

# Fair Play Movement takes EU to task over chicken dumping

The Fair Play Movement is bringing international experts to help stop the proliferation of the predatory trade practice of dumping worldwide. It has taken the South African EU Ambassador to task over the illegal dumping of chicken in South Africa.



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An independent organisation, newly founded by Francois Baird, it has addressed a letter to Ambassador Marcus Cornaro to step into the corner of the anti-dumpers and help eradicate this scourge to trade.

Baird referred to the EU's publicly stated objectives to develop the South African industry and 'not create havoc' in this market. "The EU is all too aware of the threat that dumping creates and robustly defends its interest as in the recent case of the steel industry," the letter reads, referring to the EU's recent move to impose anti-dumping measures on steel products from China and Taiwan. "You would expect us in South Africa to do no less, I'm sure."

The EU has denied claims that it is dumping chicken in South Africa and has blamed the crisis on 'structural inefficiencies' in the industry, among other things.

## EU export prices confirm dumping

Baird quoted statistics compiled from data by SARS and LEI, the research institute at the University of Wageningen in The Netherlands, that showed that in 2013, the EU production costs for cut-up chicken portions was R25/kg, while in 2016, three years later, it was exporting to South Africa at R15/kg. "That is 60% lower than your production cost was three years ago. Perhaps you could let me know how this is not dumping? Clearly it is."

Fair Play also challenges EU claims that the South African industry is not competitive. “Are the subsidies of some €60 billion for EU farmers taken into account when you consider competitiveness and how much of this huge fund is made available to poultry farmers?” South African poultry farmers get no government subsidies.

As a transitional economy, it is vital for South Africa’s indigenous industries to have every opportunity to develop and compete in a fair and open market.

Baird argues, “EU chicken, by any definition, is being dumped here, is causing material damage to a key agricultural industry and is illegal.”

Perhaps the ambassador is unaware, he says, that in South Africa, as opposed to Europe, the average worker supports as many as 10 dependents and that 1.3 million people are thus threatened with poverty; this in a country with one of the highest levels of unemployment in the world.

The official spokesperson for the Fair Play Movement, Ashoek Adhikari, has confirmed that the organisation was calling for the EU to get on board in its mission to take the dumpers out of the equation.

## **Job losses mount**

“The issue here is quite simple: even a little bit of dumping is illegal, and it is irresponsible to try to minimise its effects or place the blame elsewhere. The fact is that people who have lost their jobs, their livelihood, their ability to care for their families – and we stand on 5,000 and counting – cannot afford even the cheapest chicken, or any food.” The movement is hoping for an agreement to an immediate stop to any further dumping of frozen chicken portions at below production costs, until an inquiry into its real effects is complete.

Finding its voice at the march last week in Pretoria, when the Food and Allied Workers Union, labour leaders, chicken industry bosses and hundreds of workers delivered a memorandum of protest to the EU, the Fair Play Movement sets out to untangle the conflicting claims that has come to characterise the crisis in the chicken industry.

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