

Egg scare costs Dutch poultry farmers EUR33m

THE HAGUE, Netherlands - Europe's contaminated egg scare has cost Dutch poultry farmers at least €33m (\$39m), according to a preliminary estimate by the government. The scare, triggered by the presence of the insecticide fipronil in eggs, has spread to 18 European countries and even reached as far away as Hong Kong.



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"Direct costs to the (Dutch) poultry sector where fipronil was used are estimated at €33m," Health Minister Edith Schippers and deputy economy minister Martijn van Dam said in a letter to parliament. "Of this, €16m is as a result of the subsequent ban while €17m derives from measures to rid farms of fipronil contamination," the ministers said.

Poultry farms on average suffered initial damages of between €120,000 to €200,000, the ministers said.

Their findings are based on an investigation by Wageningen University's Economic Research Unit. The estimate does not include non-farmers in the poultry sector, nor does it take into account further losses in production by farms.

Use of toxic amitraz

Wednesday's letter also said investigators from the Dutch Food and Goods watchdog found that Chickfriend, the company which allegedly cleaned chicken pens with fipronil, used a second toxic substance called amitraz.

The insecticide, a mildly toxic chemical used to kill flies, was found to have been used on a single cattle farm, and was not used in the poultry sector, the letter stressed.

Two owners of Chickfriend briefly appeared in court in connection with the case last week and remain in custody.

Lawmakers are due to debate the fallout from the crisis on Thursday.

Farmers face financial ruin, needs urgent assistance

Earlier this month, a Dutch farming federation estimated total damages at at least €150m.

The Dutch Farmers and Gardener's Federation on Wednesday wrote a letter to Van Dam, saying farmers urgently needed assistance as they were facing financial ruin.

"The consequences for the affected businesses are huge," said federation chairman Eric Hubers in a letter which was sent to AFP. The businesses "are being hit by high costs and face bankruptcy if they get no financial support," said Hubers, whose federation represents some 50,000 farmers across all sectors.

Millions of eggs have been pulled from supermarket shelves and destroyed across Europe and dozens of poultry farms closed since the fipronil contamination was made public at the start of the month.

The three countries at the centre of the crisis

Commonly used to get rid of fleas, lice, and ticks from animals, fipronil is banned by the European Union from use in the food industry. The issue has sparked a row between Belgium, the Netherlands, and Germany, the three countries at the centre of the crisis, about how long officials knew about the problem.

Belgium has accused the Netherlands of having detected contaminated eggs as far back as November but keeping it quiet. The Netherlands has said it was tipped off about the use of fipronil in pens but did not know it was in eggs.

Belgium meanwhile has admitted it knew about fipronil in eggs in early June but kept it secret because of a fraud investigation.

Belgium became the first country to officially notify the EU's food safety alert system on 20 July, followed by the Netherlands and Germany, but the news did not go public until 1 August.

Source: AFP

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