NOTICE 62 OF 2007

POTATO INDUSTRY -

APPLICATION FOR THE IMPLEMENTATION OF A NEW TERM OF STATUTORY MEASURES

The Minister of Agriculture received a request from Potatoes South Africa (PSA) for the implementation of statutory measures in the potato industry for a new term of four years (1 July 2007 to 30 June 2011). The existing statutory measures expire on 30 June 2007. On 18 December 2006 the Minister referred the application to the NAMC for investigation and to make a recommendation to her within 120 days.

The PSA requested the introduction and promulgation of the following statutory measures in the potatoes industry:

- o Section 15 of the MAP Act: Levies relating to potatoes
- o Section 18 of the MAP Act: Records and returns
- o Section 19 of the MAP Act: Registration

The levy amount requested by PSA:

- (a) for all classes of potatoes marketed in potato bags manufactured from kraft paper, is 1,30 c/kg;
- (b) for all classes of potatoes not marketed in the potato bags contemplated in paragraph (a) and intended for sale on the domestic market
 - o as table potatoes, is 1,30 c/kg;
 - o for processing, is 0,6 c/kg; and
 - o as certified seed potatoes, is 0,44 c/kg.
- (c) for all classes of potatoes not marketed in the potato bags contemplated in paragraph (a) and intended for export, is 1,30 c/kg.
- (d) for all classes of potatoes and potato products imported, is 0,92 c/kg

The proposed levy, in terms of section 15 of the MAP Act, will finance:

- o basic as well as applied research, including cultivar development and evaluation, and the dissemination of all relevant technical information;
- o the gathering, processing, analysing and compiling of industry related information, including market statistics, and the dissemination thereof as well as creating market access for emerging farmers (small and medium scale), including development projects related to the potato marketing chain and the development of foreign markets; and
- o generic promotion of potatoes.

Of the levy collected -

(a) approximately 70% of the funds shall be used for the core business functions (research information and generic promotion);

- (b) approximately 20% of the funds shall be used for transformation; and
- not more than 10% of the funds shall be used for administration.

Directly affected groups (producers, traders, agents, processors, exporters, importers, certification bodies, export inspection bodies, kraft paper importers, kraft paper manufacturers, potato bag manufacturers, potato sack importers and fresh produce markets) in the potato industry are kindly requested to submit any comments, in writing, regarding the proposed implementation of statutory measures, to the NAMC on or before 16 February 2007, to enable the Council to **finalise** its recommendation to the Minister in this regard.

ENQUIRIES:

National Agricultural Marketing Council Mathilda van der Walt e-mail: mathilda@namc.co.za

Tel.: (012) 400 9745 Fax No.: (012) 341 1911