

September 11, 2015

President Jacob Zuma Private Bag X1000 Pretoria, South Africa 0001

Dear Mr. President:

We were greatly encouraged by Trade Minister Rob Davies' announcement on June 8th that a settlement had been reached on the longstanding poultry dispute between our countries during meetings in Paris. As you are aware, we represent two of the most important poultry producing states in the United States and this has been an extremely important issue for our constituents. At the same time, we have both been long time advocates for increased trade and engagement with South Africa. We look forward to successful implementation of the Paris agreement so the United States and South Africa can at last leave this trade dispute behind.

Minister Davies announced that the agreement allows an annual quota of 65,000 metric tons of bone-in poultry portions to enter South Africa free of any antidumping duties, and that there is a formula that permits the quota to grow as South African poultry production and consumption grow. We also understand that the U.S. industry has pledged to provide private assistance for education and training of historically disadvantaged individuals in South Africa. We are excited that our industry is committed to assist in South Africa's important transitional process, and look forward to learning about the specific programs that are developed.

Our understanding is that there are two processes that need to be completed in South Africa to implement the Paris agreement. First, a rebate facility must be created to legally exempt the annual quota amount from antidumping duties. Second, the rules for allocation and administration of the quota must be developed through a transparent legal process. We have been told that Ambassador Faizel Ismail pledged during the Paris meetings that the quota would be administered fairly and transparently so that the quota will be filled each year.

Although the agreement was announced three months ago, we understand that neither of these essential processes have been initiated in South Africa. We are also disappointed to learn that there has been no progress in addressing South Africa's complete ban on U.S. poultry due to avian influenza. It is important that the South African government follow World Organization for Animal Health (OIE) guidelines and implement a policy of regionalization for highly pathogenic avian influenza (HPAI), along with the final adoption of language for export certificates. Without these issues being addressed and in place, U.S. companies cannot ship product, regardless of the other terms of the Paris agreement being reached.

We respectfully request that you strongly encourage your industry and your government to complete these processes to implement the Paris agreement and adopt a policy of regionalization for HPAI as quickly as possible. As you are well aware, a review of South Africa's eligibility

under the African Growth and Opportunity Act (AGOA) is presently underway. You also know that it is crucially important to both of us that there be a successful and expeditious resolution of this issue so that the U.S. poultry industry can begin again to participate in the South African market. We thank you in advance for your consideration and interest in a quick resolution of this matter.

Sincerely,

Johnny Isakson United States Senator Christopher A. Coons United States Senator

cc: The Honorable Mninwa Mahlangu, Ambassador of South Africa to the United States The Honorable Patrick Gaspard, Ambassador of the United States to South Africa