

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

NOTICE 2737 OF 2024



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**DRIED VINE FRUIT (RAISINS) INDUSTRY
APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES**

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 11 September 2024, the Minister of Agriculture received a request from Raisins South Africa (Raisins SA) for the continuation of statutory measures (levies, records & returns and registration) in the dried fruit industry (on dried vine fruit (raisins) produced, and imported into South Africa), in terms of the Marketing of Agricultural Products Act (MAP Act) 1996.

Currently, the following statutory measures, are applicable, in the dried fruit industry, namely the -

- **Payment of levies (in terms of section 15 of the MAP Act);**
 - Traditional levy
Financing the core functions as identified by Raisins SA e.g. market access; information & communication; research & development and transformation & training within the dried fruit sector, administered by Raisins SA, (expiring on 11 December 2024); and
 - Fruit fly statutory levy in the Orange River Valley
Funding of the Mediterranean fruit fly (*Ceratitis capitata*) (Medfly) control programme, on dried grapes in the Lower Orange River area, administered by Fruit Fly Africa (FFA), (expiring on 2 December 2024).
- **Keeping of records & returns (section 18 of the MAP Act)**
Administered by Raisins SA, (expiring on 11 December 2024); and
- **Registration of directly affected groups (DAGs) (section 19 of the MAP Act),**
Administered by Raisins SA, (expiring on 11 December 2024).

Council Members: Mr. A. Petersen (Chairperson), Ms. T. Ntshangase (Deputy Chairperson), Prof. A. Jooste, Mr. S.J. Mhlaba, Ms. F. Mkile, Mr. J. Mocke, Ms. N. Mokose, Ms. S. Naidoo, Mr. G. Schutte and Dr. S.T. Xaba.

Raisins SA requested that the current statutory measures be continued and extended as follows -

- Payment of levies (in terms of section 15 of the MAP Act);
 - Traditional levy; and
 - Fruit fly statutory levy,
- Keeping of records & returns (section 18 of the MAP Act); and
- Registration of directly affected groups (DAGs) (section 19 of the MAP Act).

The purpose and objectives of the statutory measures are as follows:

- The **payment of the statutory levies**, in terms of section 15 of the MAP Act, is to compel the parties to pay a levy to Raisins SA.

i) The **payment of the traditional statutory levy**.

The levy will fund the following functions, namely –

- Market access and market development and intelligence;
- Research & development programmes and technology transfer;
- Information and communication throughout the value chain; and
- Transformation (enterprise development, skills development and socio-economic development).

ii) The **payment of the fruit fly statutory levy**.

This levy will fund the fruit fly control programme in the Orange River Valley.

The application by Raisins SA, included the fruit fly statutory levy, previously administered by FFA. However, it was agreed that Raisins SA will in future administer this statutory levy.

It will finance the Mediterranean fruit fly (*Ceratitidis capitata*) (Medfly) control programme and the Oriental Fruit Fly (*Bactrocera dorcalis*) (BD), control programme, in the Orange River Valley.

This is a separate and differentiated levy, meaning that it does not form part of the traditional statutory levies in the dried fruit industry (to finance research, information, transformation etc). The fruit fly statutory levy will fully (100%) be utilised for monitoring, mapping and aerial baiting in the

Orange River Valley.

- **Records & Returns (Sections 18 of the MAP Act)**

The purpose and aim of this statutory measure are to compel the identified parties to render records and returns to Raisins SA. By prescribing the keeping of records with the rendering of returns on an individual basis, this information can be correlated to ensure that all producers are actually paying what they are supposed to pay.

- **Registration (Sections 19 of the MAP Act)**

The purpose and aim of this statutory measure is to compel the identified parties to register with Raisins SA. Registration is necessary to assist Raisins SA in ensuring that the levy imposed on dried vine fruit, can be collected. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, information for the whole of the industry can be coordinated to ensure the orderly collection of levies.

The current and proposed levy amounts cents per kilogram(c/kg) are as follows:

	Current levy amount (excluding VAT)	Proposed new levy amount (excluding VAT)			
Products	2023/24	20224/25	2025/26	2026/27	2027/28
Dried vine fruits (raisins) Produced and imported	21c/kg	22.4c/kg	23.8c/kg	25.4c/kg	27c/kg
Fruit fly statutory levy in the Orange River Valley	12c/kg	17.2c/kg	18.6c/kg	20.2c/kg	21.9c/kg

Proposed business plan for the four (4) year period:

Income	20224/25	2025/26	2026/27	2027/28	Total
Traditional levy					
Dried vine projected volumes (tons)	88 000	90 000	92 000	100 000	370 000
Levy R/kg	0.224	0.238	0.254	0.270	
Budgeted levy income	R19 681 200	R21 436 853	R23 337 587	R27 015 793	R91 471 433
Fruit fly statutory levy in the Orange River Valley					
Levy R/kg	0.172	0.186	0.202	0.219c	
Budgeted levy income	R15 136 000	R16 740 000	R18 584 000	R21 900 000	R72 360 000

Expenditure	20224/25	2025/26	2026/27	2027/28	%
Traditional levy					
Market access and development	R6 494 796	R7 074 161	R7 701 404	R8 915 212	33%
Information & communication	R2 361 744	R2 572 422	R2 800 510	R3 241 895	12%
Research & development	R5 510 736	R6 002 319	R6 534 524	R7 564 422	28%
Transformation and training	R3 936 240	R4 287 371	R4 667 517	R5 403 159	20%
Administration	R1 377 684	R1 500 580	R1 633 631	R1 891 106	7%
Total	R19 681 200	R21 436 853	R23 337 586	R27 015 794	

Expenditure	20224/25	2025/26	2026/27	2027/28	%
Fruit fly levy*					
Monitoring, mapping and aerial baiting	R15 136 000	R16 740 000	R18 584 000	R21 900 000	100%

The NAMC believes that the proposed statutory 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. importers, producers, packers and exporters) in the dried fruit industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC (**e-mail to mathildavdw@namc.co.za**) on or before 11 October 2024, to enable the Council to finalise its recommendation to the Minister in this regard.