

## POMEGRANATE INDUSTRY APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES

### NAMC REQUESTING COMMENTS FROM INDUSTRY ROLE PLAYERS

On 22 May 2019, the Pomegranate Association of South Africa (POMASA), applied on behalf of directly affected groups in the pomegranate industry, to the Minister of Agriculture, Land Reform and Rural Development, for the continuation of statutory measures (levies, registration and record & returns) on domestic production and imported pomegranates (fresh as well as processed) in terms of the Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996) (MAP Act). The current statutory measures will lapse on 31 December 2019.

POMASA applied for the continuation of the following statutory measures for a new four year period to be implemented from 1 January 2020:

- Payment of levies in terms of Section 15 of the MAP Act;
- Keeping of records and returns in terms of Section 18 of the MAP Act; and
- Registration of persons in terms of Section 19 of the MAP Act.

POMASA indicated that the proposed statutory levy will finance the following functions, namely -

- Research projects, information and technology transfer;
- Market information, statistics and logistical efficiencies;
- Trade and market access issues;
- Communication;
- Transformation & training; and
- Administration.

#### The proposed levy:

	Proposed levy			
	2020	2021	2022	2023
Fresh (Extra Class and Class 1) - Export, Import and all local sales	15c/kg	15c/kg	16c/kg	16c/kg
Processing (Class 2) - Export, Import and all local sales	9c/kg	9c/kg	10c/kg	10c/kg

Registration and rendering of records & returns by industry role players to POMASA are necessary to:

- Ensure the availability and provision of continuous, timeous and accurate information relating to the pomegranate industry to all role players;
- Ensure adherence to sound product handling disciplines, protocols and business principles, as well as ethical trading; and
- Administration of the proposed levy.

The continuation of these statutory measures will assist in promoting the efficiency of the marketing of pomegranates and its products. The viability of the pomegranate industry should thus be enhanced. The measures will not be detrimental to food security, the number of employment opportunities or to fair labour practice within the industry.

**POMASA's levy income and expenditure allocation from 2020 to 2023 financial year:**

		2020	2021	2022	2023
<b>Statutory levy income</b>		<b>R 630 000</b>	<b>R 690 000</b>	<b>R 720 000</b>	<b>R 755 000</b>
<b>Expenditure allocation</b>					
Administration	10%	R 63 000	R 69 000	R 72 000	R 75 500
Transformation & Training	20%	R 126 000	R 138 000	R 144 000	R 151 000
Technical Research, Development & Transfer	30%	R 189 000	R 207 000	R 216 000	R 226 500
Statistic and Information	10%	R 63 000	R 69 000	R 72 000	R 75 500
Market access and Development	30%	R 189 000	R 207 000	R 216 000	R 226 500
<b>Total Expenditure</b>	<b>100%</b>	<b>R 630 000</b>	<b>R 690 000</b>	<b>R 720 000</b>	<b>R 755 000</b>

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 pomegranate industry as requested by POMASA, 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 pomegranate industry are kindly requested to submit any comments regarding support or objections relating to the proposed continuation of statutory measures to the NAMC in writing before or on 26 July 2019, to enable the Council to finalise its recommendation to the Minister in this regard.

**ENQUIRIES:**

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