

## STUDY ABOUT ROMANIA'S POSITION IN THE INTERNATIONAL TRADE WITH MEAT

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**Key words:** trade, meat, market, Romania

### Abstract

*This paper aimed to analyse the evolution of world trade with meat and to evaluate the Romania's position and recent evolution in the EU and world trade with meat. The research method is based on a quantitative approach, based on national and international time data series with trade. The results indicated significant changes in the world trade with meat for the main meat trade importing and exporting countries. Romania was a net importer country for meat products, being in the last years an important export market for the EU countries.*

### INTRODUCTION

In a world which exported over 11 trillion US\$ manufactured goods in 2016, the exports of agricultural products increased by an average of 5 % per year which led to an increase of 70 % for the world exports with these products from 2006 to 2016 [6]. The world trade value with agricultural products continued to indicate a higher level of imports than exports [3]. One of the main importing countries for agriculture product, China, developed in the last years the internal pork production, which led to a significant decline of China's pork imports, but was unable to increase in the same manner its beef production, and changed into a major beef importer [4]. The exports of broiler meat on the China markets was an opportunity for UE, since the USA was not eligible for export on this market due sanitary restrictions. Romania was a net importing country for agro-foods products until 2013 [1], when the trade balance gained a surplus for agro-food products, mainly due to trade in cereals and oilseeds. This was not the case for the meat products, Romania remaining a net importing country for meat and edible meat products. [2], although the trade in live animals in Romania showed a positive balance [5].

### MATERIALS AND METHODS

For this paper we analysed: the evolution of the world trade with agricultural product in the world total trade, in terms of exports and imports; the evolution of the world trade balance with agricultural products in correlation with the evolution of the total world trade balance; the evolution of the exports and imports of the agro-food products, the evolution of the world meat exports and imports and the recent evolution related with Romanian meat trade. International Trade Centre - ITC, the joint agency of the WTO and United Nations, USDA and National Institute of Statistic from Romania.

### RESULTS AND DISCUSSIONS

The share of the imports of the agricultural products in the total world imports has increased from 7.18 % in 2010 to 8.6 % in 2015, based on increased trend of consumption of agricultural products in the countries that concentrate most part of the world population. The world agricultural product imported accounted 1.4 USD Trillion, from a total import of 16.4 Trillion. (Table 1).

The share of the exports of the agricultural products in the total world exports has also increased from 7.68 % in 2010 to 8.55 % in

2015. The world agricultural product exports accounted 1.3 USD Trillion from a total export of 16.2 Trillion.

Table 1. Share of imports of agriculture products in the total world imports (thousand \$)

Year	2010	2011	2012	2013	2014	2015
Agricultural products	1,000,205,661	1,338,722,994	1,347,268,087	1,408,452,875	1,460,174,980	1,416,786,941
All products	15,313,697,477	18,320,582,704	18,522,806,171	18,885,688,817	18,898,729,572	16,473,390,841
% agricultural product in total trade	7.18%	7.31%	7.27%	7.46%	7.73%	8.60%

Source: ITC and own calculation, [7]

Table 2. Share of exports of agriculture products in the total world exports (thousand \$)

Year	2010	2011	2012	2013	2014	2015
Agricultural products	1,157,358,104	1,413,011,777	1,439,626,842	1,515,206,143	1,559,326,447	1,346,979,021
All products	15,063,577,937	18,084,608,304	18,355,979,023	18,853,961,888	18,854,544,370	16,235,512,034
% agricultural product in total trade	7.68%	7.81%	7.84%	8.04%	8.27%	8.55%

Source: ITC and own calculations, [7]

In 2015 the sold of the trade balance for agricultural product was negative. These can be related with the increase of the net trade deficit with agriculture products in the

developing countries, where the consumption is increasing each year and can't be covered by the internal production.

Table 3 Evolution of international trade balance for agriculture products (thousand \$)

Year	2010	2011	2012	2013	2014	2015
Agricultural products	57,152,443	74,288,783	92,358,755	106,753,268	99,151,467	-28,049,726
All products	-250,119,540	-235,974,400	-166,827,148	-31,726,929	-44,185,202	-237,878,807

Source: ITC, [7]

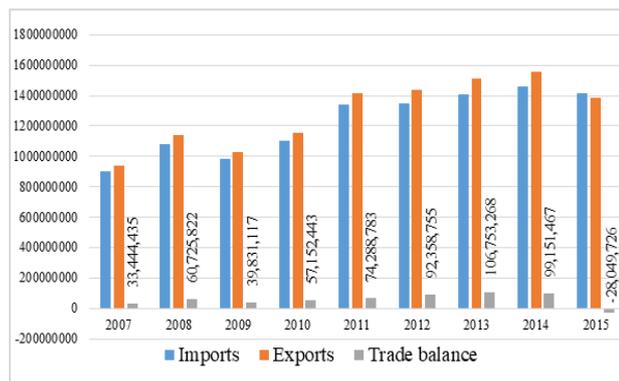


Fig.1. International trade with agro-food products (USD thousands).

Source: ITC, [7]

The international trade balance increased yearly from 2010 and recorded the highest positive value in 2013.

In 2014 the world meat imports reached the highest value, of US dollar thousand 124,155,625.

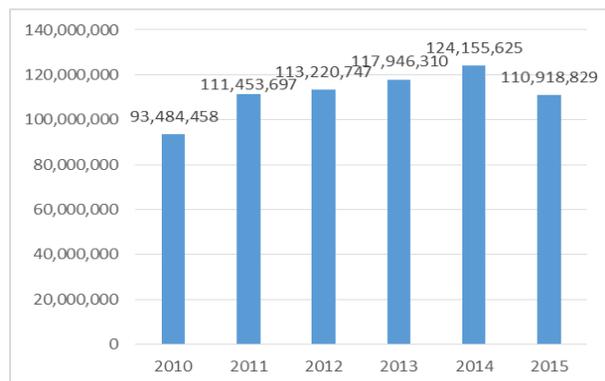


Fig.2. International meat imports (USD thousands).

Source: ITC, [7]

In 2014 the world meat exports has recorded also the highest value, of US dollar thousand 131,683,740.

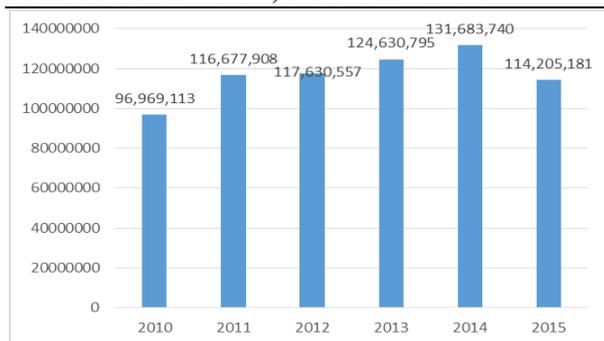


Fig.3. International meat exports (USD thousand).  
 Source: ITC, [7]

Japan was the main importing country for meat products for the period 2007-2015, accounting 8 % of all world meat imports.

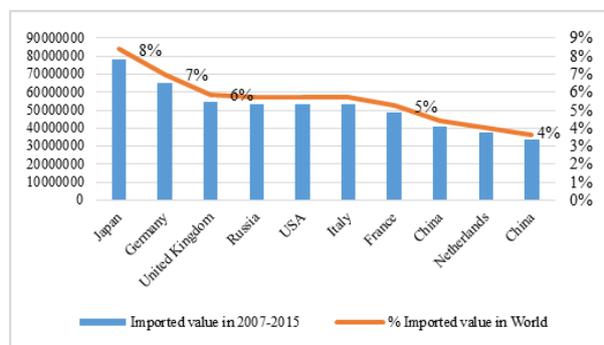


Fig.4. The main importing countries for meat during 2007-2015.  
 Source: Own calculation based on ITC data, [7]

The data provided by FDA indicated that the main beef and veal imports were made in 2016 by USA (1,367 thousand metric tons – carcass weight equivalent) China (818 thousand metric tons), and Japan (719 thousand metric tons) while the main beef and veal exports in 2016 were from India (1,764 thousand metric tons), Brazil (1,698 thousand metric tons) and Australia (1,480 thousand metric tons). From 2013 to 2016 the China beef and veal imports increased with 98 % while Russia reduced its imports of beef and veal by 50 % from 1,023 thousand metric tons in 2013 to 522 thousand metric tons in 2016. We could notice the increase of the quantities exported by EU, from 244 thousands metric to in 2013 to 344 thousands metric to in 2016. USA was the main exporting country for meat products for the period 2007-2015, accounting 13 % of all world meat exports.

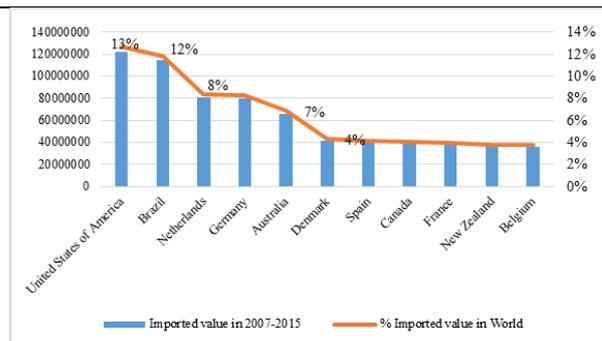


Fig.5 The main exporting countries for meat during 2007-2015.  
 Source: Own calculation based on ITC data, [7]

The world trade with pork had increased in the last decade, both in terms of imports and exports. The main pork imports in 2016 were made by China (2,181 thousand metric tons – carcass weight equivalent), Japan (1,361 thousand metric tons) and Mexico (1,021 thousand metric tons), while the main pork exports in 2016 were from European Union (3,125 thousand metric tons – carcass weight equivalent), USA (2,377 thousand metric tons) and Canada (1,320 thousand metric tons). From 2013 to 2016 the China imports of pork increased almost 3 times from 770 to 2,181 thousand metric tons in 2016. In Russia the imports of pork decreased from 883 to 347 thousands metric tons, based on increase of internal production from 2,400 thousands metric tons in 2013 to 2,870 thousands metric tons in 2016.

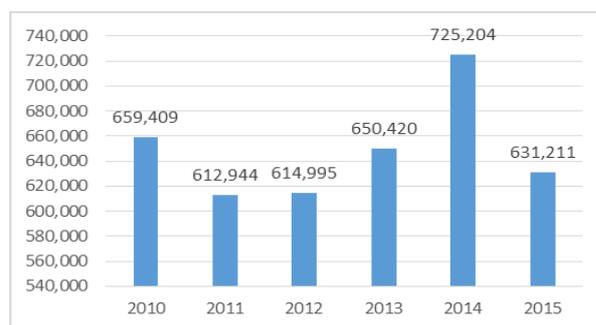


Fig 6. The evolution of meat imports in Romania, during 2010-2015, (USD thousand).  
 Source: ITC, [7]

The main broiler imports at world level were made in 2016 by Japan (973 thousand metric tons – ready to cook equivalent), Saudi Arabia (886 thousand metric tons) and Mexico (791 thousand metric tons), while the main broiler exports in 2016 were from Brazil (3889

thousand metric tons – ready to cook equivalent), USA (3014 thousand metric tons) and European Union (1276 thousand metric tons).

The highest value of the meat imported by Romania was recorded in 2014, of US dollar thousand 725,204.

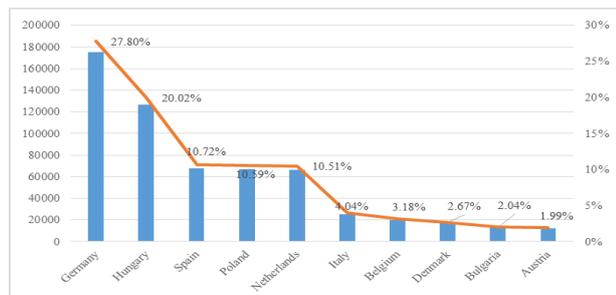


Fig 7. The main trade partners for Romania, for the meat imports in 2015.

Source: Own calculation based on ITC data. [7]

As regarding the groups of meat products imported by Romania, the most significant is the pork meat.

Table 4. The main products imported by Romania in terms of value (US Dollar Thousand)

Product	Imported value in 2013	Imported value in 2014	Imported value in 2015	Imported value in 2016
Meat of swine, fresh, chilled or frozen	357,726	378,390	327,996	380,264
Meat and edible offal of fowls of the species Gallus domesticus, ducks, geese, turkeys	162,574	194,710	162,250	179,285
Meat of bovine animals, frozen	32,190	41,964	58,461	64,067

Source: ITC, selected products. [7]

Germany is the main exporter of meat for Romania market accounting for 27.8 % of all Romania's imports.

More than 94 % of the imports of meat in Romania are from UE.

In 2015 Romania meat exports reached 275,127 US dollar thousand, the trend for meat exports decreasing yearly since 2012.

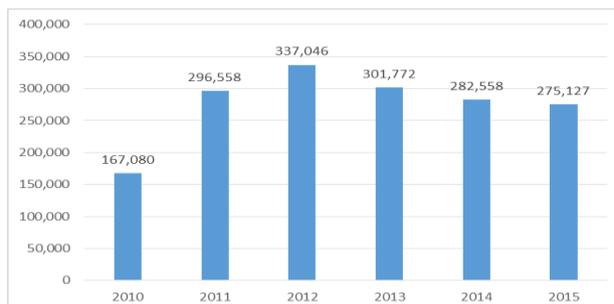


Fig 8. The evolution of meat exports from Romania, in US dollar thousand, during 2010-2015.

Source: ITC, [7]

United Kingdom was the main destination for the Romanian export with meat products, followed by Bulgaria and France. Most of export country destination are from EU.

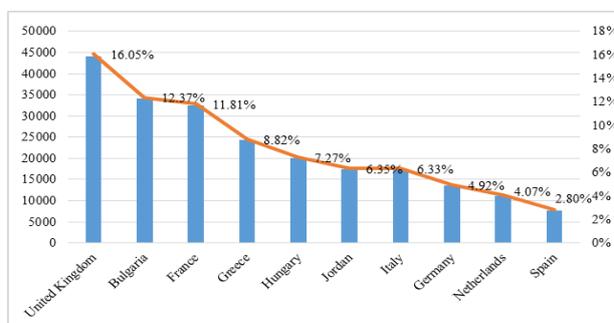


Fig 9. The main trade partners for Romania, for the meat imports in 2015.

Source: Own calculation based on ITC data. [7]

Table 5. The main products exported by Romania in terms of value (US Dollar Thousand)

Product label	Exported value in 2013	Exported value in 2014	Exported value in 2015	Exported value in 2016
Meat and edible offal of fowls of the species Gallus domesticus, ducks, geese, turkeys	183,433	163,744	148,140	124,543
Meat of swine, fresh, chilled or frozen	42,261	51,814	38,694	54,273
Meat of sheep or goats, fresh, chilled or frozen	12,648	22,630	37,551	25,826

Source: ITC, selected products. [7]

The highest value for Romanian meat products were recorded in 2016 for the category meat and edible offal of fowls of the species Gallus domesticus, ducks, geese and turkeys.

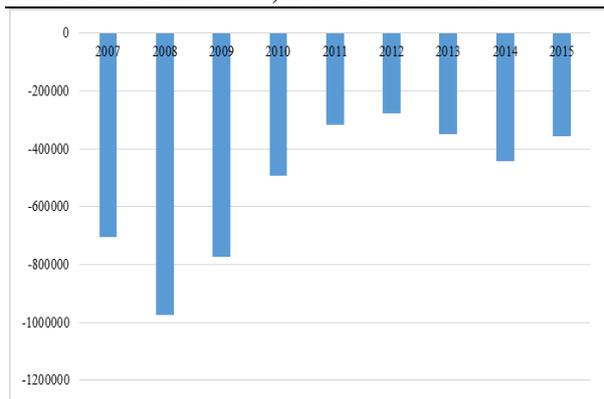


Fig.10. Evolution of meat trade balance in Romania for 2007-2015.

Source: ITC, [7]

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[7]WTO, 2017, International Trade Center, 2017, International Statistic 2001-2017

## CONCLUSIONS

Romania remained a net importing country for meat products and an important market for the main meat exporting countries from EU. This is related with a low competitiveness of the meat sector, which have to increase its profitability and quality of the products on the market. Due to increase of world consumption and the limited production of meat in countries that concentrate most part of the world population, the world trade with meat product will continue to increase, and Romania should integrate with the meat exports on the international markets.

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