By Rita Jane Gabbett on 12/18/2014

An attaché report from a USDA Foreign Agriculture Service specialist in Kiev predicted recent outbreaks of porcine epidemic diarrhea virus (PEDV) on commercial–scale farms in Ukraine could spread and ultimately kill 25 million to 35 million pigs over the next 18 months in Europe.

The report, prepared by FAS Agricultural Specialist Alexander Tarassevych, quoted international veterinarian consultant Dr. John Carr, who spent 10 days in November in Ukraine visiting three farms with PEDV outbreaks. Carr is considered a global expert on PEDV. He said as many as 10,000 pigs were lost in just four days at the farms he visited, noting that bigger farms would have bigger problems.

The report characterized the current outbreak in Ukraine as a "second epidemic wave" and said at least one of the five largest Ukrainian swine producers currently struggles with the disease. It also noted tightening biosecurity practices across Ukraine could be hampered by the fact that "half of the Ukraine's swine production is in backyard farms."

A spread to pork-producing countries such as Poland could cause "a major production decrease in 2015," the FAS report noted.

Carr was quoted as saying he "suspects this is the beginning of the European outbreak," and warning that his professional estimation is that the virus would kill 25 to 35 million pigs over the next 18 months. He categorized the impact of Ukraine's outbreaks as more serious than what he had encountered in Asia.

A PEDV outbreak in North America that began in May 2013 has killed an unknown number of pigs, though some industry analysts have estimated those losses at more than 5 million pigs.

Analyst weighs in

According to BB&T Capital Markets analyst Heather Jones, other private sources predict potential future hog losses in Europe closer to 10 million to 15 million, "which would still be significant," she wrote in a note to investors.

Given that the United States exports pork equivalent to about 25 million to 30 million hogs annually, the death of somewhere between 10 million and 35 million hogs in Europe would effectively take the second-largest exporter (about 30 percent) of pork out of the market, Jones estimated.

She predicted "potentially huge implications for the global protein trade," noting PEDV's contagion, high mortality rate and the fact that Ukraine's bio-security standards do not come close to those of the United States. Jones expects PEDV to spread to surrounding countries, noting Europe's hog production is nearly as concentrated as the United States in certain regions.