

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NOTICE 405 OF 2020

DRIED FRUIT INDUSTRY APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 10 July 2020, the Minister of Agriculture, Land Reform and Rural Development received a request from Raisins South Africa for the continuation of statutory measures (levies, records & returns and registration) on dried vine fruit (raisins) produced, and imported into South Africa, in terms of the Marketing of Agricultural Products Act (MAP Act) 1996. The current statutory measures will expire on 27 October 2020.

Currently, the following statutory measures are applicable, and it is proposed that a new four year period be implemented, on dried vine fruit produced and imported into South Africa, namely -

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

The purpose and objective of the statutory levies are to provide financial support for the following functions that the dried vine fruit industry has identified as essential and in the interest of the industry as a whole:

- Market Access and development;
- Information and communication;
- Research & development programmes and technology transfer;
- Transformation and training; and
- Administration.

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

| Products | Current levy | Proposed new levy Amount (excluding VAT) | | | |
|--|--------------|--|-----------|-----------|---------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
| Dried vine fruits (raisins) Produced and imported | 12c/kg | 16c/kg | 17,67c/kg | 19,33c/kg | 21c/kg |

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

| Income | 2020/21 | 2021/22 | 2022/23 | 2023/24 | Total |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Dried vine projected volumes | 83 000 000 | 86 320 000 | 89 773 000 | 93 364 000 | 352 457 |
| Levy R/kg | 0.160 | 0.176 | 0.193c/kg | 0.210c/kg | |
| Potential levy income | R13 280 000 | R15 252 744 | R17 326 150 | R19 606 380 | R65 465 274 |

| Expenditure | 2020/21 | 2021/22 | 2022/23 | 2023/24 | Total | % |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|-----|
| Market Access and development | R3 984 000 | R4 575 823 | R5 208 617 | R5 884 714 | R19 653 154 | 30% |
| Information and communication | R1 992 000 | R2 287 912 | R2 604 309 | R2 942 357 | R9 826 578 | 15% |
| Research & development programmes and technology transfer | R3 320 000 | R3 813 186 | R4 340 515 | R4 903 929 | R16 377 630 | 25% |
| Transformation and training | R2 656 000 | R3 050 549 | R3 472 412 | R3 923 143 | R13 102 104 | 20% |
| Administration | R1 328 000 | R1 525 274 | R1 736 206 | R1 961 571 | R6 551 051 | 10% |
| Total | R13 280 000 | R15 252 744 | R17 362 059 | R19 615 715 | R65 510 517 | |

This statutory levy shall apply to all dried vine fruit (raisins), produced in and imported into South Africa.

The NAMC believes that the statutory levies 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, exporters, producers, processors, and packers) in the dried fruit industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC on or before 14 August 2020, to enable the Council to finalise its recommendation to the Minister in this regard.

ENQUIRIES:

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SUBMIT COMMENTS TO THE NAMC BY 14 August 2020