

**No. R. 528****29 June 2007**

**MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996  
(ACT No. 47 OF 1996)**

**ESTABLISHMENT OF STATUTORY MEASURE AND DETERMINATION OF GUIDELINE PRICES:  
LEVIES RELATING TO POTATOES**

I, Lulama Xingwana, Minister of Agriculture, acting under sections 13 and 15 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), hereby establish the statutory measure set out in the Schedule.

L. Xingwana,  
Minister of Agriculture.

## SCHEDULE

### *Definitions*

1. In this Schedule any word or expression to which a meaning has been assigned in the Act must have that meaning, and unless the context otherwise indicates -

**"agent"** means a person who purchases and stores potato bags on behalf of a potato producer and deliver such bags at a time agreed upon between the agent and the producer;

**"certification body"** means an organisation which executes the certification of seed potatoes on behalf of the Independent Certification Council for Seed Potatoes;

**"exporter"** means a person who trades potatoes for export for his or her own account, or acts as an agent on a commission basis on behalf of potato producers;

**"export inspection body"** means an organisation which executes the export inspection of potatoes in terms of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990);

**"fresh produce market"** means a market, either privately owned or owned by local government, established for the orderly and centralised distribution of fresh produce;

**"importer"** means a person who imports table potatoes, seed potatoes, processed potatoes or any other form of potatoes for his own account or acts as an agent on a commission basis or on behalf of potato producers, traders or processors;

**"kraft paper importer"** means any person who imports kraft paper for the manufacturing of potato bags;

**"kraft paper manufacturer"** means any person who manufactures kraft paper locally for use in the manufacture of potato bags;

**"potatoes"** means table potatoes, seed potatoes, processed potatoes or any other form of potatoes;

**"Potatoes South Africa"** means the association incorporated under section 21 of the Companies Act, 1973 (Act No. 61 of 1973);

**"potato producer"** means a person who produces potatoes for export, sale as seed potatoes, or domestic consumption either as table potatoes or processed products;

**"potato bag importer"** means a person who imports potato bags manufactured from kraft paper;

**"potato bag manufacturer"** means a person who manufactures potato bags from kraft paper;

**"processor"** means a person who processes potatoes into various products intended for human consumption or for industrial purposes; and

**"trader"** means a person who purchases seed potatoes or table potatoes from a potato producer or any other supplier for trade on the domestic market.

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

2. (1) The measure is required by the potato industry to fund -

- (a) basic as well as applied research, including cultivar development and evaluation, and the dissemination of all relevant technical information;

- (b) 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 production marketing chain and the development of foreign markets; and

- (c) generic promotion of potatoes.

(2) The measure will further the objectives of the Act, will not prejudice such objectives and will not be detrimental to food security, the number of employment opportunities or fair labour practices.

(3) The levies collected under this measure will be paid into the Potato Industry Development Trust, to be utilised in accordance with the purposes set out in this notice. It is envisaged that the Trust will appoint Potatoes South Africa as administrator to establish and administer the statutory measure as set out in the Schedule.

#### ***Administration of statutory levies***

3. It is hereby determined that in respect of levies collected –

- (a) approximately 70% of the funds shall be used for the core business function;
- (b) approximately 20% of the funds shall be used for transformation; and
- (c) not more than 10% of the funds shall be used for administration.

#### ***Products to which statutory measure applies***

4. This statutory measure shall apply to potatoes.

#### ***Area in which statutory measure applies***

5. This statutory measure shall apply within the geographical area of the Republic of South Africa.

#### ***Determination of guideline prices***

6. The guideline prices are hereby determined as -

- (a) 172,0c/kg for table potatoes;
- (b) 156,0c/kg for potatoes for processing;
- (c) 201,0c/kg for certified seed potatoes; and
- (d) 172,0c/kg for potatoes destined for exports

#### ***Amount of levy***

7. The amount of the levy payable -

- (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 -
  - (i) as table potatoes, is 1,30 c/kg;
  - (ii) for processing, is 0,6 c/kg; and
  - (iii) 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

***Persons by whom levy is payable***

8. (1) The levy is payable by -
- (a) a potato bag manufacturer or potato bag importer on behalf of a potato producer in respect of all potatoes marketed in potato bags purchased by such potato producer;
  - (b) a potato producer or, on such potato producer's behalf, by a trader, exporter, owner of a fresh produce market, processor or any other person who purchases potatoes from a potato producer in respect of all potatoes not marketed in potato bags contemplated in paragraph (a); or
  - (c) a potato importer on all potatoes imported.
- (2) A levy shall be paid to the Potato Industry Development Trust in accordance with clause 7.

***Payment of levy***

9. (1) The levy must be paid -
- (a) by the seventh day of the month following the month in which the payment was received by the potato sack manufacturer or potato bag importer from the potato producer or his agent for bags delivered, but not later than sixty days after the potato bags were delivered to the potato producer or his agent by the potato bag manufacturer or potato bag importer;
  - (b) by the seventh day of the month following the month in which the quantity of potatoes were delivered by the potato producer for export, sale, processing, or certified by a certification body; or
  - (c) by the seventh day of the month following the month in which the potatoes were imported by the potato importer concerned
- (2) Payment must be made to the Potato Industry Development Trust -
- (a) by means of a cheque which must be forwarded to -  
  
Potato Industry Development Trust  
Private Bag X135  
PRETORIA  
0001
  - (b) directly into the bank account of the Potato Industry Development Trust, details of which are obtainable on request from the administrator. Notification of the payment must be sent by e-mail to [potatolevies@agric.co.za](mailto:potatolevies@agric.co.za).

***Commencement and period of validity***

10. This statutory measure shall come into operation on the date of publication hereof and lapse four years later.