

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

NOTICE 299 OF 2016



**National Agricultural
Marketing Council**
Promoting market access for South African agriculture

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CITRUS FRUIT INDUSTRY APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 25 April 2016, the Minister of Agriculture, Forestry and Fisheries received a request from Citrus Growers' Association of Southern Africa (CGA) for the continuation of statutory measures (levies, records & returns and registration) on citrus fruit produced, passed and packed for export, in terms of the Marketing of Agricultural Products Act (MAP Act) 1996. The current statutory measures will expire on 31 December 2016.

Currently, the following statutory measures are applicable, and it is proposed that a new four-year period be implemented, on citrus fruit intended for export, namely the -

- 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 measures relating to **records & returns and registration** are to compel DAGs in the citrus industry to register with CGA. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, market information for the whole of the industry can be processed and disseminated and will form the basis for the collection of levies. This is necessary to ensure that continuous, timeous and accurate information is available to all role players.

The **payment of the levy**, will be used to finance the following:

- Research, plant improvement and technology;
- Increasing of market access;
- Information, market research and market intelligence;
- Logistics and Infrastructure; and
- Transformation within the citrus industry

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

	Current levy	Proposed new levy amount			
	2016	2017	2018	2019	2020
Citrus fruit produced, passed and packed for export	3.733 c/kg (56 c/15kg carton)	4.533 c/kg (68 c/15kg carton)	4.666 c/kg (70 c/15kg carton)	4.8 c/kg (72 c/15kg carton)	4.933 c/kg (74 c/15kg carton)

Council members: Mr AD Young (Acting Chairperson), Mr AM Cronje, Ms MM Gill, Mr A Hendricks, Dr LL Magingxa, Dr JL Purchase, Ms JM van der Merwe and Ms TE Zimu.

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

		2017	2018	2019	2020
		Rand	Rand	Rand	Rand
INCOME	Levy	80 240 000	84 000 000	89 280 000	94 720 000
	Other Income	1 200 000	2 300 000	2 300 000	2 300 000
TOTAL INCOME		82 540 000	86 300 000	91 580 000	97 020 000
EXPENDITURE					
CRI	Research	45 500 000	46 685 000	52 092 950	55 739 457
CGA	Market Access	3 620 000	3 873 400	4 144 538	4 434 656
CGA	Market Access: EU	5 000 000	3 000 000	1 000 000	1 000 000
CGA	Information & Market Research	1 300 000	1 391 000	1 488 370	1 592 556
CGAGDC	Transformation: Enterprise Development	8 000 000	8 700 000	9 449 000	10 250 430
CGA	Transformation: Employment Equity, Socio Economic Development	2 000 000	2 000 000	2 000 000	2 000 000
Citrus Academy	Transformation: Skills Development	4 000 000	4 280 000	4 579 600	4 900 172
CGA	Logistics & Infrastructure	1 300 000	1 391 000	1 488 370	1 592 556
CGA	Administration	8 500 000	9 095 000	9 731 650	10 412 866
Additional Services:					
CGA	Cold Chain	500 000	535 000	572 450	615 522
CGA	Green Ambassador's	1 000 000	1 070 000	1 144 900	1 225 043
CGA	Government Capacity	1 000 000	1 070 000	1 144 900	1 225 043
CGA	Market Intelligence	500 000	535 000	572 450	615 522
TOTAL EXPENDITURE		83 220 000	86 160 400	89 981 628	96 210 342
SURPLUS / DEFICIT		-680 000	139 600	1 598 372	809 658

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. producers, packers and exporters) in the citrus industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC on or before 10 June 2016, to enable the Council to finalise its recommendation to the Minister in this regard.

ENQUIRIES:

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