

Argentina expects to increase the pork production by 77% and exports by six times in 2020.

The Argentine Association of Pork Exportation (Consortio de Exportación de Carne de Cerdo Argentina - ArgenPork) expects that Argentina's pork production will increase by more than one million tons or 77%, compared to today, and the volume of exports will increase by six times by 2020, if the producers receives supports in factors such as the development of production infrastructure, tax reduction and increasing of export markets.

Mr. Guillermo Proietto, President of the ArgenPork Association, said that, currently, Argentina can produce 621,000 tons of pork per year. But, with supports, the number can be increases up to 1.1 million ton, including the export rate that can be increased up to 617% or from 23,000 tons in the present to 165,000 tons by 2020. Also, Argentina must increase the number of breeding sows to 600,000 from the existing 350,000 and increase domestic consumption to between 20 and 22 kilograms per person per year.

Mr. Guillermo pointed out that the increase in production and exports will require high investment, financial supports, and amendment of the extorted tax. He also said that the current external conditions are in favor of the pork industry's development. Argentina must increase their competitiveness by not only relying on exportation of corn and soybean. As for export promotion, Guillermo said that the current tax rate is a major obstacle, which is at 9% of the selling price. As well as the fluctuating exchange rate, which also causes a lack of balance. In addition, new export markets are needed for the pork production sector.

The association aims to export more pork into Asian markets, especially in Southeast Asia and China. Argentina has just exported 200 tons of pork to China for the first time in August. And the association expects to export between 600 to 700 tons per month to the Asian country, due to the problem of pork production from the outbreak of African Swine Fever in China.

Currently, 95% of the 23,000 tons of pork that Argentina exported in 2018 (expected to increase to 30,000 tons in 2019) were sent to Russia, divided into 10,000 tons of frozen pork and another 10,000 tons of offal.

Source: <https://www.noticiasagropecuarias.com/2019/07/27/la-porcinocultura-argentina-frente-a-un-gran-salto-productivo-y-exportador/>