

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NOTICE 2419 OF 2024



**National Agricultural
Marketing Council**
Promoting market access for South African agriculture

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**TABLE GRAPE INDUSTRY
APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES**

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 5 April 2024, the National Agricultural Marketing Council (NAMC) received a request from the South African Table Grape Industry (SATI) for the continuation of statutory measures (levies, records & returns and registration) on table grapes produced, inspected and passed for export, in terms of the Marketing of Agricultural Products Act (MAP Act), 1996. The current statutory measures will expire on 23 October 2024.

Currently, the following statutory measures are applicable, and it is proposed that the statutory measures be continued for a new four-year period. The measures are as follows:

- Payment of levies (in terms of section 15 of the MAP Act);
- Keeping of records & returns (section 18); and
- Registration of directly affected groups (DAGs) (section 19).

The purpose and objective of the statutory measures relating to **records & returns and registration** are to compel DAGs in the table grapes industry to register with SATI. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, information for the whole of the industry can be processed and disseminated and will also form the basis for the collection of levies. This is necessary to ensure that continuous, timeous and accurate information is available to all role players.

Council Members: Mr. A. Petersen (Chairperson), Ms. T. Ntshangase (Deputy Chairperson), Prof. A. Jooste, Mr. S.J. Mhlaba, Ms. F. Mkile, Ms. N. Mokose, Ms. S. Naidoo, Mr. G. Schutte and Dr. S.T. Xaba.

The **payment of the levy**, will be used to finance the following:

- Financial and administration management (6.9%).
- Communication and stakeholder relations (3.5%);
- Commercial industry affairs (9.2%);
- Market access and technical (16.3%);
- Market development (5.5%);
- Producer management (9%);
- Research and development (22%);
- Human capacity and skills development (7.4%); and
- Transformation (20%).

The current and proposed levy amounts, which will increase with approximately 3,6 cents per carton (c/carton) per year, over the next four years, (excluding VAT) are as follows:

| Table grapes | Current levy | Proposed new levy amount (4.1% average annual increase) | | | |
|-------------------------|-------------------------------|--|------------------------------|-------------------------------|-------------------------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| Cents per 4.5 kg carton | 63.5 c/carton (14.10 c/kg) | 63.5 c/carton (14,10 c/kg) | 66.4 c/carton (14,70 /kg) | 69.7 c/carton (15.50 c/kg) | 73.2 c/carton (16.30 c/kg) |

Proposed budget for the new four (4) year period:

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | Total levy income | |
|---|---------------------|---------------------|---------------------|---------------------|-------------------------------|----------|
| Inspected & Passed for Export Cartons | 74 064 411 | 76 286 343 | 70 564 868 | 77 621 354 | 74 634 244 | |
| Levy per Carton cents per 4.5 Kg carton | 0,635 | 0,664 | 0,697 | 0,732 | | |
| Statutory Levy income | R 48 134 825 | R 51 758 752 | R 50 246 526 | R 57 921 317 | R 208 061 420 | |
| Expenditure: | 2024/25 | 2025/26 | 2026/27 | 2027/28 | Total levy expenditure | % |
| Financial and administration management | R3 239 676 | R3 425 958 | R3 622 950 | R3 831 270 | R14 119 854 | 7% |
| Communication and stakeholder relations | R1 657 891 | R1 753 220 | R1 854 030 | R1 960 637 | R7 225 779 | 4% |
| Commercial industry affairs | R4 301 379 | R4 548 708 | R4 810 259 | R5 086 849 | R18 747 194 | 9% |
| Market access and technical | R7 631 967 | R8 070 806 | R8 534 877 | R9 025 632 | R33 263 282 | 16% |
| Market development | R2 589 292 | R2 738 176 | R2 895 621 | R3 062 120 | R11 285 209 | 6% |
| Producer management | R4 217 973 | R4 460 506 | R4 716 985 | R4 988 212 | R18 383 677 | 9% |
| Research and development | R10 867 627 | R11 084 979 | R11 362 104 | R11 646 157 | R44 960 867 | 22% |
| Human capacity and training | R3 466 325 | R3 665 638 | R3 876 413 | R4 099 306 | R15 107 682 | 7% |
| Transformation | R10 700 864 | R10 630 559 | R9 341 604 | R10 505 617 | R41 178 644 | 20% |
| Total expenditure | R48 672 994 | R50 378 551 | R51 014 843 | R54 205 799 | R204 272 187 | |
| Surplus / Deficit | -R538 169 | R1 380 201 | -R768 317 | R3 715 518 | R3 789 233 | |

The NAMC believes that the proposed statutory measures requested are consistent with the objectives of the MAP Act (as set out in section 2 of the Act).

Directly affected groups (e.g. producers, packers and exporters) in the table grape industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC (**e-mail to mathildavdw@namc.co.za**) on or before 10 May 2024, to enable the Council to finalise its recommendation to the Minister in this regard.