

Private-public sector efforts to find solutions for poultry industry woes welcomed

Efforts between the government, business, and organised labour to find solutions that can stabilise South Africa's poultry industry last month has been welcomed by Eastern Cape poultry producer Sovereign Foods Investments Limited.



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Sovereign Foods CEO Chris Coombes, referring to high-level private-public meetings between the state, unions and private sector, said: “The willingness of government, the South African Poultry Association, the Food and Allied Workers Union, DTI and Agriculture, Forestry and Fisheries and other parties to engage in discussions to find solutions and introduce swift and decisive measures is welcoming.”

Level the playing fields

“This is moving the industry in the right direction and is key to stabilise forces hurting the South African poultry industry,” he said.

“In terms of potential measures and solutions, we support calls to the South African government to devise and swiftly implement trade support measures including, amongst others, higher tariffs on imported chicken.

“While there is a general belief by government that protectionism and interventionism is a condition not belonging to the

free market, the fact remained that state support to producers in EU countries is a source of the current dumping crisis in South Africa.”

“We need to level the playing fields now,” Coombes said.

A call for higher tariffs on EU chicken imports

“While the DTI during recent meetings argued for a larger export effort and greater market access, we are registering a concern that this is a long process that would not happen over-night.

“To bring South Africa in line with global compliance for exports to new markets will take at least two years. Whilst this a step in the right direction for the long-term, this is not a short-term solution to the current situation.

“We believe that the correct answer to the immediate situation is implementing higher tariffs on dumped EU chicken imports to give government and industry time to plan and put measures in place to protect and ensure the sustainability of poultry production in South Africa,” he said.

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