

SA will not take action on chicken dumping

By [Linda Ensor](#)

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The government has decided not to impose additional duties on chickens imported from Brazil - and this decision which will halt Brazil's complaint to the World Trade Organisation (WTO).

However, there is likely to be vociferous opposition to the decision by local poultry producers, who claim their businesses are being harmed by the alleged "dumping" of Brazilian chicken products.

The International Trade Administration Commission was given until Monday (24 December) to make a final decision whether to impose additional duties on the import of Brazilian whole birds and boneless cuts into SA.

Failing such a determination, the application by the South African Poultry Association would lapse.

South African Poultry Association chief executive Kevin Lovell said he could not comment on the body's future course of action until it had been officially informed of the decision by the Department of Trade and Industry and the reasons for it.

However, the association did not envisage legal action, he said.

He noted that in a statement of essential facts distributed to stakeholders in October, the international trade commission supported the view that dumping was taking place.

Chief executive of the Association of Meat Importers and Exporters, David Wolpert, said he too was unable to comment on the decision until it had been promulgated.

However, he stressed that if no additional duties were imposed on Brazilian chicken imports, it would be "good news for the South African consumer, because it will keep prices at reasonable levels".

His association was ready to go to court to contest any decision to impose duties, on the grounds that the international trade commission's investigation was flawed.

Wolpert said imports of whole birds and boneless cuts represented about 10% of the production of comparable products in SA, and therefore foregoing duties would not harm the local chicken industry.

The trade commission, which is responsible for customs tariff investigations, trade remedies and import and export control in SA, slapped preliminary additional duties of 62.93% on whole chickens and 46.59% on boneless cuts from Brazil in

February this year.

This was pending the finalisation of an investigation which found that Brazilian boneless chicken and whole chicken imports were being sold more cheaply in the Southern African Customs Union than in Brazil.

The commission recommended to Trade and Industry Minister Rob Davies that anti-dumping duties on frozen Brazilian chickens be imposed.

Brazil protested to the WTO claiming that SA had failed to give Brazilian exporters sufficient opportunity to present evidence prior to the imposition of provisional duties.

Brazil said the South African Poultry Association had "grossly overstated" statistics on chicken imports and cited SA's "unco-operativeness" and "unreasonable attitude" as reasons to protest.

Brazil said the dispute had compromised its "friendship" with SA - both countries are members of the Brics (Brazil, Russia, India, China and SA) group of leading developing countries.

Source: *Business Day* via I-Net Bridge

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