
GENERAL NOTICES
ALGEMENE KENNISGEWINGS

NOTICE 1856 OF 2003

NATIONAL AGRICULTURAL MARKETING COUNCIL

MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996

(ACT No. 47 OF 1996)

REQUEST FOR THE INTRODUCTION OF STATUTORY MEASURES IN THE
SOUTH AFRICAN DAIRY INDUSTRY (STATUTORY LEVIES, REGISTRATION
OF SECONDARY ROLE-PLAYERS AND THE SUBMISSION OF RECORDS AND
RETURNS

DAIRY INDUSTRY

It is hereby made known in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), that the Minister of Agriculture has received a request for the introduction of statutory measures in terms of section 10 of the said Act as set out in the Schedule hereto.

Directly affected groups are hereby invited to lodge any objection or representation regarding the proposed statutory measure with the National Agricultural Marketing Council within 14 days of the publication thereof.

Submissions should be in writing and be addressed to:

The Chairperson
National Agricultural Marketing Council
Private Bag X 935
PRETORIA
0001
Fax No.: (012) 341 1911
Enquiries: Mr Donald Mokoena/Winston Mvabaza
Tel.: (012) 341 1115

M.G.RATHOGWA

CHAIRPERSON: NATIONAL AGRICULTURAL MARKETING COUNCIL

SCHEDULE

Definitions for clarification purposes

1. In this Schedule any word or expression to which a meaning has been assigned in the Act shall have that meaning, and unless the context otherwise indicates –
“the Act” means the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996).
“milk” means the normal secretion of the mammary glands of bovines, goats or sheep.
“processor” means a person dealing with dairy products in the course of trade by adding value to it or cause such actions to be taken.
“dairy product” means milk or a product obtained or manufactured exclusively or mainly from milk and to which no unpermitted substances or another foodstuff of which the solids are not meant to substitute any part of the milk solids, are added and it also includes a product of which a maximum of 50 per cent of the fat content, protein content and carbohydrate content respectively, are obtained from a source other than milk.
“milk producer” means a person who keeps bovines, goats or sheep for the production of milk.
“secondary industry member” means any milk buyer, milk distributor, producer distributor, dairy processor, dairy importer, dairy exporter, trader or broker.
“milk distributor” means a person dealing with dairy products in the course of trade by conveying dairy products on behalf of a dairy producer or secondary industry member, or cause such actions to be taken on behalf of them.
“dairy producer” means a person who keeps bovines, goats or sheep for the production of milk.
“trader” / “broker” / “buyer” means a person dealing with dairy products in the course of trade by buying dairy products from and selling it to other parties.

“producer distributor” means a milk producer dealing with dairy products in the course of trade by processing, selling and/or exporting dairy products that are made from his own milk produce.

“exporter” means a person dealing in the course of trade with milk or dairy products by exporting it.

“importer” means a person dealing in the course of trade with milk or dairy products by importing it.

2. STATUTORY LEVIES

Purpose and aims of the statutory levies

- 2.1. The levies will be employed to finance five generic functions, namely the monitoring of dairy quality standards; consumer education relating to dairy products; industry information; research and development and PDI Empowerment projects.

Imposition of levy

- 2.2. A levy is hereby imposed on:
- (a) milk that is sold by or on behalf of a producer;
 - (b) milk that is processed or converted into another dairy product; and
 - (c) dairy products that are imported into the Republic of South Africa.

Amount of levy

- 2.3. Levies for the various dairy products shall be as follows:

Tariff Code	Description	Levy (Vat exclusive)
04.01.00	Milk & Cream, not concentrated nor containing added sugar or other sweetening matter.	1,14 cent/litre
04.02.10	Milk & Cream, Concentrated or containing added sugar or other sweetening matter: In powder, granules or other solid forms, or a fat content, by mass, not exceeding 1,5 per cent.	13,74 cent/litre
04.02.21	Milk & Cream, Concentrated or containing added sugar or other sweetening matter: In powder,	9,46 cent/litre

	granules or other solid forms, or a fat content, by mass, exceeding 1,5 per cent.	
04.02.90	Milk & Cream, Concentrated or containing added sugar or other sweetening matter: Other.	2,34 cent/litre
04.06.00	Cheese and Curd.	11,40 cent/kg

Persons by whom levy is payable

- 2.4. A levy imposed in terms of clause 2.2 shall –
- (a) in the case of a levy implied in clause 2.2 (a), be payable by the buyer of the milk or the producer distributor;
 - (b) in the case of a levy implied in clause 2.2 (b), be payable by the processor or converter of the milk or the producer distributor; and
 - (c) in the case of a levy implied in clause 2.2 (c), be payable by the importer of the dairy products.

Payment of levy

- 2.5 (1) All first time buyers, producer distributors and importers of milk and dairy products are liable to pay the full levy to Milk SA.
- (2) Payment of a levy imposed in terms of clause 4 shall be made by the persons contemplated in clause 6 not later than 15 days after the month in which the milk or dairy products were purchased, processed, converted or imported.

3. REGISTRATION OF SECONDARY ROLE-PLAYERS

3.1 Purpose and aims of statutory measure and the relation thereof to objectives of the Act

The purpose of this statutory measure is to compel all secondary industry members in the Republic of South Africa to register with the South African Milk Processors' Organisation (SAMPRO) via Milk South Africa (the administrator).

Registration of parties concerned

- 3.2 (1) The following persons shall register with Milk South Africa in the manner set out in clause 3.3
- (a) Every milk buyer, milk distributor, producer distributor, dairy processor, dairy importer, dairy exporter, trader and broker.
- (2) An application for registration shall be made within 30 days from the date of commencement of this statutory measure and, in case of a person becoming a party in terms of subclause (1) after such date of commencement, within 30 days of becoming a party in terms of subclause (1).
- (3) The parties in terms of subclause (1) shall within 30 days of ceasing to be a party in terms of subclause (1) notify Milk South Africa in writing thereof whereupon his or her registration shall be cancelled.

Application for registration

- 3.3 (1) Application for registration shall be made on an application form, copies of which are obtainable free of charge from Milk South Africa.
- (2) The application form shall be completed in ink and signed by a person duly authorized thereto.

4. RECORDS AND RETURNS**Purpose and aims of statutory measure and the relation thereof to objectives of the Act**

- 4.1. The purpose of this statutory measure is to provide a statutory mechanism for dairy processors, traders, brokers, producer distributors, importers and exporters of dairy products to keep records and furnish returns to the South African Milk Processors' Organisation via Milk South Africa (the administrator).

Records to be kept

- 4.2. Each producer distributor, processor, importer and exporter shall keep the following records with regard to milk and dairy products that he has in his possession or under his control:

4.3 (1) *Producer distributors*

- (a) the month and year concerned
- (b) the name and address of the business concerned
- (c) contact person and telephone number of the business
- (d) milk bought from other producers (in litres)
- (e) own milk production, utilised for commercial purposes (in litres)
- (f) milk used for fresh milk and fresh milk products (in litres)
- (g) milk used for concentrated products (in litres and kilogrammes)
- (h) total levies payable

4.4 (2) *Dairy processors*

- (a) the month and year concerned
- (b) the name and address of the business concerned
- (c) contact person and telephone number of the business
- (d) producer price of the procured milk
- (e) milk bought from producers (in litres)
- (f) milk used for fresh milk and fresh milk products (in litres)
- (g) milk used for concentrated products (in litres and kilogrammes)
- (h) stock levels of unsweetened milk and cream; concentrated milk; and cheese and curd (as on 30 June and 31 December of each year) (in litres and kilogrammes)
- (i) total levies payable

4.5 (3) *Brokers and Traders*

- (a) the month and year concerned
- (b) the name and address of the business concerned
- (c) contact person and telephone number of the business
- (d) producer price of the procured milk
- (e) milk bought from producers (in litres)
- (f) milk used for fresh milk and fresh milk products (in litres)
- (g) milk used for concentrated products (in litres and kilogrammes)

- (h) stock levels of unsweetened milk and cream; concentrated milk; and cheese and curd (as on 30 June and 31 December of each year) (in litres and kilogrammes)
- (i) total levies payable

4.6 (4) Exporters

- (a) the month and year concerned
- (b) the name and address of the business concerned
- (c) contact person and telephone number of the business
- (d) dairy products exported from the Republic of South Africa (in litres and kilogrammes)
- (e) total levies payable

4.7 (5) Importers

- (a) the month and year concerned
- (b) the name and address of the business concerned
- (c) contact person and telephone number of the business
- (d) dairy products imported into the Republic of South Africa (in litres and kilogrammes)
- (e) total levies payable

Returns to be rendered by secondary industry members

- 5 (1) Each producer distributor, dairy processor, dairy importer and dairy exporter shall within 15 days after the end of each month, furnish an accurate return to Milk South Africa.
- 6 (2) The return shall be furnished on the forms contained in the Annexure, copies of which are obtainable free of charge from Milk South Africa and shall be completed in ink.

Product to which the statutory measures shall apply

- 7. These statutory measures shall apply to milk and dairy products

Area in which the statutory measures applies

- 8. The statutory measures shall apply within the geographical area of the Republic of South Africa

Administration of the statutory measures

9. The statutory measures will be administered by Milk South Africa, an association incorporated under Section 21 of the Companies Act of 1973. This body will also implement, administer and enforce the intervention set out in the Schedule.

Commencement and period of validity

10. The statutory measure shall come into operation on the date of publication hereof and shall lapse on 31 December 2007.

Payments, levy returns, application for registration and return forms shall be submitted as follows:

- (a) when forwarded by post, to-
- The Administrator
Milk South Africa
PO Box 1284
PRETORIA
0001
- (b) When delivered by hand, delivered to-
- The Administrator
Milk Producers' Organisation
90 Cycad Place
Off Watermeyer Street
Val de Grace Extension 10
PRETORIA
0001