

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NOTICE 1047 OF 2022



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**NATIONAL AGRICULTURAL MARKETING COUNCIL
MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996, AS AMENDED
(ACT No. 47 OF 1996)**

**REQUEST FOR THE IMPLEMENTATION OF STATUTORY MEASURES (RELATING TO LEVIES,
RECORDS & RETURNS AND REGISTRATION) ON IMPORTED MEAT AND POULTRY PRODUCTS**

**REQUEST FOR COMMENTS / INPUTS FROM ROLE PLAYERS IN THE MEAT AND POULTRY
INDUSTRY**

On 10 May 2022, the Minister of Agriculture, Land Reform and Rural Development received, in terms of section 10 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996) (MAP Act), a request from the Association of Meat Importers and Exporters (AMIE) for the implementation of statutory measures relating to levies, registrations and records and returns on imported meat and poultry products. The proposed statutory measures will be applicable for four years, from 1 November 2022 to 31 October 2026.

In 1996, AMIE was founded, to be a voice to represent the interest of meat importers and exporters in South Africa.

AMIE applied for the following statutory measures on imported meat and poultry products, namely:

- Registration;
- Records & Returns; and
- Levies.

The purpose and objective of the proposed statutory measures are as follows:

Registrations:

This statutory measure is required for the purpose of building a database of importers of meat and poultry products.

Records and Returns:

This statutory measure is required for the collection and dissemination of generic market information. Information is necessary to industry role-players to take informed decisions about

supply and demand issues. Reliable national statistics and objective general information are fundamental to enhance market access for all participants which is a critical need.

Levy:

The statutory levy requested is based on 1c (one cent) per kilogram (c/kg) for beef, pork, lamb, and poultry including mechanically deboned meat (MDM) imported into South Africa. The levy will be payable by the importer before being issued with an import permit.

The proposed statutory levy will finance the following functions, namely –

- Transformation;
- Development and retention of markets including export promotion of SA beef, pork, lamb, and poultry products;
- Research and development;
- Consumer education;
- Quality control and consumer assurance; and
- Administration and operations.

The following statutory levy amounts are proposed:

Imported meat and poultry products	Proposed new levy (Excluding VAT)			
	2022/23	2023/24	2024/25	2025/26
Levy	1c/kg	1,05c/kg	1,10c/kg	1,15c/kg

The MAP Act stipulates that a statutory levy may not exceed 5% of the price for a specific agricultural product at the first point of sale. The maximum of 5% must be based on a guideline price calculated as the average price at the first point of sale over a period not exceeding three years.

AMIE calculated the relevant guideline prices as follows:

Product	Average price Per kg	Levy	Guideline price %
Beef imported	R22,61	R0,01	0,04%
Pork imported	R33,12	R0,01	0,03%
Lamb imported	R32,39	R0,01	0,03%
Poultry meat imported	R20,00	R0,01	0,05%
MDM imported	R12,00	R0,01	0,08%

The proposed statutory levies for meat and poultry imported products are on average 0.05% of the guideline prices, which are well within the requirement of 5% as stipulated in the MAP Act.

The proposed business plan for the four (4) year period, is as follows:

	2022/23	2023/24	2024/25	2025/26
Transformation (20%)	R1 034 300,00	R1 086 015,00	R1 140 315,75	R1 197 331,54
Development and retention of markets including export promotion (27%)	R1 396 305,00	R1 466 120,25	R1 539 426,26	R1 616 397,58
Research and development / Consumer education (16%)	R827 440,00	R868 812,00	R912 252,60	R957 865,23
Quality control and consumer assurance (27%)	R1 396 305,00	R1 466 120,00	R1 539 426,26	R1 616 397,58
Administration and operations (10%)	R517 150,00	R543 007,50	R570 157,87	R598 665,79
Total	R5 171 500,00	R5 430 075,00	R5 701 578,75	R5 986 657,69

The National Agricultural Marketing Council (NAMC) took cognizance that the proposed statutory measures relating to levies, registration, the keeping of records and the rendering of returns in the meat industry as requested by AMIE, is consistent with the objectives of the MAP Act.

Directly affected groups in the meat industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to Mr. Brian Makhele (BMakhele@namc.co.za) on or before 17 June 2022, to enable the NAMC to finalize its recommendation to the Minister in this regard.