

NOTICE 89 OF 2015

National Agricultural
Marketing Council
Promoting market access for South African agriculture

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DECIDUOUS FRUIT INDUSTRY
APPLICATION FOR THE IMPLEMENTATION OF STATUTORY MEASURES ON STONE
AND POME FRUIT

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

The Minister of Agriculture, Forestry and Fisheries received a request from Hortgro, on behalf of the SA Apple and Pear Producers Association (SAAPPA) and the SA Stone Fruit Producers Association (SASPA), for the continuation of statutory measures (registration, records & returns and levies) on pome fruit (apples and pears) and stone fruit (plums, peaches / nectarines and apricots) in terms of the Marketing of Agricultural Products Act (MAP Act) 1996.

Hortgro requested that the proposed statutory measures be approved for a new 4 (four) year period with effect from 1 October 2015 and lapse 4 (four) years later.

The following statutory measures are currently in place on pome and stone fruit, namely:

- **The statutory measures on all export and domestic volumes of pome and stone fruit:**
Payment of levies in terms of Section 15 of the MAP Act;
Keeping of records and returns in terms of Section 18 of the MAP Act; and
Registration of persons in terms of Section 19 of the MAP Act.
This measures lapse on 30 September 2015.
- **The market development statutory levy on export stone fruit:**
Payment of a levy in terms of Section 15 of the MAP Act.
This measure lapse on 7 March 2015.
- **The market development statutory measure on export pome fruit:**
Payment of a levy in terms of Section 15 of the MAP Act.
This measure lapse on 1 March 2016.

In terms of registration and records & returns, it is argued that the maintenance of macro industry statistics and market information is critical for long-term planning relating to production, orderly marketing and infrastructural capacity by the industry (producers and exporters), Government and service / input suppliers.

According to Hortgro, the registration, in terms of section 19 of the MAP Act, of producers, exporters, importers, and the trade and juice plants will ensure the availability and provision of continuous, timeous and accurate information relating to the products and adherence to sound fruit handling discipline and protocols, business principles and ethical trading as well as to administer the requested statutory measures.

Furthermore submitting records and returns, in terms of section 18 of the MAP Act, will ensure the availability and provision of continuous, timeous and accurate information relating to the products indicated above, to all stakeholders in the industry deemed to be essential to ensure informed decision making and a stable and profitable industry.

Hortgro indicated that no records or returns shall be required in terms of this measure which discloses confidential information of a marketing nature, and in particular, no returns disclosing, inter alia, contracting parties; purchasers of fruit; prices of services or the prices obtained for fruit, or any similar information.

The payment of the levy, in terms of section 15 of the MAP Act, will be used to finance the following:

- Research projects, information and technology transfer;
- Plant improvement, certification and cultivar development;
- Market information, statistics and logistical efficiencies;
- Trade and market access issues;
- Communication;
- Transformation and training; and
- Administration.

The utilisation of levies will be continue to be aligned with the guidelines and directives of the NAMC with annual reporting to the NAMC and the Auditor General.

The proposed levy amounts:

a) Pome fruit (Apples and Pears)

	Current	2015/16	2016/17	2017/18	2018/19
Traditional levy on fresh fruit exported and domestically	3,75 c/Kg	4,0 c/Kg	4,25 c/Kg	4,5 c/Kg	4,75 c/Kg
Market Development levy on fresh fruit exported	2,8 c/Kg	2,8 c/Kg	2,8 c/Kg	2,8 c/Kg	2,8 c/Kg
Processing	R7,00/ton	R7,40/ton	R7,80/ton	R8,30 /ton	R8,75 /ton

b) Stone Fruit – Domestic and Export market (traditional levy)

	Current	2015/16	2016/17	2017/18	2018/19
Apricots	15 c/Kg	16 c/Kg	17 c/Kg	18 c/Kg	19 c/Kg
Peaches & Nectarines	9,5 c/Kg	10 c/Kg	10,6 c/Kg	11,3 c/Kg	12 c/Kg
Plums	12,5 c/Kg	13,25 c/Kg	14 c/Kg	15 c/Kg	15,75 c/Kg

c) Stone Fruit – Export market only (market development levy)*

	Current	2015/16	2016/17	2017/18	2018/19
Apricots	10 c/Kg	10 c/Kg	10 c/Kg	10 c/Kg	10 c/Kg
Peaches & Nectarines	20 c/Kg	20 c/Kg	20 c/Kg	20 c/Kg	20 c/Kg
Plums	9,5 c/Kg	9,5 c/Kg	9,5 c/Kg	9,5 c/Kg	9,5 c/Kg

* The proposed levy amounts remains the same and is not increased for the new period 2015 – 2019.

The NAMC believes that the measures requested are consistent with the objectives of the MAP Act (as set out in section 2 of the Act).

Directly affected groups (e.g. agents, certification bodies, exporters, export inspection bodies, fresh produce markets, importers, producers and traders) in the pome and stone industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC on or before 21 February 2015, to enable the Council to finalise its recommendation to the Minister in this regard.

ENQUIRIES:

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