

Local poultry production shows moderate growth

The production of South African poultry increased by 5% in the first eight months of 2020 when compared to the same period last year.



Image source: [Gallo/Getty](#)

"This is despite the challenges in the operating environment brought on by Covid-19," said the Department of Trade, Industry and Competition (dtic) on Monday.

Dtic Minister Ebrahim Patel, together with Agriculture, Land Reform and Rural Development Minister, Thoko Didiza, co-chaired the virtual South African Poultry Association's second Poultry Executive Oversight Committee (EOC) meeting.

The Poultry Sector Master Plan was signed by stakeholders at the 2019 South African Investment Conference in November 2019.

It has been developed in close partnership between government and a number of stakeholders in the industry, including poultry producers, processors, exporters, importers and organised labour.

The meeting reflected on the implementation of the key actions agreed on and measures required to realise the agreed vision.

The objectives of the Poultry Master Plan hinge on increasing local chicken consumption and growing the demand for chicken, while also addressing the exporting of locally produced cooked and raw chicken products.

Poultry producers have pledged to invest R1.7bn towards the expansion and improvement of productive capacity. Some of the investment projects have already been completed, including the expansion of hatchery and processing facilities, and 428 jobs created.

In addition, the financing model for contract farming has been developed to assist in assessing the producer's business viability and profitability.

To drive exports, the poultry industry has strategically prioritised countries like Saudi Arabia, United Arab Emirates and Qatar for the export of poultry products.

The industry will also target markets, which include Southern African Development Community (SADC) countries, those within the African Continental Free Trade Area (ACFTA) and the Middle East.

Dtic said the South African poultry industry is an important part of the agricultural sector.

"The Master Plan provides a blueprint for the industry, with substantial potential to expand the poultry production across the value chain, especially if substantial export markets can be developed.

"Since the Master Plan was signed, government has implemented higher tariffs on certain cuts of poultry, and has further triggered an investigation into the structure of tariffs to provide a more effective trade environment for poultry," it said.

Further work has also been done with trading partners to improve compliance with sanitary and phytosanitary (SPS) measures, which would unlock further export markets.

The Master Plan is forward looking, and is directed at creating a new industry that is dynamic, export oriented, competitive, job creating and inclusive, as opposed to the one that is reliant on defences against the challenges of the world.

For more, visit: <https://www.bizcommunity.com>