No. 784 25 July 2008

MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996

(ACT No. 47 OF 1996)

APPLICATION FOR THE ESTABLISHMENT OF STATUTORY MEASURES IN THE SOUTH AFRICAN MOHAIR INDUSTRY (REGISTRATION AND RECORDS & RETURNS)

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 establishment of statutory measures relating to registration and records & returns in the South African mohair industry. More information is contained in the Schedule attached hereto.

Directly affected groups in the mohair industry are hereby invited to submit any comments regarding support or objections relating the proposed statutory measures to the National Agricultural Marketing Council within 14 days of the publication thereof.

Submissions should be in writing and be addressed to:

The CEO National Agricultural Marketing Council Private Bag X 935 PRETORIA 0001

Fax No.: (012) 341 1811 E-mail: Schalk@namc.co.za Enquiries: Mr Schalk Burger

Tel.: (012) 400 9732

Mr Ronald Ramabulana
CEO: NATIONAL AGRICULTURAL MARKETING COUNCIL

APPLICATION FOR THE ESTABLISHMENT OF STATUTORY MEASURES IN THE SOUTH AFRICAN MOHAIR INDUSTRY (REGISTRATION AND RECORDS & RETURNS) IN TERMS OF THE MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996 (ACT NO 47 OF 1996), AS AMENDED

1. STATUTORY MEASURES

The statutory measures entail that the Minister, in terms of sections 10 and 13 of the Act, by notice in the Government Gazette, direct that producers, brokers, traders or mohair buyers, processors, importers and exporters register with Mohair SA, and further that the relevant institutions keep records and submit returns to Mohair SA.

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 establishment of a statutory measure are as follows:

- 2.1 The statutory measure that is requested to be established, would relate to registration, records and returns.
- 2.2 The categories of directly affected groups which would probably be affected by the proposed extension of the statutory measures are:
 - "broker" means a person dealing with mohair in the course of trade by treating, keeping, conveying, selling or processing mohair on behalf of a producer or cause such actions to be taken on behalf of a producer.
 - "exporter" means a person dealing with mohair in the course of trade by exporting it from the Republic;
 - "importer" means a person dealing with mohair in the course of trade by importing it into the Republic;
 - "processor" means a person dealing with mohair in the course of trade by scouring and combing it, or processing it in any other manner, or cause such actions to be taken;
 - "producer" means a person producing mohair or involved in the production of mohair;
 - "trader or mohair buyer" means a person dealing with mohair in the course of trade by buying and selling mohair;
- 2.3 Support for the proposed statutory measures was given by the different categories of directly affected and other groups in the mohair industry.
- 2.4 The proposed statutory measure will apply to the whole of the Republic of South Africa.

- 2.5 According to the applicant, the proposed statutory measures 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, namely will not be substantially detrimental to food security, the number of employment opportunities or to fair labour practices.
- 2.6 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 the marketing of agricultural products, to optimise export earnings from agricultural products and to enhance the viability of the agricultural sector.

The purpose and aim of this statutory measure is to provide a statutory mechanism for the keeping of records and the furnishing of returns to Mohair 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 mohair is made available to all role-players. The statutory measure will further the objects of the Act as set out in section 2(2) thereof, and will not be detrimental to any of the matters specified in section 2(3) of the Act.

A centralized 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 mohair is an essential tool to continuously position the South African mohair industry nationally and internationally.

Reliable national statistics and objective aggregate information regarding production (on magisterial district basis), sales, price trends and projections, export data are fundamental to the need to increase market access for all participants, but especially developing farmers who need impartial and objective information. Access to a national database of this nature supports the development of efficient marketing mechanisms for mohair and assists in the optimization of export earnings for all sectors.

The viability of the agricultural sector, particularly in developing areas, can only be accelerated if reliable, inclusive and comprehensive industry data is available to assess the progress of this sector over time against the benchmark of reliable historical data.

This statutory measure will be implemented and administered by Mohair SA, with due consideration of the South African mohair industry's international associations and links and the need to establish a structure that will ensure the ongoing involvement by all affected parties.

Information gathered will be dealt with in the context of section 23(2) of the Act read with the applicable provisions of the Constitution and the Promotion of Access to Information Act.

Mohair SA will provide macro generic industry statistics and information on and for the mohair industry. This information will be made available on an aggregate basis, in an appropriate format.

- 2.7 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 2012.
- 2.8 The institution that will be responsible for the administration of the statutory measures is Mohair SA. Mohair SA is the representative organisation of the industry and is registered in terms of section 21 of the Companies Act. It also has the capacity in terms of personnel, infrastructure and skills to administer the measures.