

**Voluntary Report** – Voluntary - Public Distribution

**Date:** April 07,2020

**Report Number:** SF2020-0014

**Report Name:** The Impact of the Covid-19 Pandemic on Imports of Livestock and on Port Productivity

**Country:** South Africa - Republic of

**Post:** Pretoria

**Report Category:** Livestock and Products, Livestock and Products, Poultry and Products, Agriculture in the Economy, National Plan, Policy and Program Announcements, Agricultural Situation

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**Report Highlights:**

On March 23, 2020, the President of South Africa announced that starting from March 26 2020, South Africa would enter into a 21-day lockdown until April 16, 2020. The President identified the food industry as an essential service, which meant that the sector would continue to operate during lockdown to ensure that people have access to food. Certain ports of entry through which poultry imports enter the country are still accepting and clearing imported products.

## **Background**

On March 23, 2020, the President of South Africa announced that starting on March 26, 2020, South Africa would go on a 21-day lockdown that will end on April 16, 2020. The lockdown is a measure to help curb the spread of Covid-19 that has wreaked havoc all over the world.

During the announcement, the President also outlined activities that will be carried out by different ministries in government to ensure the success of the lockdown. The food industry was identified as an essential service, which meant that they will continue to operate during lockdown to ensure that people have access to food. 35 out of 72 total ports of entry in the country were closed, however, Ports of Durban, Port Elizabeth and Cape Town would continue to import and export food. According to the Department of Home Affairs, the ports of entry that are closed are non-commercial ports.

The Department of Agriculture, Land Reform and Rural Development (DALRRD) assured the public that relevant staff that will ensure smooth operations at ports will continue to work.

To ensure that there are no inflated prices in the sector, food price monitoring will be conducted on critical food basket commodities and reports will be given to the nation on regular bases. DALRRD has also mentioned that should there be shortages of agriculture commodities in the country, the Minister will request the Minister of Trade and Industry to impose export restrictions on the products that the country is in short supply.

The South African government initially banned exports and imports of other commodities except agricultural commodities at the ports. However, after deliberations with the mining industry, the government agreed that other commodities would be allowed and that agricultural commodities would be given preferential treatment. We are yet to see how this arrangement will affect imports of agricultural products.

## **Beef Industry**

DALRRD has communicated that auctions of livestock will be allowed to continue under strict conditions that will comply with the national Covid-19 Command teams' restrictions. A decline in the demand for red meat is expected in the future because of the temporary closure of restaurants and the informal meat trade during South Africa's 21-day national lockdown, among other factors. The closure of these businesses led to very large supplies in storage.

The winter marketing season usually commences in May and June. With many local businesses (including restaurants) closed, meat already had in stock should last for quite some time after the lockdown is lifted, resulting in a contracted demand on the winter market.

## **Pork Industry**

According to the South African Pork Producers Organization the pork industry thus far does not anticipate any issues due to COVID-19.

## **Poultry Industry**

Local poultry production has increased thus far in 2020, with average weekly slaughters to date for 2020 increasing by 5%, from 19.5 million birds per week in 2019 to 20.5 million. Most of the large commercial poultry producers that account for 75% of production in the country will not be affected by the lockdown restrictions, while informal sellers will be affected because of movement restrictions.

Ports of entry through which poultry imports enter the country (Durban, Cape Town and Port Elizabeth) are still accepting and clearing imported product. A shortage of international courier services as a result of the COVID-19 makes it difficult for importers to get original import documents in a timely manner. Certain ports, such as the Port of Cape Town, are accepting copies of health and import certificates in lieu of the originals. At the Durban port, officials are requiring importers to provide a justification for not having the original. This is leading to some delays in processing, but the importers have not reported that product was not clearing the port ultimately. DALRRD officials at the port are currently requesting Washington to verify the import certificates that are submitted by the importers which adds to further delays.

**Attachments:**

No Attachments.