



CITRUS FRUIT INDUSTRY

APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES

NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

On 24 June 2020, the Minister of Agriculture, Forestry and Fisheries received a request from the 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 30 December 2020.

It is proposed that the following statutory measures be implemented for a new four-year period, effective from date of publication:

- Levies (in terms of Section 15 of the MAP Act);
- Records & Returns (in terms of section 18 of the MAP Act); and
- Registration (in terms of section 19 of the MAP Act).

The purpose and objective of the statutory measure relating to registration are to compel directly affected groups 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 statutory levies. This is necessary to ensure that continuous, timeous and accurate information is available to all role players.

The current and proposed levy amounts Rand per 15 kilogram carton (R/carton) are as follows:

Citrus fruit produced, passed and packed for export	Current levy R/carton	Proposed new levy amount R/carton			
	2020	2021	2022	2023	2024
Levy Rand per 15 kg carton	R0,74	R1,64	R1,68	R1,73	R1,79

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

Income	2021	2022	2023	2024
Export cartons	140 000 000	144 200 000	148 500 000	153 000 000
Levy Rand per 15 kg carton	1,64	1,68	1,73	1,79

Levy income	R229 600 000	R242 256 000	R256 905 000	R273 870 000
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Expenditure	2021	2022	2023	2024	
Provide product and quality assurance	R2 741 054	R2 905 517	R3 079 848	R3 264 639	1,2%
Engage with government and stakeholders	R629 216	R666 969	R706 987	R749 406	0,3%
Research and development	R152 476 468	R156 048 689	R168 194 934	R179 730 984	65,5%
Facilitate efficient logistics	R2 650 953	R2 810 010	R2 978 611	R3 157 327	1,2%
Grower profitability and sustainability	R1 826 846	R2 286 456	R2 052 644	R2 575 802	0,9%
Gain, retain and optimise market access	R13 163 072	R13 673 857	R14 215 288	R14 789 205	5,6%
Administer, fund and resource CGA group	R10 192 391	R10 808 735	R11 437 339	R12 129 379	4,4%
Industry transformation	R45 920 000	R48 451 200	R51 381 000	R54 774 000	20%
Contingency		R4 604 567	R2 858 349	R2 699 258	1%
Total expenditure	R229 600 000	R242 256 000	R256 905 000	R273 870 000	

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 31 July 2020, to enable the Council to finalise its recommendation to the Minister in this regard.

ENQUIRIES:

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