**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 2523 / NW2895E**

**MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES:**

Ms A Steyn (DA) to ask the Minister of Agriculture, Forestry and Fisheries:

**QUESTION**

1) With regard to the deal that was struck between South Africa and the United States of America (USA) in securing the country’s preferential market access under the African Growth and Opportunity Act (AGOA), has his department developed a plan to assist the country’s poulty industry with adjusting its strategic position before the anticipated influx of chicken from the USA; if not, why not; if so, what are the relevant details;

(2) will the Government incentives under the Industrial Policy Action Plan and the Agricultural Policy Action Plan be made available to the poultry industry as a means of ensuring minimal damage to the industry’s future growth prospects; if not, why not; if so, what are the relevant details;

(3) What action steps has his department taken since the announcement of the agreement that was reached between the SA Poultry Association and its counterpart in the USA to ensure minimal disturbance to the industry and ensure that job losses are avoided? **NW2895E**

**REPLY**

1 As the honourable member is aware the APAP has included the Poultry Value Chain as a strategic value chain for development. The development of the value chain includes supporting the reduction of input costs through increasing the supply of good quality feed (soya) and possibly maize. All 9 provinces have identified a number of poultry projects which include increasing the number of Broiler houses as well as support for small scale processing via new abattoirs to be funded via CASP. This development plan was presented to the U.S. during the AGOA negotiations and it is understood that the U.S. response was to accept a lower volume once the developmental needs and objectives were made clear. The U.S. has also offered in support to the agreement on the quota to support training and capacity building of extensions officers as well as research personnel. The South African industry is in full support of this initiative.

2 The use of incentives under IPAP and APAP was discussed with the industry as well as with representatives of Historically Disadvantaged Individuals (HDI) in the Poultry Sector. However we are still in discussions on how this will take place in line with the Poultry Sector Value Chain development proposal in APAP.

3 DAFF Economic Development Trade and Marketing DDG has been in constant consultation with the industry body SAPA, the DTI as well as the APAP team and together they have engaged with the planned poultry value chain development proposal for sector growth. The poultry value chain development proposal is also a key commodity intervention the government’s 9 point plan under Priority 1: Revitalisation of Agriculture and the Agroprocessing Value Chains. A DAFF/DTI team is also in the process of identifying the criteria which will be used to allocate and administer the trade quota to ensure there is minimal volatility of import volumes to reduce the potential negative impact. The quota concession will include a volume which will be for HDI's only and will most likely to taken up by existing producers who have indicated that they need it to ensure they have a resonate supply level.