



FMD PRESS RELEASE

On the 23rd of July 2019, the General Administration of Customs of the People's Republic of China (GACC) announced that, subsequent to their risk assessment of the Foot and Mouth disease situation in South Africa, they are lifting the ban of imported cloven hoofed animals and their products. This applies to all areas of South Africa, apart from Limpopo, the Ehlanzeni area of Mpumalanga province and the Umkhanyakude area of KwaZulu Natal.

This would apply to animals and their products where a bilaterally negotiated veterinary export health certificate is already in place.

Fortunately for the wool industry, a newly negotiated health certificate is in place that enables the export of greasy wool to China to resume, subject to the temperature and time requirements in terms of the OIE Terrestrial Code (4°C for 4 months, or 18°C for 4 weeks, or 37°C for 8 days).

Export certification for wool on this basis will commence on 1 August 2019, with the following approved export facilities in Port Elizabeth, issued with a ZA number: BKB, OVK, Quantro Wools and Segard Masurel. The ZA number indicates that these facilities have been inspected and comply with a National South African standard that allows them to be approved as export facilities. This number is then listed on a National database that is available to international trading partners. Although a large volume of wool currently in the brokers' stores will qualify to be shipped to China, new wool coming into the stores will still have to comply with the temperature and time requirements as stated above before it can be certified for export.

Further negotiations are ongoing between Cape Wools, the South African National Department of Agriculture and the Customs Administration of the People's Republic of China to refine and clarify the situation for the shipment of newly received wool. This, however, will not prevent the export of greasy wool to China starting as planned.

The wool industry has been through a very difficult time over the last few months, as 74% of the wool clip is exported annually to China. Due to the Foot and Mouth Disease outbreak, export of this commodity to China has not taken place since 8 February 2019.

Cape Wools welcomes the resumption of the export of qualifying greasy wool to China and look forward to further cementing the future of all wool exports, which contributes significantly to the South African economy.