

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**NO. R. 3614****30 June 2023****MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996
(ACT No. 47 OF 1996)****ESTABLISHMENT OF STATUTORY MEASURE: DETERMINATION OF
GUIDELINE PRICES AND LEVIES RELATING TO POTATOES**

I, Angela Thokozile Didiza, Minister of Agriculture, Land Reform and Rural Development Minister of Agriculture, Forestry and Fisheries, 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 hereto.

MRS A.T. DIDIZA, (MP)**MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**

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 -

“Administrator” means Potatoes South Africa;

“FOB” means Free on Board

“importer” means a person who imports potatoes into South Africa for his own account or acts as an agent on a commission basis or on behalf of potato producers, traders or processors;

“exporter” means a person who trades potatoes for export from South Africa for his or her own account, or acts as an agent on a commission basis on behalf of potato producers;

“NAMC” means the National Agricultural Marketing Council established under the Act;

“packaging material” means packaging material intended to be used for the packing of potatoes, including paper bags, plastic bags and cartons of different sizes;

“packaging material importer” means a person that imports and sells packaging material, and includes an agent acting on behalf of such a person;

“packaging material manufacturer” means a person that manufactures and sells packaging material, and includes an agent acting on behalf of such person;

“PIDT” means the Potato Industry Development Trust;

“potatoes” means table potatoes, seed potatoes, potatoes for processing and potato products;

“Potatoes South Africa” means Potatoes South Africa NPC, a non-profit company registered under the Companies Act, No. 71 of 2008;

“potato producer” means a person –

- (a) who produces potatoes for export, or for domestic consumption as table potatoes or as potato products;
- (b) who produces seed potatoes for sale; or
- (c) who acts for or on behalf of producer mentioned in paragraph (a) or (b).

“processor” means a person who processes potatoes;

“pre-packer” means any person that pre-packs potatoes in plastic, paper bags or cartons, or causes potatoes to be thus pre-packed, and includes wholesalers and retailers that pre-packs potatoes for the sale thereof to retailers or end consumers;

“retailer” means a person that normally sells potatoes to end consumers;

“trader” means a person who purchases potatoes from a potato producer or any other supplier for trading on the domestic market, or for exporting, and includes wholesalers and retailers;

“the Act” means the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996);

“wholesaler” means a person who normally purchases potatoes for re-sale to a retailer.

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

2. (1) The measure was applied for by the PIDT and is required by the potato industry to fund:
 - (a) The development and implementation of appropriate programs to assist emerging black commercial farmers by way of transformation to become commercial potato producers and to extend their access to marketing opportunities.
 - (b) Basic as well as applied research, including cultivar evaluation, and the dissemination of all relevant technical information.
 - (c) The gathering, processing, analysing and compiling pertinent industry related information and market statistics, and the dissemination thereof.
 - (d) The development and implementation of strategic marketing development and generic promotional programmes to establish, maintain and expand local and foreign markets.
 - (e) The expansion of the pool of knowledge and human capital development in the potato industry.
- (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 compulsory keeping or levy records and the rendering of levy returns in accordance with this measure, including the provision of information relating to third parties, complies with and is not a contravention of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013).
- (4) The levies collected under this measure will be utilised in accordance with the purposes set out in this notice.
- (5) The PIDT has appointed Potatoes South Africa as administrator to implement and administer the statutory measure.

Employment of statutory levies

3. Levies collected will be used in accordance with the business plan for the imposition and use of the statutory measure submitted by the PIDT to the NAMC, of which:
- (a) At least 20% of the funds collected shall be used for transformation.
 - (b) Approximately 70% of the funds collected shall be used for the core activities of the potato industry.
 - (c) Not more than 10% of the funds collected shall be used for the administration of the statutory measures.

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) 478 c/kg for table potatoes;
 - (b) 110 c/kg for seed potatoes;
 - (c) 383 c/kg for potatoes for processing;
 - (d) 478 c/kg for potatoes destined for exports;
 - (e) 100,9 c/kg for imported potatoes (FOB).

Amount of levies

7. The amount of the levies payable is as set out in the schedule and is applicable to the following -
- (a) all classes of locally produced potatoes for sale on the domestic market irrespective of the format in which it is marketed;
 - (b) all classes of locally produced potatoes intended for the export market irrespective of the format in which it is marketed; and
 - (c) all classes of imported potatoes irrespective of usage.

Commodity	Annual levy per kilogram in cent			
	2023/2024	2024/2025	2025/2026	2026/2027
Table potatoes	2.370	2.450	2.529	2.609
Seed potatoes	0.942	0.973	1.005	1.037
Potatoes for processing	1.112	1.149	1.186	1.224
Potatoes for export	2.370	2.450	2.529	2.609
Imported potatoes	1.674	1.730	1.786	1.842

Persons by whom levies are payable

8. (1) The levies set out in clause 7 are payable by -
- (a) a potato producer; on potatoes locally produced and sold, or on potatoes exported; or
 - (b) an importer, on all imported potatoes.
- (2) For the purposes of the application of clause 8(1) levies shall only be payable once.
- (3) The levies shall be paid to the Administrator in accordance with clauses 7 and 9.

Payment of levy

9. (1) For the purpose of determining levies payable by a potato producer in terms of clause 8(1)(a):
- (a) The levies concerned shall in the first instance be payable upon the purchase of packaging material from a packaging material manufacturer or a packaging material importer.
 - (b) The packaging material manufacturer or packaging material importer shall collect the levy due by adding the amount thereof to the price of the packaging material, calculated by multiplying the levy amounts set out in clause 7 ("A") by the capacity of the packaging material purchased expressed in kilogram ("B"), multiplied by the quantity of the packaging material purchased ("C") (**AxBxC**).
 - (c) The packaging material manufacturer or packaging material importer shall provide a return to the Administrator, setting out the names and addresses of the persons who purchased packaging material during the previous calendar month, together with the capacity and quantities of packaging material thus purchased and levies thus raised, within twenty days after the end of that calendar month.
 - (d) The Administrator shall upon receipt of a return in terms of paragraph (c) invoice the packaging material manufacturer or packaging material importer for indicating the amount of the levies due, as well as the amount of the commission that the packaging material manufacturer or packaging material importer is entitled to retain upon remittance of that invoice, which retention amount shall not exceed 2% (two percent) of the levies due.
 - (e) The packaging material manufacturer or packaging material importer shall fully pay an invoice referred to in paragraph (d) before or on the seventh day of the month following receipt hereof.
 - (f) A packaging material manufacturer or packaging material importer who claims that a levy is not payable as the empty packaging material concerned was exported, lost, stolen or damaged, or sold to a person other than a potato producer, or has already been paid

or is otherwise not payable, must provide sufficient documentary proof thereof to the Administrator, failing which it shall be deemed that the levy remains payable by such packaging material manufacturer or importer.

- (2) In the event that a levy payable by a potato producer in terms of clause 8(1)(a) has not been paid upon the purchase of packaging material under clause 9(1), including but not limited where potatoes are sold in bulk to processors, traders or pre-packers, or are exported, the levies due shall then be paid as follows:
- (a) If potatoes are delivered to a processor, trader or exporter, the processor, trader or exporter shall collect the levy by subtracting the amount thereof from any payment due to the potato producer for potatoes delivered to that processor, trader or exporter, calculated by multiplying the levy amounts set out in clause 7 ("A"), by the volume delivered expressed in kilogram ("B"). **(A x B)**.
 - (b) If potatoes are delivered to a pre-packer, the pre-packer shall collect the levy by subtracting the amount thereof from the payment due to the potato producer for potatoes delivered to the pre-packer, calculated by multiplying the levy amounts set out in clause 7 ("A") by the capacity of the packaging material used by the pre-packer for packing the potatoes expressed in kilogram ("B"), multiplied by the quantity of the packaging material used ("C") **(AxBxC)**.
 - (c) The provisions of clause 9(1)(c),(d),(e) and (f) shall mutatis mutandis apply to a processor, trader, exporter or pre-packer referred to in paragraphs (a) and (b) above.
- (3) In the event that a levy payable by a potato producer in terms of clause 8(1)(a) has not been paid under either clause 9(1) or clause 9(2):
- (a) The potato producer concerned shall remain liable for the payment of levies due to the Administrator not later than the seventh day of the month following the month of sale of the potatoes concerned.
 - (b) The provisions of clause 9(1)(f) shall mutatis mutandis apply.

- (4) For the purpose of levies payable in terms of clause 8(1)(b) by a potato importer, the levies due shall be :
 - (a) Calculated by multiplying the levy amounts set out in clause 7 ("A") by the volume imported, expressed in kilogram ("B") (**A x B**).
 - (b) Paid by the potato importer concerned to the Administrator not later than the seventh day of the month following the month of import.
- (5) Payment in terms of clause 9(1), (2), (3) or (4) must be made directly by electronic transfer into the bank account indicated by the Administrator.
- (6) Interest on levy payments in arrears shall be charged at the prime lending rate then in force, plus 2% (two percent).
- (7) Any legal costs relating to the collection of levies will be for the account of the defaulter and costs will be recovered on an attorney and client basis.

10. **Commencement and validity**

This statutory measure will come into effect on the date of publication and will lapse four years later.