

Voluntary Report – Voluntary - Public Distribution

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Report Name: Sunset review on US anti-dumping duties

Country: South Africa - Republic of

Post: Pretoria

Report Category: Poultry and Products

Prepared By: Makoma Makgopa, Amy Caldwell

Approved By: Ali Abdi

Report Highlights:

On November 9, 2022, The International Trade Administration Commission of South Africa (ITAC) announced the initiation of the sunset review of anti-dumping duties (ADDs) of frozen bone-in portions of poultry from the United States. According to the notice, ITAC received an application for an anti-dumping duty review from the South African Poultry Association (SAPA), claiming that the expiry of ADDs against imports of frozen bone-in portions from the United States would likely lead to the continuation or recurrent of dumping or material injury should they expire as scheduled on November 23. ITAC noted that application submitted by SAPA has enough prima facie evidence to trigger a sunset review investigation for the period of January 1, 2021 to December 31, 2021. The United States bone-in chicken imports into South Africa have been affected by ADDs since 2000.

Background

The United States bone-in chicken imports into South Africa have been affected by an anti-dumping duty since 2000 due to numerous extensions. The current anti-dumping duty against the United States bone-in broiler meat is set to expire on November 23, 2022. Currently, U.S. frozen bone-in poultry enters South Africa under a Tariff Rate Quota (TRQ) where ADDs are not applied.

New application to review anti-dumping duties

In its application for anti-dumping duty review, SAPA argued that removal of the anti-dumping duty will result in continuation or recurrence of dumping of United States frozen bone-in portions in South Africa. Notably, the existing TRQ, which allows U.S. bone-in portions to enter the South African market without ADDs, has not been filled since the 2019/2020 TRQ year. The applicant alleged that “sales in the USA with regard to bone-in portions are not ordinary course of trade as bone-in portions are sold below cost” and that, “this is as a result of a particular situation which exists in the USA domestic market as USA consumers prefer white meat over brown meat.”

Sunset review

ITAC noted that the anti-dumping duty review application submitted by SAPA has enough *prima facie* evidence to trigger a sunset review investigation. Therefore, the investigation period for dumping is from January 1, 2021, to December 31, 2021. Furthermore, the injury investigation entails assessment of data from January 2019 to December 2021, in order to assess whether the anti-dumping duty should be removed.

The information required by ITAC to conduct its investigation will be obtained from importers, exporters, and representative associations. Thus, ITAC will send non-confidential versions of the application and questionnaires to these individuals or organizations. ITAC encourages importers and interested parties to contact ITAC and ascertain whether they have been listed and provided with relevant documentation. The completed questionnaires and any other representations made must be submitted to ITAC by December 9, 2022. The ADDs will remain in place until ITAC has completed its investigation. ITAC notes that it generally takes up to six months to complete an investigation.

Implications of the review

If ITAC concludes that the removal of the ADDs will result in continuation or recurrence of dumping of United States frozen bone-in portions in South Africa, then the United States bone-in chicken exports above the 71,290 tons anti-dumping duty free quota will continue to be subjected to anti-dumping duties.

On the other hand, if ITAC decides to remove the anti-dumping duty, then United States bone-in chicken exports will not be subjected to any ADDs.

South Africa is currently imposing anti-dumping duties against ten countries that are exporting bone-in chicken meat into the country. On August 1, 2022, the Minister of Trade, Industry and Competition suspended the imposition of Anti-Dumping Duties (ADDs) on poultry from Brazil, Denmark, Ireland, Poland, and Spain for a period of twelve months “considering the rapid rise in food process... as well as the impact that the imposition of

the anti-dumping duties may have on the price of chicken.” (See also: [South Africa Suspends anti-dumping-duties for competitors but remain for United States Poultry](#))

Interested Party Submission

Exporters are encouraged to complete the questionnaire (attached). Please refer to the instructions in the attached Gazette notice. Any other entities interested in submitting information for this review are encouraged to contact the Office of Agricultural Affairs at the U.S. Embassy in Pretoria at their earliest convenience.

Attachments:

[ITAC Exporter Questionnaire.docx](#)

[Notice - Initiation sunset review frozen bone-in portions \(1\).pdf](#)