

A proposal for a multi-client study

Long Term Meat 2027

Long Term Strategic Trends in World Meat Markets

The global meat sector faces an array of forces for change:
Gira considers the impact of key issues on supply and demand to 2027



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Iterative process of examining the long term drivers for change and applying them to key markets

Forces for change in the global meat industry: Volume 1

Current and future drivers that are expected to make a significant difference to the way the meat industry operates, locally and globally to 2027:

- Demand drivers – the issues that impact on consumer choice in meat.
 - Ability to purchase more meat.
 - Balance within the protein basket.
 - Mature consumers looking to differentiate choice.
- Production development – changing productivity, competitive positions, investment and meat supply.
 - Genetics, feed, farming practices, technology.
 - Regulatory: environmental, animal health and welfare etc.
 - Modernisation & consolidation of processing.
- Trade – changing access to key markets.

4 major Country Reports: Volume 2

China, US, Brazil and the EU – impact of horizontal drivers on both meat demand and the supply chain.

- The 4 key regions for the future of the meat industry; expected to impact global availability and price.
- Quantitative and qualitative analysis at a national level for developments in production, trade and demand across the 4 main meats.
- Data – 2007-2017e, 2022f, 2027f.
- Detailed 80-100 page reports per country.

26 Country Profiles: Volume 3

The other main meat suppliers and markets

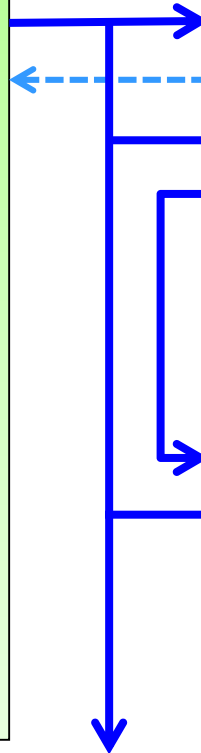
- Key assumptions applied to each market, with development criteria explained.
- Drivers and brakes for the next 10 years laid out.
- Quantitative analysis of the developments by species.
- Easily digestible 5-7 page reports.

Long Term Meat 2027 - Synthesis: Volume 4

Detailed review of the implications for global meat industry developments over the next 10 years:

- Quantitative analysis of the impact of key drivers for change.
- Where will demand growth be, and where and how will the supply come from.

Excel Dataset of key numbers across the 30 markets: 2007-2017e, 2022f, 2027f



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This is the 6th edition in Gira's series of long-term, world meat forecasting studies going back to 1987 – the latest one published in 2010.

In just the last 5 years (not to mention the last 30!) the world's meat industry has changed dramatically, often out of all recognition.

Continuous, if sometimes modest increases in global consumption and trade hide enormous changes in the very structure of the industry, changes which are still far from complete, and whose outcomes are still far from clear.

- Meat demand continues to grow: especially in Asia – where traditional supply chains are challenged, prices high ... and imports growing.
- New and rapidly growing forces in world meat supply – Brazilian corporate concentration & global expansion; Chinese & Russian shift to agro-industrialisation – while the "old" (EU) world stagnates or declines, and the US slaughter industry is increasingly foreign-owned.
- At the same time new, non-"market" factors are fast moving to the front of the stage: ecology & welfare – health & obesity – vegetarianism & substitution – geopolitics & nationalism – genetics & feed etc., which all impact the meat chain.

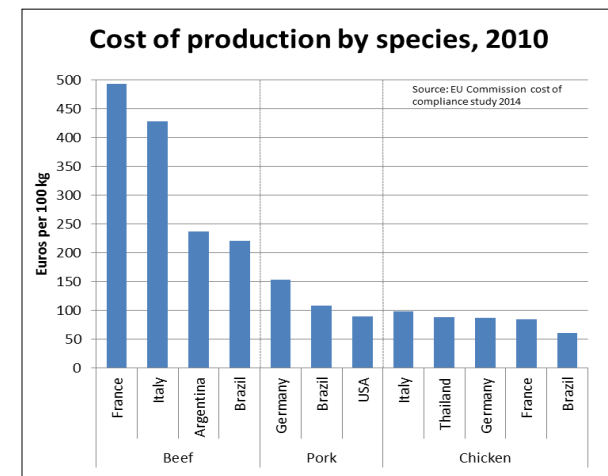
The meat supply chain is no longer a straight line, it has become a mosaic. An already complicated world supply structure is becoming even more complex, meaning real opportunities for the well-informed & well-resourced, but bigger, more expensive traps for the unwary.

Among the many key issues that the Study will analyse in depth and project into the future, just a few of the most important are:

- **The developing markets' – and particularly China's – appetite for meat; is it really insatiable? What if it's not?** China is now the world's single largest meat importer, with around 6.6 million tons cwe imported, not counting offals; this is ~20% of total world trade in the 4 main meats, and a key short term price influence on world meat markets...
- **Sustainability in a two-speed world → schizophrenia?** How can increasingly controlled, sustainable & humane systems compete with unregulated and "grey" supply?
- **Disease, environmental demands and the march of technological progress (or not?).**

The **meat sector faces unprecedented change**: be they political, regulatory, technological or structural. These coincide with a still fragile recovery from the Global Financial Crisis, currency changes, the commodity price roller-coaster, dramatic changes in trade policies and attitudes toward globalisation ... aside from a host of other influences.

Fundamental trends still apply: emerging consumer markets, new demands on suppliers, the necessity of lowest cost production, etc. – but these periodically face a severe reality check from food-safety and sanitary disruptions, political crises, and changing societal demands.



Research Objective: to provide new forecasts on global meat demand, and from where and how the meat will be supplied. This will be achieved by analysis of the key forces for change and how these apply in different countries and to the different species. This will be documented in a series of reports, the timing of which will allow for iteration and refinement of the forecasts – with opportunity for Founder Client feedback. The time series data will be consistent with the new Gira Meat Club 2017.

Scope of this Study: designed to allow us to robustly analyse the key horizontal issues facing the global meat industry over the next 10 years. The analysis of these global forces for change will overlap with specific research in the 4 biggest and most influential meat markets, between which there will be some iteration. This analysis will be documented into 4 full Country Reports and a Forces for Change Volume.

Gira’s conclusions will then be applied and iterated with the other important markets (documented in the Country Profiles). Gira will then draw valid conclusions, in the Synthesis Report, regarding trends for the future at regional and world level.

Products:

We will cover the four main meat species – beef & veal (distinguishing them where significant), pork, poultry (broilers, turkey, duck, where significant) and sheepmeat – wherever their production or consumption is significant.

Geographical:

The Study will cover all the countries indicated in the table here. Main geographic focus, as indicated, in: China, EU, US and Brazil – with findings extrapolated and iterated to other countries covered in the Gira Meat Club.

Time horizon:

The focus is Long Term: where reasonable, forecasts will be given for 2027, and 2022: based on 2017e and historic annual time series to 2007.

LTM 27 - Country Coverage						
	Country Report	Profile Report	Bf	Sh	Pk	Py
US	Yes		x	x	x	x
Canada		Yes	x		x	x
Mexico		Yes	x		x	x
Argentina		Yes	x			x
Brazil	Yes		x	x	x	x
Chile		Yes	x		x	x
Columbia		Yes	x		x	x
Peru		Yes	x		x	x
Paraguay		Yes	x		x	x
Uruguay		Yes	x	x	x	x
Venezuela		Yes	x			x
EU	Yes		x	x	x	x
Russia		Yes	x		x	x
Ukraine + Other CIS		Yes	x		x	x
MENA		Yes	x	x		x
Saudi		Yes	x	x		x
Iran		Yes	x	x		x
Egypt		Yes	x	x		x
Turkey		Yes	x	x		x
Sub Saharan Africa		Yes	x	x	x	x
China	Yes		x	x	x	x
India		Yes	x	x	x	x
Japan		Yes	x		x	x
S. Korea		Yes	x		x	x
Indonesia		Yes	x			x
Thailand		Yes	x		x	x
Vietnam		Yes	x		x	x
Other Asia		Yes	x		x	x
Australia		Yes	x	x	x	x
New Zealand		Yes	x	x	x	x
Reports	4	26				

A four stage research and reporting process, culminating in a detailed global synthesis:

1. Analysis of the driving **forces for change** on the global meat industry. This will draw on Gira's long and global experience of the meat industry. This analysis will be conducted simultaneously with the Stage 2 analysis (below):
2. Detailed **in-country research** within the four most important & influential markets. The **Country Reports** will define the meat market & industry now and forecast its strategic evolution over the next 10 years.
3. Applying the lessons from Stages 1+2 (above) to **26 other countries**, with short **Country Profiles** in which we will define the impact of the key drivers and breaks in each of the markets.
4. **Global Synthesis** - Combining Stages 1+2+3 into a Global Synthesis analysis and report, allowing Gira to build quantitative and strategic forecasts for the evolution of the global meat industry to 2027: identifying key variables.

To achieve this, Gira will draw on its global meat analysts and specific industry experts, whilst using its tried and tested, multi-faceted approach to obtaining and evaluating the information required for this ambitious task:

- **Documentary research:**
 - Detailed analysis, in each country, of the trade press, published statistics & studies, corporate websites, etc.
 - Gira's extensive, in-house experience and databases from its many meat studies – in particular from the annual Gira Meat Club.
- **A programme of around 150 interviews.** Documentary research will give us only a partial picture, insufficient to obtain the necessary qualitative insights on present and future trends in the competitive environment of the various meat supply chains.
 - We will therefore carry out a series of interviews with operators and experts in each of the main countries to be analysed, as well as with marketing managers in internationally active groups and traders.

Gira's vast experience and extensive contacts in the world meat supply chain ensures that we will obtain all the necessary information and opinions – from those very managers who are themselves "creating" the future – to give credibility to our forecasts & conclusions.

Examination of the most important drivers for long-term development and their impact on production, demand and trade.

Focus on major global issues which Gira believes will impact the meat industry over the next 10 years.

Key chapters: this volume of the report will be structured to include the following chapters addressing the key issues, their likely development, possible scenarios and impact ... :

- 1. Economic Assumptions** – GDP (+ GDP PPP), currency, oil price.
- 2. Population Dynamics** – Size, segmentation (class, religion), urbanisation, consumer & societal drivers (ethics, individualism, convenience etc.).
- 3. Health & Nutrition** – WHO & national guidelines, health challenges over meat (cancer, obesity etc.), alternative protein.
- 4. Animal Health & Food Safety** – Sanitary situation (trade and production impact), food safety (perceived and actual).
- 5. Animal Welfare** – Cost of improving standards, consumer demands, impact of key accounts (eg. McDonald's).
- 6. Government Policy & Regulatory Change** – Agricultural policy + food security, energy policy (biofuel), labour, trade (WTO, FTAs, TBTs), environmental, climate change, sustainability.
- 7. Feed Availability & Developments** – Availability & supply, productivity & yield (GMOs, agrochemical, etc.), raw material prices, new ingredients (algae, insects, MBM, probiotics...), formulation, FCRs.
- 8. Technology** – Genetics, production systems (scale & system change), meat processing, distribution (cold chain, packaging, shelf life), technology loss (AGPs, AM, hormones, irradiation...), digital (ecommerce, information transfer).
- 9. Production Cost Overview** – by species, system, region.
- 10. Supply Chain Drivers** – Retail & foodservice (demands & influences), processors (structural + corporate strategy), marketing (differentiation, branding, COOL...).

Delivered as: concise report sections on each issue, examining the timing, scale and geographic reach of their impact on the market and the industry.

- Key data in graphs and tables.
- Short and clear explanations of each issue + its impact over 5 and 10 years on the meat sector.
- 150-200 pages in an easy-to-digest PowerPoint based report style, which will be revised and possibly updated in Stage 4.

Detailed quantitative and qualitative analysis of the impact of the key drivers on local supply and demand within these 4 key markets, through to 2027.

Focus: detailing the impact of the “forces for change” on the market and its supply base.

Key issues:

- How will the forces for change impact on the various markets?
- Detailed balance tables, with forecasts showing the evolution of the market from livestock base to consumer demand.
- What are the key variables / uncertainties? What main scenarios?
- Who are the key influencers? What are their strategies?
- Will the country develop as an exporter to the global market, or will it require increased import supply?
- How will consumer dynamics and regulation shape its supply base?
- What commercial implications of this are there for operators in or potential suppliers to these key markets?
- Accepting that changes in these 4 markets will transform the global industry, what are the lessons we must learn, and what signals should you be watching for...?

Delivered as: detailed reports for each of these 4 major countries: detailing each issue, examining the timing and scale of their impact.

- Key data in graphs and tables.
- Thought through explanations of major drivers & brakes: their national implications over 5 and 10 years on the meat industry in the market.
- 80-100 page easy-to-digest PowerPoint reports, which will be revised and possibly updated during as part of Stage 4

Detailed Country Report Structure

- 1 Executive Summary
- 2 Opportunities & Recommendations
- 3 Forces for Change and their Impact on the National Market
- 4 Total National Meat Outlook:
 - 4.1 Consumption & per-capita consumption
 - 4.2 Relative prices
 - 4.3 Production
 - 4.4 Trade
 - 4.5 Scenarios: Optimistic & Pessimistic
 - 4.6 Top meat companies: size, strategy
- 5 Beef: National Forecasts
 - 5.1 Consumption & per-capita consumption
 - 5.2 Prices
 - 5.3 Herd structure & performance, intensification & upscaling
 - 5.4 Production cost outlook
 - 5.5 Production: volume, carcass weights,
 - 5.6 Top beef companies: size, strategy
 - 5.7 Import / Export Flows
- 6 Sheepmeat: National Forecasts
(as per Beef)
- 7 Pigmeat: National Forecasts
(as per Beef)
- 8 Poultrymeat: National Forecasts
(as per Beef)

Taking the lessons from the “Forces for Change” and the 4 major Country Reports, and applying them to 26 other key markets that Gira regularly works on. It is only by analysing the individual impacts, that the combined effect for the global meat industry can be fully understood.

Focus: on the national impact of key forces for change on demand, local supply, and consumer dynamics.

Key issues:

- Qualitative analysis of key numbers to allow for detailed global insight into the long term developments and their implications for the meat industry.
- Local analysis of which forces for change are likely to have the strongest impact, when and how they will materialise.
- What are the key challenges for the production base and traders, who interact within each market.
- Rate of adoption of global consumer led trends, and their impact on the market.
- Focused on the issues of the individual market, but in the full light of the global lessons, and their implications there.
- Inter species competition between the main meats, and fish. 2007-2017e, 2022f, 2027f.

Delivered as: concise Country Profiles summarising the relative impact of the global forces for change on the market and industry in each country and apply this to local forecasts:

- Total consumption, production and trade: broken down between species
- Simplified balance tables per species, and key data in graphs and tables.
- Short and clear explanations of each issue + its impact over 5 and 10 years on the meat industry.
- 5-7 pages per country in easy to digest PowerPoint based reports



Application of the “forces for change” and individual country analysis on the global meat market. What will be the biggest changes, where will they occur first, and what does it mean for those invested in the industry.

Focus: pulling together key market data and insights to create a **global view to 2027 for the evolution of meat demand, the supply industry, and its winners and losers.**

Key components:

- Relative impact of the forces for change on the meat complex: globally, regionally and between the species.
- Key global data & forecasts, per species and total meat: consumption, production, imports, exports, industry structure.
- Key opportunities and challenges for the future. Winners & losers.
- Strategic implications for those invested in the industry and/or supplying.

Delivered as: a concise Synthesis Report summarising the forces for change, and applying the impact in global synthesis numbers for overall meat, and for each of the main species. Examining the timing, scale and geographic reach of their impact on the industry.

- Key data in graphs and tables.
- 150-200 pages in an easy-to-digest PowerPoint based report style.

Synthesis Report Outline

- 1 Executive Summary
- 2 Opportunities & Recommendations
- 3 Summary of Forces for Change and their Impact on the Meat Complex
 - 3.1 Demand drivers & brakes
 - 3.2 Supply drivers & brakes
- 4 Total National Meat Outlook:
 - 4.1 Consumption & per-capita consumption
 - 4.2 Relative prices
 - 4.3 Production
 - 4.4 Trade
 - 4.5 Scenarios: Optimistic & Pessimistic
 - 4.6 Top meat companies: size, strategy
- 5 Beef: Global Outlook
 - 5.1 Consumption & per-capita consumption
 - 5.2 Prices
 - 5.3 Expenditure index
 - 5.4 Herd structure & performance, intensification & upscaling
 - 5.5 Production cost outlook
 - 5.6 Production: volume, carcass weights,
 - 5.7 Top beef companies: size, strategy
 - 5.8 World trade flows
 - 5.9 Key importers
 - 5.10 Key exporters
- 6 Sheepmeat: Global Outlook
(as per poultry)
- 7 Pigmeat: Global Outlook
(as per poultry)
- 8 Poultrymeat: Global Outlook
(as per poultry)

INCLUDED

Excel Dataset

- Production, trade and consumption data: 2007-2017, 2022f, 2027f
 - By country and species
- Live and searchable Excel format allowing incorporation in your own strategic planning tools.

Gira's team of managers & consultants is probably the most experienced & knowledgeable in world meat markets today:

Richard Brown, Director of Gira, 25 years with Gira. MBA (LBS). He will supervise the Study. He has headed a very large number of strategic consultancy and research assignments throughout the meat chain worldwide. He supervises all of Gira's consulting and research activities in the meat sector. He is well-known throughout the meat industry and he has managed and presented the annual Gira Meat Club for the last 15 years.

He will be assisted by:

- **Nils Beaumont** – Manager. He will manage the Study. A multi-lingual veterinarian with some 30 years at Gira, interspersed with Interbev, the French inter-profession for the beef and sheep supply industry. Hugely experienced in international analysis of the meat industry: its drivers and brakes.
- **Rupert Claxton** – Manager. 15 years with Gira, directing and managing a wide range of meat sector research and consultancy in both the developing world throughout Africa and Asia, and in the EU.
- **Andrew Cookson** – MBA (Insead), Chartered Accountant. 25 years with Gira, Director. Adviser for the Study on strategy, retail & consumers – and responsible for the financial analyses.
- **James Caffyn** – 5 years with Gira, wide range of meat and dairy sector research including Africa, Middle East and a variety of EU countries. Responsible for Gira's Brazilian meat and dairy sector research. He will bring his knowledge and contacts in the Brazilian industry to the project.
- **A large number of Gira's experienced meat-sector consultants**, researchers and interviewers will be involved. Each has detailed knowledge of the country for which he/she is responsible. As far as possible, the same country consultants will be used for this Study as those who prepare the annual Gira Meat Club.

Only Gira possesses the global meat market experience and understanding to be able to undertake such a unique and demanding study of opportunities in this new and largely uncharted territory.

Gira is active in strategy consulting and market & industrial research through a range of food & drink sectors worldwide. More details of our activities and coverage are available on: www.girafood.com. This will be the 6th edition of our Long Term Strategic Trends in World Meat Markets research over the last 30 years.

Over >40 years we have built up a major reputation and client base in the worldwide meat sector: including high profile speeches at conferences all over the world. Gira is the only research and consulting firm that is a member of the International Meat Secretariat (IMS) with whom we have a close and longstanding relationship ... along with our wide range of clients, worldwide. A list of our recent meat sector clients is given on the next page of this proposal.

Gira has carried out many assignments in recent years for international meat groups in the sectors to be covered in the present Study. These have included market research, strategic analysis and interview programmes in all the countries covered here.

We regularly produce multiclient studies concerning several of the meat sectors and countries involved in this study, including the strategic impact of retailers, farmer-owned cooperatives etc. on the supply chain. The most relevant regular research is the annual Gira Meat Club, which is now in its 42nd year and which covers all the countries to be analysed here.

Gira's extensive network of international experts, contacts and clients in the worldwide meat supply chain means that it is highly qualified to carry out this unique and highly challenging project. Experience has also shown that our long-standing reputation for research and consultancy in the global market opens doors for us to the most informed and competent sources of information. We have access to the key managers & influencers; they will discuss key issues and developments with us.

Our specialist consultants – our credibility in the meat sector – our long client list – and the multiclient studies for which Gira is widely known, all these give us privileged access to decision-makers in meat markets throughout the world.

7. Some of Gira's Meat clients

Key commercial players in the global meat industry

Client	Country
Abbott Laboratories	Intl.
ABF	UK
ABP	IE/UK
Agri Ranch	US
Agroeco	RU
AHDB	UK
Alic	JP
ALMA	CA
AMIC	AU
Animex (Smithfield)	PL & Intl.
Asoporcicultores	CO
Australian Pork Ltd.	
AVEC (European Poultry Association)	EU
Aviagen	Intl.
Bain	Intl.
Bemis	Intl.
BRF	BR - Intl.
Bunge	Intl.
Canada Beef	CA
Canada Pork	CA
Canadian Cattleman's Assoc	CA
Cargill Inc	US
Cargill Meats Europe	EU
Cobb	Intl.
CP Foods	Intl.
CFG (Campofrio Food Group)	EU
COV	NL
Danish Crown	DK
Danish Farmers Abroad	DK
Dawn Meats	IE/UK
DSM Nutritional Products	Intl.
DuPont	Intl.
Elanco	EU/Intl.
European Commission	EU
FAO	Intl.
FECIC (Catalan Meat Industry Association)	ES
Fedegan	CO
Fenavi	CO

Client	Country
Foss	DK
H.K. Scan	SF (Finland)
HCC	UK (Wales)
Hilton Food Group	UK/EU
IFC (World Bank)	Intl.
I.M.S.	Intl.
INAC	UY
Inalca/Cremonini	IT
Inaporc	FR
Interbev	FR
Irish Food Board	IE
JAPFA	Asia
JBS	BR - Intl.
Kemin	Intl.
Landbrug & Fødevarer	DK
LMC	UK
McDonald's	EU
Meat & Livestock Australia	AU
Meat Industry Association NZ	NZ
Minerva	BR
Multivac	Intl.
National Pork Board	US
Nutreco	NL - Intl.
O.E.C.D.	Intl.
Pfizer	Intl.
Rabobank	Intl.
Rusagro	RU
Scottish Assoc'n of Meat Wholesalers	UK
Sealed Air	Intl.
Silver Fern Farms	NZ
Smithfield (WH Group)	US/CN
UECBV	EU
Unic	IT
Unigrains	FR
USMEF	US
Vion	NL/DE
VLAM	BE
Westbridge Foods	UK

Timing

Completion in 2 phases:

- Phase 1 – “Forces for Change” and “The 4 Major Country Reports” for August 2017
- Phase 2 – “Market Profiles” and “Synthesis report” for end January 2018 (+ updating of phase 1 reports where needed)

Subscription

A preferential Founder Client subscription to the complete study programme including a Presentation (at your office, but excluding travel costs) as set out above costs **Euros 28,000** (before any applicable taxes).

Part-subscription options are available e.g.:

- Synthesis only subscription: Euro 12,000

Payment will be requested as follows:

- 50% on invoice at the start of work
- 25% on completion of Phase 1
- 25% on delivery of the final reports.

For more information, please call:

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