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NEWS STATEMENT BY THE NATIONAL AGRICULTURAL MARKETING COUNCIL (NAMC)

14 March 2014

On 5 March 2014, the Southern African Macadamia Growers' Association (SAMAC), on behalf of directly affected groups in the macadamia industry, applied to the Minister of Agriculture, Forestry and Fisheries, for the establishment of statutory measures (levies, registration and records & returns) on in shell macadamia nuts, macadamia kernel and macadamia trees (both in nurseries and in the field) for a four year period.

SAMAC applied for the following statutory measures:

Statutory measure	Product	Affected groups
A <u>levy</u> of R0.23 p/kg (excluding VAT)	Inshell macadamia nuts (1.5% kernel moisture).	Producers; Processors; Traders; and Importers.
Registration with SAMAC;	Inshell macadamia nuts, macadamia kernel and macadamia trees	Producers; Processers; Traders; Importers; Exporters; Persons who consolidate macadamia nuts; and Nurseries.
Keeping of records; and submission of returns to SAMAC	Macadamia nuts (in shell and kernel) Macadamia trees; Domestic production and processing; and Volumes imported and exported.	Producers; Processers; Traders; Importers; Exporters; Persons who consolidate macadamia nuts; and Nurseries.

The proposed levy is needed by SAMAC to finance functions relating to research, technology transfer, provision of industry information, transformation, generic promotion, and industry liaison with government and other bodies both locally and internationally.

The proposed levy of R0.23 p/kg inshell macadamia nuts (1.5% kernel moisture, is approximately 0.77% of the domestic producers' selling price (first point of sale) of macadamia products. This could result in an income of approximately R7 820 000

per annum based on a conservative macadamia nut production estimate of 34 000 tons.

Registration, records and returns are necessary to:

- Ensure the availability and provision of continuous, timeous and accurate information relating to macadamia nuts and macadamia nut products to all stakeholders in the industry, which is essential in ensuring informed decision making and a stable and profitable industry;
- Ensure adherence to sound product handling, quality control systems and ethical trading; as well as transformation of the industry, and
- Administration of the proposed levy.

The establishment of these statutory measures will assist in promoting the efficiency of the marketing of macadamia nuts and its products. The viability of the macadamia nuts industry should thus be enhanced. The measures will not be detrimental to the number of employment opportunities or to fair labour practices. Any information obtained will be dealt with in a confidential manner and no sensitive client-specific information will be made available to any party without the prior approval of the party whose rights may be affected.

Directly affected groups in the macadamia nut industry are kindly requested to submit any comments regarding support or objections relating to the proposed establishment of statutory measures to the NAMC in writing (fax 012 341 1911 or e-mail to mathilda@namc.co.za) before or on 4 April 2014, to enable the Council to finalise its recommendation to the Minister in this regard.

ENQUIRIES: Ms Mathilda van der Walt National Agricultural Marketing Council Tel: 012 341 1115 Fax 012 341 1911 <u>Mathilda@namc.co.za</u>