

## **NEWSFLASH**

### **Animal By-Product Derived Products Market Conditions Update**

**October 2017**

FABRA UK represents more than 90% of the UK animal by product processing industry and engage and negotiate with key industry groups and other interested parties.

On behalf of our members we are alerting our key stakeholders of major movements in the European market for processed animal protein (PAP) and tallow:

Our members and our colleagues at the European Fat Processors & Rendering Association (EFPRA) have advised us that there is currently no European export market for PAP due to trading conditions in many of the Asian markets. Substantial stock piles of PAP are already accumulating as there is insufficient demand for this material in Europe to meet supply. Consequently, there has been a significant fall in PAP prices in recent weeks which is seriously impacting on the UK market for this commodity.

To compound this issue, we have also seen a sizeable reduction in the value of tallow, partly because of the EU reducing import duties for tallow from certain Countries.

We are alerting our meat industry stakeholders of these changing market conditions to give them advanced warning that our members may be forced to review their pricing strategies for animal by product raw material. This is an industry wide issue and is not limited to individual animal by product processors.

We ask our stakeholders to pass on this information to their colleagues and members in their relevant sectors. Whilst these uncertain market conditions prevail FABRA UK may issue further bulletins and updates. Please also check our website ([www.fabrauk.co.uk](http://www.fabrauk.co.uk)) for further updates.

#### **Contact Us**

If you would like to know more about this news or the work of FABRA UK, please contact Nikki Robertson

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