

YOUNG EUROPEAN MEAT COMMITTEE AUTUMN 2018 STUDY VISIT

17TH-21ST SEPTEMBER 2018, URUGUAY AND ARGENTINA - **REPORT**



As announced, **16 YEMCo Friends** met in Uruguay and Montevideo for a five-day study visit between 17th and 21st September 2018. They were originating from different Member States as follows: 5 persons from the Netherlands, 3 from Belgium, 3 from France, 2 from Germany, 2 from Italy and 1 from Spain.

The group was chaired by **Richard De Mooij** (COV) and the organiser, **Pascual Martinez** from the UECBV Secretariat.

The group first met at the optional dinner in El Tigre, a traditional Uruguayan “parrillada” on Sunday night.

Monday 17th September

Visit to San Jacinto-Nirea slaughterhouse

<http://www.nirea.com.uy/en/empresa/index.html>



The group started its study visit by visiting San Jacinto-Nirea, a slaughterhouse established in the province of Canelones, 55 km away from Montevideo. The group first had a commercial presentation and exchange of views with **Rodrigo Cabanas**, the Chief Operating Officer of the company, and **Rodrigo Santos**, Chief of Cattle Purchasing Department.



San Jacinto-Nirea was founded in 1962, and consolidated and developed its activities in 1999. It leads in “heavy lamb” slaughter and one of the six largest in bovine slaughter in Uruguay. More than 700 permanent people are working in its facilities and another one hundred are outsourced workers providing other services (cleaning, loading, unloading). San Jacinto-Nirea has a slaughter capacity of 1,000 bovines or 4,200 ovines per day and receives some 30 trucks with



bovines for slaughtering every day. Furthermore, it has an export-oriented policy where it is active in more than 50 different markets. The company invests significantly in technology and training workers. During the exchange of views, the challenges for the company were mentioned, including the difficult economic situation of South American countries, the difficulties of entering new markets, the different brands of San Jacinto-Nirea, the traceability of the meat, the different expectations from society etc.



The group then visited the facilities where they could visit all the slaughterline (slaughtering and deboning), the frozen chambers, the holding pens etc. The YEMCo delegation highly appreciated the company transparency and the high standards of San Jacinto-Nirea, as well as the kindness of its staff. Mr Cabanas and his colleagues took the time to answer all the questions and they were never on a rush or putting pressure on the delegation



Finally, the delegation was invited to have lunch with a traditional Uruguayan "parrillada" with Mr Cabanas and Mr Santos and could savour the delicious company bovine meat.

Visit to Disco Punta Carretas supermarket

<http://www.disco.com.uy/index.php/locales/13-disco-09>

The group then travelled to Disco Punta Carretas, a large supermarket in the neighbourhood of Punta Carretas in Montevideo. The group received the precious help of **Fernando Rovira** from INAC.

Disco Punta Carretas is a huge supermarket and the participants got to see how meat is presented for sale to consumers in Uruguay. This was a particularly interesting visit because meat is classified by package, quality and price. The meat, basically bovine one, is principally from Uruguay but some was imported from Argentina. The meat section of the supermarket was very large and modern, mainly focusing on traditional "asado", and had many staff actively selling meat products. One of the things the delegation underlined was how expensive the meat was for a country such as Uruguay, where meat is highly consumed. One of the main reasons is the problem of inflation the country is suffering. The participants got to see, guided by Martin, the meat chief of the supermarket how the butchers cut carcasses, the cold rooms where meat is storage and see how marinated meat, meat pies or brochettes were done.

The dinner took place afterwards in a good meat restaurant, La Perdiz, where the group enjoyed different Uruguayan food specialities.

Tuesday 18th September

Visit to the EU Delegation in Uruguay

<http://www.nirea.com.uy/en/empresa/index.html>

The group started this day visiting the EU Delegation in Montevideo, where it firstly received welcoming remarks from the Ambassador, **His Excellency Karl-Otto König**. Then, **Andrea Nicolaj** – Head of Section – and **Carolina Gervaz**, Trade Officer, exchanged views with the Delegation.

The group could better understand the economy of Uruguay, its strengths and weaknesses. Uruguay's economy is better than its neighbours Argentina and Brazil and is less corrupted. There is a relatively low inflation in comparison with its neighbouring countries but remains high (around 7-8% per year). Agri-food is the first source of exports of Uruguay and the country is trying to diversify its economy (to be less dependent on agriculture). The South American country produces food for 30 million people (ten times its current population) and wants to produce for 50 million. The Uruguayan meat companies primarily belong to foreigners: Argentinian, Brazilian and more recently Japanese investors. Moreover, a little briefing of the current negotiations with Mercosur was done too. Uruguay tries to push Mercosur to sign the Free Trade Agreement with the EU but there are disagreements between its members on how conclude the negotiations. Finally, Uruguay is pushing Mercosur to sign a Free Trade Agreement with China.

Visit to “Ojo de Sol” cattle farm



After the exchange of views with the EU Delegation, YEMCo friends headed towards “Ojo de Sol” cattle farm, a hundred km. away from Montevideo. **Fernando Rovira** and **Nacho Quagliotti** from INAC accompanied the group and helped to the translations from Spanish and to answer potential questions.

The farm, which is around 550 Ha, belongs to **Mario Chacon, and both his wife Alba** and he proved to be excellent hosts. The Delegation could savour Mrs Alba's home-made pastries. Mr Chacon has been a breeder for more than four decades and delivers his cattle to San Jacinto-Nirea, the slaughterhouse the Delegation visited the day before. Mr Chacon has some 500-550 cattle and runs his farm with his son- of-law. Mr Chacon feeds his cattle with pastures. He includes a supplement of corn and grains of rice in the last 90 days before sending the cattle to the slaughterhouse. Mr Chacon normally buys 15-18 months old cattle with 280-300 kg and breeds them until they reach two years-two years and a half and 520-530 kg (he always tries to get around 60% of meat). He only buys cattle from the Aberdeen Angus brand because he is convinced of the qualities of this brand (its ease of fattening, gentleness, the quality of the meat etc.).



The Delegation could visit all Mario's facilities including the place where the cattle are loaded in the trucks. Mr Chacon always follows the same protocol: a day before the boarding, the cattle is transferred to a holding pen, where it remains with shade and water, without food. At the moment of boarding, the cattle are loaded in a calm way, without blows or shouts. On warm days, suitable slots are chosen for the transfer of the steers to the slaughterhouse.



The day finally ended by having dinner in a steak bar called "La Pulperia", where meat is cooked in a traditional Uruguayan way. Fernando and Nacho had dinner with the Delegation.





Wednesday 19th September



Visit to the INAC headquarters <https://www.inac.uy/>



The last day in Uruguay began with a visit to the INAC headquarters where **Gianni Motta** and **Virginia Hernandez** had an exchange of views with the Delegation. The INAC (National Meat Institute)'s missions are to promote, advice and execute the Uruguayan meat policy. It is a non-profit organisation, created by public Law but operates under private sector regulation, more than a hundred people work there, and has some USD 23 million dollar of annual budget. More than two-fifths of the INAC budget goes to marketing of the Uruguayan meat both domestically and across the world. Mr Motta and Ms Hernandez delivered a presentation about the Uruguayan meat, the trade, traceability, Sanitary and Phytosanitary Measures issues etc., and then had an exchange of views with the Delegation.



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The INAC representatives explained that Uruguay has 48,000 cattle producers, 12 million head cattle and 70% of the meat is exported. It is the country with most land per capita of the world. Almost half of the exports go to China and 13% to the EU. On the feed system, 85% of the cattle are fed with pasture. Growth Promoting Hormones and animal proteins are forbidden. Moreover, Uruguay has set up highly quality standards and information transparency for

producers, processors and authorities. On beef traceability, Uruguay has two compulsory systems that are working together: the SNIG (Livestock Information National System), which is an individual electronic traceability delivered by the Agriculture Ministry (before the animal is slaughtered) and the SEIC, which is delivered by INAC on the post-mortem animal.

Registering all events, since calving to market



Visit to Colonia del Sacramento – Trip by boat to Buenos Aires

The Delegation then headed to the beautiful historical city of Colonia del Sacramento (around 180 km from Montevideo) where it first had lunch at one of the best “parrilladas” in town, “El Porton”.

The well-preserved historical city shows, with its narrow streets and colonial harbour, the successful merge of the Portuguese, Spanish and post-colonial styles. The Historic Quarter has been designated as World Heritage Site by UNESCO. The Delegation could then do some shopping, relax on the terraces and taking pictures of the beautiful monuments (the Gate Door, the Church of the Holy Sacrament etc.)

The Delegation then took the ferry to reach Buenos Aires, completing the journey in just an hour across the River of La Plata and went to the hotel to be ready to start the activities in Argentina.

Thursday 20th September



Visit to Gorina slaughterhouse

<http://www.friggorina.com/>



In the morning the group travelled to the province of La Plata, 75 km away from Buenos Aires, to visit one of the biggest Argentinian beef slaughterhouses, Gorina. The group was welcomed by **Facundo Farfallini**, Chief of Production, **Rodolfo Acerbi**, Veterinarian and Responsible of Animal Welfare, and **Marcelo Fiol**, Chief of the Plant, to have an exchange of views of the company and then a visit to Gorina's facilities.

Gorina was founded 50 years ago, being always an important player in the beef market. However, it is from the stock exchange operated in 1999 in favour of the



Riusech family, when Gorina started to play a lead role supplying beef to both domestic and international markets. Gorina is now among the three biggest beef slaughterhouses of Argentina. The company is a full cycle plant which mainly receives cattle from a region 400 km ahead and has a capacity of processing 1,400 heads per day. The company possesses the most modern technology in their facilities and it is now building new facilities. The deboning room was constructed in 2015, it has over 2,500 m² and 6 conveyor belts with 24 balances for individual weighting of cuts. Gorina exports 60% of its production, being China, Chile and the EU (primarily to the Italy, Germany and the Netherlands) its key markets. Its main competitor is the Australian beef (very similar meat). Gorina possesses single and double rotating boxes for kosher and halal meat, being Israel an important market. Furthermore, Gorina has more than 900 employees, of whom 700 are fully

employees. Four-fifths of its workforce is from the province of La Plata.

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The delegation then visited the facilities where they could see the slaughterline production, the maturation chambers (many were surprised to see such big chambers than can hold up 5,600 half carcasses), the deboning room, the cold storage, the holding pens etc. The Gorina representatives were really attentive and took time to answer to all the questions and doubts that the YEMCo friends asked.



The visit finally concluded by having lunch in one of the best "parrillada" of the province of La Plata, El Retiro, kindly invited by Gorina. The delegation could savour delicious "asado" and traditional Argentinian deserts such as "pudding with dulce de leche". Facundo and Rodolfo had lunch with the YEMCo friends.

Visit to the IPCVA headquarters

<http://www.ipcva.com.ar/>



The delegation then had an interesting exchange of views with two representatives of IPCVA, **Adrian Bifaretti** and **Sergio Rey**. IPCVA, the Institute for Promotion of the Argentinian Beef, was established fifteen years ago and its mission is to carry out researches and promoting internally and internationally the Argentinian beef. The Institute was created to hold the producers, the industry and the government. It has a private finance, and for every animal that is processed, the producer pays 17.75 Argentinian pesos (around €0.41) to the Institute and the slaughterhouse 8 (around €0.19).

Mr Bifaretti and Mr Rey provided a thorough presentation of the beef industry in Argentina to the delegation and provided interesting data: 13 million of head are slaughtered every year in the country and underlined that with 57.6 kg/year, Argentina is, along with Uruguay, the country with a highest world's consumption of beef. They recognised the two main problems of the industry (low productivity and a low number of slaughtering). Since 2012, exports are recovering after the 2006 ban. On a historical basis, four-fifths of the Argentinian beef production is for domestic consumption and the rest is exported, being China the main market (more than half of export volume and 40% of exports value but Argentina is only authorised to export frozen beef without bone). The exchange of views included too the challenges of the beef among millennials, the ways of how increase productivity, the need of finding new markets etc.



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The delegation then had some time to do some tourism in Buenos Aires. The day ended by having dinner in a classical Argentinian steak restaurant called "Las Nazarenas".



Friday 21st September

Visit to the Market of Liniers

<http://www.mercadodeliniers.com.ar/indexnuevo.htm>



The last day of the study trip started by visiting the great Market of Liniers. The Market is the largest world's mart (around 34 Ha) which supplies the slaughterhouses of Buenos Aires and the Great Buenos Aires area. Liniers supplies a fifth of the slaughtered cattle of Argentina and half of the one of the Great Buenos Aires area.



The group was welcomed and guided through the Market by **Tomas Hardt**, an Inland Revenue Consignees of the Market, and **Carlos Pacifico**, Veterinarian of the Market. Both Mr Hardt and Mr Pacifico explained the Delegation the history of the Market (it opened in 1900) and guided it through the different parts of Liniers. The YEMCo friends could see how the cattle are stocked by brands and producers. They saw too the time of the "hammering" ("el martilleo" – the name is given due to the noise

produced by bells and hammers calling for the auction of the cattle), where many representatives of slaughterhouses bid for cattle lots (or sometimes for a part of them) standing in the walkways. The cattle lots are then stocked in a field and then boarded in the slaughterhouse trucks. Moreover, Mr Hardt and Mr Pacifico showed the delegation how the cattle are weighted and how all the cattle documentation is made. The delegation had the chance to exchange some words with different employees of Liniers.





The delegation had then an exchange of views with Mr **Eduardo Cruzel**, Chairman of Liniers, who warmly welcomed it. The Chairman explained that the Market will move to a new location, bigger and with more modern facilities so as to host more cattle, in two-three years. The President

could exchange views with the delegations on issues such as the challenges of the beef industry in Argentina (the needs to increase the productivity, to find more markets, to have a more stable economic outlook etc.), the role of Liniers in the following years, the relationship between producers and industry, the advantages and disadvantages of intensive and extensive production etc.

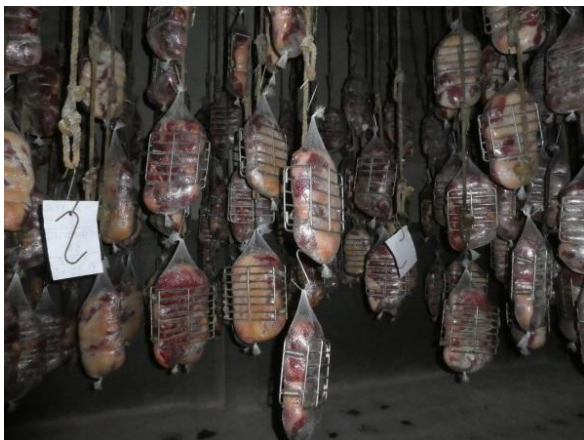




Visit to Fiambres Torgelon <http://www.fiambrestorgelon.com.ar/salames.html>



The last activity of the study trip was the visit to the cooperative Torgelon, focused on charcuterie and pork manufactured products. The Chairman, **Luis Figueroa**, welcomed the group and then guided it through a visit to the company's facilities. Originally founded in the mid-1920s, the company flourished but started having very difficult economic problems after the 2001 crisis. In 2008, the company went bankrupt and the majority of workers decided to establish a cooperative. The Chairman explained the delegation that the last decade has not been an easy one, and explained the difficulties, but he was rather optimistic of the future of the company. The group could see the difficulties of many Argentinian meat SMEs on trying to produce more and better, the problems they face with the continuous devaluation of the Argentinian peso, the high inflation, the bureaucratic problems which do not allow them to export etc.



Torgelon produces handmade hams in all their varieties (with and without bone), cold cuts and sausages, without additives, where "meat is meat and pork is pork" as Mr Figueroa added. In addition, it produces salamines (Argentinian spicy sausage), sausages, red sausages and other pieces of charcuteries. Torgelon employs more than 60 people but due the problems mentioned above, it can only produce between 50-60% of its potential capacities, as the delegation could see: some storage were half empty.



The visit ended by having a tasting of all the products Torgelon produces.



The YEMCo friends had then some hours to visit Buenos Aires and met at Broccolino, an Italian restaurant, to have the last dinner together. Richard and Pascual thanked all the participants for their participation in the trip and wished them a safe return back home.