

Voluntary Report – Voluntary - Public Distribution

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Report Name: Anti Dumping Duties Suspended for Competitors but Remain for United States Poultry

Country: South Africa - Republic of

Post: Pretoria

Report Category: Poultry and Products

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Report Highlights:

On August 1, 2022, the Minister of Trade, Industry and Competition announced a decision to suspend the imposition of Anti-Dumping Duties (ADDs) on poultry from Brazil, Denmark, Ireland, Poland, and Spain for a period of twelve months “considering the rapid rise in food process... as well as the impact that the imposition of the anti-dumping duties may have on the price of chicken.” Although the Commission investigating dumping found that poultry originating in these countries was dumped into the Southern African Customs Union (SACU) market and recommended the application of ADDs, the Minister determined that the imposition of these duties would have a negative impact on the poor.

Background

On January 2022, the International Trade Administration Commission (ITAC) announced that imports of bone-in chicken meat from Brazil, Denmark, Ireland, Poland, and Spain would be subjected to provisional anti-dumping duties from January 2022 until June 2022 pending the conclusion of the investigation. See report: [South Africa Imposes Provisional Anti-Dumping Duties](#)

Although these duties lapsed in June, a notice was issued on August 1, 2022, announcing that the ADDs had been approved following final determination that bone-in chicken meat originating in or imported from the five countries was being dumped into the SACU market, causing material injury to local industry. Despite approval of these recommendations, the Minister suspended the imposition of the anti-dumping duties for a period of twelve months, noting the current rapid rise in food prices in the domestic and global market and the impact on the poor.

Despite the suspension of application of ADDs from these five countries, duties remain for Germany, Netherlands, the United Kingdom, and the United States.

Table 1: Applied Anti-Dumping Duties on Bone-in Chicken

Imported from or originating from	Anti-Dumping Duty
Germany	73.33%
Netherlands	22.81%
United Kingdom	30.99%
United States	R 9.40/kg

Source: *South African Department of Treasury*

Poultry Prices

The Minister's stated concern about the rising cost of food mirrors concerns related to the affordability of food felt across South Africa. A number of groups have called on the government to take action to reduce the cost of food. For poultry specifically, several organizations have requested the removal of the 15 percent value added tax, a move which would benefit both imported and domestic poultry.

Due to Highly Pathogenic Avian Influenza limiting exports from Europe, Brazil is the only trading partner that will immediately benefit from the suspension of ADDs. Despite the stated intention of mitigating rising costs, high tariff rates will continue to be the major contributor towards elevated costs of poultry in South Africa.

Table 2: South Africa's Import Tariffs for Specific Chicken Meat Products

Tariff Heading	Product Description	Rate of Duty				
		General/ MFN	EU	EFTA*	SADC**	MERCOSUR
0207.12.10	Mechanically Deboned meat	Free	Free	Free	Free	Free
0207.12.20	Carcasses (excluding necks and offal with all cuts removed), Frozen	31%	Free	31%	Free	31%
0207.12.90	Frozen Whole Birds	82%	Free	82%	Free	82%
0207.14.10	Boneless cuts	42%	Free	42%	Free	42%
0207.14.20	Offal	30%	Free	30%	Free	30%
0207.14.90	Bone-in Portions	62%	Free	62%	Free	62%

Source: *South African Revenue Services*

*EFTA = European Free Trade Association

**SADC = Southern African Development Community

The current anti-dumping duties imposed against U.S. bone-in chicken meat exports to South Africa outside of the Tariff Rate Quota are expire on November 23, 2022. The commission will consider information submitted by local industry to determine whether there is sufficient evidence to justify the initiation of a further review, or if the duties should expire as scheduled. Should the Commission decide to initiate a review, a notice will be published in the Government Gazette and importers and exporters of the product will be requested to submit comments and provide information.

Attachments:

[Attachment- Gazette Notice Aug 1.pdf](#)