



SOUTH AFRICAN POULTRY ASSOCIATION

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MEDIA STATEMENT

SOUTH AFRICAN POULTRY ASSOCIATION HOLDS FRUITFUL MEETING WITH MINISTER PATEL

Executives from the SA Poultry Association (SAPA) met with Minister Ebrahim Patel of the Department of Trade, Industry and Competition last week and discussed matters of mutual interest, as well as the operational challenges facing the poultry industry.

“It was a positive discussion, and we are pleased with the opportunity to have engaged with the Minister,” said Izaak Breitenbach, General Manager of SAPA’s Broiler Organisation.

On the agenda were two matters that have concerned local broiler producers; firstly, the tariff rebates on chicken imports introduced as a safeguard to potential shortages on the back of any bird flu outbreaks, and secondly, the recently announced market inquiry to be conducted by the Competition Commission into South Africa’s poultry market and its value chain.

“We appreciate the reason that the tariff rebates were published, which is to address a potential shortage of chicken on the market. However, our data indicates that there has not been and is no shortage in the supply of chicken to the market, and thus there is no need for the rebates to continue. It was agreed that the industry will submit updated data to the International Trade Administration Commission (ITAC) which administers the rebates, and to the Department of Agriculture, Land Reform and Rural Development (DALRRD), which must certify any shortage. We will do this urgently, as a decision will soon be made on whether to continue the rebates in the second quarter, which begins next month,” Breitenbach said.

ITAC has estimated a shortage of 172 000 tons of chicken in 2024 and plans to address this with rebates of 43 000 tons each quarter. The scheme can be discontinued if it is found that there is no shortage.

“The meeting allowed all parties to hold frank discussions, and a good understanding of the respective viewpoints was achieved with mutual commitment and agreement on the way forward. The industry shared insights into how it has been able to mitigate any shortages in the supply of chicken through multiple contingency plans introduced. This included the importation of broiler hatching eggs over the past six months. The industry also reaffirmed its commitment to cooperating and fully participating in the poultry market enquiry, utilising the opportunity to highlight the strategic importance of the industry to local food and job security. As a stakeholder to the poultry sector masterplan, the industry has committed significant investment in capacity to the long-term localisation of poultry production in South Africa. Minister Patel recognises the operational challenges faced by local poultry producers in recent times including the energy shortage but confirmed his commitment to seeing a profitable and diverse industry by partnering with all stakeholders to the poultry sector masterplan,” said Gary Arnold the Chairperson of SAPA’s Broiler Organisation.

Also in attendance at the meeting were officials from ITAC, as well as Marthinus Stander of Rainbow Chicken and Richard Manzini of Daybreak Farms as part of the SAPA delegation.

Ends