

# Apply for Statutory Measures?



The MAP Act stipulates (section 10) that a directly affected group may request the Minister to establish, continue, amend or repeal one or more statutory measures. Directly affected group means any group of persons which is party to the production, sale, purchase, processing or consumption of an agricultural product and includes labour employed in the production or processing of such product. It is important to understand that the application for statutory measures by commodity organisations, is a voluntary process.

The MAP Act stipulates that an application for statutory measures must contain particulars or evidence of support by directly affected groups. For the past almost two decades the NAMC used the guideline that two-thirds of directly affected groups, representing two thirds of the production, must support an application for statutory measures. This is only a guideline and much bigger support is preferable for the successful administration of statutory measures in the agricultural sector.

Statutory levies are normally approved for a period of up to four years. Apart from the period, the Minister approve statutory levies on the following conditions, namely:

- That approximately 70 % of the levy income is spent on generic functions such as consumer education, export promotions, information, research, etc.;
- That not more than 10 % of levy income is spent on administration costs;
- That at least 20 % of levy income is spent on transformation (development of emerging farmers and other role players in line with the NAMC's guidelines on transformation);
- That the statutory levy income and expenditure are audited by the Auditor General, with the percentage allocated towards transformation clearly indicated;
- That surplus funds do not form part of the assets of the administrator, and that surplus funds be utilised with the approval of the Minister upon the lapsing of the levy (for example, after four years);
- That the administrator submits an employment equity plan in order for the NAMC to monitor the progress of employment equity within the relevant institution;
- That the administrator maintains a database of black role players and their market share in order to monitor the progress of transformation in the relevant industry; and
- That the NAMC has observer status on the board of the administrator to ensure compliance with the original intent of the application.

**Contact Schalk Burger**  
Senior Manager: Statutory Measures

Tel: +27 (12) 341 1115  
Direct: +27 (12) 400 9732  
Fax: +27 (86) 626 4768  
E-mail: [schalk@namc.co.za](mailto:schalk@namc.co.za)  
Website: [www.namc.co.za](http://www.namc.co.za)