

SOUTH AFRICA POULTRY (HS0207¹) TRADE

1. Purpose

The document focuses on South Africa (SA)'s overall poultry trade with the World and overall chicken trade with the USA for a selected period. It starts by highlighting SA's poultry production and consumption to determine the state of self-sufficiency.

2. SA Poultry Production and Consumption: 2000/01 to 2017/18

For the period 2000/01 to 2017/18, SA poultry production was lower than the country's consumption, table 1. On average during the stated period, SA could only produce 85% of the required quantity of poultry. For the past five years from 2013/14 to 2017/18 (Table 1), the self-sufficiency ratio has been constantly declining. Indications are that, SA is reliant on poultry meat imports to satisfy the demand in the country.

Table 1. SA Poultry Production and Consumption(1000 Tons): 2000/01 to 2017/18

Year	Production	Consumption	Self-Sufficiency ²
2000/01	869	938	92,64
2001/02	896	965	92,85
2002/03	925	1 032	89,63
2003/04	1 043	1 196	87,21
2004/05	1 273	1 455	87,49
2005/06	1 427	1 664	85,76
2006/07	1 499	1 767	84,83
2007/08	1 584	1 813	87,37
2008/09	1 644	1 841	89,30
2009/10	1 681	1 887	89,08
2010/11	1 721	1 987	86,61
2011/12	1 681	2 048	82,08
2012/13	1 691	2 061	82,05
2013/14	1 668	2 015	82,78
2014/15	1 709	2 076	82,32
2015/16	1 704	2 200	77,45
2016/17	1 663	2 155	77,17
2017/18 ³	1 702	2 392	71,15
Average	1 466	1 750	84,88

Source: Abstract of SA Agricultural Statistics: D: Statistics (2018)

¹ 0207, Meat And Edible Offal Of Poultry (Chickens, Ducks, Geese, Turkeys And Guineas), Fresh, Chilled Or Frozen

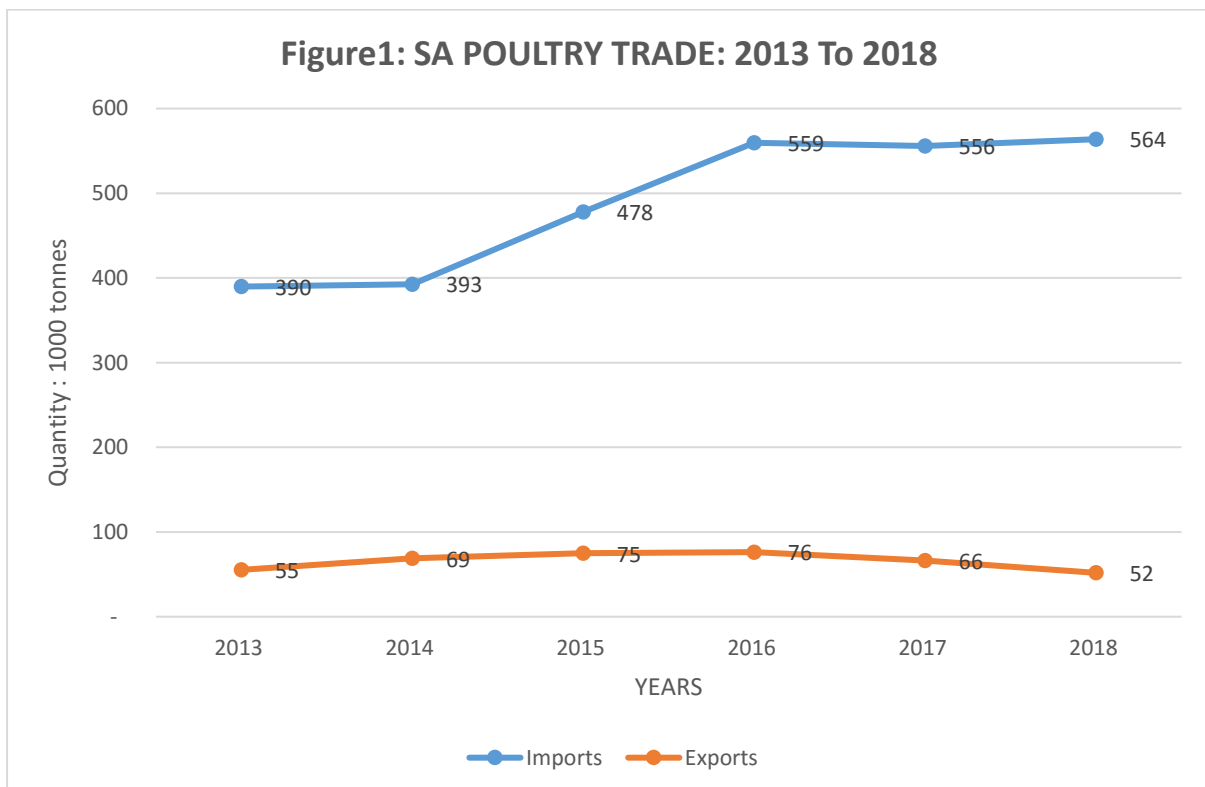
² For the purpose of this article, Self-sufficiency is calculated as: (Production/consumption)*100

³ 2017/2018 figures are preliminary

3. SA Total Poultry Imports and Exports

On average from 2013 to 2018, SA poultry exports to the World was only 13% of SA's poultry imports from the World, figure 1. The graph below also reflects that for the period 2013 to 2018:

- SA Poultry Imports from the World:
 - On average, grew by 8% from 390 000 tons in 2013 to 564 000 tons in 2018;
 - Yielded the highest growth of 22% in 2015 from 393 000 tons in 2014 to 478 000 tons in 2015;
- SA Poultry Exports to the World:
 - Grew on average by 0.22% from 55 000 tons in 2013 to 52 000 tons in 2018;
 - Grew the highest from 2013 to 2014, at 25% from 55 000 tons to 69 000 tons, respectively;
 - Declined the highest by 13% from 76 000 tons in 2016 to 66 000 tons in 2017



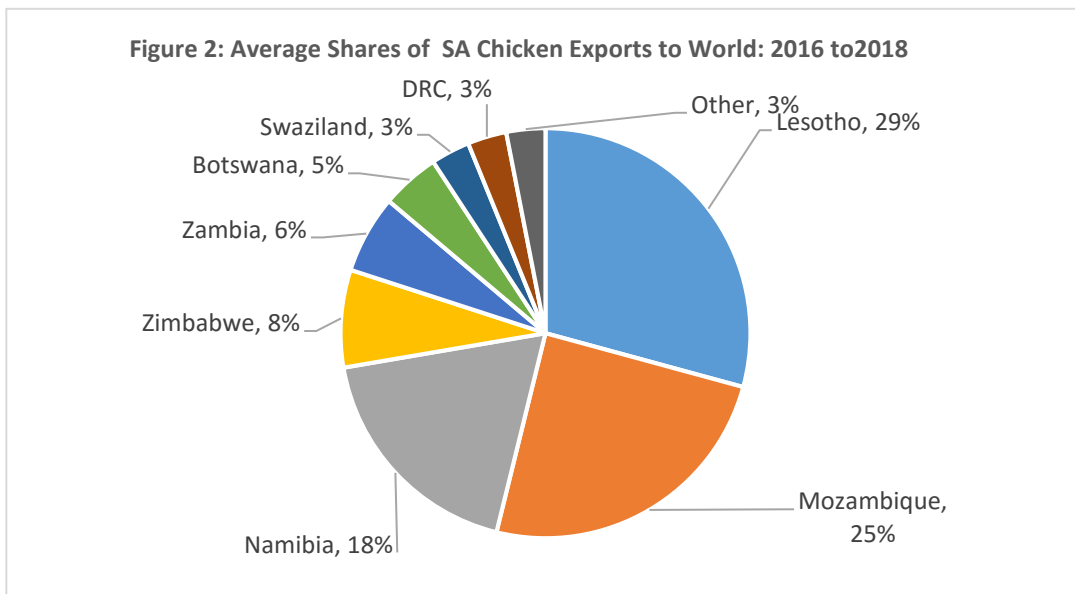
Source: Global Trade Atlas 2019

3.1. SA poultry exports performance by destination: 2016 to 2018

Figure 2 below shows SA's poultry exports performance for the period 2016 to 2018.

The figure shows that SA poultry exports⁴ were absorbed mainly by Southern African countries. The top 8 SA poultry exports destinations (depicted in figure 2), dominated SA exports to the World by absorbing 96% of total SA poultry exports to the World. The performance of SA poultry exports were:

- Lesotho (29%), Mozambique (25%) and Namibia (18%) were the top 3 SA poultry exports destinations.
- On average from 2016 to 2018, the top 5 (i.e. Lesotho, Mozambique, Namibia, Zimbabwe, and Zambia) absorbed 86% of the total SA poultry exports to the World.
- For the period 2017 to 2018, Lesotho had the highest growth rate at 10% as SA's poultry exports destination in the World, despite the total SA poultry exports to the World declining by 22% for the period 2017 to 2018.
- Zimbabwe, ranked the 4th largest destination for SA poultry exports in the World on average, had the largest decline of 75% (i.e. from 4 900 tons in 2017 to 1 230 tons in 2018).
- Botswana, ranked on average the 6th largest SA poultry destination for the period 2016 to 2018, experienced the lowest decline of 4% in quantity (i.e. from 3 300 tons in 2017 to 3 100 tons in 2018).



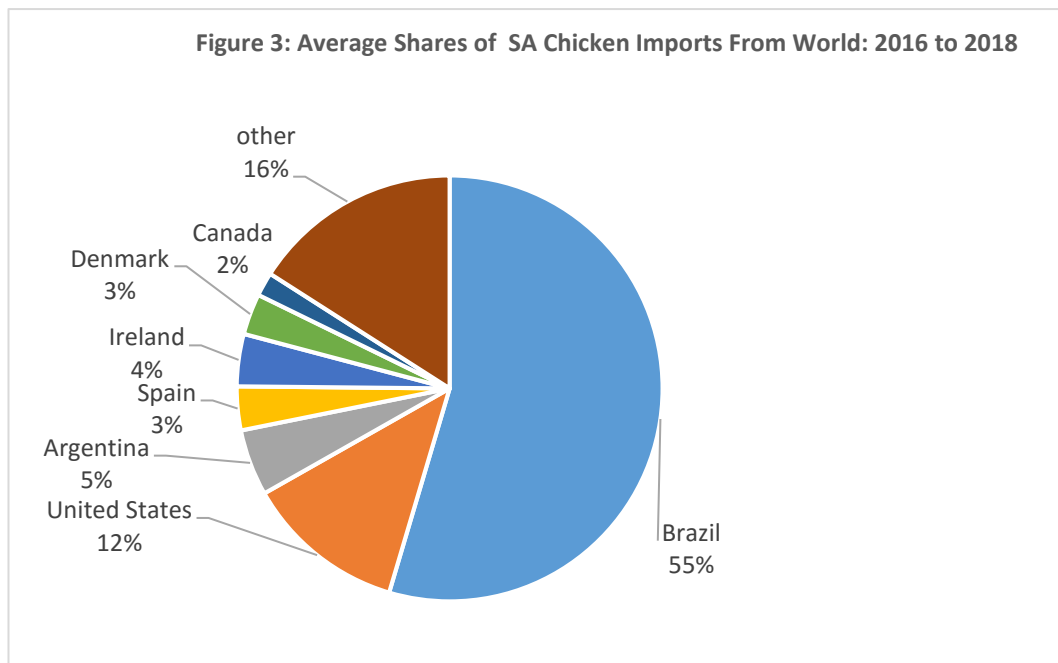
Source: Global Trade Atlas - 2019

⁴ Products selected for this category were exported consistently at ≥ 1000 tons for 2016 to 2018.

3.2. SA poultry imports performance by Origin

Figure 3 below shows performance of SA's total poultry imports from the World from 2016 to 2018. The figure shows that, during this period:

- SA poultry imports predominantly emanates from Brazil, which supplied on average, 55% of all SA poultry imports;
- Despite experiencing the highest decline in growth of 72% in 2016/17 (i.e. from and 56% in 2017/18, Spain remained in the top 3 SA poultry supplier;
- The USA yielded the highest average annual growth rate of 115% (i.e. from 27 000 tons in 2016 to 91 000 tons in 2018);
- The USA grew by 226% (from 27 000 tons in 2016 to 87 000 tons in 2017),
- Argentina, the fourth largest SA poultry supplier in 2016 (19 000 tons); grew by 75% to be the third largest SA poultry supplier in 2017 (33 000 tons).
- The figure shows that on average from 2016 to 2018, the three largest SA poultry suppliers (i.e. Brazil - 55%; USA - 12%; and Argentina - 5%), contributed a combined average of 72% of SA poultry imports from the World.



Source: Global Trade Atlas - 2019

4. SA Poultry⁵ Products Trade Performance at HS6 Level

4.1. SA poultry products Imports performance

On average from 2016 to 2018, chicken (HS: 0207.1), dominated SA imports of poultry products from the World, contributing 95% of the total SA poultry to the World, whilst, Turkey (5%), ducks and geese (0%), were the other products in this category.

Table 2, below shows that on average from 2016 to 2018:

- **HS020714**- Chicken cuts and edible offal (including livers), frozen at 57%; and **HS020712** - meat & offal of chickens, not cut in pieces, frozen at 37% dominated SA's poultry imports from the World;
- **HS020714** yielded the highest growth in this sub-sector at 10% from 302 tons in 2016 to 360 tons in 2018.
- SA imports of Ducks and Geese were negligible.

Table 2. SA imports of Poultry Products from the World (HS 0207): 2016 to 2018

HS	Description	Quantity: 1000 Tons					Average Annual Growth rate 2016-2018
		2016	2017	2018	Average 2016-18	Average %Share	
0207	Meat & Ed Offal Of Poultry, Fresh, Chill Or Frozen	559,5	555,9	563,8	559,7		0,4
020714	Chicken Cuts And Edible Offal (Inc Livers), Frozen	301,6	297,9	359,9	319,8	57,1	9,8
020712	Meat & Offal Of Chickens, Not Cut In Pieces, Frozen	226,3	225,7	176,9	209,6	37,4	-10,9
	CHICKEN (0207.1)	527,9	523,5	536,8	529,4	94,6	0,9
020727	Turkey Cuts And Edible Offal (Includ Liver) Frozen	30,8	31,6	25,5	29,3	5,2	-8,4
020725	Turkeys, Not Cut In Pieces, Frozen	0,5	0,6	0,8	0,6	0,1	20,9
	Turkey (0207.2)	31,4	32,2	26,3	30,0	5,4	-7,8

Source: Global Trade Atlas -2019

4.1.1 SA imports of bone-in-chicken pieces (0207.14.9)

Table 3 below shows the SA's imports of HS 0207.14 from the World. The table shows that on average from:

- Bone in chicken pieces (**0207.14.9**) contributed 79% of the total **HS 0207.14 chicken cuts and edible offal** imports from World;

⁵ 0207, Meat And Edible Offal Of Poultry (Chickens, Ducks, Geese, Turkeys And Guineas), Fresh/ Chilled Or Frozen

- **0207.14.93 leg quarters**, dominated SA's imports of chicken cuts and edible offal (**0207.14**) at 56% of the total SA imports of (**0207.14**) from the World.

Table 3. SA 020714, Chicken Cuts And Edible Offal imports from World (1000 tons)

Commodity	Unit	Description	Quantity - 1000 tonnes				Ave %Share
			2016	2017	2018	Average	
Total 020714	T	Chicken Cuts And Edible Offal (Inc Livers), Frozen	301,6	297,85	359,89	319,78	
02071493	T	Leg Quarters	154,57	169,23	213,77	179,19	56,03
02071498	T	Drumsticks	31,841	28,399	32,791	31,01	9,70
02071495	T	Wings	36,463	19,391	21,894	25,92	8,10
02071499	T	Other	7,352	7,695	10,9	8,65	2,70
02071497	T	Thighs	8,993	8,07	6,939	8,00	2,50
02071496	T	Breasts	0,064	0,09	0,139	0,10	0,03
02071491	T	Whole Bird Cut In Half	0,039	0,024	0,113	0,06	0,02
0207.14.9 (Bone-in cuts)			239,32	232,9	286,54	252,92	79,09
02071429	T	Other	19,275	18,874	23,345	20,50	
02071423	T	Feet	24,209	16,616	17,815	19,55	
02071421	T	Livers	6,282	7,498	8,325	7,37	
0207.14.2 (Offal)			49,77	42,99	49,49	47,41	14,83
02071415	T	Other	1,024	2,174	3,413	2,20	
02071413	T	Thighs	0,231	0,148	0,023	0,13	
02071411	T	Breasts	11,257	19,645	20,427	17,11	
0207.14.1 (Boneless cuts)			12,51	21,97	23,86	19,45	6,08

Source: Global Trade Atlas 2019

4.2. SA poultry products exports performance

On average from 2016 to 2018, chicken (**HS: 0207.1**), dominated SA exports of poultry products contributing 96% (i.e. 62 200 tons) of the total (i.e. 64 800 tons) SA poultry exports to the World (Table 6). The contribution of SA turkey (**HS0207.2**), ducks (**HS0207.4**), and geese (**HS0207.5**) to SA poultry exports to the World was negligible.

Table 4 shows that on average from 2016 to 2018:

- **HS020712** - meat & offal of chickens (39%); **HS020714**- chicken cuts and edible offal (34%); and **HS020713** – chickens cuts (22%), contributed 95% to SA's total poultry products exports to the World;
- **HS020713** yielded the highest growth in this sub-sector at 14% (i.e. 11 600 tons in 2016 to 14 600 in 2018) to SA total exports of this sub-

sector to the World; whilst **HS020712** had the highest decline of 32% (i.e. 34 000 tons in 2016 to 16 000 tons in 2018).

Table 4. SA exports of Poultry - 0207 (Fresh/ Chilled/Frozen): 2016 to 2018

HS	Description	Quantity: 1000 Tons					Average %Share	Average Annual Growth rate 2016-2018
		2016	2017	2018	Average 2016-18			
0207	Meat & edible offal of poultry, fresh, chill/ frozen	76,25	66,23	51,78	64,8		-17,5	
020714	Chicken cuts and edible offal (Inc. Livers), frozen	25,39	22,52	18,32	22,1	34,1	-15,0	
020712	Meat & offal of chickens, not cut in pieces, frozen	34,36	25,33	15,72	25,1	38,8	-32,1	
020713	Chicken cuts & edible offal (incl liver) frsh/chld	11,62	15,78	14,62	14,0	21,6	14,2	
0207.1	Chicken	72,11	64,07	50,51	62,23	95		
0207.2	Turkey							
0207.4	Ducks							
0207.5	Geese							

Source: Global Trade Atlas 2019

5. SA-USA Chicken (0207.1) Products Trade

Table 5 below shows that for the period 2013 to 2018, SA poultry exports to the USA was 0.02% of the total SA poultry imports from the USA.

The table shows that:

- SA imports of poultry (HS0207) from the USA declined the highest, by 93% during the 2014/15 year from 5020 tons in 2014 to 331 tons in 2015;
- SA imports of poultry from the USA grew the highest during 2015/16 year by 8000% (i.e. 331 tons in 2015 to 27 000 tons in 2016); followed by another huge growth of 226% (27 000 tons in 2016 to 87 000 tons in 2017).

Table 5. SA-USA meat & edible offal of poultry (HS0207): 2013-2018 trade

	Quantity - Tons					
	2013	2014	2015	2016	2017	2018
IMPORTS	11076	5020	331	26709	87063	91287
EXPORTS	13	0	0	0	0	24
%Imp Growth		-54,68	-93,41	7969,18	225,97	4,85

Source: Global Trade Atlas

5.1. SA top Chicken (HS0207.1) Products Imports from USA

Table 6 below shows the average performance of SA's Chicken (0207.1) imports from the USA for the period 2016 to 2018.

The table shows that on average from 2016 to 2018:

- **HS020714 - chicken cuts and edible offal (including livers)**, frozen, contributed 99.8% of the total SA chicken (HS0207.1) imports from the USA; whilst **HS020712 - meat & offal of chickens not cut in pieces, frozen** contributed 0.2%;
- Bone-in chicken pieces - **02071493-Leg Quarters** (69%); **020714.98-Drumsticks** (19%), **020714.97-Thighs** (3%) and **020714.95-Wings** (2%) had a combined share of 93% of the total SA chicken imports from the USA;
- The imports from the U.S. occurred despite the general duty of 37% levied on bone-in chicken pieces and a further R9.40c/kg anti-dumping duty charged on imports from the U.S. above the 65 000 tons per annum agreed upon in the 2015 AGOA deal;
- **HS02071411 – Breasts**, was the largest growing SA chicken imports sub-sector from the USA with 85% (i.e. from 1971 tons in 2017 to 3655 tons in 2018).
- **02071429 - other offal** was the highest declining SA chicken import sub-sector from the USA with -52%, from 1510 tons in 2017 to 721 tons in 2018.

HS	Description	Quantity (Tons)				%Average share	Growth rate 17/18
		2016	2017	2018	Average		
0207.1		24901	82319	85972	64397		
020714	Chicken cuts and edible offal inc livers), frozen	24695	82214	85818	64242	99,76	4
02071493	Leg quarters	17592	56403	58707	44234	68,69	4
02071498	Drumsticks	3099	16166	18148	12471	19,37	12
02071411	Breasts	1007	1971	3655	2211	3,43	85
02071497	Thighs	719	3021	1952	1897	2,95	-35
02071495	Wings	454	2305	1726	1495	2,32	-25
02071429	Other offal	1457	1510	721	1229	1,91	-52
020712	Meat & offal of chickens, not cut in pieces, frozen	206	105	154	155	0,24	47
02071210	Mechanically deboned meat	206	105	129	147	0,23	23

Source: Global Trade Atlas 2019

5.2. USA Competitors in SA Chicken (HS0207.1) Imports

Table 7 below shows that on average from 2016 to 2018, Brazil was the dominant SA chicken supplier in the World. The table shows that:

- Brazil was the main supplier of the following SA chicken products imports:
 - **02071493**-leg quarters (35%);
 - **02071411**-breasts (74%);
 - **02071495**-wings (14%);
 - **02071429**-other offal (52%); and
 - **02071210**-mechanically deboned meat (92%)
- The USA dominated the supply of:
 - **02071498**-drumsticks (40%); and **02071497**-thighs (24%);

Table 7. Top SA Chicken (HS0207.1) Products Suppliers (1000 tons)

Commodity	Description	Average 2016-2018	Origin/Competitors
0207.1		529.4	
02071493	Leg Quarters	179	Brazil (35%); USA (25%); Argentina (5%)
02071498	Drumsticks	12.5	USA (40%); Brazil (17%); Ireland (3%)
02071411	Breasts	17	Brazil (74%); USA (13%); Thailand (8%)
02071497	Thighs	8	USA (24%); Denmark (23%); Ireland (17%)
02071495	Wings	25	Brazil (14%); Denmark (13%); Argentina (9%)
02071429	Other	21	Brazil (52%); Ireland (12%); Argentina (12%)
02071210	Mechanically deboned meat	183	Brazil (92%); Thailand (2%); Argentina (1%)

Source: Global Trade Atlas 2019

6. Conclusion

The article shows that SA is not self-sufficient in terms of poultry production, as consumption exceeds local production. It is for this reason that SA, in order to satisfy the demand, has been a net importer of poultry from as far back as year 2000 and continues to be to the present. It is also evident from the report that SA imports mainly chicken, and not ducks/ geese/ turkeys and guineas from the World under HS 0207.

SA's imports of bone-in meat chicken portions (HS0207.14.9), dominated SA total chicken imports from the World during the period from 2016 to 2018 and it is highly likely that the same pattern prevailed during the other years. The figures above also show that Brazil and USA were the major suppliers of SA poultry imports with a combined share of 67% of the total SA poultry imports from the World.

The destination of South Africa's poultry exports was mainly to Southern African countries who absorbed 96% of total SA poultry exports to the World.

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