the region is set to grow. (See appendix) If we are going to improve the lives of broilers at a global level, we will have to impact the lives of broilers in key countries throughout Latin America.

We know that some Latin American countries are major importers of US poultry. For example, Mexico is the largest importer of US poultry in the world. (see Appendix,.) Other Latin American countries are some of the largest producers on the global stage. Latin American countries of significance are: Brazil (2nd), Mexico (7th), Argentina (8th), Colombia (13th), and Chile (22nd). (See Appendix) In addition, JBS a Brazilian company, owns Pilgrims Pride, which is the second largest producer of chicken in the United States. We also are aware that Latin America is a key exporter to the EU for poultry, in particular Brazil, Chile and Argentina.

When CIWF expanded from the EU into the United States, we first conducted a 'lay of the land' piece of research to inform our approach that took about 3-4 months to complete. We propose we do the same in the 5 top broiler producers in Latin America (Brazil, Mexico, Argentina, Colombia, and Chile). The research would look at the following key questions in each country, with a focus on broilers:

1. The basics: Numbers of farm animals and where the country places in terms of production globally and regionally; import and export trade for chicken meat
2. Legislation: Brief overview, challenges and needs
3. Labels, standards, certifications and alternatives in the market and what portion of the market to they make up.

4. Internal Market Structure:

- a. Locations where chicken are sold in the market. Who produces / what is used / where do they sell - or main outlets; Is it in the corporate sector or in more informal markets and what portion is sold where? This is critical to understand what strategies will work. If the majority are sold on street markets, corporate pressure strategies will not work.
- b. Leading national food corporations of significance with regard to chicken - national and international in this space.

5. USA or EU corporations with a strong presence in the country (i.e. McDonalds, Walmart etc) with regard to chickens.

6. External market structure:

- a. Import market: who accepts what from where
- b. Export market: who exports to where - to EU for instance - and who are the main corporations involved (producing & receiving)

7. Areas where progress is being made for farmed animals (if any).

8. Where would Compassion's work fit amongst the other animal advocacy players. What is needed and wanted in the market? What are others saying about how we might be useful. This requires interviewing key groups.

9. Who are the main players in the non-profit farming space that are not related to animal advocacy (environment for example).

10. What are the 'hot topics' being discussed in the media regarding farmed animals or farming if any? This is important to see what angle we might take to garner interest.

11. Key recommendations of Compassion's strategic approach.

Proposed needs:

We propose to engage two consultants- one for Brazil and one for the Spanish speaking countries (Colombia, Mexico, Argentina and Chile) to carry out the above outlined research. We are seeking funding to hire 2 individuals to complete this research over a 3 month period. Reports will be written in both Portuguese/Spanish and English.

Estimated cost:

- \$5000 for Brazil research

- \$5000 for Mexico research
 - \$2000 each (total \$6000) for Colombia, Chile and Argentina
 - \$6,500: Market data purchasing per country
 - \$500: Phone calls, office costs, etc:
 - \$ 7000: Travels
- Total: \$30,000**

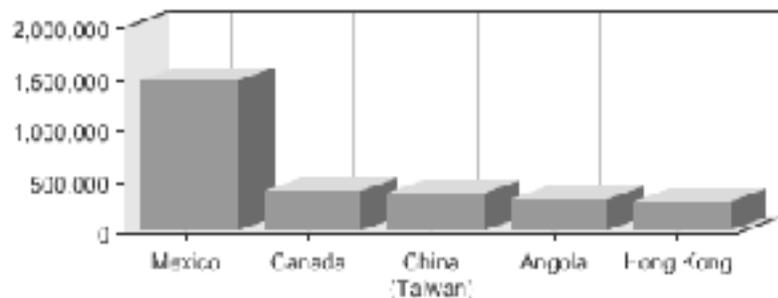
Completion goal: October 2017

We would aim to complete the research by October 1 2017 in order to inform a subsequent proposal for expanding into Latin America.

Appendix:

US Broiler exports:

Top 5 Export Markets for U.S. Chicken Meat, 2015 (1,000 pounds) Roll over graph bars for exact numbers.



Source: USDA/Economic Research Service

EU imports of broiler breast fillet:

Table 4.1		EU Import of poultry meat (in 1,000 tonnes) from third countries				
	2007	2008	2009	2010	2011	2012
Brazil	672	673	659	587	605	561
Thailand	129	147	142	148	154	196
Chile	17	35	39	31	41	42
Argentina	26	20	21	16	16	14
China	0	0	6	10	14	16
Other	14	10	9	12	12	15
Total	858	891	876	807	845	844

Source: European Commission, February 2013.

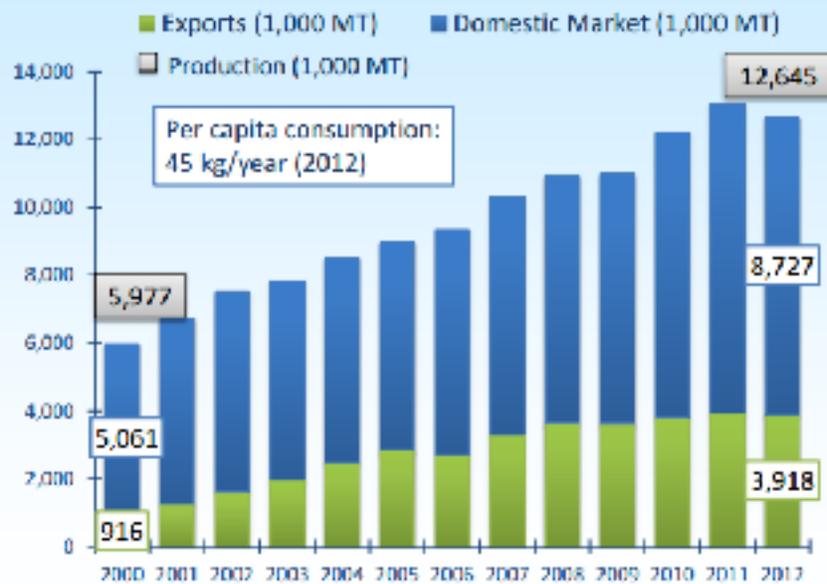
Table 4.2 gives more detailed information on the different poultry meat products imported by the EU. Table 4.2 shows the main imports (more than 50,000 tonnes imported) and their amounts in 2011 and 2012.

Largest exporters of meeting globally.



Brazil chicken consumption and export markets

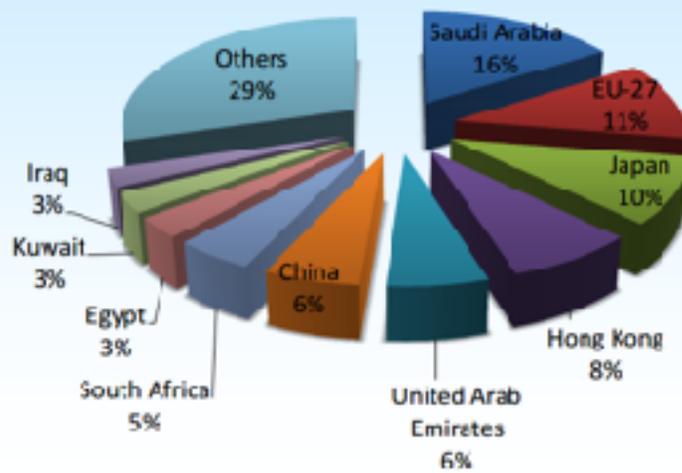
Brazilian chicken meat production, domestic consumption and exports



Source: SPCFE

Brazil export countries

Brazilian chicken meat exports – Main destinations (2012)



Source: SECEX

[Poultry meat consumption projections:](#)

Table A.16.2. Poultry meat projections: Consumption, per capita

Calendar year

	CONSUMPTION (kt)		Growth (%) ¹		PER CAPITA (kg/yr)		Growth (%) ²	
	Average 2012-14est	2014	2002-11	2015-24	Average 2012-14est	2014	2002-11	2015-24
WORLD	109 081	122 398	3.28	2.01	16.2	14.8	2.14	0.99
DEVELOPED COUNTRIES	48 888	48 782	1.73	1.18	26.3	26.8	1.27	0.80
NORTH AMERICA	17 342	21 821	0.20	1.82	43.2	47.8	-0.62	0.81
Canada	1 234	1 525	0.49	1.29	32.4	24.8	0.22	0.27
UNITED STATES	16 108	20 296	0.16	1.88	44.2	49.2	0.11	0.82
EUROPE	18 512	20 452	2.75	0.87	21.2	24.5	1.59	0.69
European Union	12 329	12 602	1.69	0.98	21.2	22.1	1.38	0.43
Russian Federation	4 275	4 784	5.17	0.72	22.3	28.3	5.23	0.90
Iceland	1 107	1 425	6.18	1.02	22.3	28.1	6.73	2.22
OCEANIA DEVELOPED	1 234	1 434	2.45	1.22	22.1	29.9	1.91	0.85
AUSTRALIA	1 208	1 228	2.18	1.28	28.2	28.8	2.11	0.76
New Zealand	179	196	1.73	0.82	22.2	25.8	0.62	-0.47
EMERGING ECONOMIES	4 936	5 627	2.72	1.22	12.2	17.8	2.83	1.22
Japan	1 918	1 827	1.08	0.08	12.2	12.4	1.62	0.20
SOUTH AMERICA	1 578	2 421	3.82	2.58	21.2	27.8	4.42	2.82
DEVELOPING COUNTRIES	60 203	64 716	4.28	2.81	9.1	12.2	6.12	1.28
AFRICA	1 972	2 738	6.49	3.82	4.1	4.8	1.72	1.20
NORTH AFRICA	2 288	2 908	4.91	2.98	11.2	12.2	3.22	1.25
Algeria	252	312	0.88	1.12	2.4	6.1	1.88	0.21
EGYPT	1 221	1 422	4.88	2.82	12.2	12.9	2.82	1.42
SUB-SAHARAN AFRICA	1 587	4 192	7.84	4.52	2.8	3.1	1.92	1.85
LATIN AMERICA and CARIBBEAN	21 287	25 512	2.88	1.82	22.1	22.8	2.72	0.85
Argentina	1 288	1 482	6.08	1.82	22.1	28.8	5.72	0.87
Brazil	2 487	48 427	2.67	1.22	22.2	22.2	2.72	0.82
CHILE	918	802	2.09	1.02	22.1	21.8	2.12	1.22
PERU	4 182	4 292	2.24	2.12	22.1	22.8	1.88	1.12
Uruguay	80	82	5.58	1.82	22.2	24.2	4.82	1.12
ASIA and PACIFIC	32 128	51 512	4.18	2.72	2.4	28.1	2.82	1.88
INDONESIA	212	272	2.17	2.82	1.2	1.4	2.82	1.27
China ³	18 267	22 228	2.81	2.92	11.2	14.1	2.82	2.47
INDIA	2 488	28 227	6.44	2.82	1.2	22	3.82	1.88
Indonesia	1 728	2 218	5.27	2.82	2.2	7.2	3.82	1.49
Iran, Islamic Republic of	1 281	2 422	5.58	1.82	22.2	24.2	4.22	0.77
Malta	82	1 822	4.28	1.82	14.1	1.8	2.72	1.47
Malaysia	1 271	1 882	4.27	2.72	42.2	47.4	2.82	1.42
Pakistan	82	1 202	8.68	3.12	1.2	4.9	6.77	1.59
South Korea	1 127	1 752	5.52	1.82	42.2	45.7	1.88	0.87
Turkey	1 228	1 727	6.02	2.82	12.1	18.4	4.72	1.52
EUROPEAN DEVELOPING COUNTRIES (EMU)	1 828	5 282	2.72	4.08	3.4	4.1	5.12	1.87
OTHER⁴	48 281	47 218	1.48	1.81	27.2	28.2	8.72	0.88
BRICS	32 884	44 211	4.28	2.22	18.2	21.8	3.12	1.58

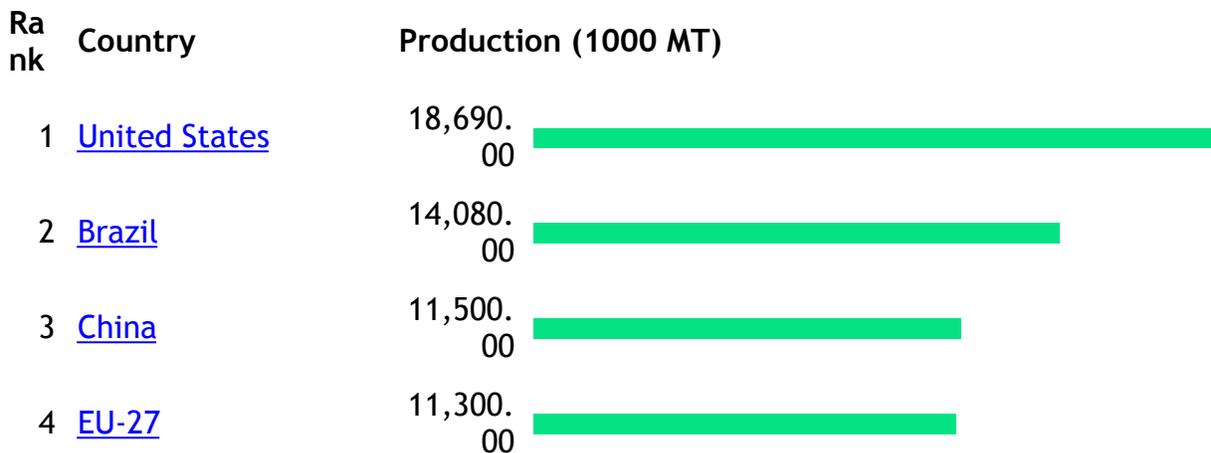
Note: Calendar year: Year ending 30 September for New Zealand.

Average 2012-14est: Data for 2014 are estimated.

Disclaimer: <http://www.oecd.org/els/food/>

1. Least-squares growth rate (see glossary).
2. Includes Israel and other transition economies: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Armenia, Azerbaijan and Georgia.

Broiler production globally¹:



5	India	4,500.0 0	
6	Russian Federation	3,770.0 0	
7	Mexico	3,335.0 0	
8	Argentina	2,165.0 0	
9	Turkey	1,960.0 0	
10	Thailand	1,890.0 0	
11	Indonesia	1,660.0 0	
12	Malaysia	1,570.0 0	
13	Colombia	1,480.0 0	
14	Japan	1,430.0 0	
15	South Africa	1,395.0 0	
16	Canada	1,195.0 0	
17	Australia	1,171.0 0	
18	Philippines	1,165.0 0	
19	Ukraine	1,050.0 0	
20	Korea, Republic Of	930.00	
21	Saudi Arabia	700.00	
22	Chile	660.00	
23	Viet Nam	540.00	

24	Taiwan, Province Of China	490.00	■
25	Belarus	430.00	■
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¹ <http://www.indexmundi.com/agriculture/?commodity=broiler-meat&>