



## SOUTH AFRICAN POULTRY MEAT IMPORTS: TARIFF CODE REPORT FOR JANUARY 2019

### PLEASE NOTE:

This report is based solely on SARS verified statistics. Annual figures have been corrected as and when SARS issues amended reports.

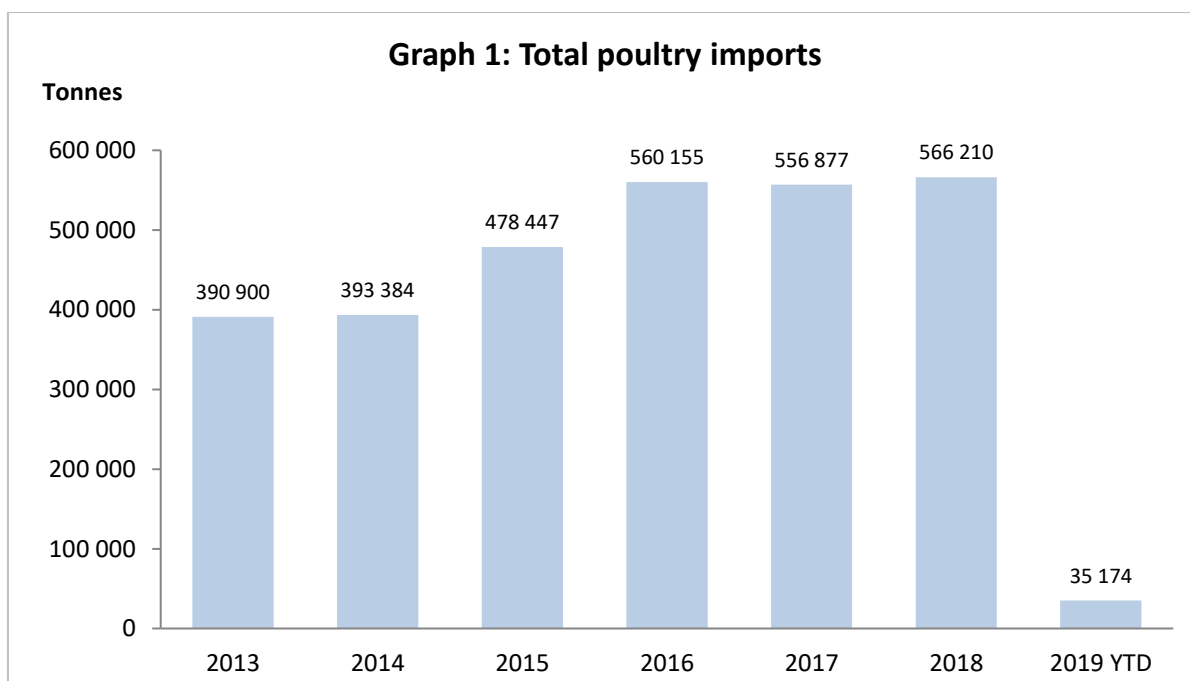
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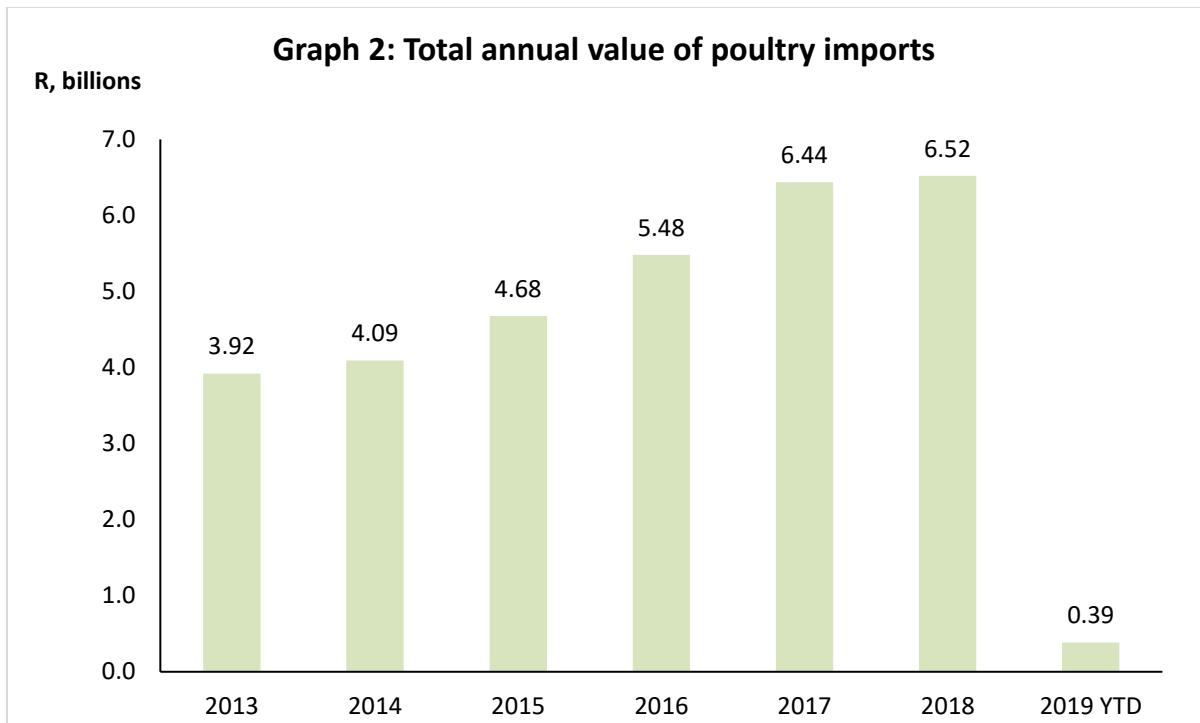
### 1. ANNUAL POULTRY IMPORTS

The term 'poultry' refers to chicken, turkey, ducks, geese and guinea fowl.

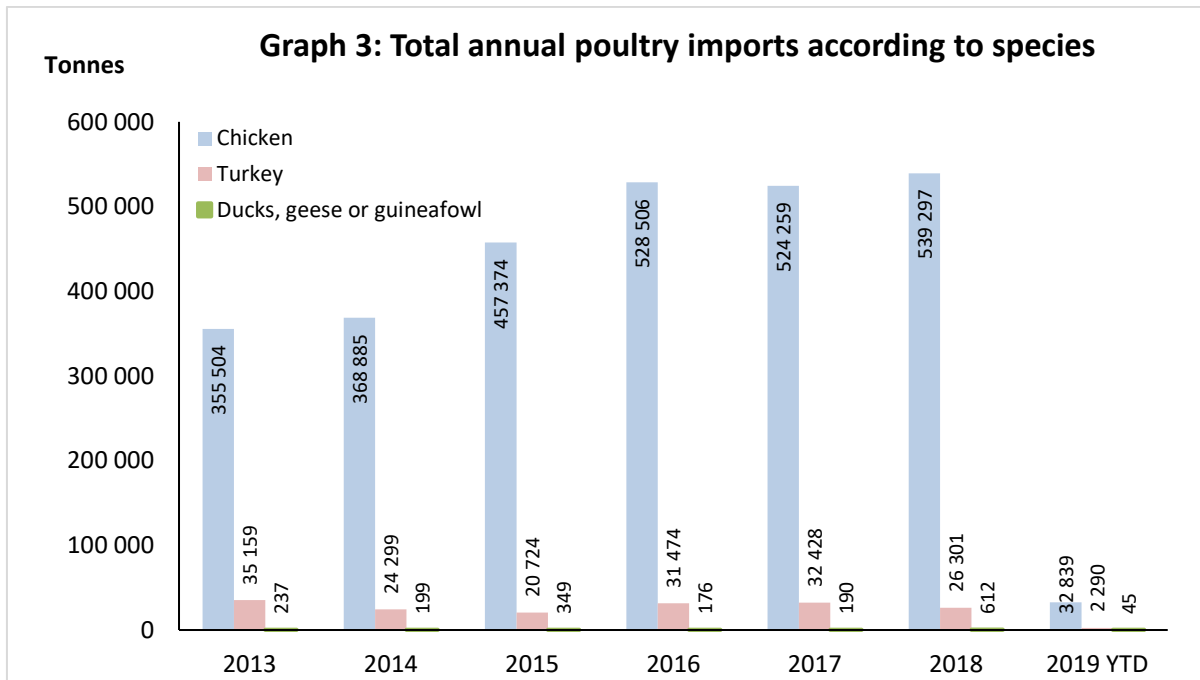
The SA Revenue Service reports that total poultry imports for 2017 amounted to 556 877 t; a decrease of just 3 278 t, or 0.6 %, in comparison with 2016 (560 155 t). Imports in 2018, at 566 210 t, were 1.7 % higher than in 2017 (+ 9 333 t) despite the absence of key EU traders in the market for much of the year. Imports to January 2019 are shown in Graph 1.



On an FOB basis, the value of imports for 2017 amounted to R6.44 billion. In 2018, the value of imports increased by R82.6 million (1.3 %) over the 2017 value, to R6.52 billion. The total annual value of poultry imports into South Africa is given in Graph 2:



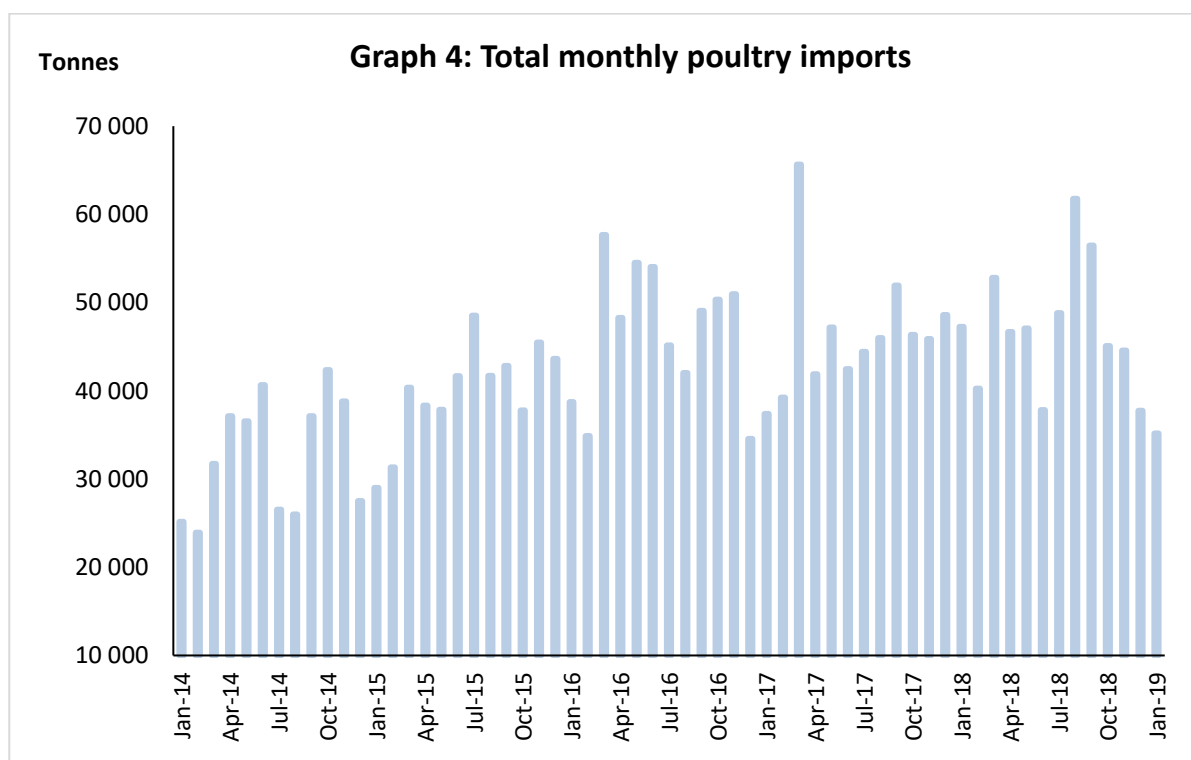
In 2018, chicken imports contributed 95.3 % to total poultry imports, turkey imports 4.7 % and ducks, geese or guinea fowl totalled 0.11 %. Annual imports according to the category of species (chicken, turkey or ducks, geese and guinea fowl) are shown in Graph 3:



## MONTHLY POULTRY IMPORTS

### 2.1 Monthly poultry imports in volume and value terms

Imports averaged 47 200 tonnes per month in 2018, with peaks of 52 807 t in March, 61 751 t in August and 56 456 t in September. Imports in 4Q 2018 dropped back to average just under 42 500 tonnes. In January 2019, imports reduced to 35 174 tonnes; 2 565 t less than in December 2018 (- 6.8 %; Graph 4). Poultry imports were valued at R385.4 million (FOB); down R38.0 m on December 2018 levels (- 9.0 %). Compared to the same month last year, imports decreased by 12 068 t (- 25.5 %), and in, value terms, decreased by 27.5 % or R145.8 million.



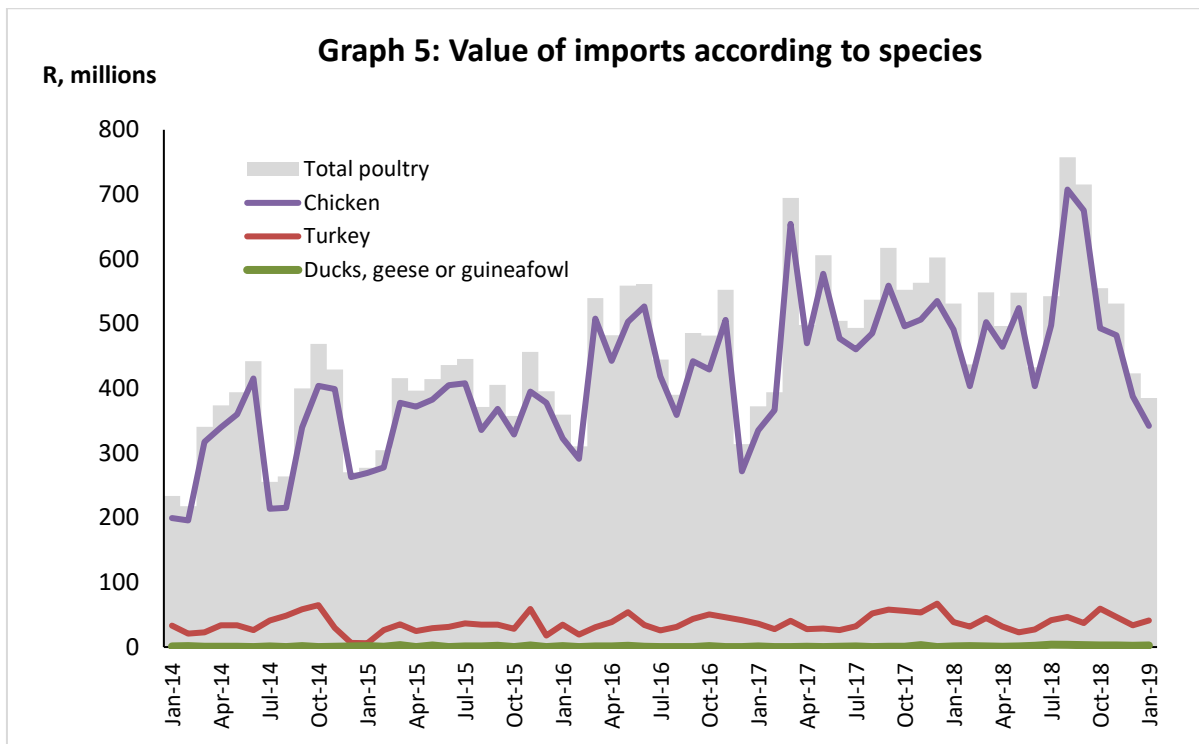
### 2.2 Classification of poultry imports into chicken, turkey and other poultry imports, according to volume

During January 2019, poultry imports consisted of 93.4 % chicken meat and product, 6.5 % turkey meat and product; and 0.13 % ducks, geese and guinea fowl.

### 2.3 Classification of poultry imports into chicken, turkey and other poultry imports, according to FOB value

The FOB value of R384.5 million for poultry imports for January 2019 comprises chicken imports at R342.0 million (88.7 %), turkey imports at R 41.2 m (10.7 %) and imports of other types of poultry at R2.2 million (0.6 %).

The monthly distribution of the FOB value for poultry imports, according to species, can be seen in Graph 5:



Total annual imports per poultry type (kg) are given in the table below:

Unit: kg	2014	2015	2016	2017	2018	2019 YTD
Total chicken	368 804 925	457 373 523	528 505 515	524 258 665	539 297 343	32 838 929
Total turkey	24 299 423	20 724 145	31 473 540	32 428 316	26 300 980	2 290 260
Total other	197 878	349 143	175 723	189 635	611 775	44 788
Total poultry	393 302 228	478 446 811	560 154 778	556 876 616	566 210 098	35 173 977

Source: SARS verified

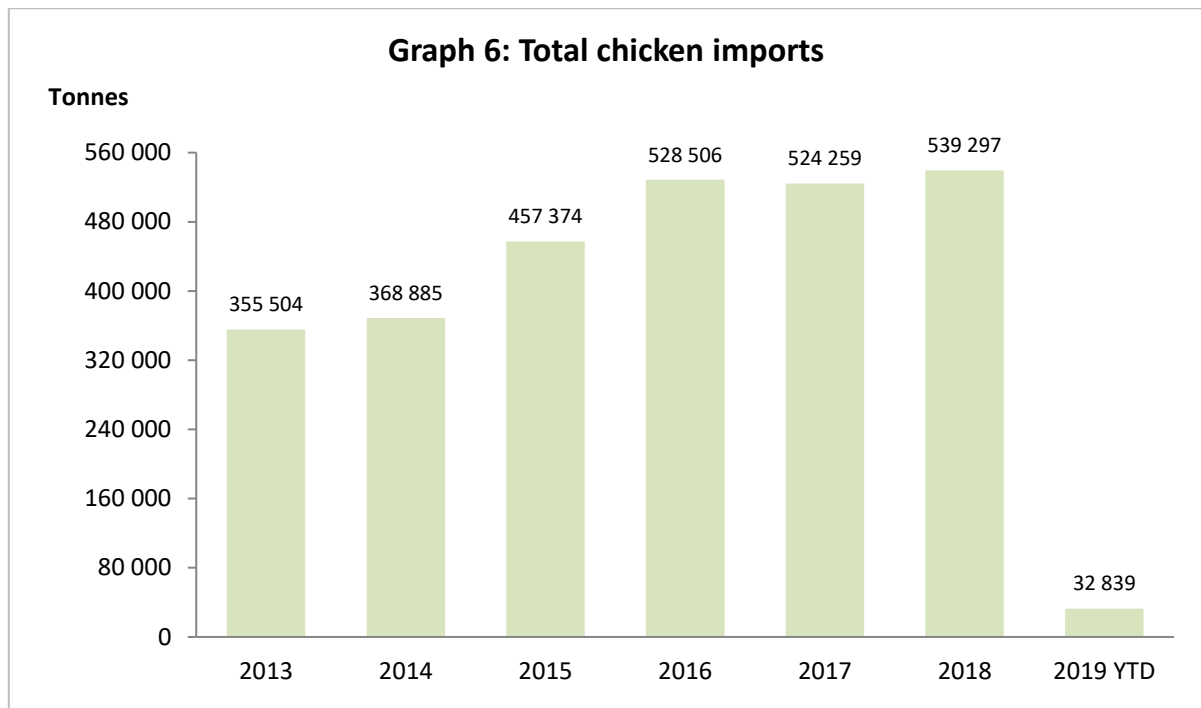
### 3. BROILER IMPORTS

#### 3.1 Annual broiler imports

According to the audited figures of SARS, annual broiler imports for 2017 totalled 524 259 tonnes. This is 247 t less than in 2016 (- 0.8 %; on 524 506 t).

Imports for 2018 totalled 539 297 t; 2.9 % higher than in 2017 (+ 15 039 t), and 20.7 % higher than the 5-year average (2013 - 2017).

Broiler imports to the end of January 2019 are given in Graph 6.



According to the audited figures of SARS (verified), the total annual broiler imports were:

Unit: kg	2014	2015	2016	2017	2018	2019 YTD
Total chicken	368 804 925	457 373 523	528 505 515	524 258 665	539 297 343	32 838 929
Total frozen broiler	368 201 525	456 954 268	528 108 226	523 427 640	538 434 470	32 825 531
Total fresh chicken	5 491	48 840	0	28 314	85 114	15
Total processed	597 909	370 415	397 289	802 711	777 759	13 428

*Note: Sept 2015; this table was updated to move imports under 0207.1300 into fresh product.*

Unit: kg	2014	2015	2016	2017	2018	2019 YTD
Total frozen broiler	368 201 525	456 954 268	528 108 226	523 427 640	538 434 470	32 825 531
Total frozen broiler excl. MDM	221 218 214	277 063 358	332 854 759	321 632 534	383 927 253	17 989 139
Total broiler MDM	146 983 311	179 890 910	195 253 467	201 795 106	154 507 217	14 836 392

*Note: Sept 2015; this table was audited and corrected.*

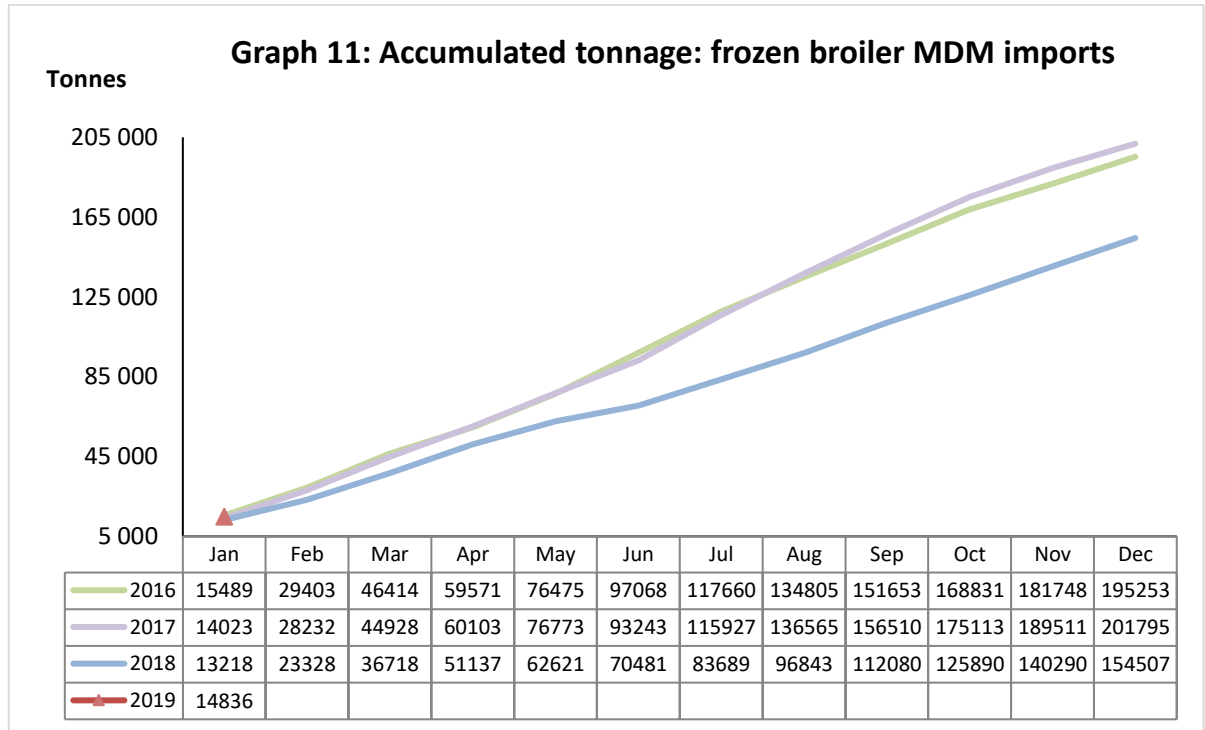
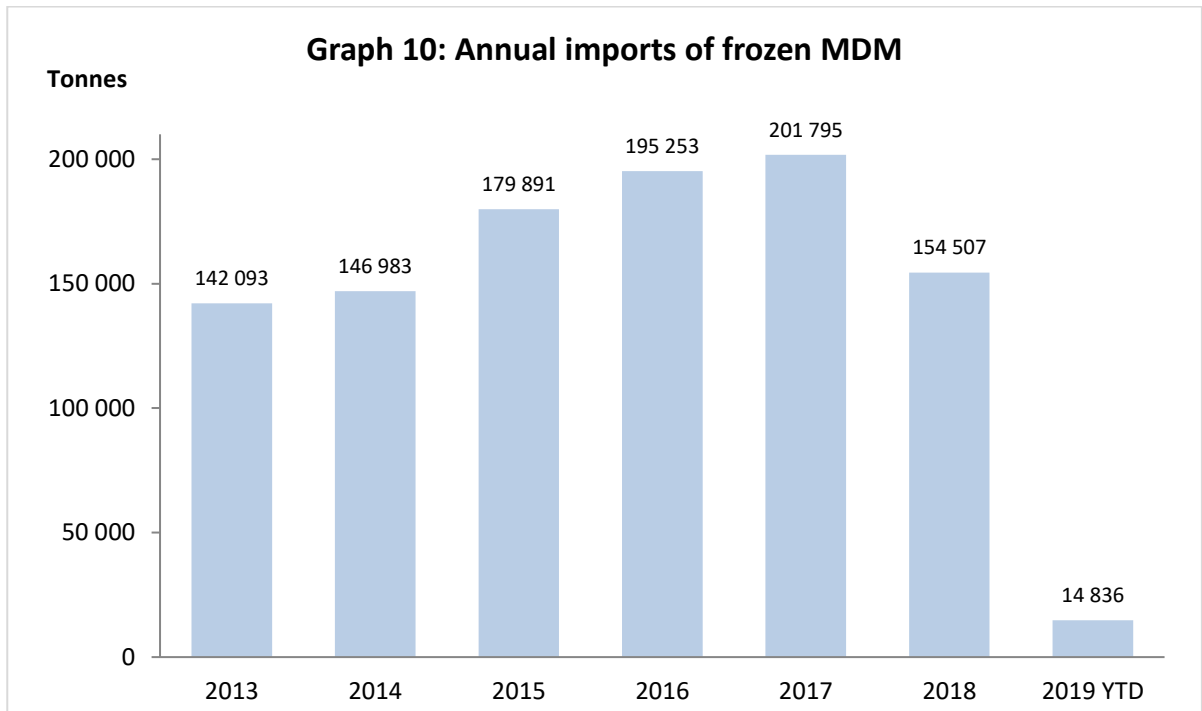
### 3.2 Monthly broiler imports

Broiler imports for January 2019 totalled 32 839 t. This is a decrease of 8.5 % on a monthly basis (- 3 045 t) and a decrease of 12 321 t or 27.3 % when compared to the same month in the previous year. Total broiler imports, on a monthly basis from January 2016, are shown in Graph 7:





This is tariff code 0207.1210. In January 2019, a total of 14 836 t was imported at an FOB value of R122.6 m (Graph 9, above); an increase of 619 t, or 4.4 %, on a monthly basis and an increase of 1 618 t, or 12.2 %, on a yearly basis (compared to January 2018). The total annual imports of frozen, mechanically deboned meat over the past seven years are shown in Graph 10.

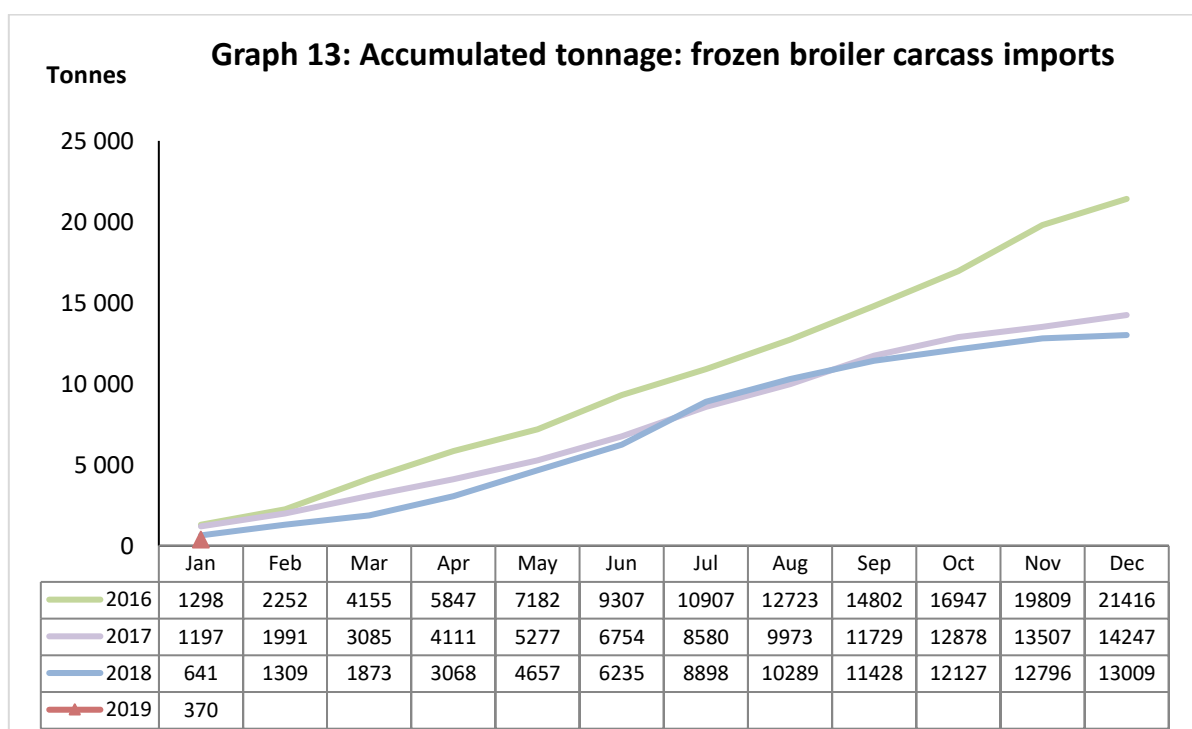
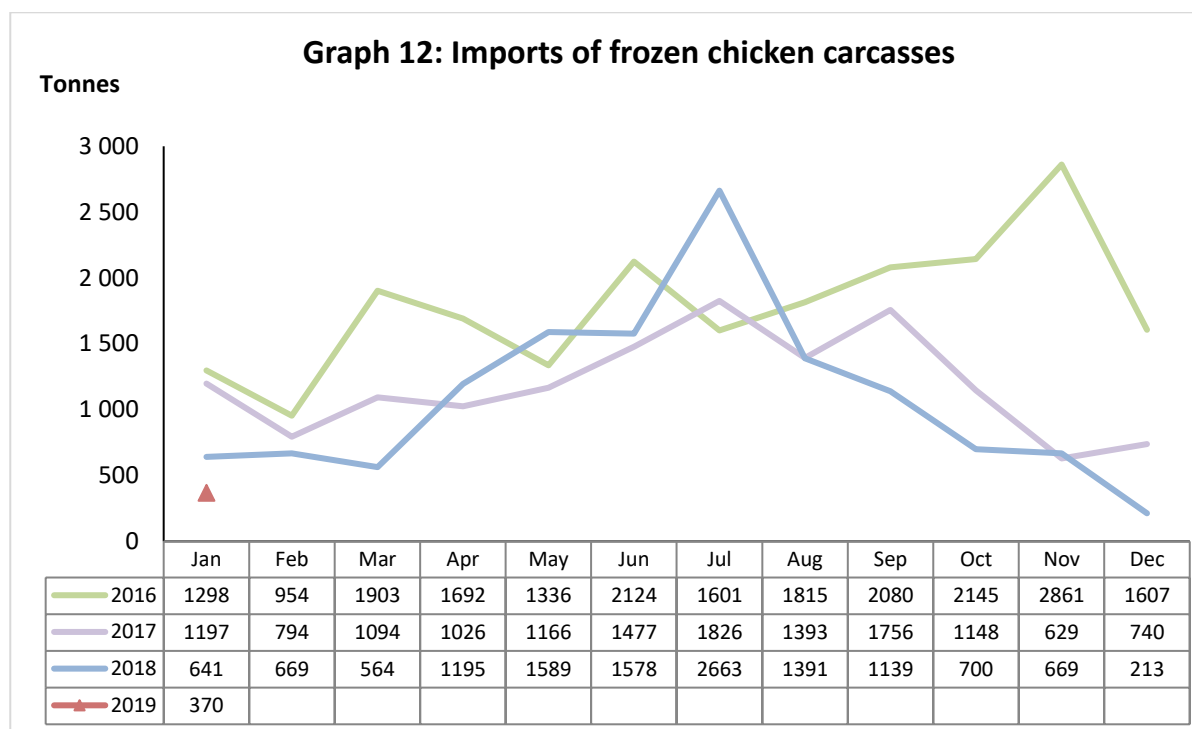


Accumulated tonnages of imported frozen, mechanically deboned meat over the past 4 years are shown in Graph 11, above. In 2017, accumulated imports of MDM (201 795 t) were 3.4 % (+ 6 542 t) higher than 2016 (FOB R1 364 million). In 2018, accumulated imports of MDM (154 507 t) were 23.4 % below levels imported in 2017 (FOB R937 million; -31.3 %).



### 3.5.2 Imports of carcasses (excluding necks and offal) with all cuts removed

This is tariff code 0207.1220.



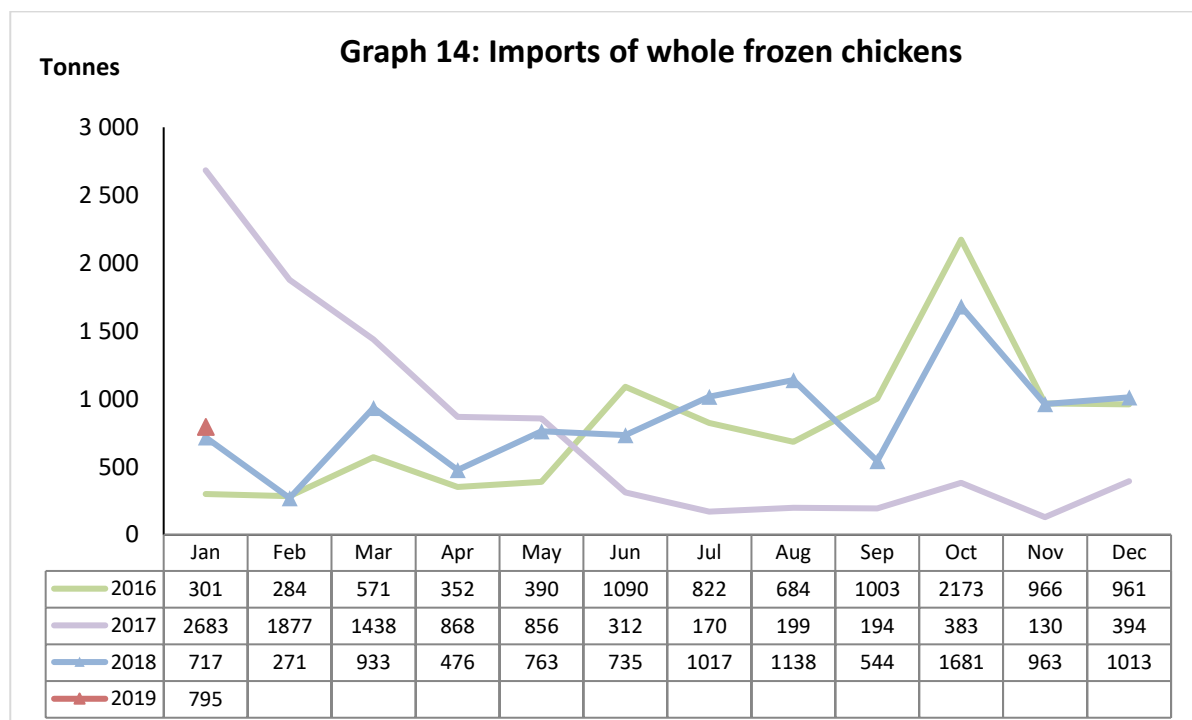
During January 2019, a total of 370 t of carcasses was imported at an FOB of R1.9 m (Graph 12, above). This is 157 t (+ 73.9 %) more than in December 2018 but, on a yearly basis, tonnes are down by 270 t (- 42.2 %).

Accumulated tonnages of imported frozen chicken carcasses over the past 4 years are shown in Graph 13, above. In 2017, accumulated imports of frozen chicken carcasses (14

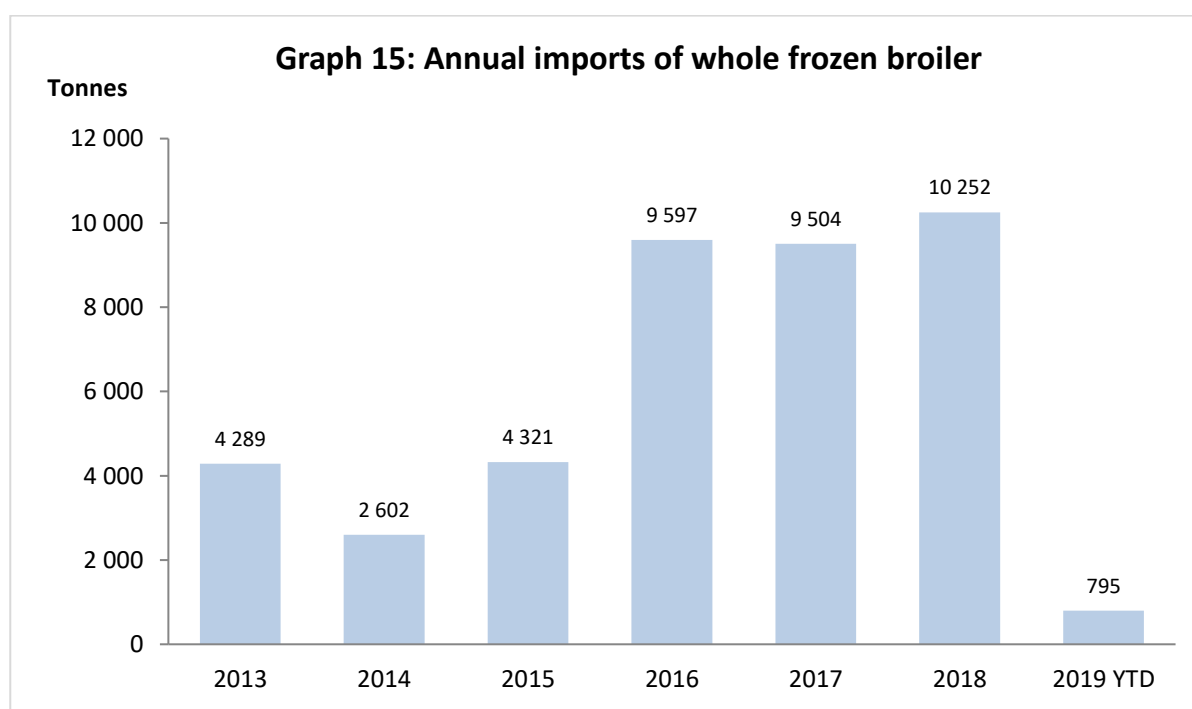
247 t) were 33.5 % lower than in 2016. In 2018, accumulated imports of frozen chicken carcasses (13 009 t) were 8.7 % lower than in 2017 (FOB value: R69.8 million; - 23.4 %).

### 3.5.3 Imports of whole frozen chickens

This is tariff code 0207.1290. Under this tariff heading, the following may be imported: whole chicken A grade; whole chicken B grade; whole hens (spent layers and Cornish hens). Since February 2015, half chickens are imported under tariff code 0207.1491.



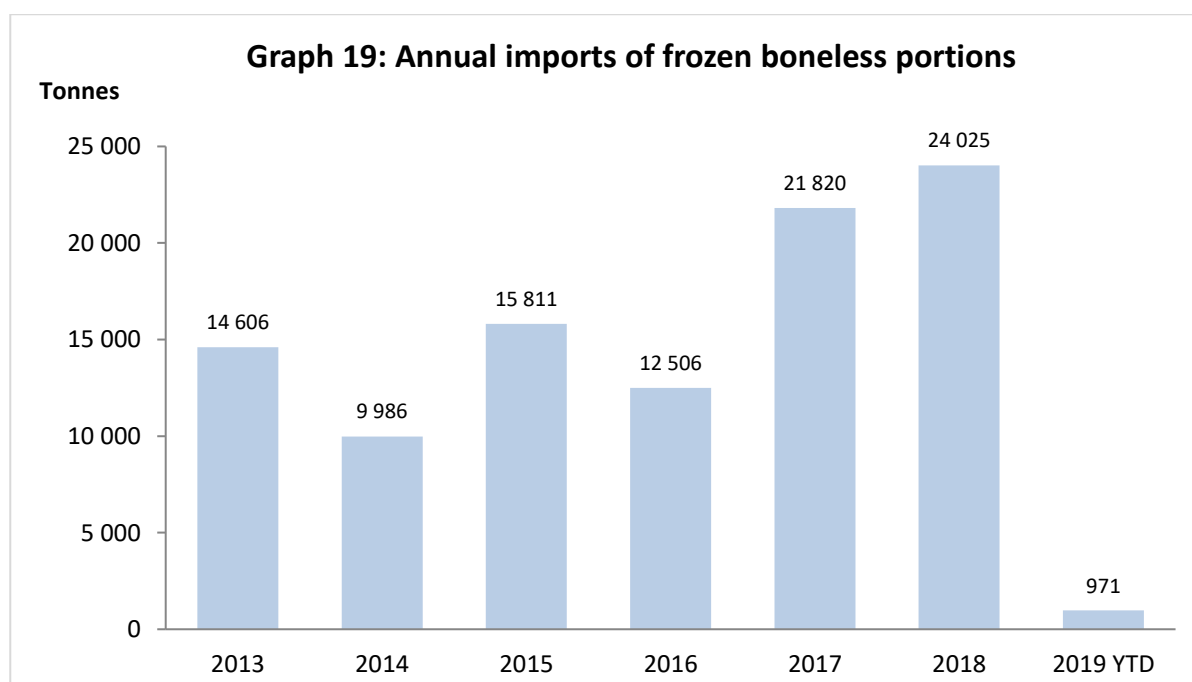
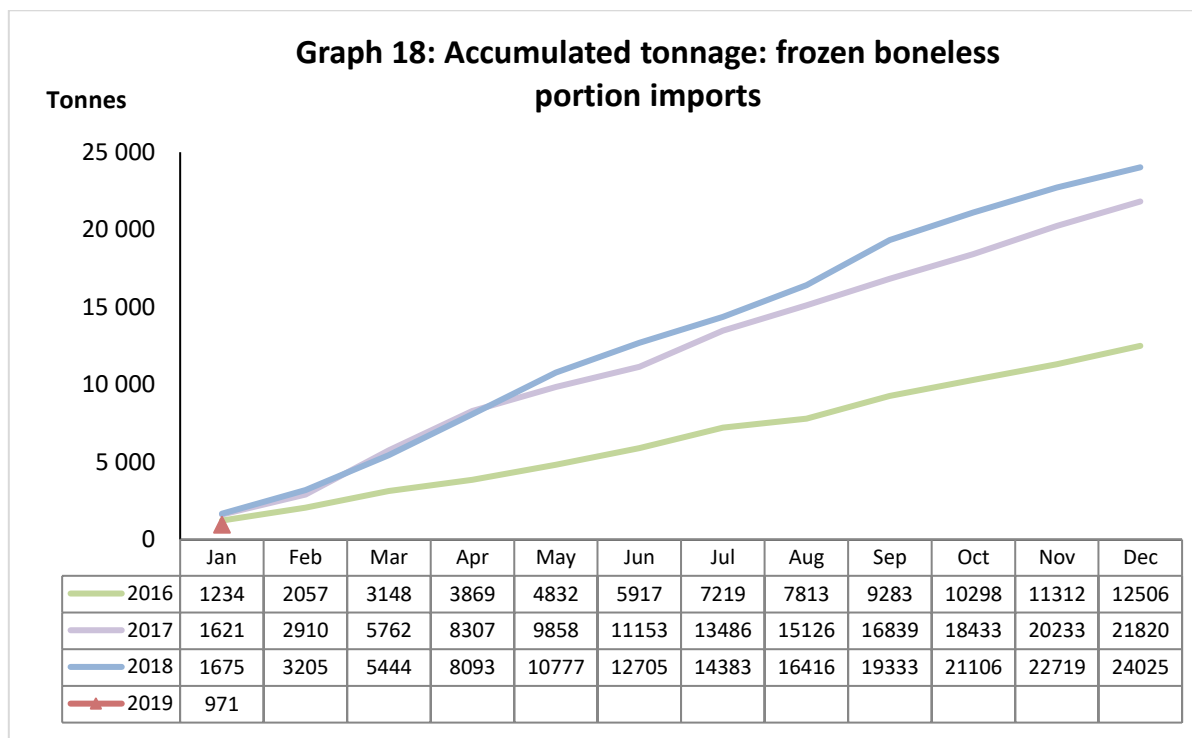
In January 2019, a total of 795 t of whole frozen chickens were imported at an FOB value of R13.0 m (Graph 14). This is 218 t, or 21.5 %, less than the previous month, but 10.9% up on the levels imported during January 2018 (+ 78 t).





For simplicity, imports under these three tariff codes have been summed, so that imports of boneless cuts through 2017 can be compared with historical data. Itemised tonnages for the three codes can be found under each country in the Country report.

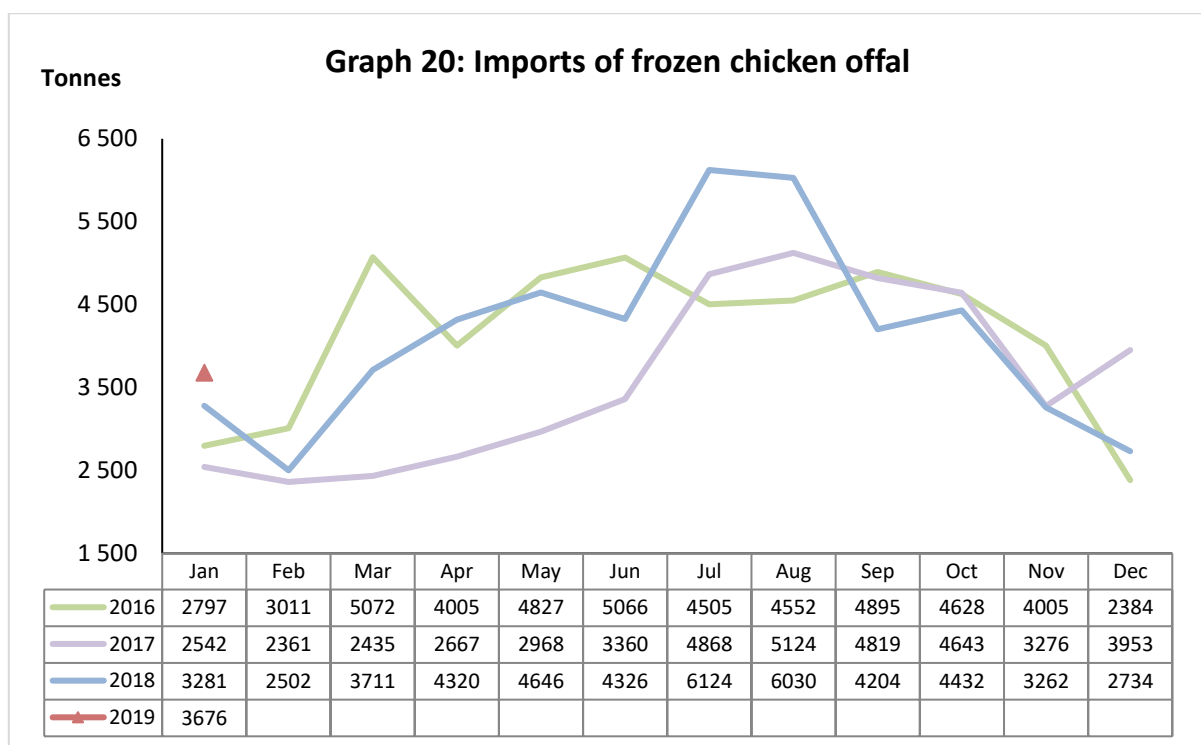
Imports of frozen boneless cuts totalled 971 t in January 2019, at an FOB value of R23.8 m; a decrease of 25.6 % (- 335 t) on a monthly volume basis and a decrease of 42.0 % (- 704 t) compared to January 2018 (Graph 17).



Accumulated tonnages of imported frozen, boneless chicken portions over the past 4 years are shown in Graph 18, above. A total of 21 820 t of frozen boneless cuts were imported in 2017, at an FOB value of R582.3 m. In 2018, accumulated imports of frozen chicken boneless portions (24 025 t) were 10.1 % (+ 2 205 t) higher than in 2017 (Graph 19, above) but had an FOB value of R541.3 million (- 7.0 % on 2017 values).

### 3.5.5 Imports of frozen chicken offal

From February 2015, this tariff code has been split into four tariff lines for frozen, chicken offal: 0207.1421 (livers); 0207.1423 (feet), 0207.1425 (heads) and 0207.1429 (other). For simplicity, imports under these four codes have been summed, so that imports through 2017 can be compared with historical data. Itemised tonnages for the four codes can be found in the Country report.



Imports of frozen chicken offal in January 2019 totalled 3 676 t at an FOB value of R27.6 m (Graph 20). This is an increase of 34.5 % (+ 942 t) on a monthly basis and an increase of 12.0 % (+ 395 t) when compared to imports in January 2018.

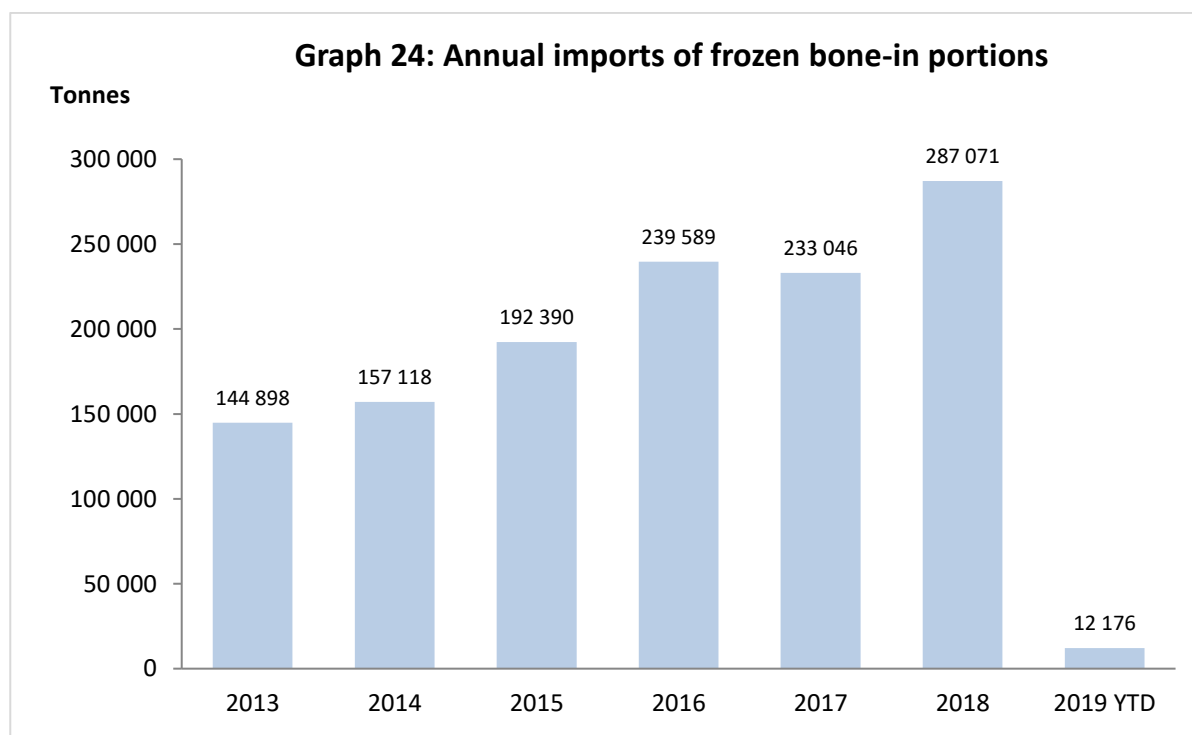
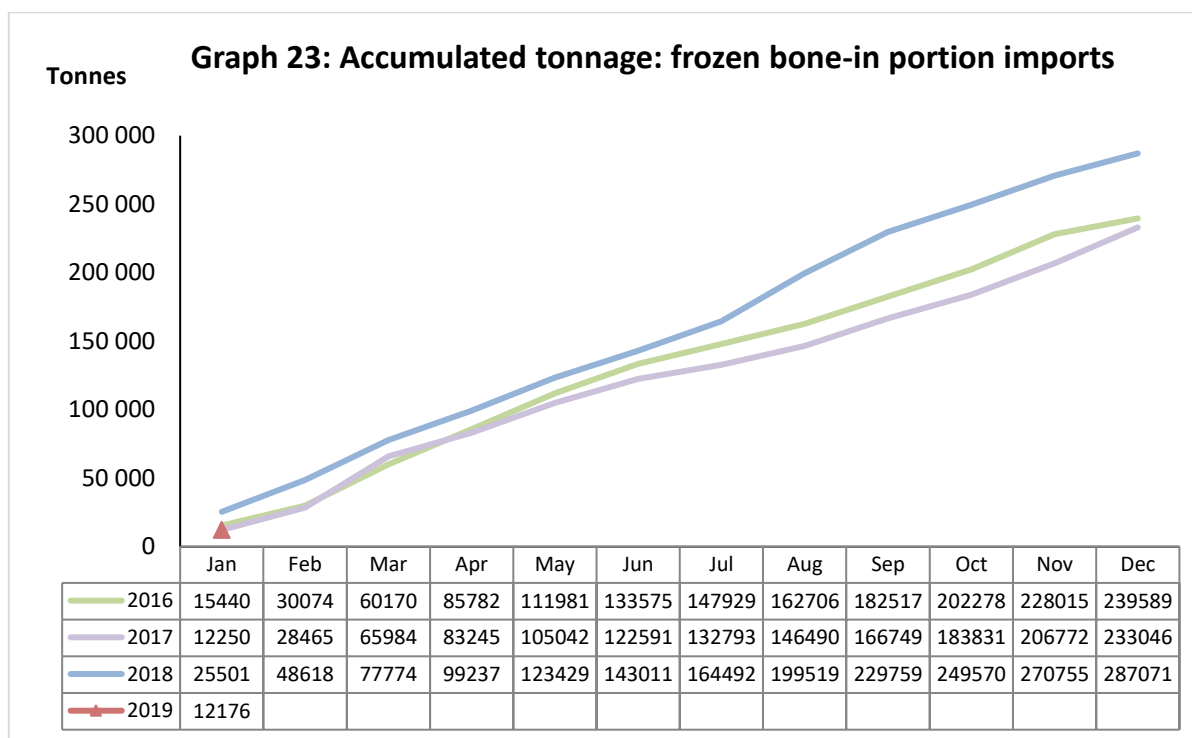
Accumulated tonnages of imported frozen, chicken offal over the past 4 years are shown in Graph 21.

A total of 43 016 t was imported in 2017, at an FOB value of R423.0 m; a 13.5 % annual decrease in tonnages under this code. For 2018, accumulated imports of frozen chicken offals (49 571 t) were 15.2 % higher than in 2017 (+ 6 555 t). The FOB value of the 2018 imports of chicken offal was R444.1 million (+ 5.0 % over 2017).



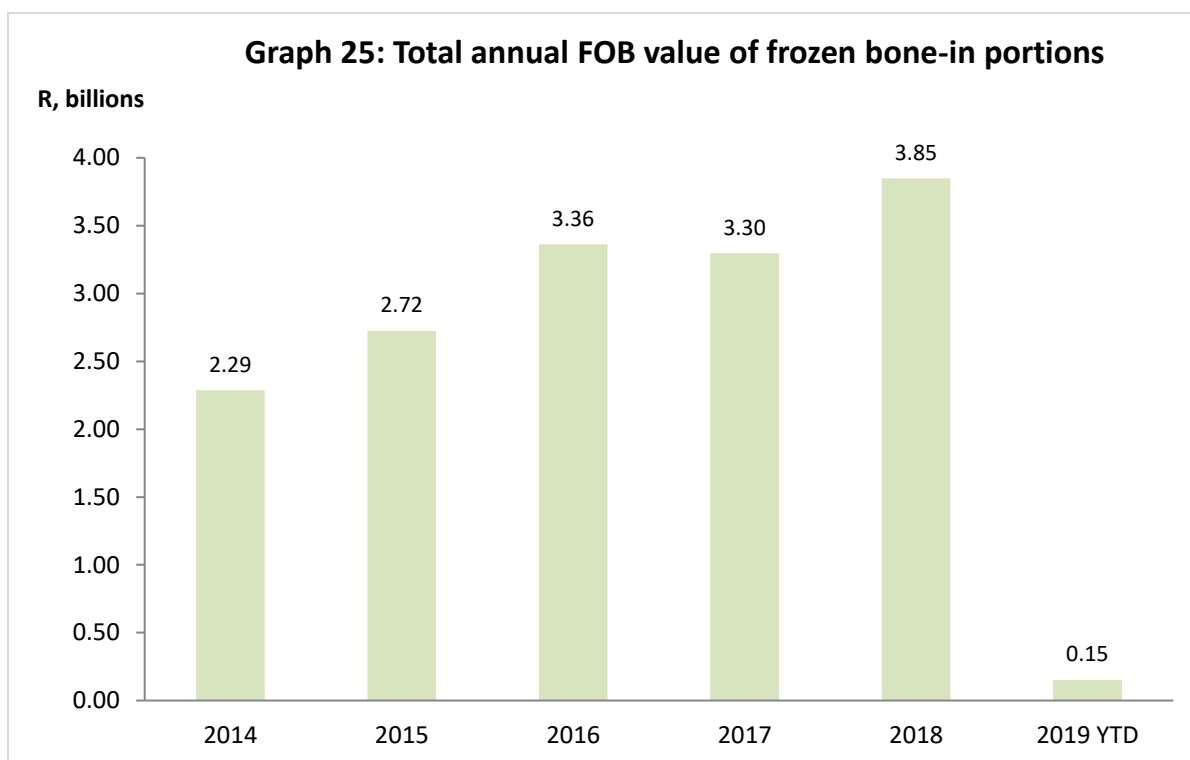
For simplicity, imports under these new tariff codes have been summed, so that imports of frozen chicken bone-in portions through 2017 can be compared with historical data. Itemised tonnages for the new codes can be found under each country in the Country report.

In January 2019, 12 176 tonnes of frozen chicken bone-in portions were imported. January's imports are 25.4 % down in comparison with the previous month (- 4 140 t); and had an FOB value of R152.0 million (Graph 22). January's imports decreased by 52.3 %, or 13 325 t, on a yearly basis.



Of the 12 176 tonnes of bone-in portions imported in 2019 YTD, 62.2 % were leg quarters; 15.3 % drumsticks; 13.7 % wings; 3.3 % thighs; and 5.6 % “other” bone-in cuts. No bone-in breasts or frozen chicken, cut in half, have been imported yet in 2019 YTD.

Accumulated tonnages of imported frozen, bone-in portions over the past 4 years are shown in Graph 23, above. In 2017, accumulated imports of frozen chicken bone-in portions (233 046 t) were 2.7 % lower than in 2016 (Graph 24) and had an FOB value of R3.297 billion (Graph 25).



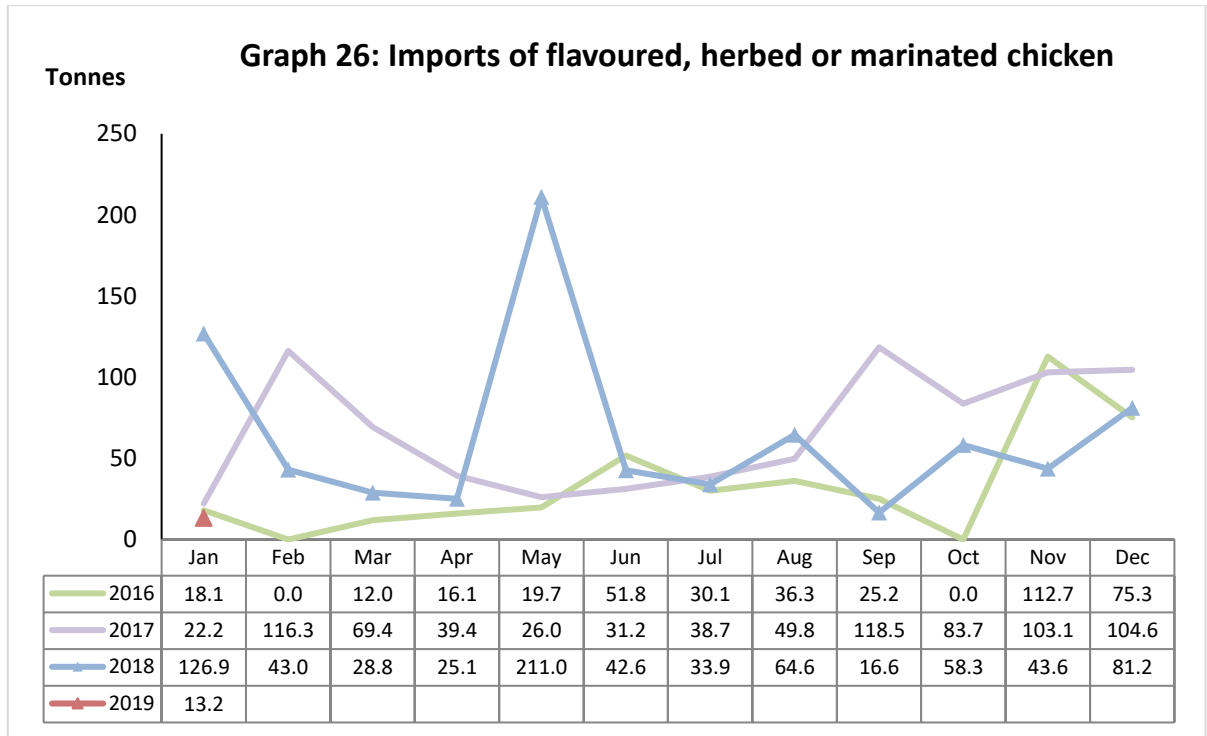
For 2018, accumulated imports of frozen bone-in portions (287 071 t) were 23.2 % higher than in 2017 (+ 54 025 t), despite avian influenza-related trade bans in place against affected EU nations. In 2018, the FOB value of imported frozen bone-in portions was R3.848 billion (+ 16.7 %). Of the 287 071 tonnes of bone-in portions imported in 2018, 74.6 % were leg quarters; 11.4 % drumsticks; 7.7 % wings; 2.4 % thighs; and 3.8 % “other” bone-in cuts. Only 139 t of bone-in breasts were imported in 2018, along with 113 t of frozen chicken, cut in half.

### 3.5.7 Imports of frozen flavoured, herbed or marinated chicken.

According to SARS, in January 2019, 13.2 t of value-added products (1602.3290) were imported into South Africa (Graph 26) at an FOB value of R1.1 million. In December 2018, 81.2 t of flavoured, herbed or marinated chicken were imported, and in January 2018 126.9 t were recorded under this tariff.

During 2017, 803 t were imported under tariff code 1602.3290, at an FOB value of R22.8 m and in 2018, 776 t (- 27 t; - 3.4 %) were imported at an FOB value of R 25.7 million.

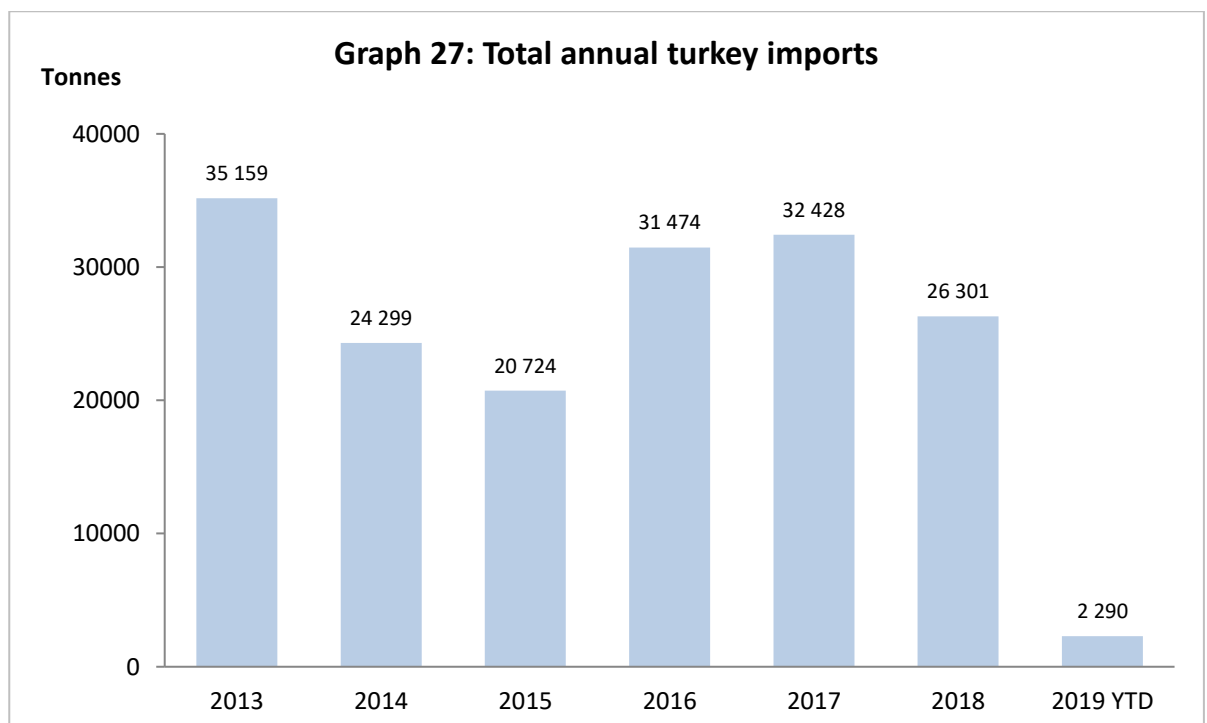




#### 4. TURKEY IMPORTS

##### 4.1 Annual turkey imports

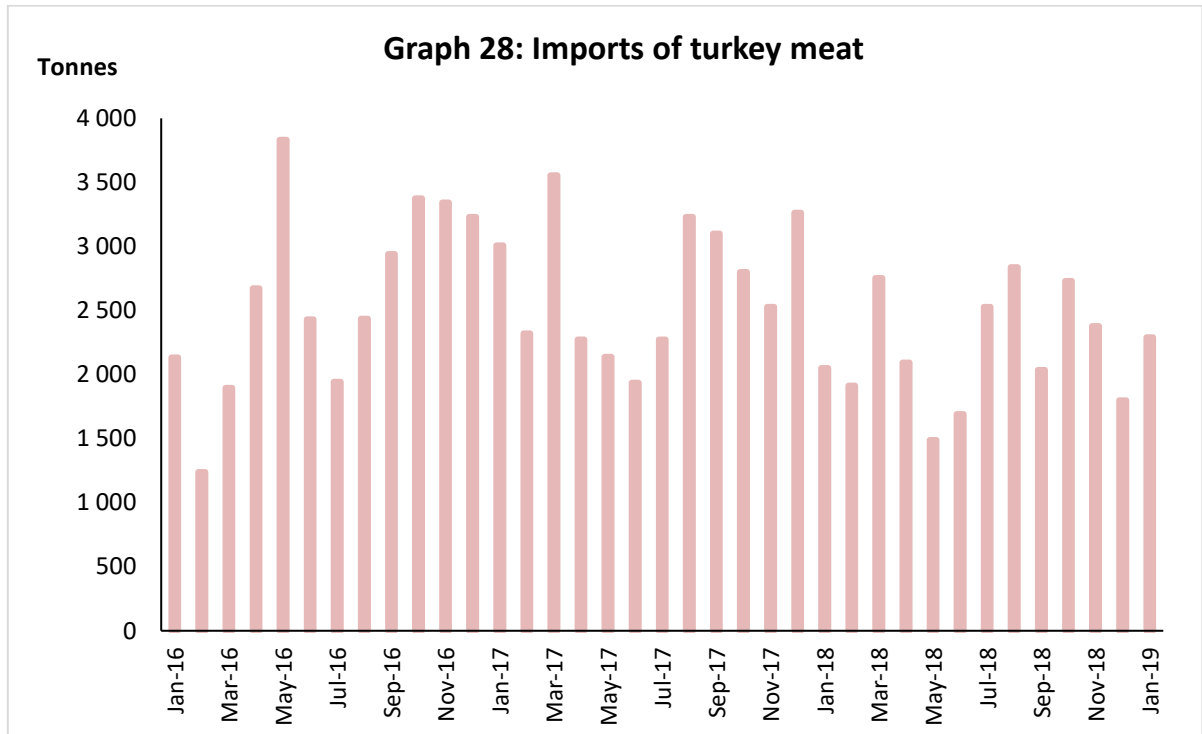
In 2018, turkey was imported under just two different tariff codes: 0207.2500 (whole frozen turkey); and 0207.2700 (frozen turkey cuts, offal and mechanically deboned meat).



During 2017, a total of 32 428 tonnes of turkey meat entered the country (FOB value R506.5 million; Graph 27). In 2018, accumulated imports of turkey products (26 301 t) were 18.9 % lower than in 2017 and had an FOB value of R461.9 million.

## 4.2 Monthly turkey imports

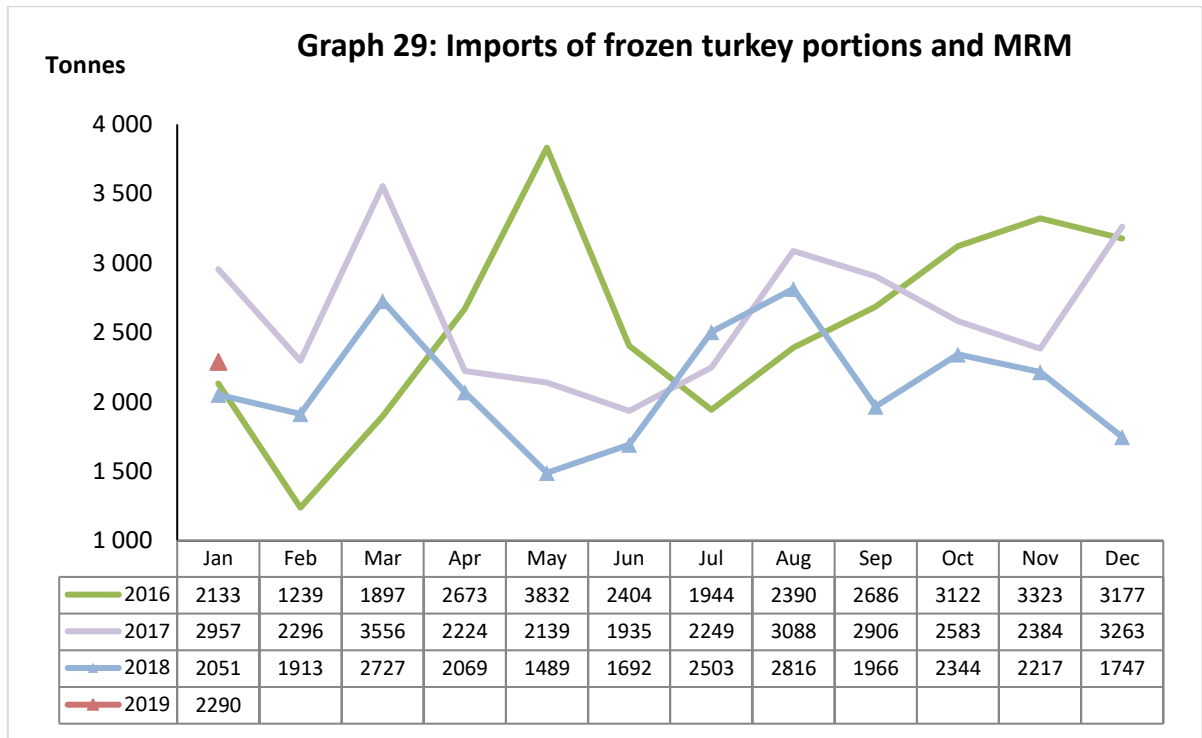
In January 2019, a total of 2 290 t of turkey meat (all tariff lines) were imported at an FOB of R41.2 m (Graph 28). This is an increase of 493 t on December 2018 levels (+ 27.4 %), and an increase of 239 t on January 2018 levels (+ 11.7 %).



## 4.3 Imports of frozen turkey portions and MRM, cuts and offal

Imports of frozen turkey portions under tariff code 0207.2700 made up 100 % of total turkey imports in January 2019. Import levels under the tariff code 0207.2700 increased by 543 t on a monthly basis (+ 31.1 %) and increased by 11.7 % or 239 t compared to January 2018 (Graph 29). Imports in January totalled 2 290 t, at an FOB value of R41.2 m.

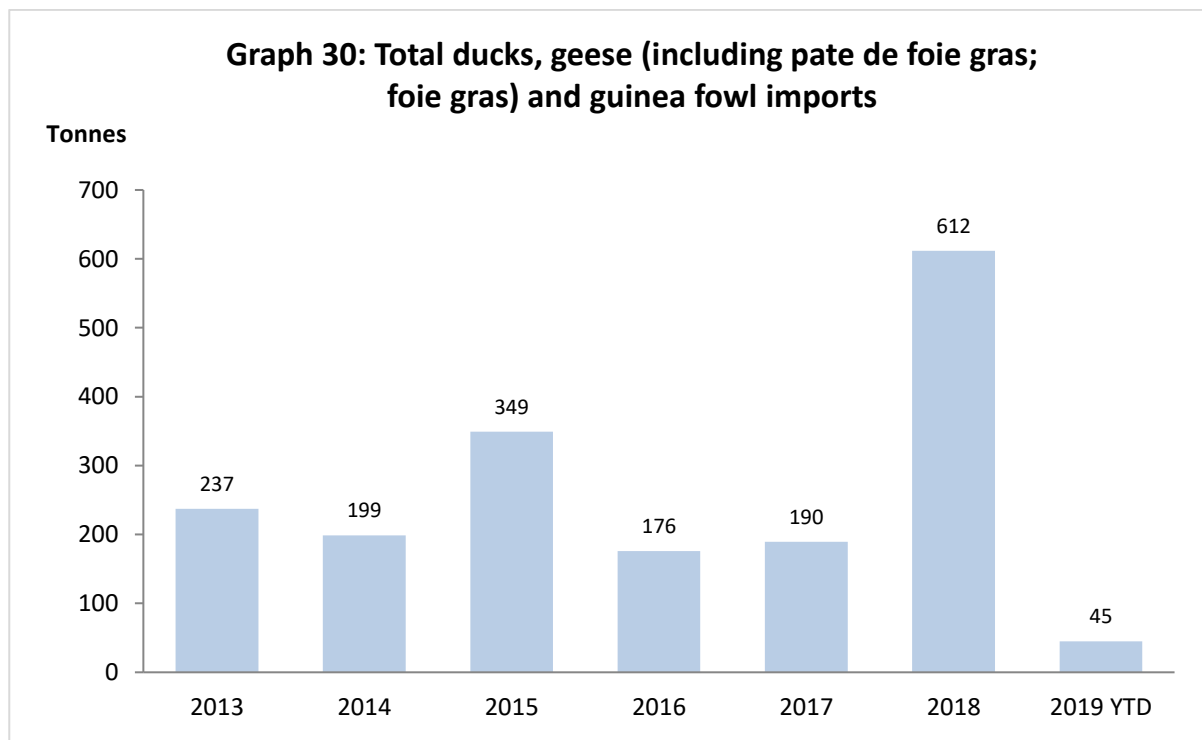
A total of 31 579 t was imported under this code in 2017, at an FOB of R482.4 m. In 2018, accumulated imports of turkey products (25 535 t) under this code are 19.1 % lower than in 2017. Imports of frozen turkey cuts and offal in 2018 had an FOB value of R432.7 million.



## 5. DUCKS, GEESE AND GUINEA FOWL IMPORTS

### 5.1 Annual

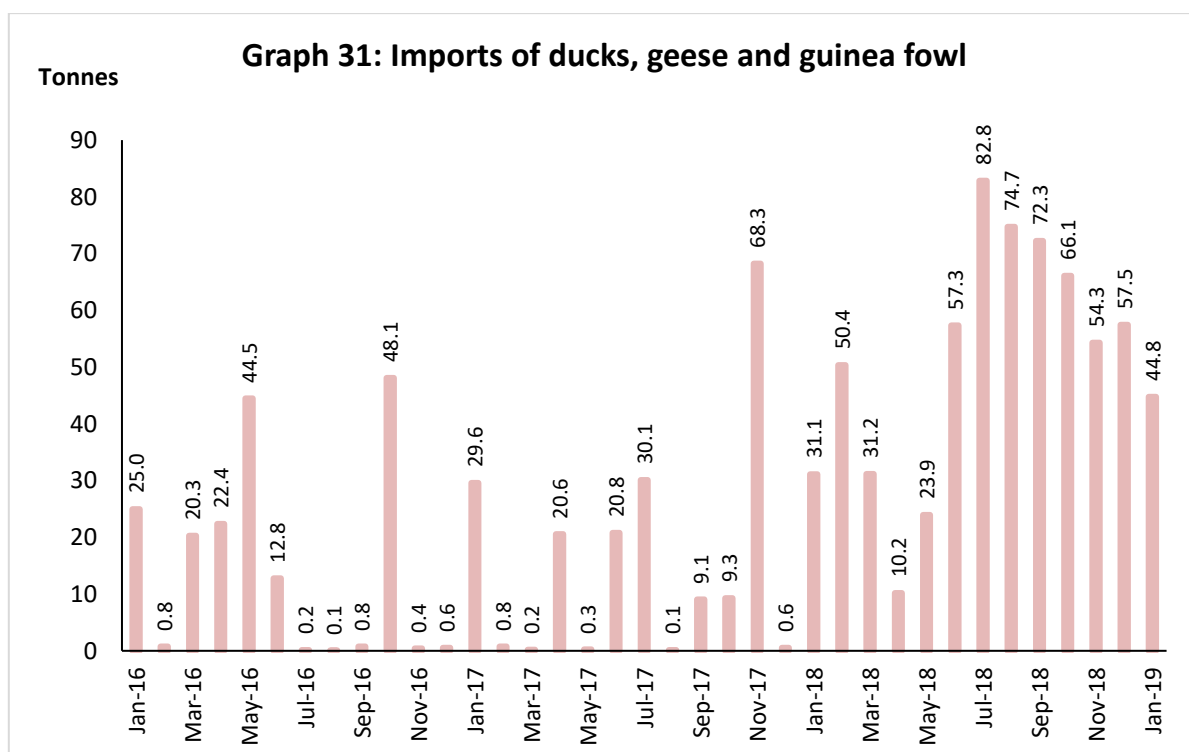
The imports of ducks, geese or guinea fowl contributed 0.11 % of total poultry imports in 2018, compared to 0.034 % of total poultry imports in 2017. Total annual imports of these other types of poultry are shown in Graph 30.



During 2017, a total of 190 t of meat from other poultry types entered the country at an FOB of R7.5 m. For 2018, accumulated imports of ducks, geese and guinea fowl (612 tonnes) were 223 % higher than in 2017 (+ 422 t); and had an FOB value of R25.1 million.

## 5.2 Monthly

In January 2019, imports of ducks, geese and guinea fowl totalled 44.8 tonnes; compared to 57.5 tonnes in December 2018 and 31.1 tonnes in January 2018 (Graph 31). There is wide variation in monthly imports of ducks, geese and guinea fowl, which makes month-on-month and year-on-year comparisons rather meaningless. The January imports had an FOB value of R2.24 million.



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