



Press Release
08 October 2013

**REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES RELATING TO
LEVIES, REGISTRATION AND RECORDS & RETURNS IN THE PORK INDUSTRY IN
TERMS OF THE MARKETING OF AGRICULTURAL PRODUCTS ACT**

**REQUEST FOR COMMENTS / INPUTS FROM ROLE PLAYERS
IN THE PORK INDUSTRY**

It is hereby made known that, in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996) (MAP Act), the Minister of Agriculture, Forestry and Fisheries has received a request from the pork industry for the continuation of statutory measures relating to levies, registration, the keeping of records and the rendering of returns.

The South African Pork Producers' Organisation (SAPPO), a voluntary organisation established by pork producers in 1992 to act as mouthpiece and representative organisation for pork producers in South Africa, applied for these statutory measures. The current statutory measures for the pork industry will expire on 31 October 2014. SAPPO requested ministerial approval for the continuation of these statutory measures for a new period of three years, from 1 November 2013 (one year earlier) to lapse on 31 October 2016.

SAPPO suggested that the existing statutory levy of R7.00 per slaughter pig or live pig exported, be increased to R8.50 per pig (VAT excluded) for the period 1 November 2013 to 31 October 2014, to R8.93 per pig (VAT excluded) for the period 1 November 2014 to 31 October 2015 and to R9,38 per pig (VAT excluded) for the period 1 November 2015 to 31 October 2016.

The estimated income from the proposed levies is approximately between R20,4 million (for 2013/14) and R22,5 million per annum (for 2015/16). The proposed statutory levies will finance the following functions, namely –

- Development of black developing farmers;
- Consumer Assurance;
- Consumer Education;
- Research and Development;
- Industry information and liaison; and
- Administration

The MAP Act stipulates that a statutory levy may not exceed 5% of the price realised 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. The proposed statutory levies will only be 0.68% of the calculated guideline price for a pork carcass (an average over three years) at the first point of sale.

The purpose of the statutory measure relating to registration is to compel abattoirs slaughtering pigs and exporters of live pigs, to register with the levy administrator (SAPPO). The purpose of the statutory measure relating to records & returns is to compel abattoirs and exporters of live pigs to render records and returns to the levy administrator. These statutory measures are necessary to ensure that continuous, timeous and accurate market information relating to pigs slaughtered, marketed and live pigs exported is available to all role-players. Market information is deemed essential for all role players in order for them to make informed decisions.

The National Agricultural Marketing Council (NAMC) took cognisance that the proposed continuation of the statutory measures relating to levies, registration, the keeping of records and the rendering of returns in the pork industry as requested by SAPPO, is consistent with the objectives of the MAP Act. The request is currently being investigated by the NAMC and recommendations in this regard will be made to the Minister in the near future.

Directly affected groups in the pork industry are kindly requested to submit any comments, regarding the proposed statutory measures, to the NAMC on or before 25 October 2013, to enable the Council to finalise its recommendation to Minister in this regard. Submissions should be in writing and be addressed to:

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