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South Africa Opens Market for U.S. Shell Eggs

Report Categories:

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Report Highlights:

In July 2018, South Africa officially opened its market to imports of U.S. shell eggs. South Africa is ordinarily self-sufficient and does not import large volumes of shell eggs. In 2017, South Africa imported one ton of shell eggs, a 40 percent increase from the previous year. The local egg industry is still recovering from the highly pathogenic avian influenza (H5N8) outbreaks of 2017 that has increased the demand for imports. Between January and May 2018, South Africa has already imported 50 tons of table eggs, valued at \$74,000. Post estimates that South African shell eggs imports will reach about 75 tons in 2018. The U.S. will compete with Brazil, which enjoys substantially all of the market share.

South Africa Opens Market for U.S. Shell Eggs

In July 2018, South Africa officially opened its market for U.S. shell eggs, about 6 months after the U.S. submitted its request for market access to South Africa. The United States Department of Agriculture (USDA) Agriculture Marketing Service (AMS) will provide oversight for the inspections, quality control of shell eggs and sign export certificates.

Post estimates that South African shell eggs (HS code 040721) imports will reach about 75 tons in 2018 since the local egg industry is still recovering from the highly pathogenic avian influenza (H5N8) outbreaks (see, [Southern African Countries Suspend Poultry Imports from South Africa](#)). In 2017, the South African layer flock decreased by about 6.6 percent to 23.2 million birds due to the H5N8 outbreaks. As a result, the South African shell eggs production declined by about 7 percent to 415,250 tons in 2017, resulting in sharp increases in the prices of table eggs. Currently, the average retail price of a carton of 18 eggs is R44.20 (\$3.30), an increase of about 16 percent from a year ago. According to the South African Poultry Association, the South African shell eggs production is expected to decline marginally by about 2.3 percent to 405,700 tons in 2018, resulting in relatively high egg prices throughout the year.

In terms of volume, the import market for shell eggs remains relatively small. Brazil has capitalized on the recent rise in demand, accounting for about 99.5 percent of the market share between January and May 2018, with Germany and Lesotho responsible for the balance. During that period, South Africa imported 50 tons of shell eggs (HS code 040721), valued at \$74,000. Should the domestic shell egg prices remain high and the demand for imports persist, the U.S. may find opportunities to export to South Africa.