



European Union Delegation to South Africa

05/03/2018

## Facts & Figures

### EU poultry imported into South Africa

For more than a year, poultry imported into South Africa from producers in the European Union (EU) has been singled out and subjected to aggressive and hostile attacks by local poultry industry lobbyists despite having been substantially banned by South African authorities since the end of 2016 in an unprecedented protectionist drive. Between December 2016 and July 2017, EU poultry imports were also subjected to a safeguard duty and a final duty is currently being agreed by Southern African Development Community / Southern African Customs Union countries. This, despite the fact that input costs have significantly decreased since 2016.

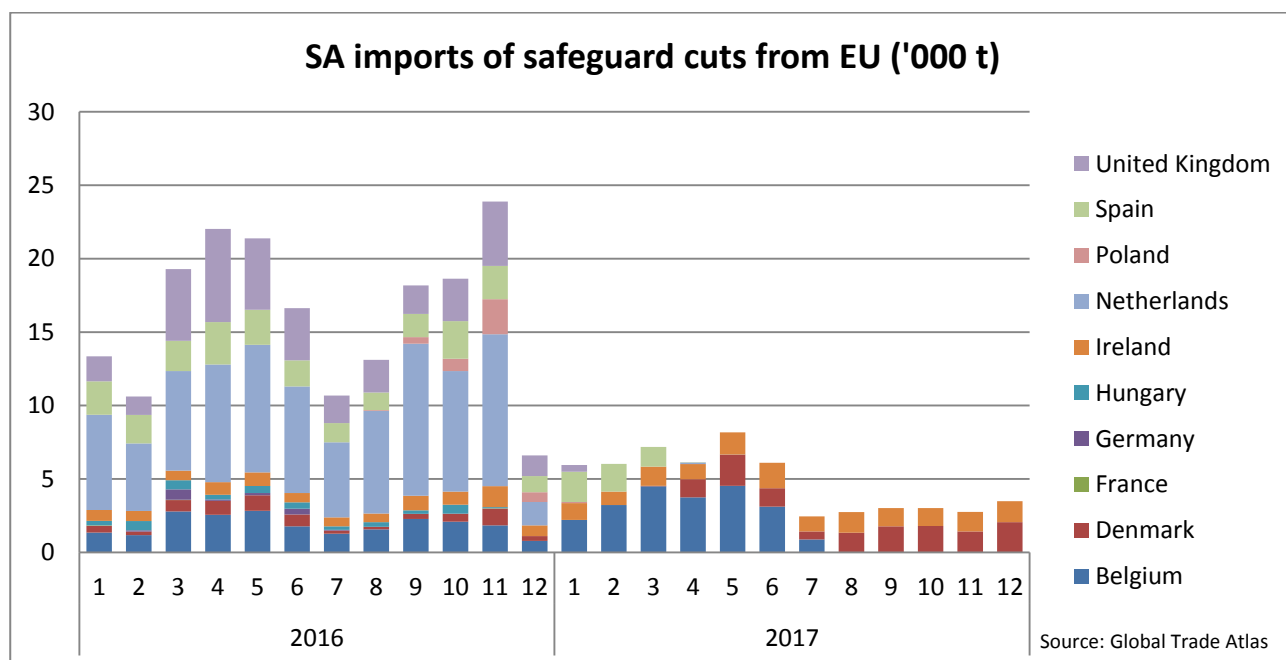
False allegations have been made in official proceedings and have been carried in the media that the poultry imports from the EU undermine local poultry producers due to:

- enormous quantity of bone-in chicken parts;
- chicken parts of inferior quality to those consumed in the EU ("trash");
- chicken at prices that local producers cannot match ("dumping");
- chicken produce that benefits from subsidies;
- ... with the alleged result of job losses in South Africa.

**The facts do not bear out these allegations.**

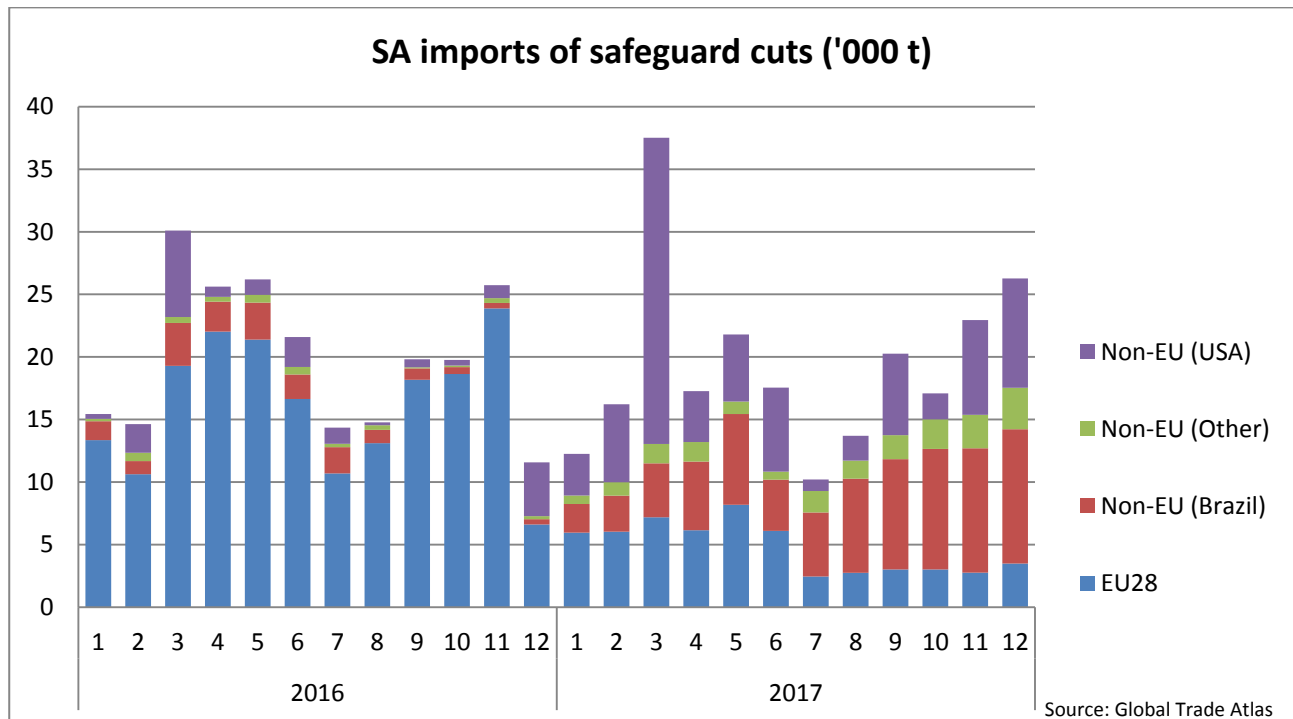
The quantity of poultry imported to South Africa from the EU has drastically decreased since December 2016 and has been replaced by imports from third country producers and, notably, not by domestic production.

Prior to December 2016, EU producers were able to meet South African demand for frozen bone-in chicken parts, referred to in the tables below as "safeguard cuts". Following an outbreak of highly pathogenic avian influenza across much of Europe, EU chicken exports plummeted in 2017 and have shown no signs of recovery in 2018. In unambiguous figures, safeguard cut imports from EU in 2017 were down by 71,9% compared to 2016.



As clearly demonstrated by all available trade data, local demand for foreign chicken products remains robust despite a local industry that views itself as efficient and able to fully supply the local market. Producers in third countries, including the United States and Brazil, were able to make up the shortfall created by decreased EU imports. Imports from non-EU countries in 2017 stood at 175,950 tonnes, having almost quadrupled from the 45,200 tonnes imported into South Africa in 2016.

From the bar chart below it can clearly be seen that previous imports of EU poultry safeguard cuts have been replaced by imports from other countries and not by the local industry. There simply is no case to be made that EU poultry producers are either undermining or flooding the local market.



There is also absolutely no case to be made:

- for poultry imports from the EU being "trash" - EU poultry imported into SA is of the same high quality as that sold in the EU. EU food law and regulations impose high standards on food safety. Unlike in South Africa, there is no brining in the EU – if a poultry product is brined, it cannot be sold or exported as fresh/frozen chicken meat but under a different label, i.e. "poultry preparation";
- for EU subsidies – the EU subsidises neither poultry production nor exports;
- for EU imports being cheaper ("dumping" or "predatory pricing") than those of competitors - notably, EU broiler prices are consistently above those of other big importers in SA, notably the US and Brazil. It remains inexplicable, if there was dumping, why the local poultry industry, represented by the South African Poultry Association (SAPA), has not filed a dumping complaint to the South Africa's International Trade Administration Commission (ITAC) as they have done in the past. SAPA has not. Notably, South African trade authorities also acknowledge that dumping is not the issue.

Please see previous EU Delegation media responses:

- [Statement on Poultry by the EU Delegation to South Africa \(02/08/2017\)](http://eeas.europa.eu/sites/eeas/files/201700801_statement_on_poultry.pdf)  
[http://eeas.europa.eu/sites/eeas/files/201700801\\_statement\\_on\\_poultry.pdf](http://eeas.europa.eu/sites/eeas/files/201700801_statement_on_poultry.pdf)
- [Statement on Poultry \(28/03/2017\) – aAre job losses due to EU imports?](http://eeas.europa.eu/sites/eeas/files/20170328_statement_on_poultry_final.pdf)  
[http://eeas.europa.eu/sites/eeas/files/20170328\\_statement\\_on\\_poultry\\_final .pdf](http://eeas.europa.eu/sites/eeas/files/20170328_statement_on_poultry_final.pdf)
- [EU Delegation to South Africa presentation at press briefing organised by SAPA/FairPlay \(28/11/2017\)](http://eeas.europa.eu/delegations/south-africa/36361/presentation-eu-delegation-south-africa-press-briefing-organised-sapafairplay_en)  
[http://eeas.europa.eu/delegations/south-africa/36361/presentation-eu-delegation-south-africa-press-briefing-organised-sapafairplay\\_en](http://eeas.europa.eu/delegations/south-africa/36361/presentation-eu-delegation-south-africa-press-briefing-organised-sapafairplay_en)