

Poultry farmers 'chicken' over imports

By <u>Linda Ensor</u> 4 Apr 2013

The South African Poultry Association (Sapa), which has applied to the International Trade Administration Commission (Itac) for a general tariff increase against chicken imports, also plans to seek protection against imports from the European Union (EU).



A decision by Trade and Industry Minister Rob Davies on a general tariff increase for chicken imports would not affect EU chicken, which enters SA duty-free in terms of the SA-EU trade, development and co-operation agreement.

The producers fear that even more EU chicken could enter SA if the general tariff is increased to fill the gap left by a decline in imports from other countries.

The Food and Allied Workers Union plans a protest march on the Department of Trade and Industry's offices in Pretoria today (4 April) against the imports from Brazil and the EU and to call for government protection.

Sapa chief executive Kevin Lovell said that remedies sought against the EU could include an application to Itac for use of a safeguard provided for under the SA-EU agreement, and/or an application to the World Trade Organisation (WTO) for anti-dumping measures or the imposition of safeguards under WTO rules. An application was likely to be lodged this week.

Lovell said imports of "bone-in" chicken or leg-quarters from the EU had increased dramatically since the zero-tariff regime took effect from January last year.

In 2009, SA imported 66,000 tons of leg-quarters. This rose to 162,000 tons last year, 70% of which came from the EU compared with its 0.5% share in 2009 when tariffs were still in place.

Itac chief commissioner Siyabulela Tsengiwe has confirmed receipt of Sapa's application for a general tariff increase, which would be assessed over four months. The application would be placed before the commission this month and then be gazetted for a four-week period for public comment.

Tsengiwe said any increase in the general tariff would not address the problem of European imports, which would have to be dealt with by means of other trade remedies.

Lovell said Sapa's application for a tariff increase related to frozen chicken products but excluded mechanically deboned meat.

Source: Business Day via I-Net Bridge

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