GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES NOTICE 354 OF 2016



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FRUIT INDUSTRY

REQUEST FOR THE CONTINUATION OF THE PER HECTARE STATUTORY LEVY TO FUND THE AREA WIDE MEDITERRANEAN FRUIT FLY CONTROL (MEDFLY) PROGRAMME

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 1 June 2016, the Minister of Agriculture, Forestry and Fisheries received a request from Fruitfly Africa for the continuation of the per hectare statutory levy to fund the area wide Mediterranean fruit fly control programme, in selected production regions for the next four year period, namely 2017-2020. The current statutory levy will expire on 9 August 2016.

Section 10 of the Marketing of Agricultural Products Act (MAP Act) stipulates *inter alia* that a directly affected group (DAG) may request the Minister in writing to establish one or more statutory measures. The applicant is Fruitfly Africa (Pty) Ltd (previously SIT Africa), a service entity owned by the various national producer's associations.

If approved this will be a separate differentiated levy, meaning that the existing statutory measures in the fruit industry (to finance research, information, transformation etc) will remain unchanged. It is proposed that the differentiated levy be introduced in the respective production regions based on the needs and unique requirements in terms of international best practice and tailor-made strategies for such areas.

Internationally, fruit flies are proclaimed quarantine pests and their presence in a country can hinder free trade in terms of fruit exports. Some of South Africa's main deciduous fruit and table grape production areas are in the Western, Eastern and Northern Cape Provinces. Medfly (*Ceratitis capitata*) is the most prevalent economically important fruit fly species. Fruitfly Africa is also monitoring for another prevalent threat the Oriental fruit fly (*Bactrocera dorsalis*), which is not yet present in these areas. Commercial and small-scale farmers, as well as informal communities are affected by these species.

The proposed strategy includes the Sterile Insect Technique (SIT) at various stages of implementation as agreed with the producers in such areas. The (maximum) amounts (excluding VAT) of the proposed statutory levy on the planted hectares (ha) in the specified production regions would be as follows:

Area:	Current levy Per ha and per annum	2017	2018	2019	2020
Elgin-Grabouw	R 935	R1 143	R1,240	R1 346	R1 460
Vyeboom (including Eerstehoop)	R 935	R1 016	R1 102	R1 196	R1 298
Hemel & Aarde	R 935	R1 016	R1 102	R1 196	R1 298
Hex River Valley (Incl. De Wet, Brandwacht & KSB)	R1 300	R1 536	R1 667	R1 808	R1 962
Ceres	R 935	R1 154	R1 252	R1 359	R1 474
(Warm Bokkeveld & Wolseley)					
Tulbagh	R 935	R 237	R 257	R 279	R 303
Langkloof	R 940	R 142	R 154	R 167	R 181
Lower Orange River	R 770	R 186	R 202	R 219	R 238
(Blouputs, Blouputs, Augrabies, Rooipad, Kakamas)					
Klein Swartberg	-	R 252	R 273	R 297	R 322

This statutory levy shall apply to all planted hectares in the specific production regions as identified above.

The NAMC believes that the statutory levy 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 fruit industry are kindly requested to submit any comments, in writing, regarding the proposed statutory levy, to the NAMC on or before 15 July 2016, 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 15 JULY 2016