NOTICE 51 OF 2010



MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996

(ACT No. 47 OF 1996)

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES IN THE LUCERNE 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, Forestry and Fisheries has received a request for a continuation 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 continuation of statutory measures with the National Agricultural Marketing Council within 14 days of this publication.

Submissions should be in writing and be addressed to:

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CHAIRPERSON: NATIONAL AGRICULTURAL MARKETING COUNCIL

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES IN THE LUCERNE INDUSTRY

STATUTORY MEASURES -REGISTRATION AND RECORDS & RETURNS

The statutory measures that are requested to be continued for a further period of 3 years, are -

- The keeping of records and the submission of returns to the National Lucerne Trust (NLT) by dealers and processors of lucerne seed and hay, in terms of section 18 of the Marketing of Agricultural Products Act; and
- the registration of producers, processors and dealers of lucerne seed and hay, in terms of section 19 of the Marketing of Agricultural Products Act.

2. INFORMATION REQUIRED BY SECTION 10 OF THE ACT

The particulars as required by section 10 of the Act to be included in a request for the continuation of a statutory measure, are as follows:

- 2.1 The statutory measures that are requested, would relate to lucerne seed and lucerne hay.
- 2.2 Producers, traders and processors of lucerne seed and lucerne hay will be directly affected by the measures.
- 2.3 The level of support for the proposed continuation of the statutory measures on Lucerne seed and hay is being tested and comments are being requested from directly affected groups.
- 2.4 The proposed statutory measures will apply to the whole of the Republic of South Africa.
- 2.5 According to the applicant, the continuation of the statutory measures applied for, will further the objectives of the Act as stipulated in section 2(2) thereof. Such establishment will also not contravene section 2(3) of the Act.
- 2.6 The manner in which the objectives referred to in section 2(2) of the Act will be furthered by the proposed statutory measures (namely the increasing of market access for all market participants, the promotion of the efficiency of the marketing of agricultural products, the optimisation of export earnings from agricultural products and the enhancement of the viability of the agricultural sector), are summarised below:

"The NLT has for many years acted as the mouthpiece of the luceme seed industry. In 2001 the NLT received a mandate from luceme hay role players to also act as mouthpiece and secretariat for the luceme hay industry. As no reliable industry information was available, the NLT applied for two statutory measures, namely registration and records & returns. This was granted by the Minister on 20 April 2007.

Since 2004, 266 lucerne hay producers and 47 lucerne hay dealers/processors were registered. Amongst these there are 19 black and 50 colored emerging farmers.

To date the luceme industry has not relied on statutory levies to finance certain functions in the industry. Nevertheless the NLT in co-operation with the University of the Free State for

the first time put in place an official quality control and grading system for lucerne hay that was implemented on 1 October 2006. This will ensure a uniform grading system for the whole of South Africa, and will contribute greatly towards ensuring a level playing field for all participants in the lucerne hay industry. At this stage participation in the grading system is voluntary but should the need arise the industry may request statutory authority to fund and ensure compliance thereto.

To make the lucerne industry accessible to existing and upcoming farmers it is necessary to continue to register producers, dealers and processors in order to have a database of who is involved in the industry and to collect and disseminate information. Lucerne plays a crucial role as feedstock and few people realize that in terms of area planted it is one of the largest crops in the country. It is also one of the crops ideally suited for the smaller or emerging farmer to produce."

2.7 DATE OF IMPLEMENTATION AND DURATION OF STATUTORY MEASURE:

The current measures lapse on 30 April 2010. The continuation is requested for another 3 years.

It should be borne in mind that the measures will, in terms of the Act, be subject to evaluation and review by the National Agricultural Marketing Council at least every two years. Furthermore, the Act provides for the application to be made for the repeal of statutory measures.

2.8 MOST APPROPRIATE BODY TO ADMINISTER THE MEASURES:

The NLT will administer the measures. The NLT is a discretionary Trust and has the required capacity in terms of personnel, infrastructure and skills to administer the measures in an unbiased and responsible manner. The Board of Trustees of the NLT consists of:

- One trustee representing the Minister of Agriculture
- One trustee representing the Lucerne seed producers
- One trustee representing the Lucerne seed trade
- One trustee representing the Lucerne seed cleaners
- One trustee representing the Lucerne hay producers
- One trustee representing the Lucerne hay dealers/ processors
- One trustee representing the Small scale farmers

2.9 PARTICULARS ON ENFORCEMENT

The inspection and enforcement of the measures will be the responsibility of the NLT and will be carried out by inspection personnel already appointed by the Minister in terms of section 21 of the Marketing of Agricultural Products Act.