

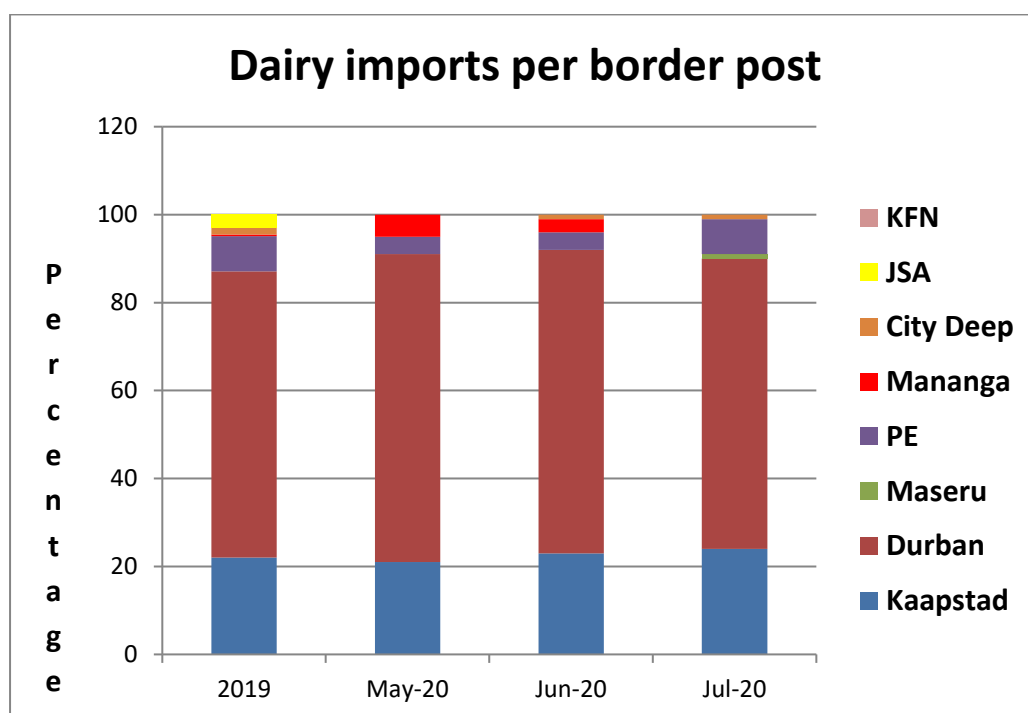
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AGRI INSPEC INVESTIGATES MANANGA BORDER POST REGARDING DAIRY IMPORTS

Agri Inspec employs various high-level risk filters and techniques that serve as early warning signs if drastic changes occur in the import landscape of the dairy sector. Trade transactions typically follow a regular pattern, and any deviation from the pattern enables the swift identification of statistical outliers or new developments.

One of the results of the COVID-19 pandemic is a build-up of certain dairy product stock levels in the major dairy exporting countries. This prompted Agri Inspec to intensify efforts to work through all available information sources and conduct data mining exercises to identify unusual dairy import developments. Earlier this month, the importation of low-priced skimmed milk powder (SMP) from the European Union was identified as a risk for the industry.

In June 2020, an early warning signal was triggered, identifying a change in pattern at the Mananga border post (with Eswatini – Swaziland) against the baseline.



Source: Stats SA

In the above graph, the 2019 import percentages form the baseline, against the monthly values for May, June, and July.

Typically, Mananga border post is dormant in terms of dairy imports, as illustrated in the 2019 baseline. However, in May and June 2020, officials were alerted by real dairy import activity at the border post. Imports subsequently stopped in July and the investigation is making good progress.

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