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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## **THE NATIONAL ASSEMBLY**

### **QUESTION FOR WRITTEN REPLY**

#### **QUESTION NO. 3290**

**Mr C N Malematja (ANC) to ask the Minister of Trade, Industry and Competition.**

What has been the relevant details and importance to the economy of the Republic regarding the recent tariffs placed on the importation of chicken (details furnished)? NO4378E

#### **REPLY**

Anti-dumping duties on frozen bone-in chicken pieces imported from Brazil, Denmark, Ireland, Poland and Spain were gazetted on 3 August 2023 and came into force immediately. It applies for a 4-year period, subject to a sunset review. The Competition Commission is also monitoring price trends to ensure that the introduction of the anti-dumping duties does not lead to unjustified price increases.

The South African Poultry Association (“SAPA”), submitted an application to the International Trade Administration Commission (ITAC) alleging that frozen bone-in chicken pieces originating in or imported from Brazil, Denmark, Ireland, Poland and Spain were being dumped on the Southern African Customs Union (SACU) market, causing material injury and a threat of material injury to the SACU industry.

ITAC subsequently initiated an anti-dumping investigation into the alleged dumping of frozen bone-in chicken pieces, through a *Government Gazette* notice of 05 February 2021. On the basis of the information available, ITAC made a preliminary determination that the frozen bone-in chicken pieces originating in or imported from Brazil, Denmark, Ireland, Poland and Spain was dumped onto the SACU market causing material injury and a threat of material injury to the SACU industry. On 17 December 2021, the Commissioner of the South African Revenue Service (SARS) imposed provisional anti-dumping duties.

Subsequently, ITAC invited comments from all known interested parties on its preliminary determination. After considering all written comments and oral presentations, ITAC made a final determination that dumping of the subject product originating in or imported from the subject countries was taking place, causing material injury and a threat of material injury to the SACU industry.

ITAC therefore recommended to the Minister of Trade, Industry and Competition that anti-dumping duties be imposed on the subject product originating in or imported from Brazil, Denmark, Ireland, Poland and Spain. The Minister approved the Commission's recommendation. However, in considering the decision, the Ministry considered the rapid rise in food prices domestically and globally at the time and the significant impact this had, especially on the poor, and the impact that the imposition of the anti-dumping duties might have on the price of frozen poultry as one of the most affordable protein sources for low-income households. The Ministry concluded that a suspension of the imposition of the anti-dumping duties for a period of twelve (12) months or a shorter period of time depending on the prevailing circumstances at the time, was appropriate.

Dumping occurs when the goods are exported by producers in one country to another country at a price lower than its normal value in the country where it was produced. This is an unfair trade practice which can have a distortive effect on the domestic industry in the importing country. Thus, the purpose of anti-

dumping duty is to rectify the trade distortive effect of dumping and re-establish fair trade. The anti-dumping duties that have been imposed assist the domestic poultry industry by levelling the playing field and can lead to increasing of production and investment; and the protection and increase of jobs in South Africa.

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