

SOUTH AFRICAN POULTRY MEAT IMPORTS: COUNTRY REPORT JUNE 2018

PLEASE NOTE:

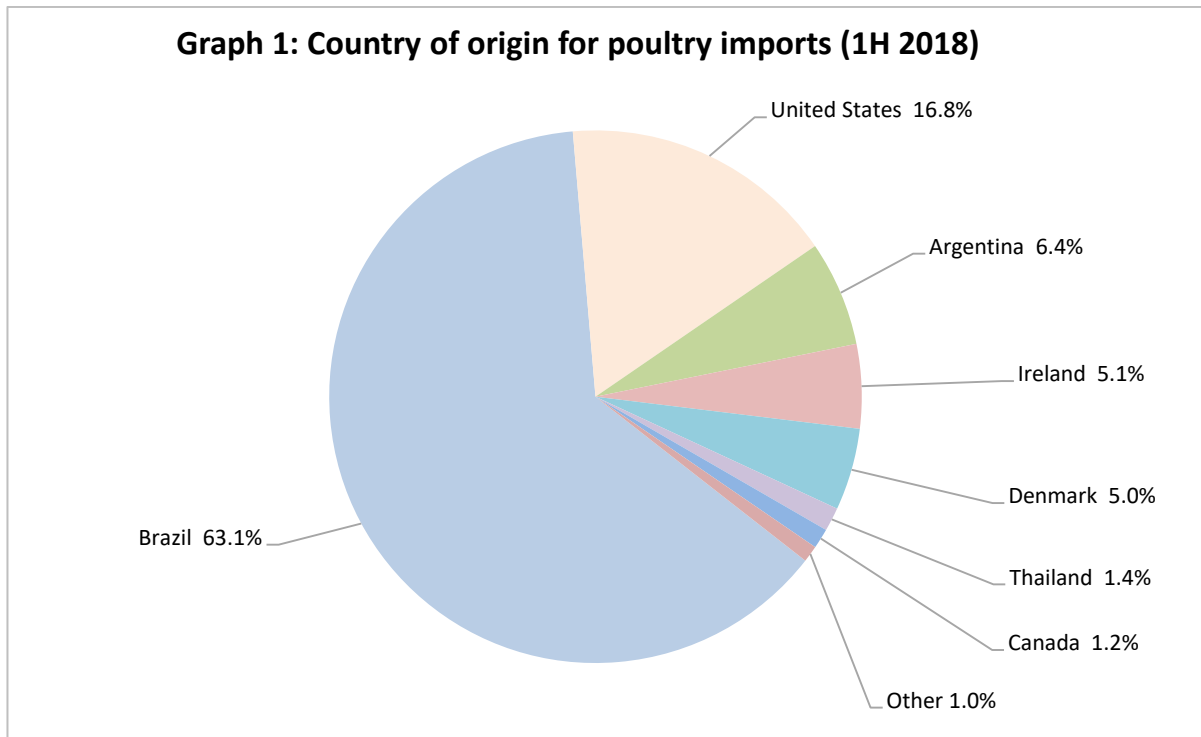
- This report is based on SARS verified stats. The verified stats will be corrected up to two years in arrears.
- Where the term 'poultry' is used, this may refer to imports of chicken, turkey, duck, goose or guinea fowl.

If, as a regular user of this report, you would like other data included or data presented in a different format (e.g. tables), please contact us on cynthia@silverpath.co.za with your suggestions.

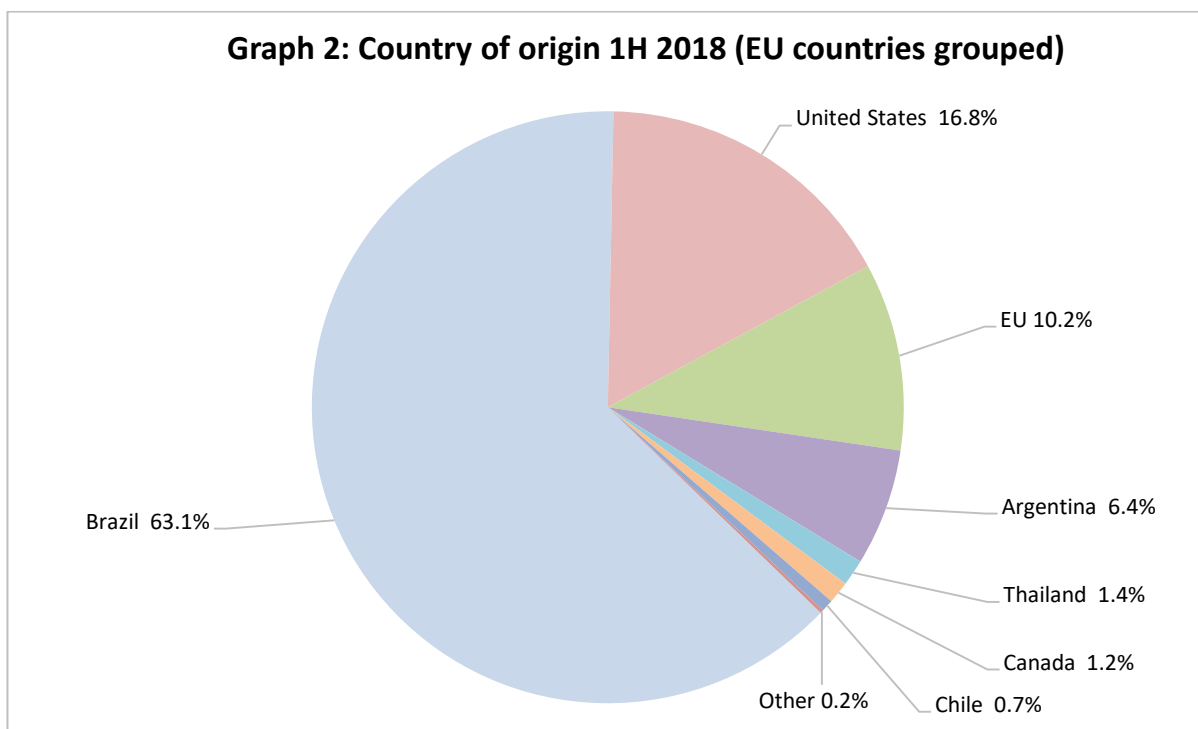
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1. IMPORTS FOR 1H 2018

Poultry imports for 2017 totalled 556 877 t (- 0.6 % on 2016). Imports for 2017 were up 25 % over the 5-year average for poultry imports. Imports in 1H 2018 (271 816 t) are down 0.7 % on the same period in 2017. The contributions from the major importing countries are shown in Graph 1:



Brazil was the main country of origin in 1H 2018, accounting for 63.1 %, or 171 473 t, of total poultry imports into South Africa. With AI affecting EU trade, the US was the second largest importer into the country, with 16.8 % or 45 631 t. Argentina, Thailand and Canada increased exports to South Africa, in the absence of many of the EU nations, to account for 6.4 % (17 368 t), 1.4 % (3 899 t) and 1.2 % (3 297 t) of 1H 2018 imports, respectively. Of the EU exporters, only Ireland and Denmark exported significant quantities to South Africa in 1H 2018: 13 892 t (5.1 %) and 13 530 t (5.0 %), respectively. All other importing countries contributed only 1.0 % to imports of poultry into South Africa in 1H 2018. If the EU countries are considered as a single entity, 10.2 % of poultry imports entered SA through the EU in 1H 2018, compared to 48.1 % in 2016 and 47.1 % in 2015. This drop in 1H 2018 reflects the impact of the trade bans on EU countries affected by avian influenza. In Graph 2, the EU countries are grouped together as a single entity.

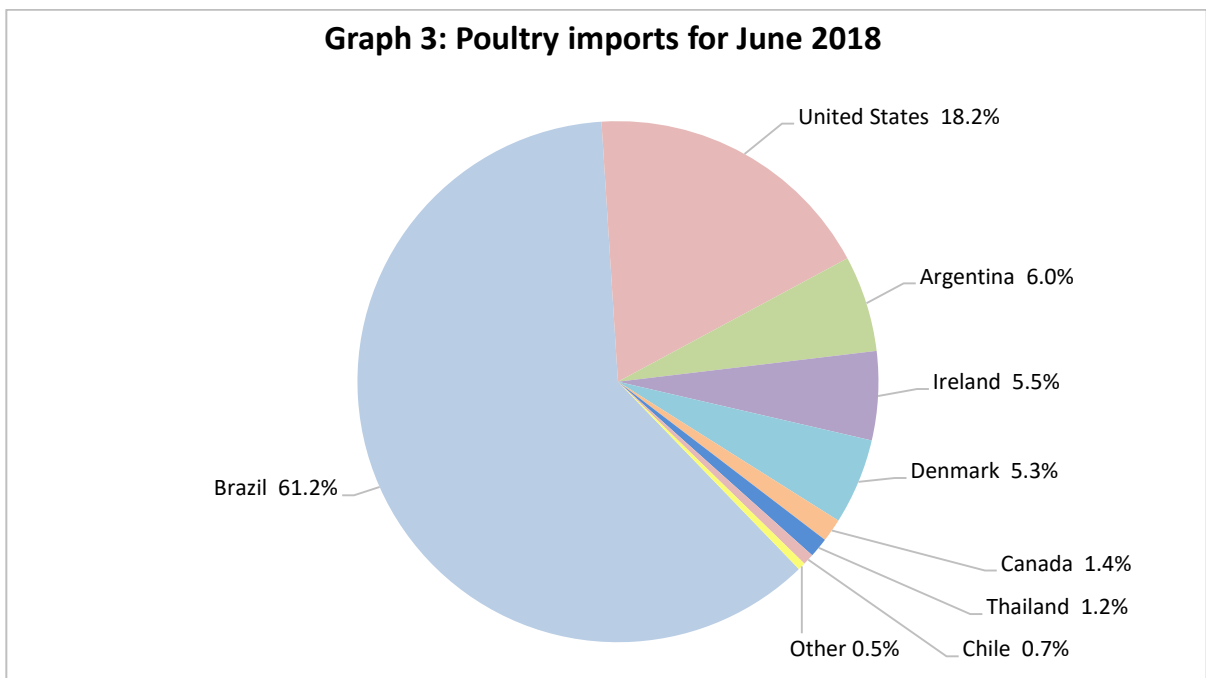


2. MONTHLY IMPORTS FOR JUNE 2018

Poultry imports into South Africa totalled 37 800 tonnes in June 2018. Since December 2016, Brazil has been the main country of origin for South African poultry imports, with the exception of March 2017 when the States landed over 25 000 t of poultry products here. In June 2018, Brazil accounted for 61.2 % or 23 138 t of total imports (Graph 3); cf just 37.9 % of total imports back in March 2017.

Under the terms of the AGOA agreement, US imports of frozen bone in portions resumed in January 2016. The US may export 65 000 tonnes of bone-in frozen chicken per annum, free from anti-dumping duties (cycle April to March). The US holds on to second place on the imports table in June, with 6 863 tonnes (18.2 % of imports). Argentina has moved up to become the third biggest importer of poultry products into South Africa in June (2 255 tonnes; 6.0 %).

Avian influenza reduced Dutch, French, German, Polish, Hungarian and UK imports to almost zero for most of 2017 and early 2018. Spain and Belgium are currently not exporting to South Africa and only small volumes are arriving from the Netherlands, the UK and Germany at the moment. Ireland and Denmark continue to export and were responsible for 5.5 % and 5.3% of total imports in June, respectively. Canada, Thailand and Chile accounted for 1.4 %, 1.2 % and 0.7 %, respectively (see graph below). Other countries contributed 0.5 % collectively. Most European HPAI events are now considered resolved (OIE) although the UK, the Netherlands, Germany, Denmark and Ireland have all reported cases in wild birds in 2018 (see below under each country). The Netherlands and Germany have reported H5N6 in commercial and backyard poultry this year. The UK and Ireland are the only countries exporting to South Africa with open HPAI cases at the OIE.



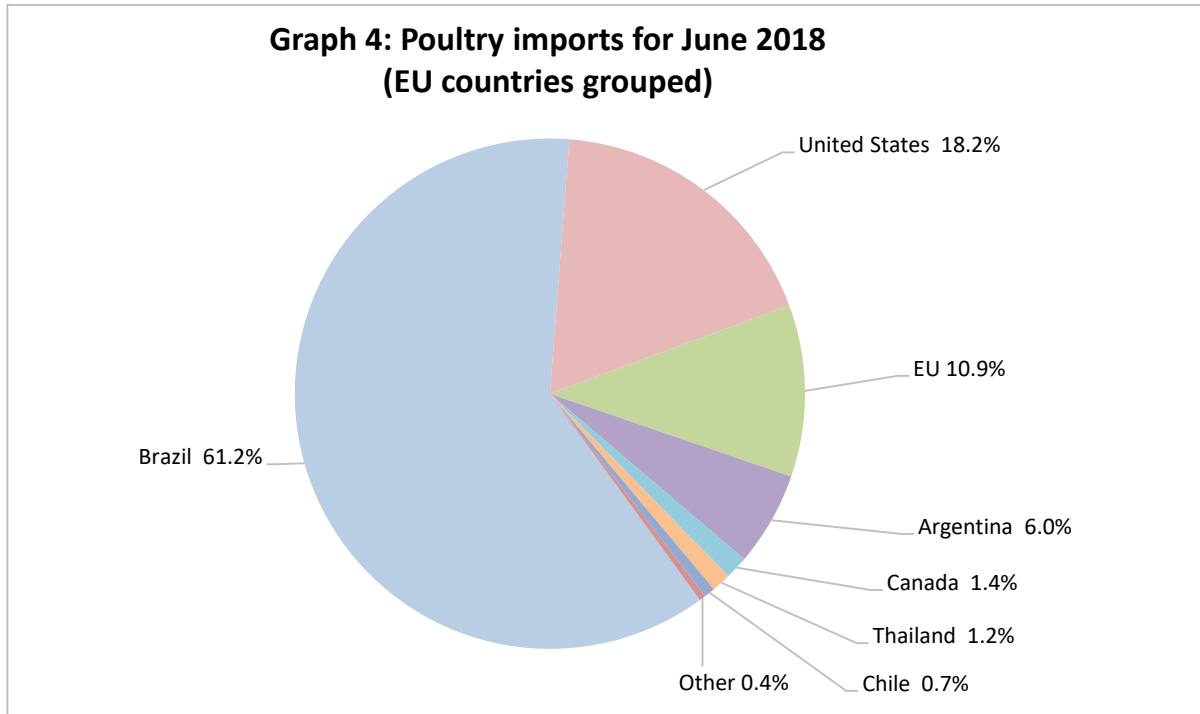
Only 80 *kilogrammes* of poultry product arrived from France in June 2018, because of AI-related restrictions on trade. The Argentinians and Canadians exported 2 255 and 542 tonnes, respectively. The Thais landed 462 tonnes in June, and Chile 264 tonnes.

Poland entered the South African market in August 2016, with 82 t of chicken drumsticks and chicken offal. Polish volumes increased to 2 521 t in November 2016 but the country has experienced outbreaks of HPAI since late 2016 and no poultry imports were received from Poland through 2017 or in 2018 YTD.

Graph 4 shows the origin of poultry imports in June 2018, with the EU countries grouped together as a single entity.

Imports from the EU contributed 10.9 % (4 118 t) of total poultry imports into South Africa in June (*cf* 63.1 % in November 2016). EU tonnages were down 27.9 % on a monthly basis and are down 47.5 % on a year-on-year basis.

**Graph 4: Poultry imports for June 2018
(EU countries grouped)**



COUNTRIES OF ORIGIN

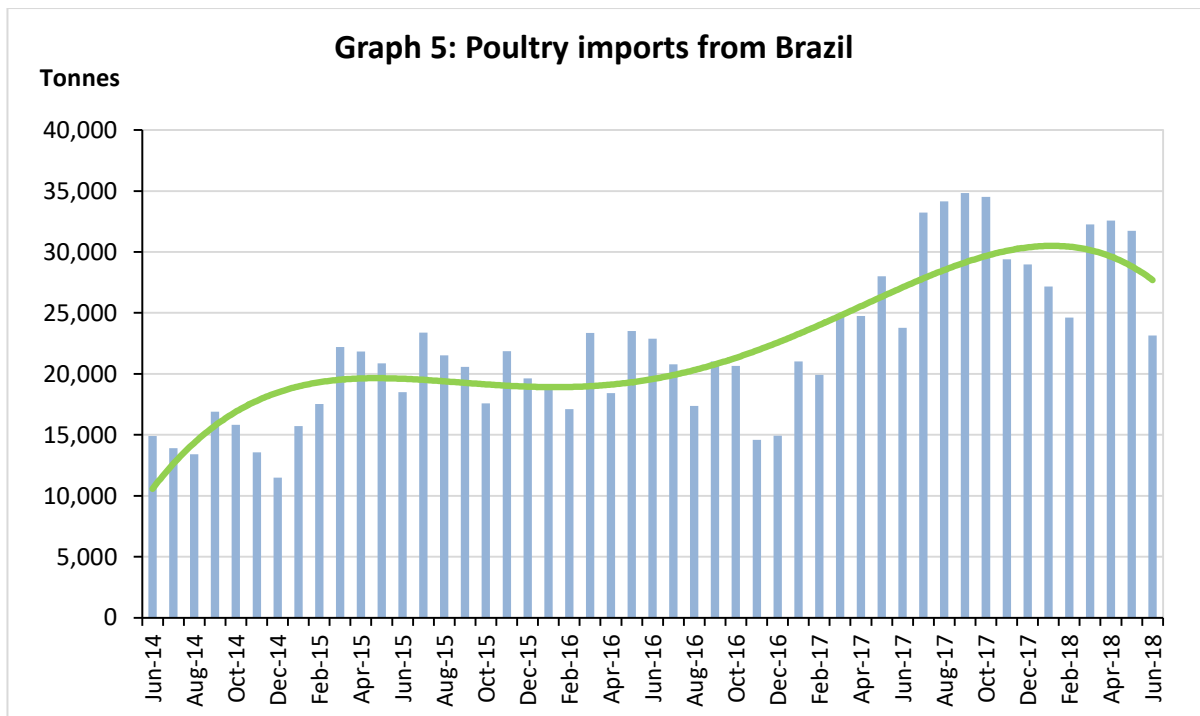
3.1 Poultry imports from Brazil

Poultry imports from Brazil totalled 23 138 t in June 2018, representing 61.2 % of total poultry imports in volume terms, with an FOB import value of R240.5 million. On a monthly basis, imports from Brazil decreased by 27.1 % (- 8 590 t). Imports decreased by 2.7 % (- 636 t) compared to June 2017. Brazil's has taken advantage since AI-related trade bans were put in place against EU countries but, this month, imports to South Africa have dropped. This is probably a reflection of on-going export issues relating to corruption amongst Brazilian meat inspectors, or an 11-day truckers strike which disrupted trade in agricultural goods.

Poultry imports from Brazil for June 2018:

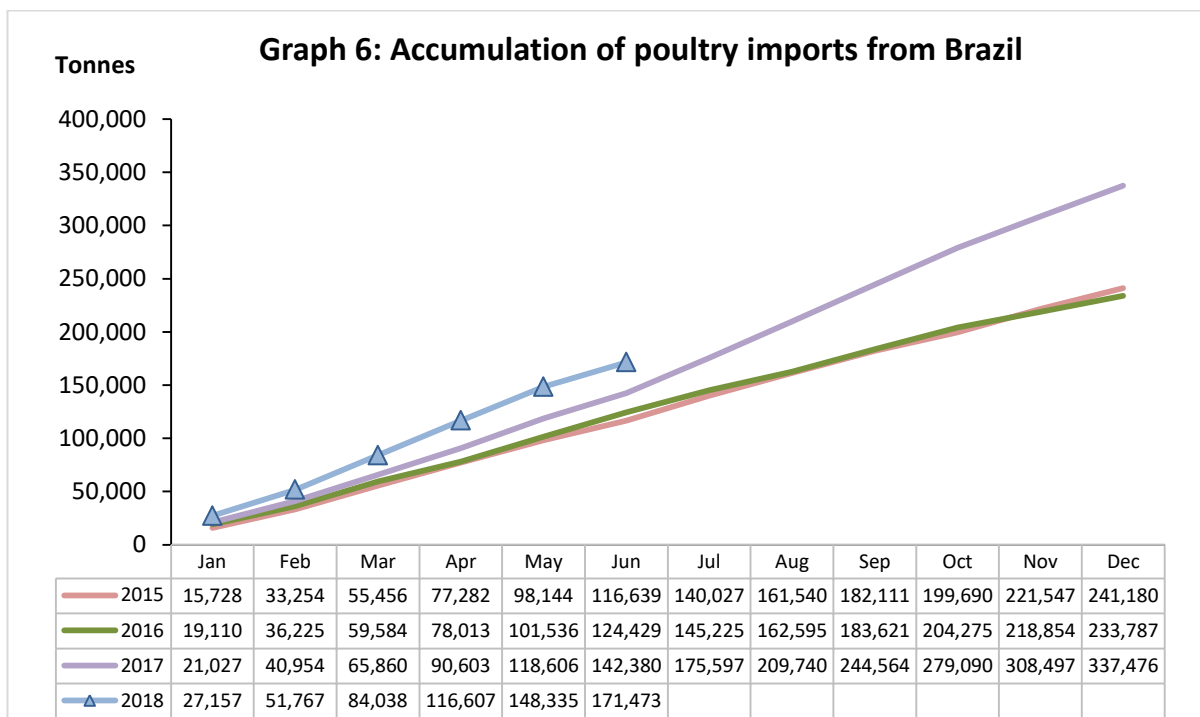
<i>Tariff</i>	<i>Description</i>	<i>Import Quantity in kg</i>	<i>FOB Import Price in R</i>	<i>Unit Price in R per kg</i>
0207.1210	Chicken: Not cut in pieces, Frozen Mechanically Deboned Meat	7,488,662	R 42,577,478	R 5.69
0207.1220	Carcasses (excluding necks and offal) with all cuts(e.g. thighs, wings, legs and breasts) removed	856,064	R 4,949,860	R 5.78
0207.1290	Chicken: Not cut in pieces, frozen, whole and half chickens	457,061	R 7,314,637	R 16.00
0207.1411	Chicken: Boneless cuts: Breasts	1,092,197	R 24,014,224	R 21.99
0207.1415	Chicken: Boneless cuts: Other	439,320	R 7,887,315	R 17.95
0207.1421	Chicken: Offal: Livers	506,433	R 3,641,701	R 7.19
0207.1423	Chicken: Offal: Feet	1,097,616	R 17,174,863	R 15.65
0207.1429	Chicken: Offal: Other	1,575,141	R 6,884,533	R 4.37
0207.1493	Chicken: Other: Leg quarters	7,249,934	R 89,604,919	R 12.36
0207.1495	Chicken: Other: Wings	532,695	R 10,065,306	R 18.90
0207.1498	Chicken: Other: Drumsticks	488,165	R 7,232,360	R 14.82
0207.1499	Chicken: Other: Other	593,994	R 5,504,437	R 9.27
0207.2700	Turkey: Cuts and offal, frozen; Frozen Turkey portions and MRM	717,895	R 12,240,890	R 17.05
0207.4100	Ducks, Not cut in pieces, fresh or chilled	27,005	R 1,057,216	R 39.15
1602.3290	Chicken: Flavoured, herbed or marinated	15,990	R 358,053	R 22.39
Total for:	Brazil in June 2018	23,138,172	R 240,507,792	R 10.39

Graph 5 shows the monthly imports (t) from Brazil, since June 2014:



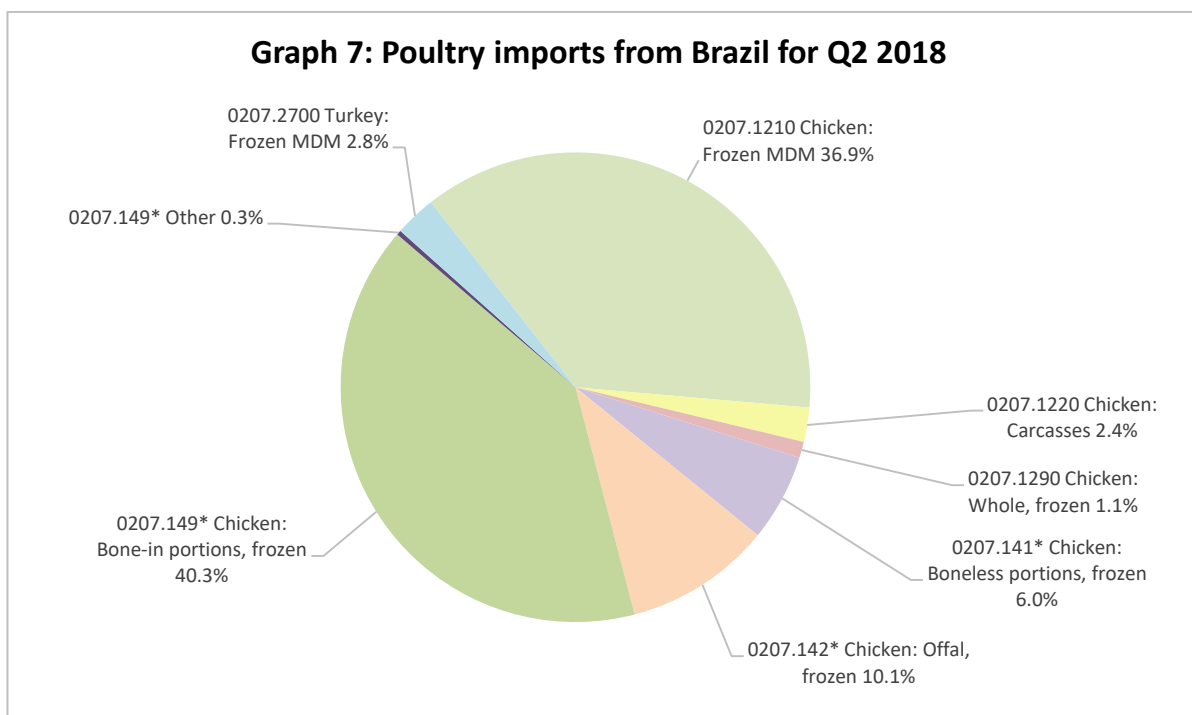
Brazilian imports in June 2018 included 32.4 % mechanically deboned meat; 17.4 % chicken offal and carcasses; 31.3 % frozen chicken bone-in leg quarters; 2.1 % frozen chicken drumsticks; 4.9 % other frozen chicken portions (wings, other); 6.6 % frozen boneless chicken portions; 2.0 % whole frozen chickens and 3.1 % turkey meat. Imports included a small quantity of value-added chicken and whole fresh ducks. In December 2016, Brazilian imports comprised just 2.9 % bone-in chicken portions. In June 2018, this figure is 38.3 % (from a high of 46.5 % in February 2018).

Accumulated imports in December 2017 (337 476 t) were 44.4 % higher than in December 2016 (Graph 6). Accumulated Brazilian imports (171 473 t) in 2018 YTD are 20.4 % higher than in the same period in 2017.



Quarterly poultry imports from Brazil:

Mechanically deboned meat (0207.1210) made up 36.9 % (32 297 t) of all imports originating from Brazil during the 2Q 2018 (total: 87 435 t). During 2Q 2018, the remainder of Brazilian imports included 10.1 % frozen offal (0207.142*); 40.3 % bone-in chicken portions (35 266 tonnes; 0207.149*); 2.8 % frozen turkey portions and MDM (0207.2700); 6.0 % frozen boneless chicken portions (0207.141*); 2.4 % frozen chicken carcasses; 1.1 % whole frozen chicken (0207.1290) and 0.3 % other (Graph 7, above).

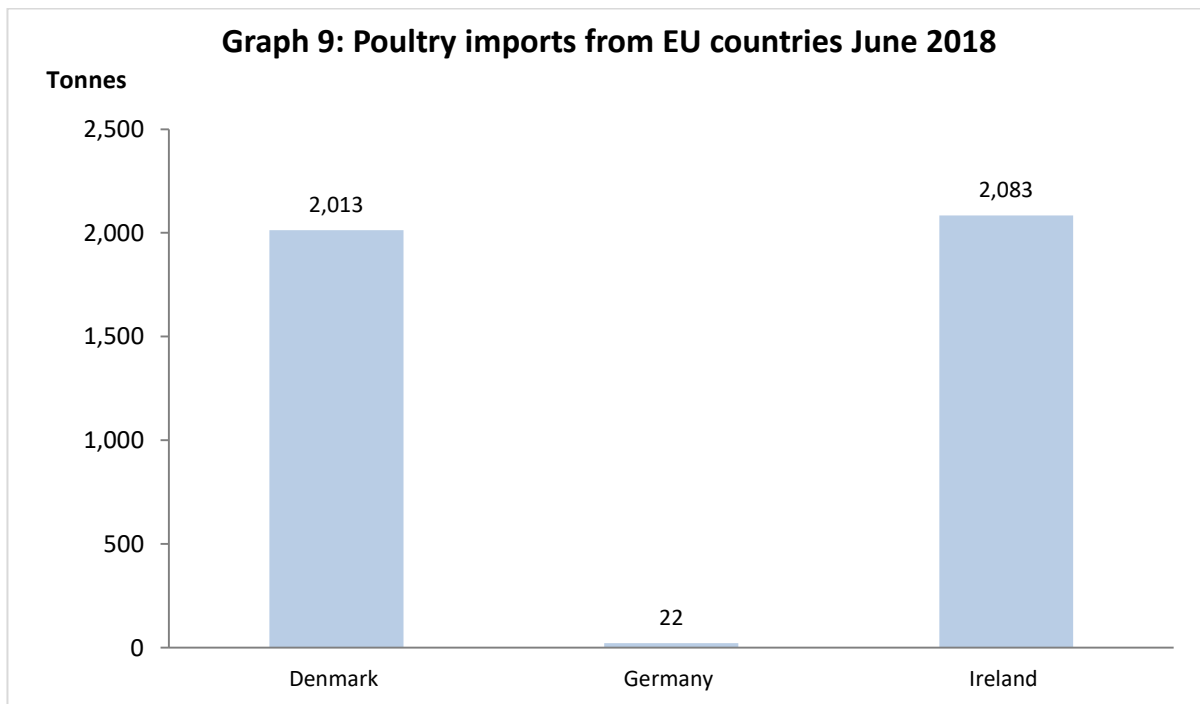
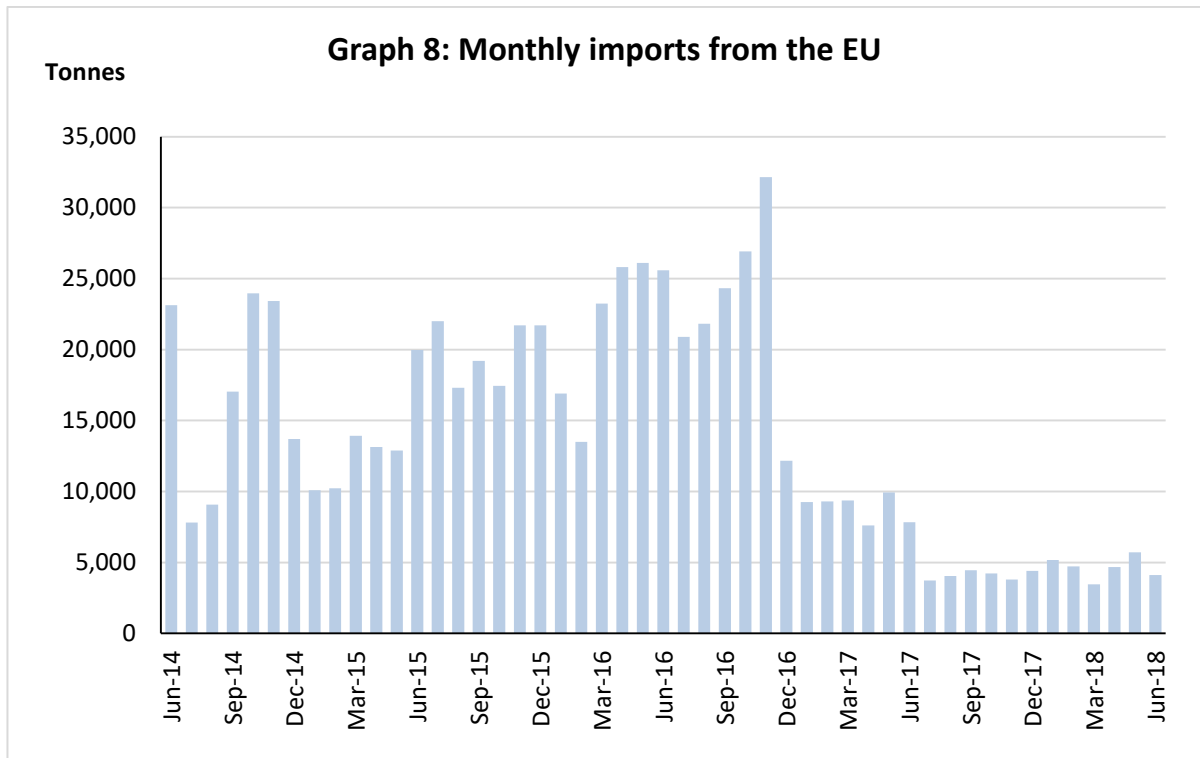


3.2 Poultry imports from the EU

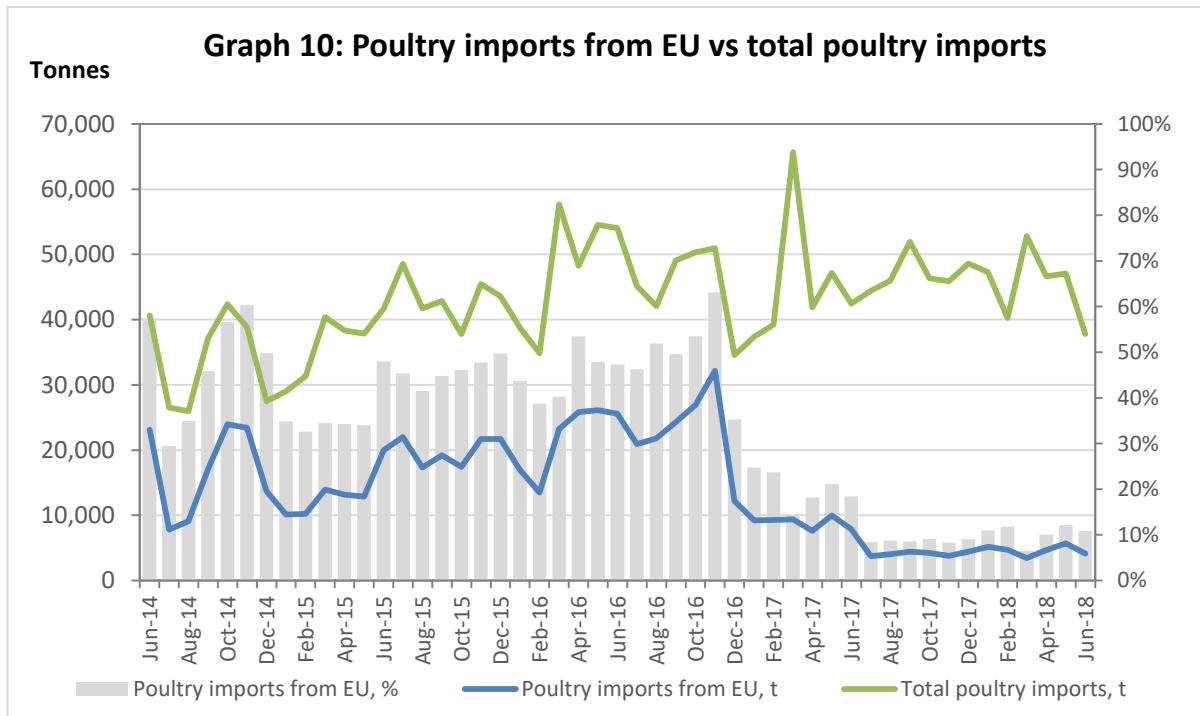
Graph 8 depicts the total monthly poultry imports from the European Union from June 2014 to June 2018. During June 2018, 4 118 t of poultry imports entered the country from the EU; this is 27.9 % less than in May (- 1 592 t).

EU imports represent 10.9 % of total poultry imports in June. Imports from individual EU countries, with notable tonnages, are shown in Graph 9. Only three EU nations sent product in excess of 1 tonne to South Africa in June, because of AI-related trade issues.

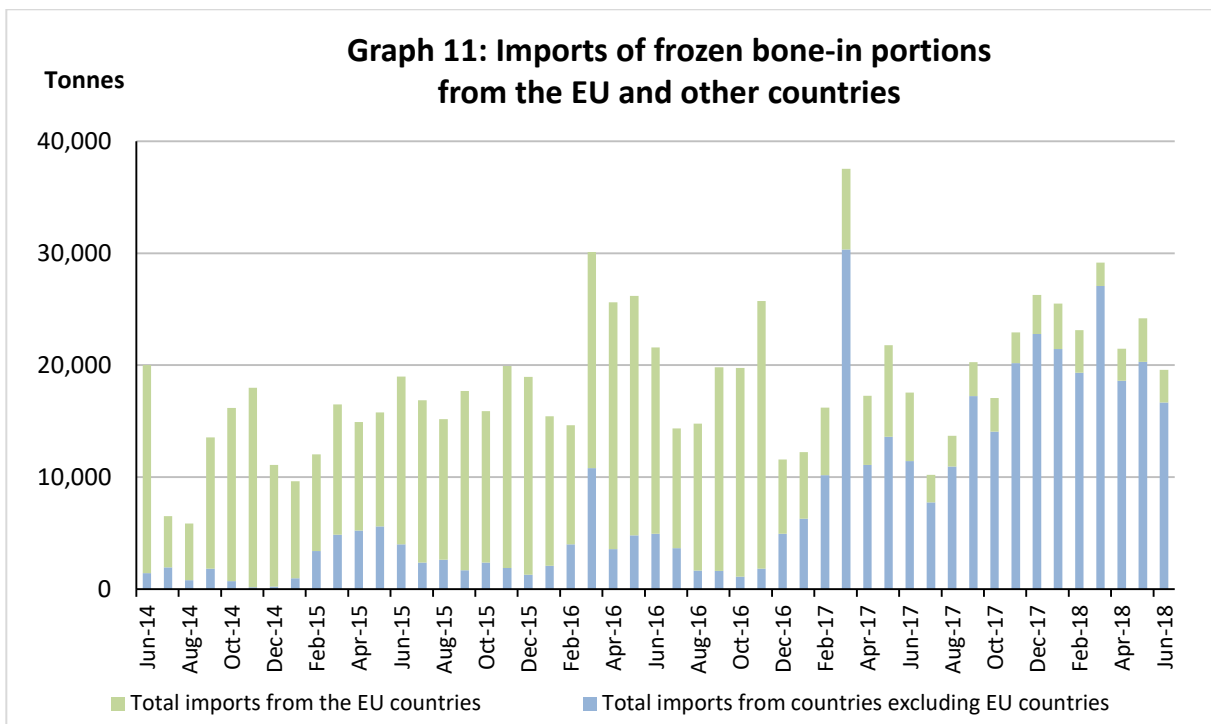
The contribution of the EU to total poultry imports reached 60 % in November 2014 (Graph 10) before the HPAI outbreaks of 2015. EU tonnages rose strongly again through 2016 as the bloc recovered from the epidemic, hitting 63 % of total imports in November 2016. Imports dropped dramatically from December 2016 in response to new AI-related trade bans.



June 2018 imports from the EU are down 47.5 % (- 3 722 t) on June 2017 imports and down 87.2 % on the record EU imports received in November 2016.



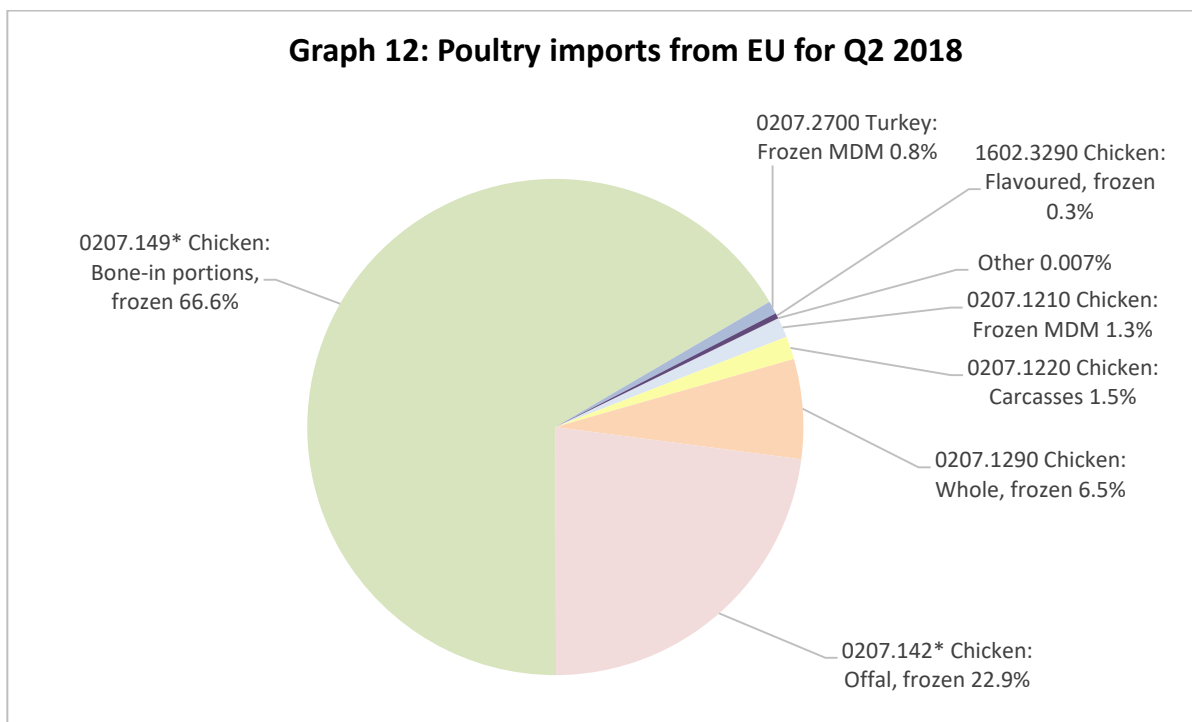
The contribution of frozen bone-in portions imports originating from the EU had been increasing steadily, relative to imports from other countries (Graph 11) but, with AI-related trade bans applied since late 2016, the EU proportion decreased from > 90 % to average 14 % in 1H 2018.



Quarterly poultry imports from EU:

Frozen bone-in chicken portions (0207.149*) made up 66.6 % (9 657 t) of all imports originating from the EU during the 2Q 2018 (total: 14 494 t; Graph 12). During the first quarter of 2018, the remainder of EU imports comprised 22.9 % frozen offal (0207.142*); 6.5 % whole frozen chickens (0207.1290); 1.5 % frozen chicken carcasses (0207.1220); 0.8 % frozen turkey cuts and offal

(0207.2700); 1.3 % frozen chicken MDM (0207.1210) and 0.007 % of products imported on other tariff lines.



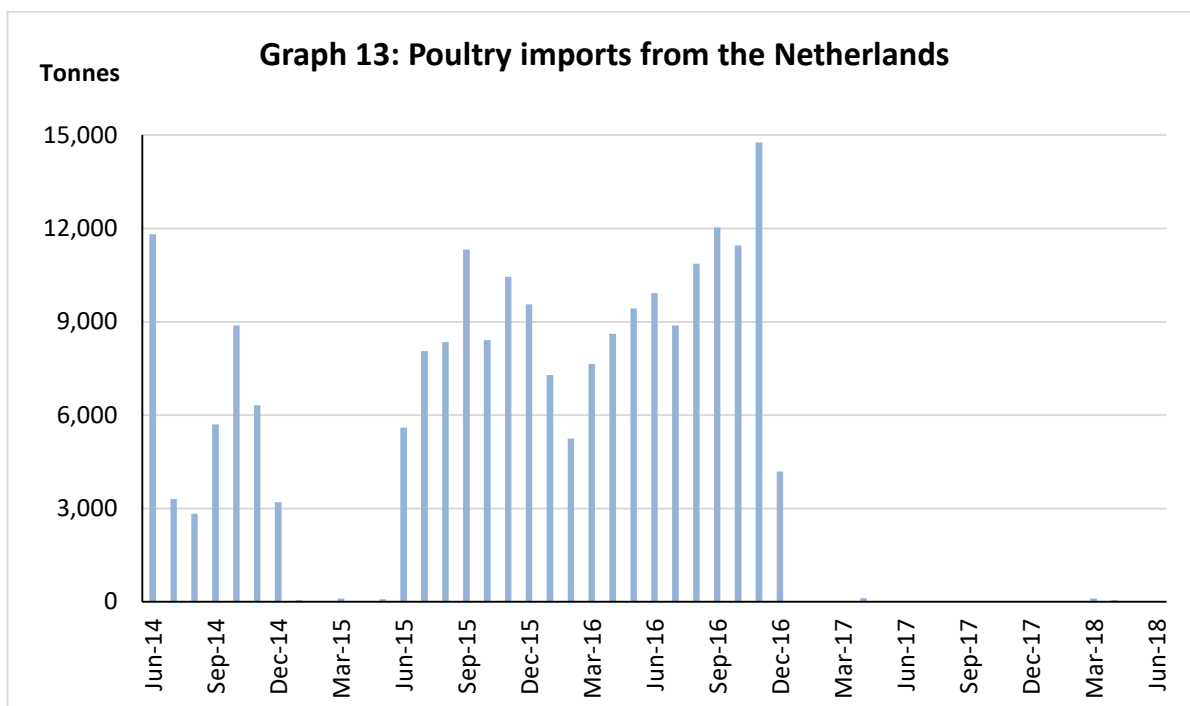
3.2.1 Poultry imports from Netherlands for June 2018:

Dutch poultry imports reached a peak in November 2016 (14 769 t; see Graph 13). However, from November 2016, the Netherlands reported two H5N8 HPAI events to the OIE. The first event totalled 56 outbreaks (351 cases) with the last outbreak reported on 22 March 2017. The second event centred on nine farms, totalling 3 658 cases. Over 210 000 birds were culled. Final reports on both these events were submitted to the OIE on 17 May 2017 and the Dutch officially declared their avian-influenza free-status regained, under the terms of Article 10.4.3 of the OIE Terrestrial Animal Health Code (2016). On 22 May 2017, the Netherlands reported two cases of H5N5 HPAI in wild greylag geese in the Utrecht region of the country. From 9 December 2017, a new event was opened with the OIE by the Dutch. Mute swans in the Gelderland region were found to be infected with an H5N6 subtype of the AI virus. This is thought to be a re-assortment linked to H5N8, and not related to the Asian H5N6 strain.

In follow-up reports (24 January and 23 March 2018), further cases in swans, mallard ducks, gulls, greylag geese, Indian peafowl, buzzards and falcons were reported from Gelderland, Flevoland, Zuid-Holland, Noord-Holland, Zeeland and Groningen. Cases since December now total 68, in 10 outbreaks. The latest reported case in wild birds was on 28 February 2018. A final report on this event was submitted to the OIE on 5 April 2018.

In December 2017, the Dutch reported an outbreak of H5N6 HPAI in a duck farm to the east of Amsterdam (Flevoland). This outbreak resulted in the culling of 16 000 fattening ducks. This case was declared resolved on 5 April 2018. On 24 February, the Dutch reported H5N6 HPAI in a farm in the province of Groningen in the north of the country. Almost 38 000 birds have been culled, after 230 died from the disease. A second outbreak was added to this event on 12 March in the Overijssel region. In this outbreak, almost 29 000 birds were culled. A final report on this event, declaring it resolved, was submitted to the OIE on 10 July 2018.

The Dutch made a return to the South African poultry market in March 2018 (105 t) and in April 54 tonnes arrived from the Netherlands. No imports were received in May or June 2018.



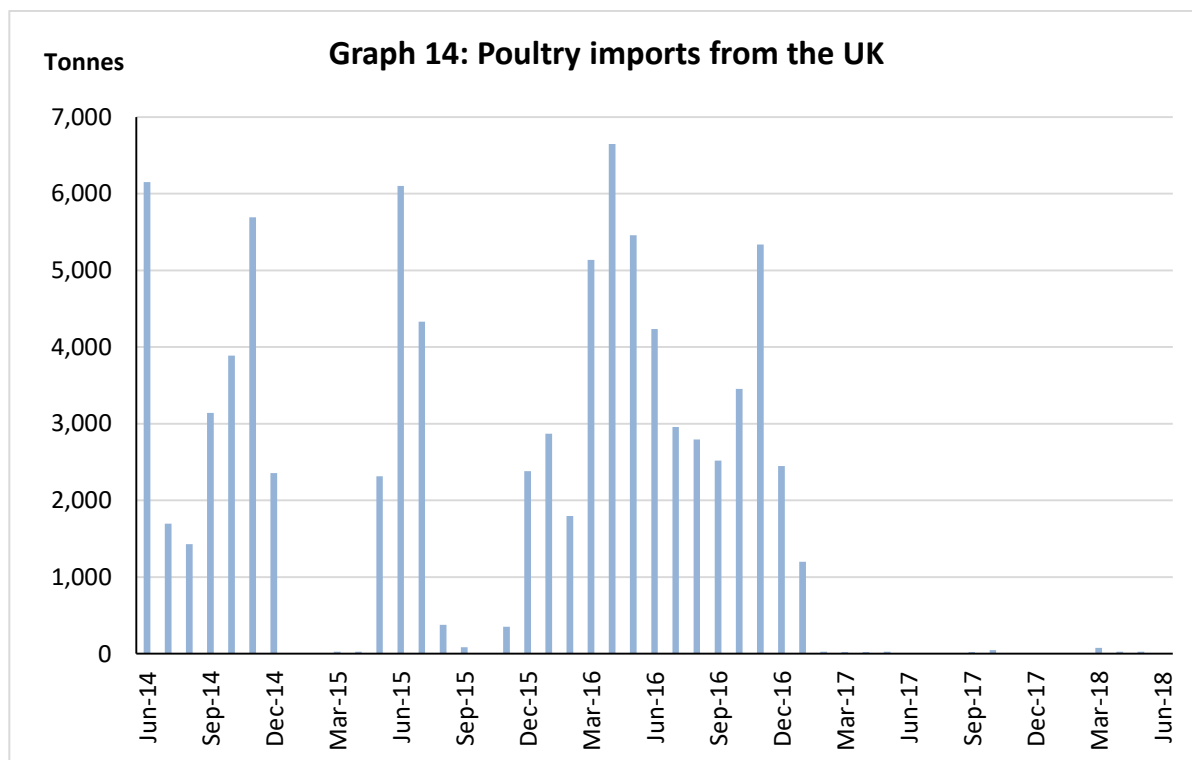
Poultry imports from the Netherlands totalled 110 344 t in 2016, an increase of 48 349 t (+ 78 %) in comparison with 2015 (61 995 t). Dutch imports totalled 122 tonnes in 2017 and imports have reached 159 t in 2018 YTD.

3.2.2 Poultry imports from the UK for June 2018:

Since 11 December 2016, the UK has been dealing with regular outbreaks of H5N8 HPAI. To March 2017, the UK reported 27 outbreaks, consisting of 5 880 cases in commercial birds and 178 in wild birds. A final report was submitted on this event to the OIE on 9 March 2017. However, a separate report was submitted on 3 March 2017 confirming H5N8 HPAI in a wild European wigeon in Pembrokeshire in Wales.

On 3 May 2017, the UK experienced a new outbreak of H5N8 in a backyard flock in the Wyre district of Lancashire and, within days, a second outbreak was reported nearby. In early June 2017, H5N8 HPAI was recorded in a backyard flock in Diss, Norfolk. In late July 2017, the UK reported H5N8 in a mute swan on the Norfolk Broads. Final reports on these events were issued to the OIE on 13 September 2017.

From 9 January 2018, the UK reported 20 outbreaks, totalling 85 cases in wild birds across Dorset, Rutland, Hertfordshire, Greater London, Warwickshire, Surrey, Berkshire, Oxfordshire, South Glamorgan, Northern Ireland, Lincolnshire, Hampshire, Suffolk and Devon. The species affected by the H5N6 strain include mute swans, gulls, geese, ducks, moorhens, grebes, pheasants, Eurasian buzzards and goshawks. No further outbreaks were recorded after 28 March 2018 and a final report on this event, declaring it resolved, was submitted to the OIE on 5 April 2018. On 15 June, the UK opened a new report with the OIE after H5N6 avian influenza was reported in a greylag goose in Northern Ireland.



The British made a return to the South African poultry market in March 2018 but tonnages have been low and sporadic. In June, only 11 *kilogrammes* of pastes (ducks, geese or guinea fowl) were imported; at an FOB value of R545.

Poultry imports from the UK for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
1602.3910	Ducks, geese or guinea fowl: Pastes	11	R 545	R 49.55
Total for:	United Kingdom in June 2018	11	R 545	R 49.55

Poultry imports from the UK totalled 45 657 t in 2016, an increase of 186 % over 2015 levels (15 985 t). In 2017, imports from the UK amounted to 1 366 tonnes. In 2018 YTD, 125 t of poultry products have arrived from the UK.

3.2.3 Poultry imports from Germany for June 2018:

Low and erratic levels of imports have been recorded from Germany over the last three years as a result of temporary bans on imports because of avian influenza in the 4Q 2014, 3Q 2015, 4Q 2016 and 1H 2017. To 26 May 2017, Germany notified the OIE of 286 outbreaks of H5N8 HPAI in wild birds and commercial poultry; with the last confirmed outbreak on 9 May 2017. More than 1.15 million birds have been destroyed as part of control measures. Germany also reported three outbreaks (2 350 cases) of H5N5 HPAI in breeding and fattening turkeys in January 2017. Final reports on all these outbreaks were submitted to the OIE on 11 August 2017.

However, on 29 August last year, a new notification was made by the Germans to the OIE, reporting H5N8 HPAI in three wild swans in Sachsen-Anhalt in the centre of the country. A final report on this event was issued on 4 October 2017. On 18 October, the Germans reported H5N8

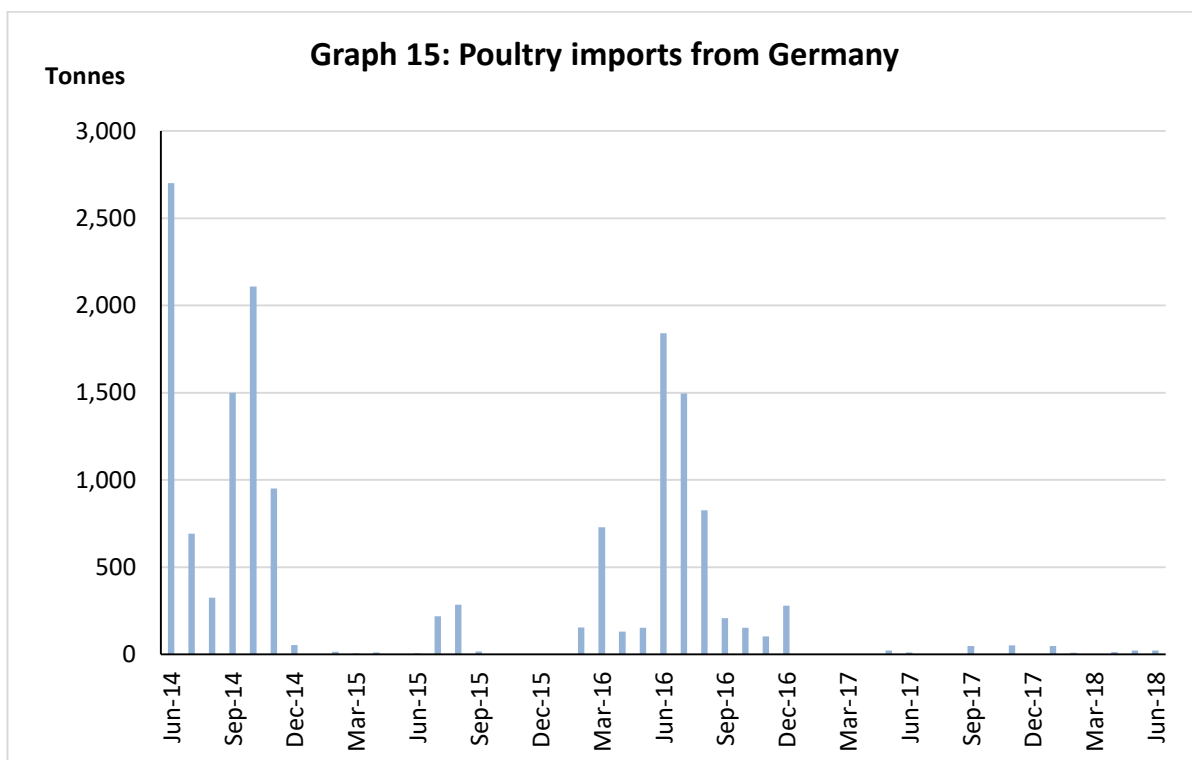
in a wild mallard duck in the north-west region of Nieder-Sachsen, on the Dutch border. This event was declared resolved (23 October 2017).

On 4 January 2018, the Germans reported a single case of H5N6 HPAI in a wild duck near Bayern. A final report was submitted to the OIE on 2 February 2018. On 20 March 2018, the Germans reported H5N6 in a backyard flock of rare and endangered fowl, in the northerly Schleswig-Holstein region. This report has been updated to include a case in a white stork, found in Niedersachsen on 28 April 2018, and a Eurasian buzzard in a forest in the Nordrhein-Westfalen region on 5 April 2018. A final report on this event, declaring it resolved, was submitted to the OIE on 1 June 2018.

In June 2018, 21.5 tonnes of value-added chicken were received from Germany (Graph 15); at an FOB value of R1.4 million. This is a repeat of the volume and value imported in May; which is perhaps an error in reporting by SARS. German imports accounted for only 0.06 % of total poultry imports into South Africa in June 2018.

Poultry imports from Germany for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
1602.3290	Chicken: Flavoured, herbed or marinated	21,528	R 1,434,033	R 66.61
Total for:	Germany in June 2018	21,528	R 1,434,033	R 66.61



Poultry imports from Germany were restricted to 554 t in 2015. In 2016, 6 073 t of poultry products were imported from Germany. In 2017, only 134 t of German poultry products were imported. In 2018 YTD, 113 t of poultry products have arrived from Germany.

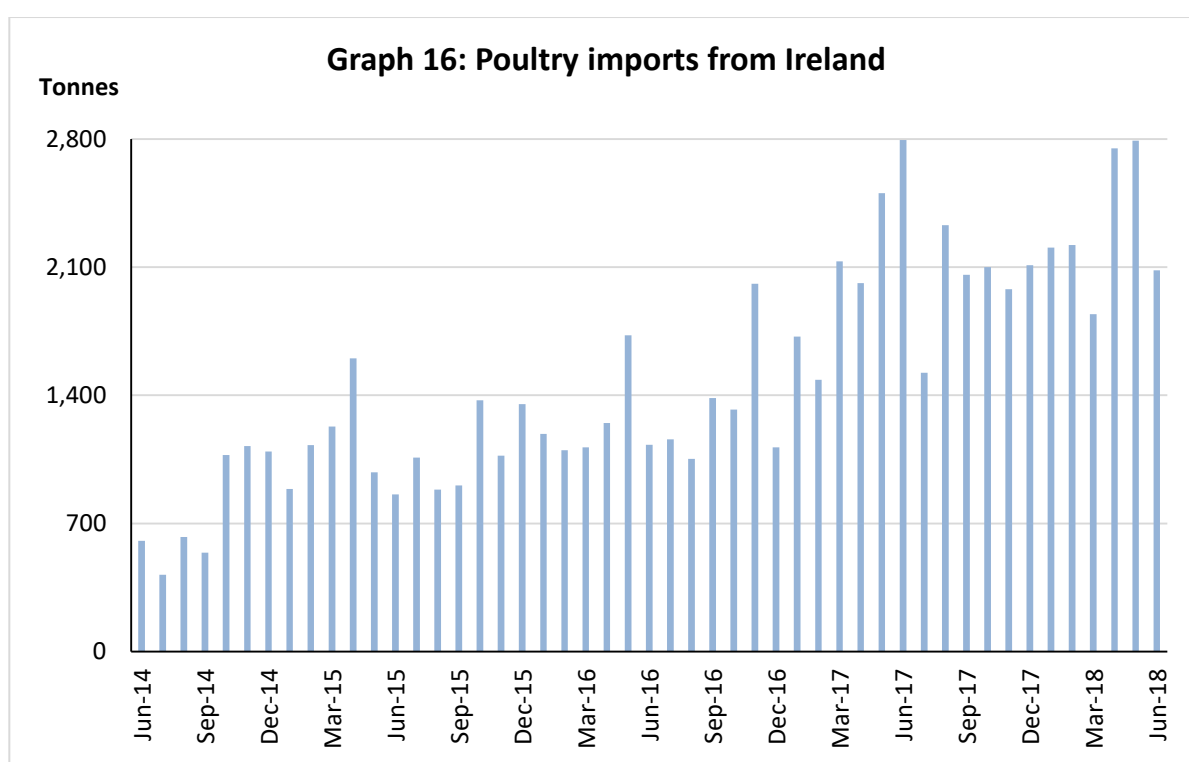
3.2.4 Poultry imports from Ireland for June 2018:

In June 2018, 2 083 t of poultry meat were imported from Ireland at an FOB value of R 33.0 m (Graph 16). Irish imports accounted for 5.5 % of total imports into South Africa in June; a decrease of 25.4 % (- 708 t) on a monthly basis and a decrease of 25.4 % (- 710 t) on June 2017 imports.

Poultry imports from Ireland for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1290	Chicken: Not cut in pieces, frozen, whole and half chickens	237,520	R 4,322,731	R 18.20
0207.1421	Chicken: Offal: Livers	75,000	R 718,128	R 9.58
0207.1423	Chicken: Offal: Feet	302,400	R 4,744,157	R 15.69
0207.1429	Chicken: Offal: Other	249,310	R 1,668,635	R 6.69
0207.1493	Chicken: Other: Leg quarters	882,380	R 15,741,582	R 17.84
0207.1495	Chicken: Other: Wings	81,880	R 1,341,646	R 16.39
0207.1497	Chicken: Other: Thighs	108,440	R 1,941,286	R 17.90
0207.1498	Chicken: Other: Drumsticks	116,361	R 2,143,144	R 18.42
0207.2700	Turkey: Cuts and offal, frozen; Frozen Turkey portions and MRM	25,000	R 367,866	R 14.71
1602.3290	Chicken: Flavoured, herbed or marinated	5,040	R 54,696	R 10.85
Total for:	Ireland in June 2018	2,083,331	R 33,043,871	R 15.86

Of the Irish imports, 42.4 % were chicken leg quarters; 30.1 % chicken offal (livers, feet and other); 1.2 % frozen turkey cuts and offal; 11.4 % whole frozen chicken; and 14.7 % other bone-in portions (wings, thighs, drumsticks).



In 2017, Ireland exported 24 746 t of poultry products to South Africa, compared to 15 556 t during 2016; an increase of 59.1 %. Accumulated Irish imports in 2018 YTD (13 892 t) are 24.8 % higher than the same period in 2017.

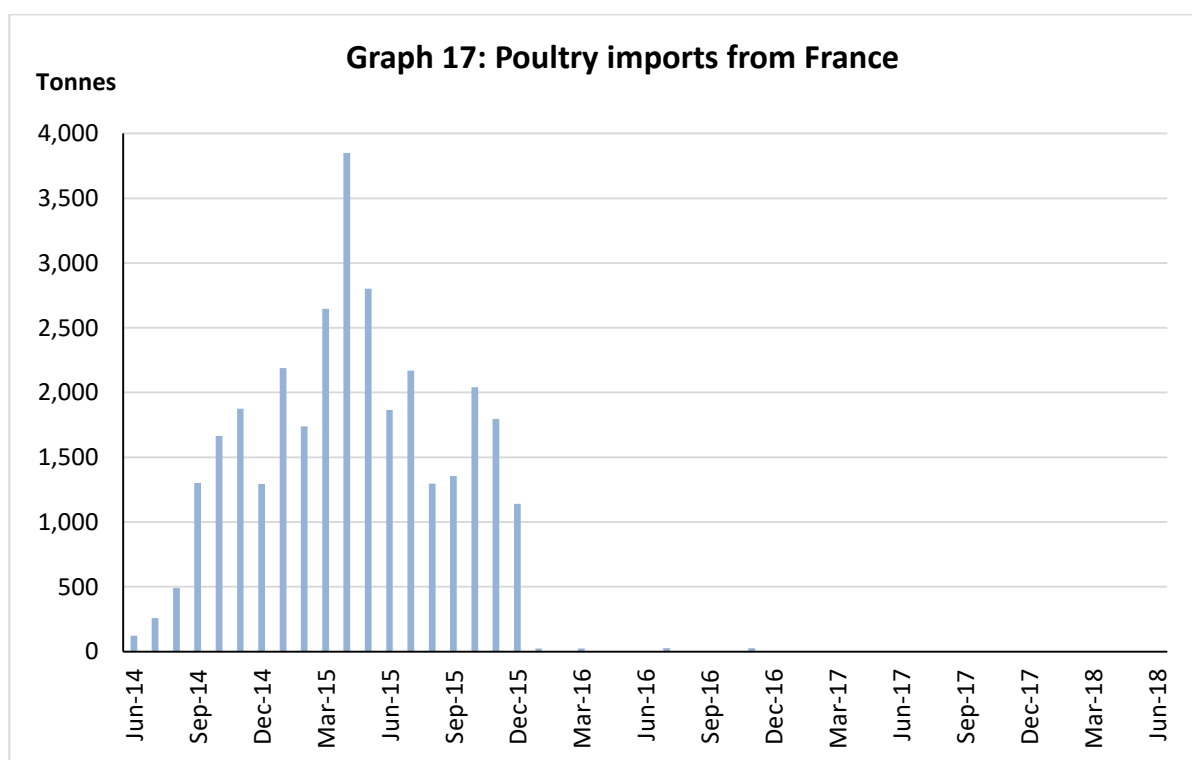
From 28 December 2017, the Irish reported 9 outbreaks (12 cases) of H5N8 HPAI in whooping and mute swans, European wigeons and grey herons in counties Tipperary, Galway, Wexford, Roscommon, Leitrim and Cork. This event was declared resolved in a final report on 2 February 2018. On 9 February, in a separate event, the Irish reported a case of highly pathogenic avian influenza in a white-tailed eagle found in County Tipperary in the centre of the country. Two more cases were added to this event – a Eurasian buzzard in County Tipperary (February) and a white-tailed eagle in County Clare (March). This event is not yet resolved with the OIE.

3.2.5 Poultry imports from France for June 2018:

Between December 2015 and August 2016, 81 separate outbreaks of the Eurasian H5N1, H5N2 and H5N9 strains (three events) were reported in the south west of France, resulting in the destruction of over 280 000 birds. The French were due to regain HPAI-free status in December 2016 but, on 17 November 2016, a fourth HPAI event was reported to the OIE. This event expanded to 55 outbreaks in all four corners of the country, with the last positive case being reported on 10 March 2017. This event was declared closed through the OIE on 18 October 2017.

In a fifth event, beginning November 2016, the French had to report a further 485 outbreaks of H5N8 HPAI, totalling 15 900 cases, which resulted in the culling of over 1.29 million birds (OIE) in the districts of Landes, Hautes-Pyrenees, Gers, Deux-Sevres, Pyrenees-Atlantiq, Lot-et-Garonne, Aveyron and Tarn. The last positive outbreak was reported was on 26 June 2017. Local producers estimate that some 3.2 million birds were lost to the disease or in the pre-emptive culls. This event was also declared resolved with the OIE on the 18 October 2017.

In June 2018, only 80 *kilogrammes* of poultry meat were imported from France at an FOB value of R63 217. These imports were all pâté de foie gras (quantity too small to be visible in graph below).



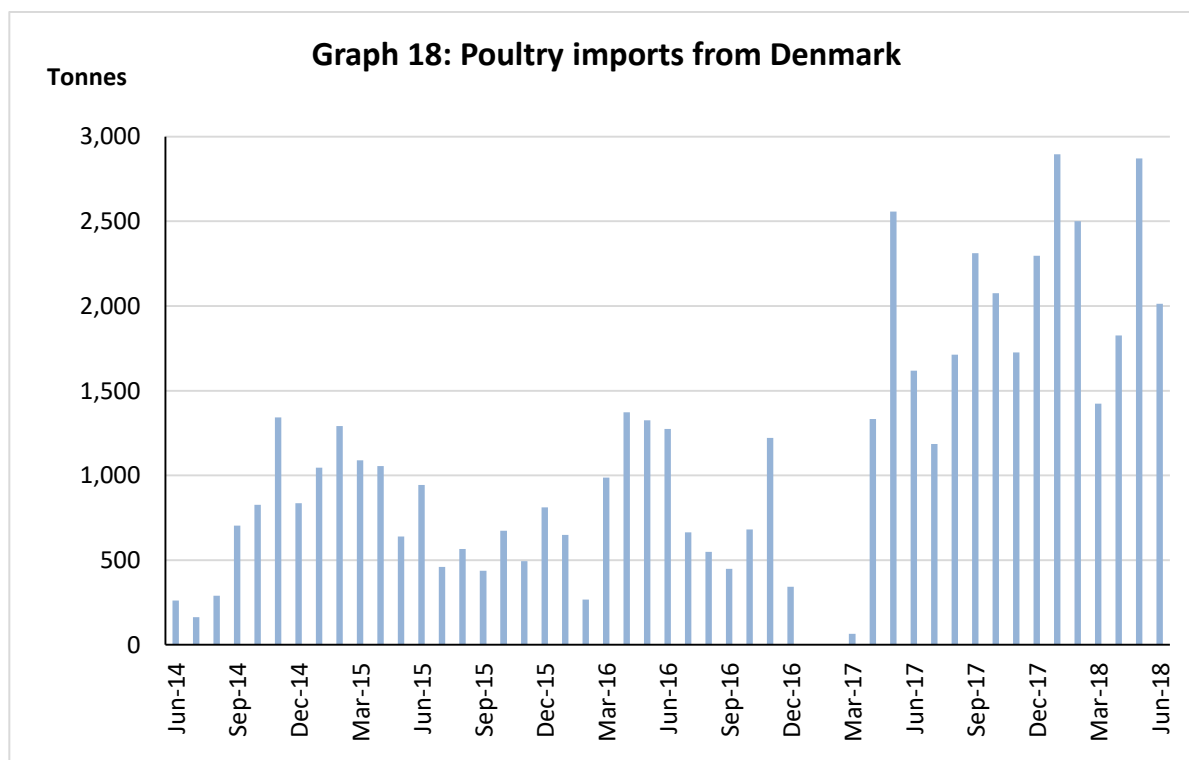
Poultry imports from France for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
1602.2010	Pate de foie gras, goose liver paste	80	R 63,217	R 790.21
Total for:	France in June 2018	80	R 63,217	R 790.21

In 2016, France exported only 105.4 t of poultry products to South Africa, compared to 24 985 t during 2015; a decrease of 99.6 %. Accumulated imports into France in 2017 totalled 3.9 tonnes. In 2018 YTD, imports from France total 3.2 tonnes.

3.2.6 Poultry imports from Denmark for June 2018:

In June 2018, 2 013 t of poultry meat were imported from Denmark at a FOB value of R34.9 million. This is 858 t less (- 29.9 %) than the tonnes imported in May but 24.4 % (+ 394 t) more than June 2017. Denmark accounted for 5.3 % of total poultry imports in June 2018.



Poultry imports from Denmark for June 2018:

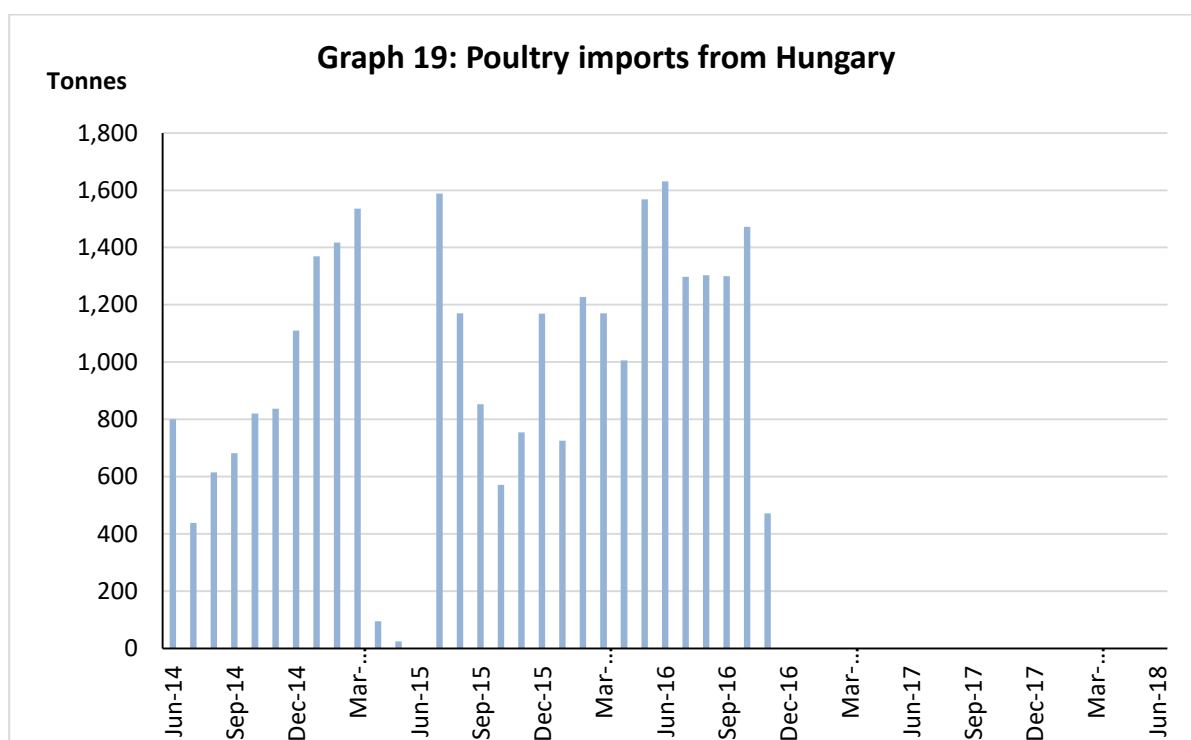
Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1220	Carcasses (excluding necks and offal) with all cuts (e.g. thighs, wings, legs and breasts) removed	81,400	R 651,617	R 8.01
0207.1423	Chicken: Offal: Feet	135,984	R 1,847,932	R 13.59
0207.1429	Chicken: Offal: Other	83,210	R 726,964	R 8.74
0207.1493	Chicken: Other: Leg quarters	1,180,835	R 21,753,542	R 18.42
0207.1495	Chicken: Other: Wings	329,216	R 6,779,843	R 20.59
0207.1497	Chicken: Other: Thighs	174,613	R 2,973,432	R 17.03
0207.1499	Chicken: Other: Other	28,000	R 212,425	R 7.59
Total for:	Denmark in June 2018	2,013,258	R 34,945,755	R 17.36

Of the Danish imports in December, 58.7 % were frozen chicken leg quarters; 16.4 % chicken wings; 8.7 % chicken thighs; 1.4 % “other” frozen bone-in portions; 10.9 % chicken offal (feet and other); and 4.0 % frozen chicken carcasses.

After reporting 36 outbreaks of H5N8 HPAI in wild birds (November 2016), Denmark reclaimed its HPAI-free status on 22 February 2017. In April 2017, Denmark reported H5N8 in a white-tailed eagle, but invoked Article 10.4.1.8 of the OIE Terrestrial Animal Health Code, which states that member states should not impose bans on poultry or poultry commodities in response to notification of the presence of HPAI in birds other than poultry. They have recently reported a further nine outbreaks in white-tailed eagles, eleven outbreaks in Eurasian buzzards and a number of outbreaks in gulls, cormorant, crows and mute swan. Denmark has reported 24 outbreaks to 15 May 2018 (follow-up report number 2). The last reported case was on 15 April 2018. A final report on this event was submitted to the OIE on 22 June.

In 2016, Denmark exported 9 779 t of poultry products to South Africa, compared to 9 508 t during 2015; an increase of 2.9 %. Imports from Denmark in 2017 totalled 16 884 t; 72.7 % more than in 2016. Accumulated Danish imports in 2018 YTD are 11 517 t, compared to only 3 956 t in the same period in 2017.

3.2.7 Poultry imports from Hungary for June 2018:



No poultry meat was imported from Hungary in June 2018 (Graph 19). In 2016, Hungary exported 13 174 t of poultry products to South Africa, compared to 10 547 t during 2015; an increase of 24.9 %. Nothing was imported through 2017 or in 2018 YTD.

Hungary experienced a single avian influenza event in late March 2015, which was declared resolved in an OIE report issued on the 8 April 2015. However, from 1 December 2016, Hungary

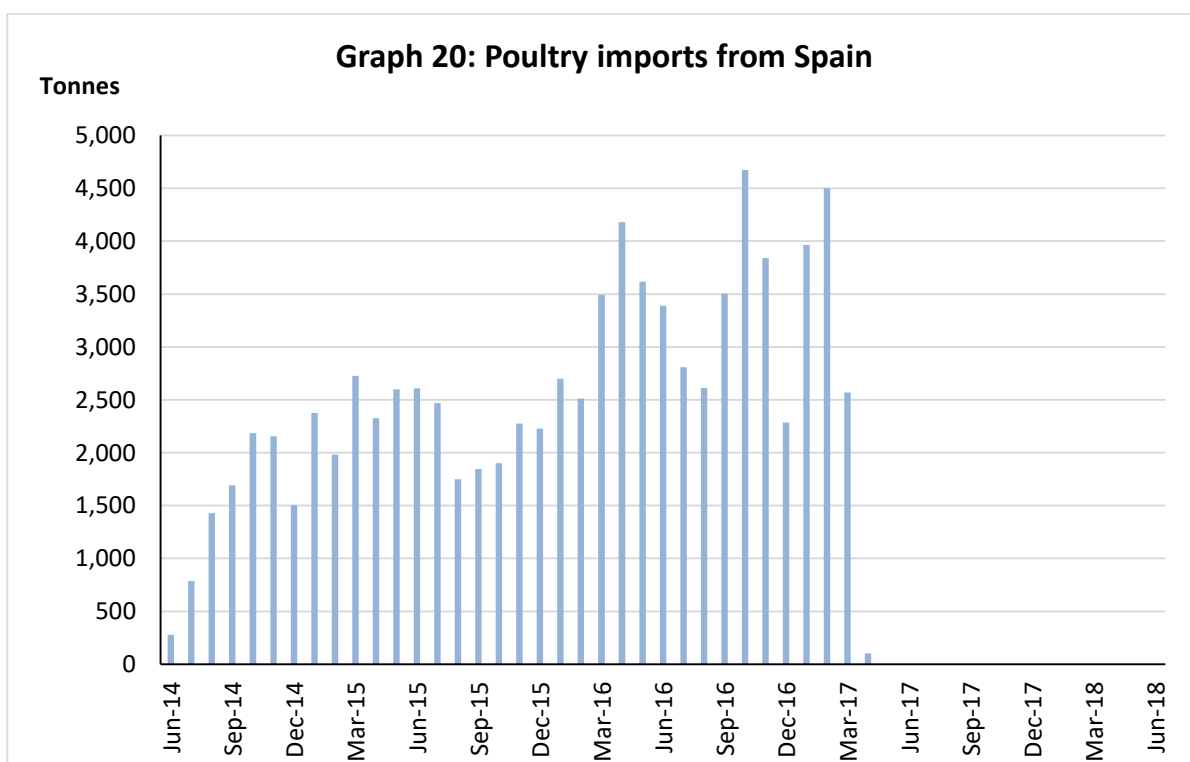
reported 294 outbreaks (206 045 cases) of H5N8 HPAI in poultry operations housing fattening turkeys, geese and ducks. Only 135 of the cases were in wild birds. There have been 95 772 deaths amongst the birds and almost 2 million birds have been culled. The last case reported to the OIE was dated 18 April 2017 and a final report was submitted on 16 June 2017.

3.2.8 Poultry imports from Spain for June 2018:

Through 2018 YTD, no poultry meat has been imported from Spain.

On 3 January 2017, Spain reported a single case of H5N8 HPAI in a wild greylag goose to the OIE; found in the central north of the country. On 18 February, highly pathogenic H5N8 was found on a commercial duck farm in the province of Catalonia. A pre-emptive cull of 17 077 birds followed the death of 723 ducks. This event increased to ten outbreaks, with 997 cases and nearly 27 000 birds culled. No further cases were reported after 18 February 2017 and the Spanish submitted a final report to the OIE on 30 May 2017, reclaiming the country's HPAI-free status with effect from 2 June 2017.

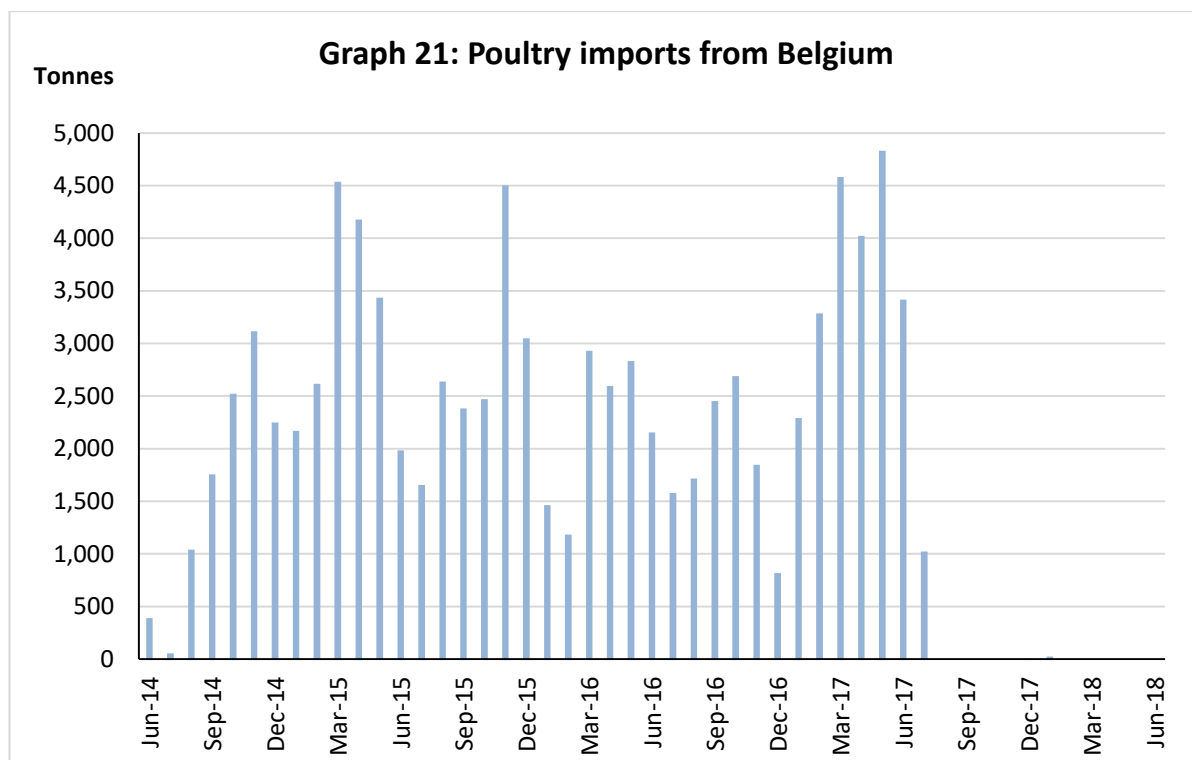
In 2016, Spain exported 39 620 t of poultry products to South Africa, compared to 27 090 t during 2015; an increase of 46.3 %. Accumulated imports from Spain in 2017 totalled 11 138 t; 61 % less than in 2016.



3.2.9 Poultry imports from Belgium for June 2018:

From late January 2017, Belgium reported H5N8 HPAI in wild birds in the central provinces of the country: Oost-Vlaanderen, Vlaams Brabant and Wallon Brabant; and in Limburg province, neighbouring the Netherlands. Between 22 May and 7 July 2017, the country reported at least eleven outbreaks of HPAI in domestic poultry in the provinces of Luxembourg, Hainut, West

Vlaanderen, Liege and Namur (the southern provinces of Belgium, bordering France). The last reported case was on 7 July and a final report was submitted on 24 July 2017.



These were the first HPAI events in domestic poultry in Belgium in seven years and the July 2017 to June 2018 crash in Belgian imports relates directly to these outbreaks. There were signs that the Belgians were returning to the market (340 *kilogrammes* in December 2017 and 23 *tonnes* in January 2018 (Graph 21; volume too small to be visible)), but no Belgian imports were recorded from February through June 2018.

In 2016, Belgium exported 24 256 t of poultry products to South Africa, compared to 35 613 t during 2015; a decrease of 31.9 %. Imports from Belgium in 2017 totalled 23 451 tonnes; 3.3 % down on 2016. Only 23 tonnes have been imported in 2018 YTD.

3.2.10 Poultry imports from Poland for June 2018:

Poland entered the South African market in August 2016. In June 2018, no imports of poultry meat were received from Poland.

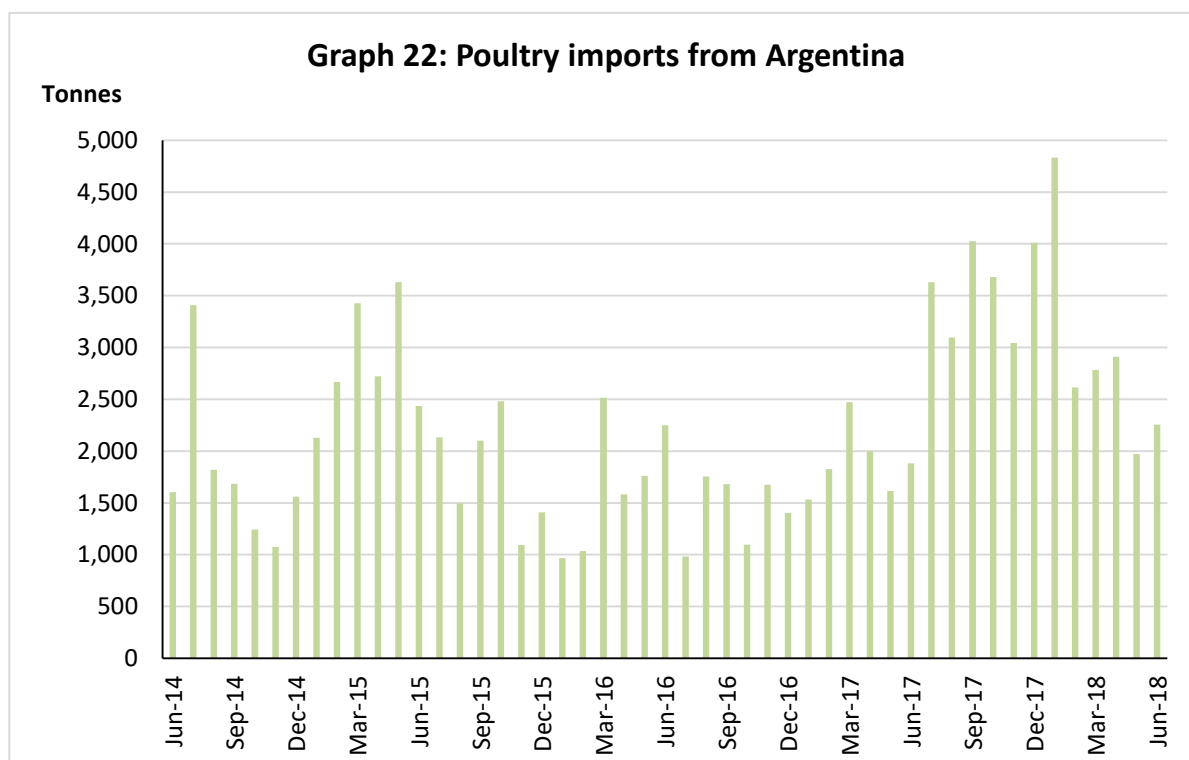
On 7 December 2016, Polish veterinary authorities notified the OIE of H5N8 HPAI in wild birds (24 cases). Poland reported a total of 133 outbreaks of HPAI (56 227 cases) in wild birds, backyard flocks and commercial poultry. On 27 January, Poland added 2 cases of H5N5 in wild swans, reported from the west of the country. Over 1 million birds were culled in response to the outbreak but the last outbreak was recorded on 15 March 2017 and Poland submitted a final report to the OIE on 20 April. The species of domestic bird affected in the outbreaks is not specified in the OIE report. In 2016, 4 773 t of Polish poultry products were imported but Poland has been excluded from the South African market from February 2017.

3.3 Poultry imports from Argentina for June 2018:

In June 2018, 2 255 t of poultry meat were imported from Argentina at an FOB value of R24.4 m (Graph 22). Imports increased by 14.3 % (+ 283 t) on a monthly basis and increased by 19.9 % on a yearly basis (+ 374 t). During this month, 6.0 % of total poultry imports came from Argentina; and 28.4 % of Argentinian imports were chicken carcasses; 4.4 % mechanically deboned chicken; 6.7 % frozen chicken offals (livers and other); 22.1 % frozen chicken wings; 32.3 % frozen chicken leg quarters; and 4.2 % other bone-in portions (half chickens; thighs; other).

Poultry imports from Argentina for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1210	Chicken: Not cut in pieces, Frozen Mechanically Deboned Meat	100,000	R 859,935	R 8.60
0207.1220	Carcasses (excluding necks and offal) with all cuts (e.g. thighs, wings, legs and breasts) removed	640,575	R 3,433,623	R 5.36
0207.1290	Chicken: Not cut in pieces, frozen, whole and half chickens	40,080	R 431,570	R 10.77
0207.1421	Chicken: Offal: Livers	76,900	R 521,448	R 6.78
0207.1429	Chicken: Offal: Other	75,015	R 335,439	R 4.47
0207.1491	Chicken: Other: Whole bird cut in half	23,190	R 310,805	R 13.40
0207.1493	Chicken: Other: Leg quarters	729,025	R 9,149,915	R 12.55
0207.1495	Chicken: Other: Wings	499,501	R 8,793,730	R 17.61
0207.1497	Chicken: Other: Thighs	2,000	R 25,545	R 12.77
0207.1499	Chicken: Other: Other	69,000	R 535,903	R 7.77
Total for:	Argentina in June 2018	2,255,286	R 24,397,913	R 10.82



In 2016, Argentina exported 18 713 t of poultry products to South Africa, compared to 27 718 t during 2015; a decrease of 32.5 %. Accumulated imports from Argentina totalled 32 816 t in 2017; 75.4 % up on 2016. Accumulated Argentinian imports in 2018 YTD (17 368 t) are 53.3 % up on imports in the same period in 2017.

3.4 Poultry imports from the USA in June 2018:

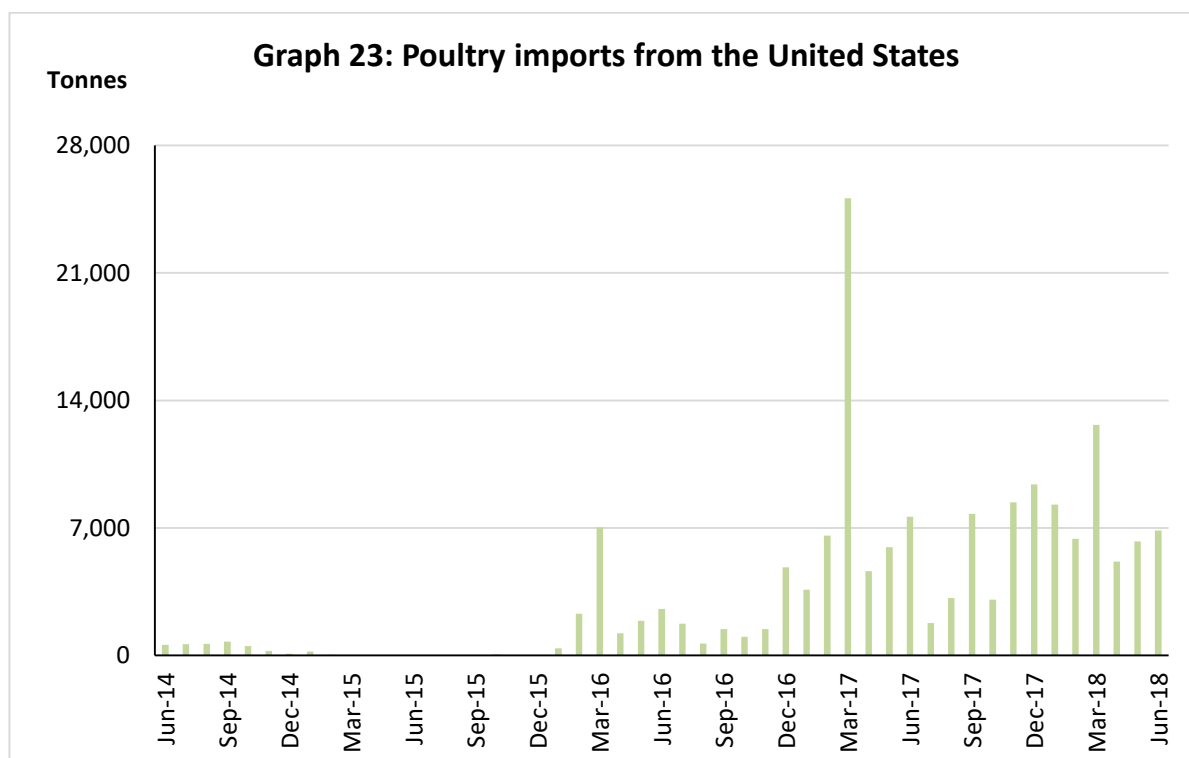
Imports of frozen bone-in portions, until recently subject to anti-dumping duties, resumed from the USA in January 2016. Imports from the US totalled a staggering 25 103 t in March 2017 as annual quota was filled (Graph 23). The following March, 12 664 tonnes were imported at the end of the quota period. According to SARS data, total US imports of bone-in portions for the April 2017 – March 2018 cycle was 69 305 tonnes, against a quota of 65 000 tonnes.

Imports in June 2018 totalled 6 863 tonnes and were valued at R76.7 million (FOB). June's imports were up 9.5 % (+ 594 t) on May's imports and down 9.9 % on June 2017 levels (- 753 t).

Poultry imports from the US for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1411	Chicken: Boneless cuts: Breasts	234,781	R 4,332,803	R 18.45
0207.1429	Chicken: Offal: Other	52,612	R 536,519	R 10.20
0207.1493	Chicken: Other: Leg quarters	4,222,571	R 44,900,535	R 10.63
0207.1497	Chicken: Other: Thighs	81,431	R 758,099	R 9.31
0207.1498	Chicken: Other: Drumsticks	2,019,841	R 22,288,336	R 11.03
0207.2700	Turkey: Cuts and offal, frozen; Frozen Turkey portions and MRM	252,114	R 3,867,296	R 15.34
Total for:	United States in June 2018	6,863,350	R 76,683,588	R 11.17

American imports accounted for 18.2 % of total imports in June 2018. June's imports from the US included 61.5 % frozen chicken leg quarters; 29.4 % frozen chicken drumsticks; 1.2 % frozen chicken thighs; 0.8 % frozen chicken offal ("other"); 3.4 % boneless chicken breasts; and 3.7 % frozen turkey cuts/offal.



A total of 331 t of poultry meat was imported during 2015 from the USA. In 2013 and 2014, an estimated 11 076 and 5 022 t entered SA, so imports had dropped substantially in two years. However, in 2016, 26 573 t of poultry products were imported from the US. Imports from the US in 2017 totalled 87 059 t (+ 228 % up on 2016). Accumulated US imports in 2018 YTD (45 631 t) are 14.7 % down on imports in the same period in 2017.

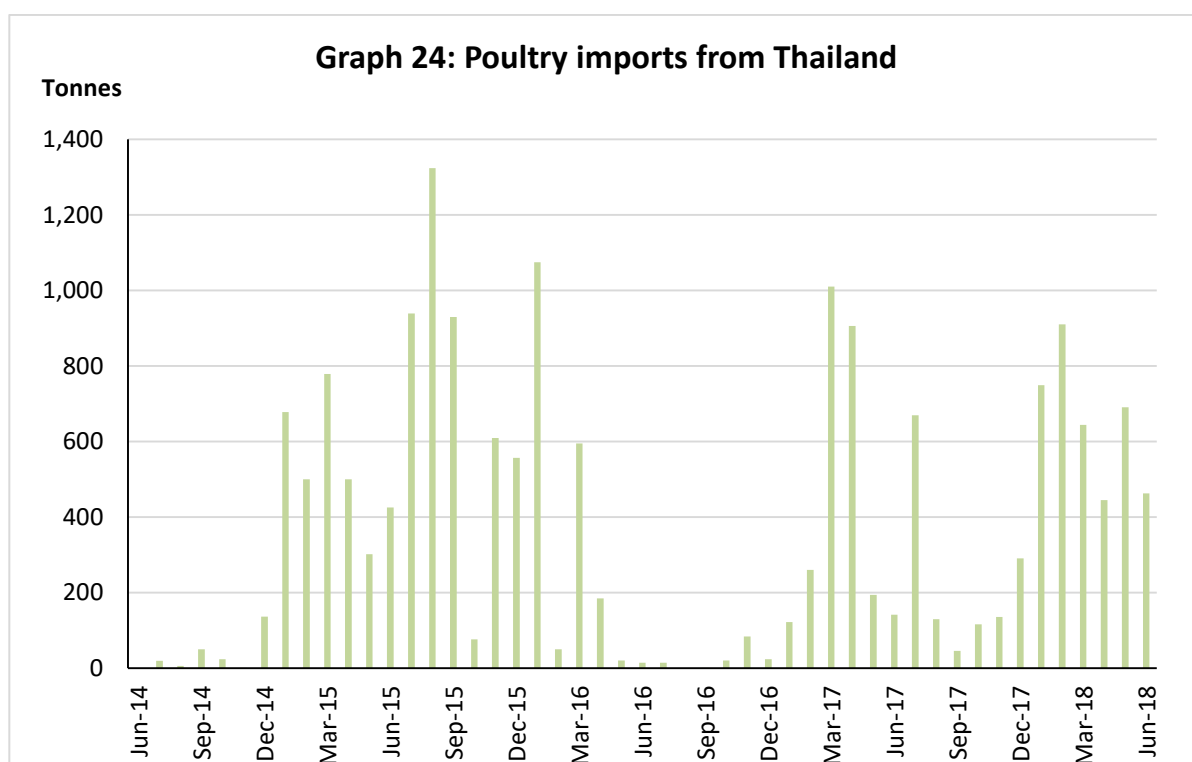
The US reported a case of H5N2 in a hunted mallard duck in Fergus County, Montana (27 December 2016) and two outbreaks of H7N9 in separate broiler breeder flocks in Lincoln County, Tennessee (3 and 13 March 2017). In these outbreaks, 128 000 breeders were culled. No further cases were reported in 2017.

3.5 Poultry imports originating from other countries:

In June 2018, 462 t of poultry meat were imported from Thailand (Graph 24), down from 690 t in April (- 228 tonnes; - 33.1 %). In June, 58.5 % of the Thai imports were mechanically deboned chicken (MDM); 34.9 % frozen boneless chicken cuts (breasts) and 6.5 % duck products. Thailand accounted for 1.2 % of total poultry exports in June; at an FOB value of R7.15 million.

Poultry imports from Thailand for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1210	Chicken: Not cut in pieces, Frozen Mechanically Deboned Meat	270,505	R 1,353,043	R 5.00
0207.1290	Chicken: Not cut in pieces, frozen, whole and half chickens	100	R 528	R 5.28
0207.1411	Chicken: Boneless cuts: Breasts	161,324	R 4,871,362	R 30.20
0207.4200	Ducks, Not cut in pieces, frozen	10,130	R 367,160	R 36.24
0207.4500	Ducks, Other, frozen	20,016	R 562,742	R 28.11
Total for:	Thailand in June 2018	462,075	R 7,154,835	R 15.48

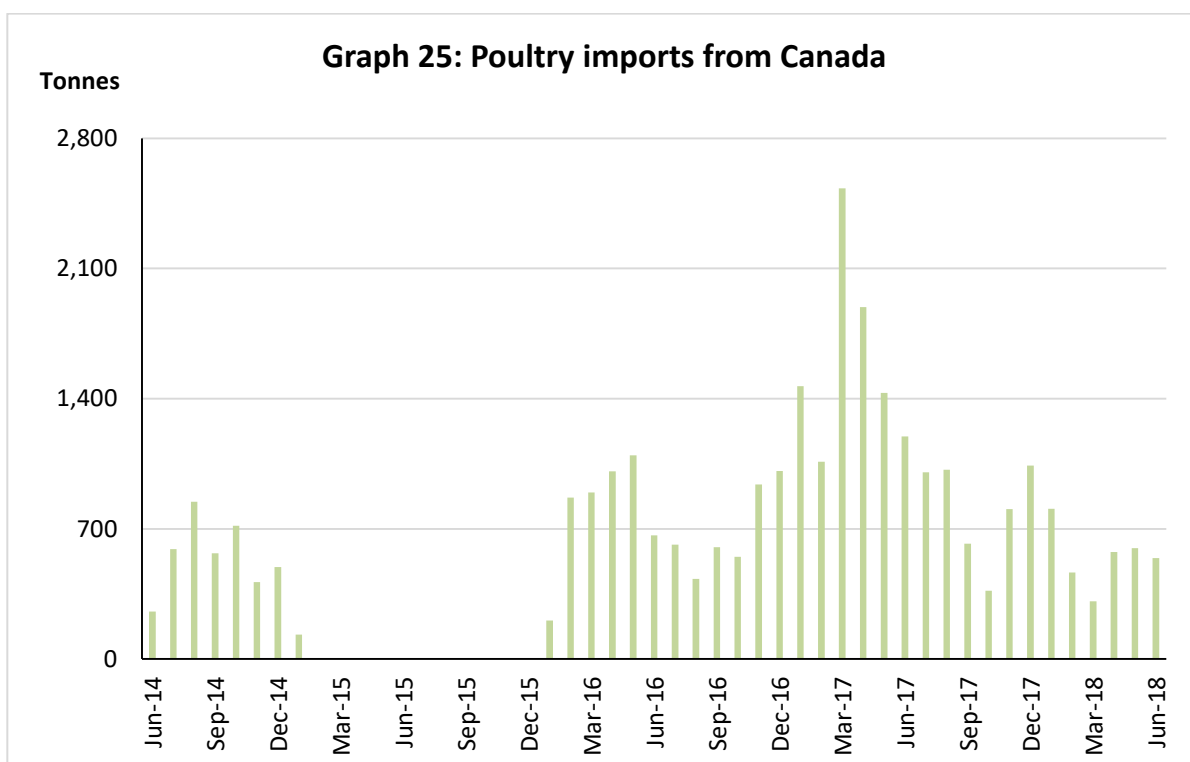


In 2016, Thailand exported 2 078 t of poultry products to South Africa, compared to 7 616 t during 2015; a decrease of 72.7 %. Imports from Thailand in 2017 totalled 4 019 t; an increase of 93.4 % on 2016. Accumulated Thai imports in 2018 YTD (3 899 t) are 48.1 % up on imports in the same period in 2017.

In June 2018, 543 t of poultry meat were imported from Canada at an FOB value of R8.65 m (Graph 25). Canadian imports made up 1.4 % of total poultry imports into South Africa in June and were down 9.9 % on May 2018 levels (- 54 t). Imports were down 654 tonnes (- 54.7 %) on June 2017 levels. Of the Canadian imports in June, 80.5 % was frozen turkey cuts and offal, and 19.5 % frozen chicken drumsticks.

Poultry imports from Canada for June 2018:

Tariff	Description	Import Quantity in kg	FOB Import Price in R	Unit Price in R per kg
0207.1498	Chicken: Other: Drumsticks	106,000	R 1,537,517	R 14.50
0207.2700	Turkey: Cuts and offal, frozen; Frozen Turkey portions and MRM	436,526	R 7,111,293	R 16.29
Total for:	Canada in June 2018	542,526	R 8,648,810	R 15.94



In 2016, 8 884 t of poultry products were imported from Canada. Accumulated imports from Canada in 2017 totalled 14 431 t; up 62.4 % on 2016. Accumulated Canadian imports in 2018 YTD (3 297 t) are 65.6 % down on imports in the same period in 2017.

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