The FairPlay movement is a non-profit initiative to end predatory trade practices worldwide.

The poultry industry master plan is the creation of a co-operative effort among all relevant industry stakeholders – the government, farmers, processors, exporters, poultry importers and unions.

Late last year when the poultry industry master plan was announced at President Cyril Ramaphosa’s investment conference in Johannesburg the plan set targets for implementation based on five pillars instrumental in refocusing and building the poultry industry. One of those pillars is the development of the necessary requirements for South Africa’s globally competitive poultry producers to pursue opportunities to build export markets.

But for this to happen South Africa has to bring its food safety and inspection requirements as well as its veterinary regulations and oversight up to international standards. Without this there can be no development of an international poultry trade for South African chicken producers and no opportunities for South Africa to export chicken products.

CAN SA RETAIN ITS POSITION AS THE LARGEST POULTRY PRODUCER IN AFRICA?

According to Rabobank, South Africa faces increasing competition from Nigeria, Zambia, Ethiopia and Rwanda.

“Zambia and Ethiopia are offering investment incentives, import bans and fast growth in soybean production” to attract investors. South Africa, meanwhile, signed the poultry master plan months ago, yet tariffs to curb predatory imports have still not been announced.

Writing in Business Report, Tawanda Karombo examines how South Africa’s continental leadership in poultry production is threatened by increased competition from Nigeria and other countries whose governments are moving to implement policies that support domestic poultry production.
Under the rules of the World Trade Organization (WTO) of which South Africa and 163 other countries are members, countries that export poultry or other meats are required to take sanitary and phytosanitary (SPS) measures to protect life and health.

The WTO SPS Agreement requires that SPS measures be based on science, do not discriminate between Members where the same or similar conditions prevail, and are not a disguised restriction to international trade.

What is key to the objective of the South Africa poultry master plan to develop export markets is the fact that under WTO SPS rules the exporting country has the burden of demonstrating that its measures achieve the appropriate level of protection of the importing country.

Simply put, South Africa has some way to go in elevating its SPS and food safety standards in order to become a global exporter of poultry products. But to be fair the poultry master plan demonstrates that attitudes are changing and that there is a growing awareness in South Africa about the importance of SPS matters, in terms of increasing market access for food and agricultural products and also in terms of improving public health.

Inadequate SPS measures, not only severely reduce export capacity but also the ability to control imports. The co-operative effort that has gone into the master plan development should give rise to the expectation that a new partnership can emerge between government and the private sector to take the necessary steps to resolve the complex issues that prevent South Africa poultry industry export development.

South Africa is facing increased competition from Nigeria as the poultry production hub in Africa and the biggest market for eggs.

Rabobank has said that while South Africa would remain the biggest producer on the continent, Zambia, Ethiopia and Rwanda tipped as the next growth frontiers for investment and production of poultry products in Africa. The report said South Africa’s production was expected to decline in the next few years because of rising competition and the Avian Influenza outbreak, which killed more than 10 percent of the country’s laying flock in 2017.

“South Africa to remain the biggest industry, but its share of total African production will fall further in the next decade,” said senior Rabobank analyst Nan-Dirk Mulder.

The report said overall the poultry egg industry was growing by 3.9 percent a year, with Nigeria predicted to grow between 3 percent and 5 percent between 2017 and 2027.

The SA Poultry Association (Sapa) has said chicken imports mainly from the EU block were bleeding the industry leading to job losses.

The organisation said South Africa was producing 19.7 million chickens a week against a market demand of 21 million.

The Department of Trade and Industry has just launched a new poultry sector master plan to revitalise local poultry production.

Experts cite rising feed costs, declining export opportunities - with Europe closed to South African exports - and current drought conditions among the major constraints muzzling growth and recovery in South Africa.

The Robobank report said regional competitors such as Zambia and Ethiopia were offering investment incentives, import bans and fast growth in soybean production as key attractions for investors in their industries.

“Several international companies have developed their positions in Africa’s poultry sector, including modern retail and restaurant chains continuing their expansion; animal nutrition companies strengthening their positions throughout Africa and (poultry) breeding companies establishing a more pan-African supply system as well as equipment suppliers building distribution networks,” reads the report.
LANDMARK HEART HEALTH STUDY IS GOOD NEWS FOR SA’S 2000 EGG PRODUCERS

Eggs are a complete food. They are a rich source of energy and protein. They are considered an ideal food for growing children, athletes, and those recovering from ailments. They are rich in selenium vitamins D, B6, B12 and minerals such as zinc iron and copper.

But there has long been controversy surrounding the presence of cholesterol in eggs. Cholesterol has long been linked to cardiovascular disease, which is why some guidelines have advised people to limit their egg consumption to fewer than three eggs a week. But new research lead by one of the foremost cardiovascular disease experts in the world now seems to prove those fears wrong.

Researchers from the Population Health Research Institute of McMaster University and Hamilton Health Sciences cross-referenced data from three long-term studies to get the full picture. Their results, published in The American Journal of Clinical Nutrition, showed that there was no significant uptick in fatal cases of heart disease as a result of eating eggs in moderation.

Salim Yusuf, principal investigator of the study and a former President of the World heart Federation said that previous studies on the connection between eggs and cardiovascular disease have often been contradictory due to a lack of scope.

“Most of these studies were relatively small or moderate in size and did not include individuals from a large number of countries,” he said in the press release.

“Moderate egg intake, which is about one egg per day in most people, does not increase the risk of cardiovascular disease or mortality,” said Mahshid Dehghan, one of the authors of the study, in a press release.

The researchers found that there was no change in the risk for individuals even if they had a history of heart disease or diabetes.

According to the press release, despite eggs having a high level of dietary cholesterol, “no association was found between egg intake and blood cholesterol, its components or other risk factors.”

Researchers looked at the egg consumption of 146,011 healthy individuals and 31,544 patients who had some form of cardiovascular disease. In total, the research included people from 50 countries.

Total employment in South Africa’s egg industry stands at about 7,000. Perhaps most importantly is the fact that there are nearly 2,000 egg producers in South Africa of which the vast majority (85 percent) are emerging farmers.
THE LINKAGES BETWEEN DUMPED CHICKEN AND DOMESTIC VIOLENCE

Charmain Lines examines the linkages between predatory poultry trade practices, rural poverty, food insecurity and domestic violence.

Currently, chicken production is the single biggest agricultural sector in South Africa. It employs more people than any other agricultural sector, and consumes more than half of all the maize produced in this country – thereby securing further jobs and economic activity in rural South Africa.

Importantly, the chicken industry is a driver of rural economic activity and plays a critical role in supporting the basic economies of food-insecure and resource-poor areas. Entire rural value chains exist because of the chicken industry. Furthermore, it is estimated that one chicken industry worker typically supports up to 10 dependents – adding up to 1.2 million people directly affected by the fortunes of one industry.

But South Africa’s chicken industry is being drastically undermined by predatory imports.

A dynamic and resilient rural economy is directly associated with a country’s internal food security (according to the International Food Policy Research Institute), and the chicken value chain emplo ys and empowers significant numbers of women. In fact, processing plants employ up to 70% women. This statistic is important, given that women and children are usually most harmed by food insecurity.

Apart from poor physical and cognitive development – leading to the kind of education outcomes that keep disadvantaged households trapped in a poverty cycle – research is revealing a deeply disturbing link between food insecurity and gender-based violence.

A 2019 study conducted in Soweto by Hatchet and others found that men living in households that had recently experienced food insecurity had double the odds of perpetuating intimate partner violence than those who had not.

A further study, this one from the Sexual Violence Research Initiative, found that poorer households where women contributed a less significant portion of the total income were at increased risk of physical or sexual intimate partner violence. It provides important insights around empowering women financially and its implications on domestic violence.

Nobody can claim that the chicken industry can solve domestic violence, but its demise by uncurbed predatory imports, lack of cohesive government policy and limited investment, will no doubt contribute to the misery experienced by women and children, particularly in rural areas.

Why then is government dragging its heels when it comes to implementing the poultry industry master plan that was signed in November?

Of most immediate concern, however, is government’s silence on the poultry industry’s application for higher tariffs on imports of frozen chicken portions from Brazil. The decision has been delayed repeatedly, allowing aggressive foreign exporters and opportunistic local importers to take big bites out of the industry, and in so doing chipping away at South Africa’s food security position.

The deterioration of the chicken industry will undoubtedly impact the country’s food secure status. It doesn’t have to be this way. It is within government’s power to prevent us from becoming a food-insecure nation, and to keep our women and children safe from violence induced by a lack of food.
JOIN FAIRPLAY IN THE FIGHT FOR JOBS, LOCAL INDUSTRIES AND FAIR TRADE

Many sectors in SA face a battle for survival against unfair imports including poultry, steel, cement, sugar, dairy, textiles and glass. This year, our movement will continue the fight for jobs, for sustainable local industries, and for fair trade in South Africa and the continent.

Here are some of the things we achieved in 2019:

1. We proposed the creation of a poultry industry master plan. This blueprint for growth has since been adopted by government, labour, poultry producers and importers, and has become a strategy for curbing predatory trade, creating jobs and expanding the industry.

2. Our ongoing campaign to zero-rate VAT on chicken highlights concerns such as child stunting & malnutrition among SA’s most vulnerable. Studies show that if there was no child stunting in SA, the country’s GDP would benefit by R80bn.

3. We made an official submission to ITAC (the International Trade Administration Commission of South Africa) in support of increased tariffs for bone-in chicken imports, to combat increasing levels of chicken dumping and predatory trade in SA.

4. We launched a food safety campaign, which drew attention to the questionable food safety practices by some chicken importers and retailers, highlighting the need for traceability and more stringent labelling regulations for imported poultry.

Looking ahead to 2020, SA’s chicken industry is the largest employer in South Africa’s agricultural sector. That is why we will be working to help make the rescue plan a success.

We hope you will join us in this fight against predatory trade in the year to come.

The FairPlay movement is a not-for-profit trade movement that fights for jobs. Its goal is to end predatory trade practices between countries so that big and small nations play by the same rules. It supports the principle that penalties for transgressing those rules apply equally to everybody.

FairPlay was founded in October 2016. In alliance with existing organisations and experts it formulates and promotes strategies to defend communities made vulnerable by predatory trade practices and promote sustainable livelihoods.

These alliance partners are international, currently from the USA, Canada, Ireland, UK, Ghana and South Africa.

FairPlay mission: To end the scourge of dumping as an immoral trade practice.

FairPlay vision: A world where dumping no longer exists, with free trade according to the rules.

http://fairplaymovement.org

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