

PLEASE NOTE:

- This report is based on SARS verified stats. The verified stats will be corrected up to 2 years in arrears on an *ad hoc* basis.
- Declared price = FOB price. The Tariff, VAT, 10% added in order to calculate VAT by law, CIF, clearing and cold store costs at Port of Entry and delivery costs need to be added per tariff line.
- In order to compare import values to local production, the wholesale price needs to be compared. Also note that most local producers quote a list price and will then discount, by varying percentages, from these quoted prices.

MONTHLY IMPORTS SUMMARY:

TOTAL POULTRY

- In February 2018, 40 230 t of poultry meat were imported; 7 012 t less than in the previous month (- 14.8 %). Poultry imports were valued at R437.0 million (FOB); down R94.2 m on January 2018 levels (- 17.7 %). Compared to the same month in the previous year, imports increased by 1 018 t (+ 2.6 %), and in, value terms, increased by 10.9 % or R43 million.
- The SA Revenue Service reported that total poultry imports for 2016 amounted to 560 155 t, an increase of 81 708 t or 17.1 %, in comparison with 2015 (478 447 t). Without the reduction in tonnages in December 2016 caused by temporary AI-related trade bans, 2016 imports would have been 20 % higher than in 2015. Even with all the on-going AI-outbreaks in Europe, poultry imports in 2017 (556 877 t) are only 0.6 % less than in 2016. It should be noted that imports are 25 % higher than the 5-year average (2012 - 2016).
- During February 2018, poultry imports consisted of 95.1 % chicken meat and product, 4.8 % turkey meat and product; and 0.13 % ducks, geese and guinea fowl. In 2017, chicken imports contributed 94.1 % to total poultry imports, turkey imports 5.8 % and ducks, geese or guinea fowl 0.034 %.
- The FOB value of R437.0 m for poultry imports for February 2018 comprises chicken imports at R403.5 m (92.3 %), turkey imports at R 31.9 m (7.3 %) and imports of other types of poultry at R1.71 million (0.39 %).
- "Other poultry" refers to ducks, geese and guinea fowl collectively.

BROILER

- Broiler imports for February totalled 38 267 t, a decrease of 15.3 % (- 6 894 t) on a monthly basis but an increase of 1 377 t or 3.7 % when compared to the same month in the previous year. According to the audited figures of SARS (verified), the annual broiler imports for 2016 totalled 528 506 t (15.6 % higher than in 2015). Accumulated broiler imports in 2017 reached 524 259 t (- 0.8 % on 2016 levels).
- During February 2018, broiler imports to an FOB value of R403.5 m entered the country. This is a 17.9 % decrease on January 2018 levels (- R87.9 m) but a 10.2 % increase on levels recorded in the same month a year ago (+ R37.2 m). In 2016, the value of broiler

imports (R5.021 billion) was 16.8 % higher than in 2015 (+ R723 m). The value of broiler imports in 2017 reached R5.92 billion; an increase of 18 % (+ 902 million) over the value of 2016 imports.

- Imports of frozen, mechanically de-boned meat (MDM): In February 2018, a total of 10 110 t were imported at an FOB of R41.9 m; a decrease of 3 108 t, or 23.5 %, on a monthly basis and a decrease of 4 099 t, or 28.8 %, on a yearly basis (compared to February 2017). In 2017, imports of MDM were 3.4 % higher than in 2016 (201 795 tonnes).
- Imports of frozen chicken bone-in portions (0207.149*; new codes totalled) decreased by 2 384 t, or 9.4 %, in February 2018 in comparison with the previous month, to total 23 117 t at an FOB of R302.2 m. February's imports increased by 6 902 t (+ 42.6 %) compared to February 2017.
- Of the 48 618 tonnes of bone-in portions imported in 2018 YTD, 74.1 % were leg quarters; 10.6 % drumsticks; 8.2 % wings; 2.8 % thighs; and 4.2 % other bone-in cuts. Only 54 t of bone-in breasts have been imported in 2018 YTD.
- In 2016, accumulated imports (239 589 t) of frozen chicken bone-in portions were 24.5 % (+ 47 199 t) higher than in 2015. Accumulated imports of frozen bone-in portions in 2017 (233 046 t) were 2.7 % lower than in 2016.
- Imports of frozen chicken offal (0207.142*; new codes totalled) in February 2018 amounted to 2 502 t at an FOB value of R16.0 m. This is a decrease of 23.8 % (- 779 t) on a monthly basis but an increase of 5.9 % (+ 140 t) when compared to imports in February 2017. In 2016, accumulated imports of frozen chicken offal (49 747 t) were 18.2 % higher (+ 7 645 t) than in 2015. Accumulated imports of frozen chicken offal in 2017 (49 747 t) were 13.5 % lower than in 2016 (- 6 731 t).
- Distribution of broiler imports in terms of the main products imported (% total *chicken* imports):

Tariff	Dec 2017 %	Jan 2018 %	Feb 2018 %
Mechanically deboned meat 0207.1210	27.1	29.3	26.4
Carcasses 0207.1220	1.6	1.4	1.7
Whole frozen chicken 0207.1290	0.9	1.6	0.7
Frozen (boneless portions) 0207.1410 – 1415	3.5	3.7	4.0
Frozen fowls offal 0207.1421/23/25/29	8.7	7.3	6.5
Poultry (bone-in portions) 0207.1491/93/95 – 99	58.0	56.5	60.4

ANNUAL IMPORTS SUMMARY:

Total imports per poultry type (kg) are given in the table below (source: SARS, verified):

Unit: kg	2014	2015	2016	2017	2018 YTD
Total chicken	368 804 925	457 373 523	528 505 515	524 258 665	83 427 133
Total turkey	24 299 423	20 724 145	31 473 540	32 428 316	3 964 063
Total other	197 878	349 143	175 723	189 635	81 496
Total poultry	393 302 228	478 446 811	560 154 778	556 876 616	87 472 692

Unit: kg	2014	2015	2016	2017	2018 YTD
Total chicken	368 804 925	457 373 523	528 505 515	524 258 665	83 427 133
Total frozen broiler	368 201 525	456 954 268	528 108 226	523 427 640	83 231 142
Total fresh chicken	5 491	48 840	0	28 314	25 998
Total processed	597 909	370 415	397 289	802 711	169 993

Unit: kg	2014	2015	2016	2017 YTD	2018 YTD
Total frozen broiler	368 201 525	456 954 268	528 108 226	523 427 640	83 231 142
Total frozen broiler excl. MDM	221 218 214	277 063 358	332 854 759	321 632 534	59 910 661
Total broiler MDM	146 983 311	179 890 910	195 253 467	201 795 106	23 320 481

- Brazil was the main country of origin for South African poultry imports in February 2018, with 61.2 % or 24 610 t of total imports; of which 37.8 % was mechanically deboned chicken meat and 46.5 % frozen bone-in portions. The US exported 6 396 t (15.9 %; of which 91.4 % was frozen bone-in chicken portions). Argentina exported 2 616 t to South Africa in February (6.5 % of total; of which 74.0 % was frozen bone-in chicken portions).
- Denmark accounted for 6.2 % (2 500 t) of the total imports in February and Ireland 5.5 % (2 220 t). Thailand was responsible for 2.3 % (910 t) and Canada 1.2 % (465 t). Chile exported 503 tonnes to South Africa in February (1.3 %). Other countries contributed 0.02 % collectively.
- Dutch imports averaged 9 643 tonnes/month in the 12 months to November 2016. Since then, the Dutch have reported two H5N8 HPAI events to the OIE, totalling nearly 4 000 cases. A trade ban was in place but final reports on both the Dutch outbreaks were submitted to the OIE on 17 May 2017. The Dutch had declared that their avian-influenza free-status regained but new cases of HPAI H5N6 have recently been reported on commercial farms and in wild birds in the Netherlands. They exported 112 t of poultry product to South Africa in April 2017 but nothing in the ten months through to February 2018.
- The UK submitted a final report to the OIE in March 2017 but there were fresh outbreaks in Lancashire in May and in Norfolk in June and July 2017. These were declared resolved on 13 September. There have since been twenty reported outbreaks of H5N6 HPAI in waterbirds and raptors during 1Q 2018. The UK did not export poultry products to South Africa in February.
- In February 2017, highly pathogenic H5N8 was reported in Spain. This event increased to ten outbreaks, with the last case recorded on 18 February 2017. 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 February 2018, no poultry meat imports were received from Spain.

- Only 265 *kilogrammes* of poultry imports were recorded from France in February because of an AI-related trade ban. To 26 May 2017, Germany had notified the OIE of 286 outbreaks of H5N8 HPAI in wild birds and commercial poultry. The Germans had closed all their HPAI events with the OIE, including a very recent report of H5N6 HPAI in a wild duck (January 2018). However, they have since reported H5N6 in a backyard flock in March 2018. They exported 8.8 tonnes of poultry meat to South Africa in February 2018.
- Imports from the EU contributed 11.8 % (4 730 t) of total poultry imports into South Africa in February (*cf* 63.1 % in November 2016), of which 3 798 t were bone-in chicken portions (80.3 %). EU tonnages were down 8.6 % on a monthly basis and down 49.1 % on a year-on-year basis (because of AI-related trade bans).
- Total imports of bone-in portions from the EU into South Africa are shown below:

YEAR	Total imports of bone-in portions from the EU (tonnes)	Percentage change
2012	112 928	+ 81 %
2013	117 116	+ 4 %
2014	145 499	+ 24 %
2015	155 924	+ 7 %
2016	194 399	+ 25 %
2017	57 092	- 70.6 %
2018 YTD	7 855	-34.4% (y/y)

- Poultry imports according to main countries of origin for 2015 to 2018 YTD are tabulated below

Country	Imports (tonnes)			
	2015	2016	2017	2018 YTD
Brazil	241 180	233 787	337 476	51 767
Netherlands	61 995	110 344	112	-
United Kingdom	15 985	45 647	1 366	-
Spain	27 090	39 620	11 138	-
United States	331	26 573	87 059	14 679
Belgium	35 613	24 256	23 451	23
Argentina	27 718	18 713	32 816	7 447
Ireland	13 336	15 556	24 746	4 427
Hungary	10 547	13 174	0	-
Denmark	9 508	9 779	16 884	5 396
Canada	131	8 884	14 431	1 273
Germany	554	6 073	134	57
Poland	-	4 773	72	-
Thailand	7 616	2 078	4 019	1 659
Chile	408	360	1 770	743
Australia	264	254	984	-
France	24 895	105	4	1

Poultry imports according to tariff are tabled below:

Species	Tariff description	Code	2013	2014	2015	2016	2017	2018 YTD
			Unit: tonnes					
CHICKEN	Chicken: Whole fresh or chilled broiler	02071100	0.012	5.491	0.0	0.0	0.0	0.0
CHICKEN	Chicken: Whole frozen broiler	02071200	0.0	0.0	0.0	0.0	0.0	0.0
CHICKEN	Chicken: Frozen mechanically deboned broiler meat	02071210	142 259	146 983	179 891	195 253	201 795	23 328
CHICKEN	Carcasses (excluding necks and offal) with all cuts (e.g. thighs, wings, legs and breasts) removed	0207.1220	13 906	18 055	22 440	21 416	14 247	1 309
CHICKEN	Chicken: Frozen whole birds	02071290	4 052	2 602	4 321	9 597	9 504	987
CHICKEN	Chicken: Cuts and offal, fresh or chilled broilers	02071300	50.8	0.0	48.8	0.0	28.0	26.0
CHICKEN	Chicken: Frozen broiler boneless portions	02071410	14 474	9 986	15 811	12 506	21 820	3 205
CHICKEN	Chicken: Frozen broiler offal	02071420	34 803	33 489	41 102	49 747	43 016	5 783
CHICKEN	Chicken: Frozen broiler bone-in portions	02071490	144 773	157 086	192 390	239 589	233 046	48 618
TURKEY	Whole fresh turkey	02072400	0.0	0.0	24.6	52.1	0.0	0.0
TURKEY	Whole frozen turkey	02072500	1 142.3	983.8	871.3	524.0	629.0	0.0
TURKEY	Cuts and offal, fresh or chilled turkey	0207.2600	0.0	0.0	270.0	26.5	18.6	0.0
TURKEY	Frozen turkey portions and MDM	02072700	34 069	23 316	19 558	30 820	31 579	3 964
OTHER	Whole fresh or chilled ducks, geese and guinea fowl	02073200	0	0	0	0	0	0
DUCKS, GEESE, GUINEA FOWL	Frozen portions of ducks, geese and guinea fowl	02073300	0	0	0	0	0	0
OTHER	Fresh or chilled fatty livers of ducks, geese and guinea fowl	02073400	0	0	0	0	0	0
OTHER	Fresh or chilled - other ducks, geese and guinea fowl	02073500	0	0	0	0	0	0
OTHER	Whole frozen ducks, geese and guinea fowl	02073600	0	0	0	0	0	0
DUCKS	Ducks not cut in pieces; fresh or chilled	0207.4100	43.5	0.35	0	0	0.84	0
DUCKS	Ducks not cut in pieces; frozen	0207.4200	99.9	48.0	82.2	90.0	70.6	74.0
DUCKS	Ducks fatty livers, fresh or chilled	0207.4300	0.08	0.013	0.0	0.0	0.007	0
DUCKS	Ducks other, fresh or chilled	0207.4400	2.2	0.03	1.43	0.0	0	0
DUCKS	Ducks other, frozen	0207.4500	118.7	134.7	173.1	79.6	113.9	6.3
GEESE	Geese fatty livers, fresh or chilled	0207.5300	0.7	0.0	0.0	0.0	0.0	0.0
GEESE	Geese other, fresh or chilled	0207.5400	0.7	0.03	0.35	0.0	0.0	0.0
GEESE	Geese other, frozen	0207.5500	0.0	0.0	80.1	0.0	0.0	0.0
GEESE	Sausages: Pate de foie gras / goose liver paste	16010010	2.3	9.7	0.5	0.001	0.0	0.0
GEESE	Other: Pate de foie gras / goose liver paste	16022010	2.6	3.7	6.0	1.12	2.23	0.40
TURKEY	Of turkeys	16023100	22.8	0.06	0.08	50.9	201.6	0.0
CHICKEN	Chicken: Other prepared or preserved broiler meat, offal or blood pastes	16023210	0	0.03	0.17	0.02	0	0.001
CHICKEN	Frozen, flavoured, herbed or marinated broiler	16023290	560.5	597.9	370.4	397.3	802.7	170.0
OTHER	Pastes of ducks, geese and guinea fowl	16023910	0.03	0.31	0.17	0.03	0.03	0.001
OTHER	Other, not incl pastes of ducks, geese and guinea fowl	16023990	4.6	2.1	5.4	5.02	1.98	0.87
	TOTAL POULTRY IMPORTS		390 387	393 303	478 447	560 155	556 877	87 473