

# Chicken imports may rise as duty lapses

By [Amanda Visser](#)

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Preliminary antidumping duties against imports of frozen bone-in chicken from three of SA's trading partners in the European Union have lapsed in the new year, opening the way for increased inflows until SA completes an antidumping investigation.



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Although the lapsing of the duties that range from 22% to 73% means poultry from Germany, the Netherlands and UK can enter SA duty free, the detection of bird flu in these countries since November last year is expected to put a lid on imports into SA.

## Investigation

International Trade Administration Commission (Itac) communications manager Foster Mohale said on Wednesday that its investigation into the allegations by the South African Poultry Association, that these countries were dumping frozen bone-in chicken in the Southern African Customs Union market, would be finalised by the end of next month.

However, Itac still had until the end of April to decide if it was necessary to impose the duties for at least five years.

When the investigation has been finalised, Itac would make a recommendation to Trade and Industry Minister Rob Davies to either make the provisional duties final or stop them.

South African Poultry Association CEO Kevin Lovell said Itac's investigation had taken longer than anticipated because of the resistance and objections lodged by several importers from the affected European Union (EU) member states.

He said there was hope that imports had decreased since the introduction of the preliminary duties six months ago.

Lovell anticipated that the threat of bird flu would continue to place a damper on the movement of poultry from the EU.

He said all poultry imports at present amounted to about 400,000 tonnes a year. Poultry exports from Germany, the Netherlands and UK to SA amounted to 101,581 tonnes in 2012.

## **Antidumping duties**

SA does not impose import duties on EU members because of a trade and co-operation agreement signed in 2001. However, it is allowed to impose antidumping duties where there is a prima facie case that the local industry is suffering material injury from dumping by EU members.

Lovell's association had applied for poultry antidumping duties of 91% against producers and importers in Germany and the Netherlands, and of 58% for those in the UK.

Antidumping duties of 31.3% on Wiesenhof, of Germany, and 73.3% on remaining German importers were in place until 2 January, when they lapsed.

Imports from the Netherlands, excluding Frisia, attracted preliminary duties of 22.8%.

Poultry imports from the UK attracted a 22% duty until the start of the year.

Meanwhile, importers who have paid the duties since July last year would be able to claim refunds from the South African Revenue Service.

Association of Meat Importers and Exporters CEO David Wolpert said these could run into millions of rand.

Wolpert said he was aware of a few entities that would be claiming refunds as they had approached his association inquiring about the procedure they had to follow.

Source: Business Day via I-Net Bridge

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