
NEWS STATEMENT BY THE NATIONAL AGRICULTURAL MARKETING COUNCIL

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES RELATING TO LEVIES, REGISTRATIONS 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, registrations, the keeping of records and the rendering of returns. The applicant for the proposed statutory measures is 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. The current statutory measures for the pork industry will expire on 31 October 2019. Although the current statutory measures will only lapse on 31 October 2019, SAPPO requested ministerial approval for the establishment of the proposed statutory measures for a new period of three years, from 1 November 2019 to expire on 31 October 2022.

The existing statutory levy is R11.58 per slaughter pig or live pig exported (excluding VAT). SAPPO proposed that the statutory levy increase to R12.16 per pig (VAT excluded) for the period 1 November 2019 to 31 October 2020, to R12.77 per pig (VAT excluded) for the period 1 November 2020 to 31 October 2021 and to R13.41 per pig (VAT excluded) for the period 1 November 2021 to 31 October 2022. The estimated income from the proposed levies is between R36.8 million (for 2019/20) and R43.4 million per annum (for 2021/22). The proposed statutory levies will finance the following functions, namely –

- Business development;
- Consumer assurance;
- Consumer communication and education;
- Research and development;
- Business intelligence; and

➤ Corporate governance (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 0.55% 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 registrations 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 of the proposed continuation of the statutory measures relating to levies, registrations, 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. It is envisaged that the explanatory notes regarding the proposed statutory measures will be published in the *Government Gazette* of 10 May 2019.

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 24 May 2019, to enable the Council to finalise its recommendation to the Minister in this regard. Submissions should be in writing and be addressed to:

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