
GOVERNMENT NOTICE

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

No. 632**5 August 2011**

**NATIONAL AGRICULTURAL MARKETING COUNCIL
MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996, AS AMENDED
(ACT No. 47 OF 1996)**

**REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES IN THE
SOUTH AFRICAN WOOL INDUSTRY (REGISTRATION AND RECORDS & RETURNS)**

It is hereby made known that in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996) (MAP Act), the Minister of Agriculture, Forestry and Fisheries has received a request from the wool industry for the continuation of statutory measures in the wool industry relating to registration, the keeping of records and rendering of returns.

Cape Wools SA, on behalf of the directly affected groups in the wool industry applied for the continuation of the statutory measures. The current statutory measures in the wool industry will lapse on 30 June 2012. Cape Wools SA requested ministerial approval for the continuation of these statutory measures for a new period of four years, until 30 June 2016.

The purpose and aim of the statutory measure relating to registration is to provide a statutory mechanism for producers, brokers, traders or wool buyers, processors, importers and exporters to register with Cape Wools SA. A central database of names and contact details of individuals and organisations involved in the production, trading, processing and exporting of wool (by means of a unique identification number) supports the accurate and efficient gathering of data.

The purpose and aim of the statutory measure relating to records & returns is to provide a statutory mechanism for the keeping of records and the furnishing of returns to Cape Wools SA. It will be expected from each broker, trader or wool buyer, processor, importer and exporter of wool to keep the specific records with regard to wool that he or she has in his or her possession or under his or her control and shall within 15 days after the end of each calendar month, furnish it to Cape Wools SA. This is deemed necessary to ensure that continuous, timeous and accurate statistics and information relating to the characteristics and the marketing and sale of wool is made available to all role-players. A centralised source of reliable, objective and user-friendly statistics and information on the aggregate profile of the industry at any given

point in time, to aid decision-making during the growing, marketing, processing and promotion of South African wool is an essential tool to continuously position the South African wool industry nationally and internationally.

According to the applicant (Cape Wools SA), the proposed continuation of the statutory measures will further the objectives of the MAP Act as stipulated in section 2(2) thereof. Such establishment will also not contravene section 2(3) of the Act, namely will not be substantially detrimental to food security, the number of employment opportunities within the economy or fair labour practices. The objectives referred to in section 2(2) of the Act are to increase market access for all market participants, to promote the efficiency of marketing of agricultural products, to optimise export earnings from agricultural products and to enhance the viability of the agricultural sector.

Reliable national statistics and objective aggregate information regarding production, sales, price trends and projections, export volumes, prices and destination and market/product requirements are fundamental to the need to increase market access for all participants. Access to a national database of this nature will support the development of efficient marketing mechanisms for wool and will assist in the optimisation of export earnings for all sectors. Enhancement of the viability of the agricultural sector, particularly the previously disadvantaged wool sector, can only be accelerated if reliable, inclusive and comprehensive market data is available to assess the progress of this sector over time against the benchmark of reliable historical data.

Support for the proposed continuation of the statutory measures was given by the different categories of directly affected and other groups in the wool industry. If the Minister approves the application, the statutory measures will come into operation on the date of publication thereof in the *Government Gazette* and shall lapse on 30 June 2016.

The institution that will be responsible for the administration of the statutory measures is Cape Wools SA, a company without profit motive incorporated in terms of section 21 of the Companies Act, 1973 (Act No 61 of 1973) and by default qualifies as a company incorporated for a public benefit in terms of the Companies Act, 2008 (Act No 71 of 2008). Considering the South African wool industry's international associations and linkages and the need to establish a structure that will ensure the ongoing involvement by all affected parties, Cape Wools SA is the appropriate institution to administer the measures. It is internationally recognised and

accepted as the overarching representative South African wool industry body, is representative of all directly affected groups in the wool industry and its sole responsibility is to implement the strategic plan for the wool industry as developed by the Wool Industry Forum of South Africa.

Directly affected groups in the wool industry are kindly requested to submit any comments regarding the proposed continuation of statutory measures to the National Agricultural Marketing Council within 14 days of the publication hereof.

Submissions should be in writing and be addressed to:

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