



NAMMC
Promoting market access for South African agriculture

NOTICE

12 January 2024

REQUEST FOR COMMENTS/ INPUTS FROM DIRECTLY AFFECTED GROUPS IN THE **WOOL INDUSTRY**

Request for the Continuation of Statutory Measures in the South African Wool Industry (Registrations and Records & Returns) in Terms of the Marketing of Agricultural Products Act (No. 47) of 1996, as Amended



Photo: www.capewools.co.za

About National Agricultural Marketing Council (NAMMC)

The NAMMC was established in terms of the Marketing of Agricultural Products Act No. 47 of 1996, as amended by Act No 59 of 1997 and Act No. 52 of 2001. We are a statutory body reporting to the Minister of Agriculture, Land Reform and Rural Development. Our mandate is captured in our four core divisions namely; Agribusiness Development, Agricultural Trusts, Statutory Measures and the Markets and Economic Research Centre (MERC).

The work of the NAMMC aligns with the four strategic objectives outlined in Section 2 of the MAP Act, 1996, which include: (a) to increase market access for all market participants; (b) to promote the efficiency of the marketing of agricultural products; (c) to optimise export earnings from agricultural products; and (d) to enhance the viability of the agricultural sector.

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Council Members: Mr. A. Petersen (Chairperson), Ms. T. Ntshangase (Deputy Chairperson), Prof. A. Jooste, Mr. S.J. Mhlaba, Ms. F. Mkile, Ms. N. Mokose, Ms. S. Naidoo, Mr. G. Schutte and Dr. S.T. Xaba.

It is hereby made known that in terms of section 11 of the Marketing of Agricultural Products Act (MAP Act), that on 6 December 2023, the Minister of Agriculture, Land Reform and Rural Development received a request from the wool industry for the continuation of statutory measures relating to registrations and the keeping of records and rendering of returns. The applicant for the proposed statutory measures is Cape Wools SA on behalf of the directly affected groups in the wool industry. Cape Wools SA is a voluntary producer organisation and non-profit company in terms of the Companies Act.

Considering the South African wool industry's international associations, linkages and the need to establish a structure that will ensure the continuous involvement by all affected parties, Cape Wools SA is the appropriate institution to administer the proposed statutory measures. The institution is internationally recognised and accepted as the overarching representative institution for the South African wool industry as it is representative of all directly affected groups in the wool industry and its sole responsibility is to implement the strategic plan for the wool industry as developed by the Wool Industry Forum of South Africa. The institution has the required capacity in terms of personnel, infrastructure, and skills to administer the proposed statutory measures. The requested statutory measures will be for a new period of four years, effective from 1 July 2024 to 30 June 2028.

The objectives of and motivation for the proposed statutory measure relating to registrations is to develop and maintain a database of individuals and organisations involved in the wool industry. Data on individuals and organisation involved in the production, trading, processing and exporting of wool is a prerequisite for the accurate and efficient gathering of data for including in a national wool industry database.

The objectives of and motivation for the proposed statutory measure relating to records and returns will provide a mechanism for the development, maintenance and use of national wool database. This is important for ensuring that continuous, timeous and accurate statistics and information relating to the characteristics, marketing and sale of wool is made available to all role players. Reliable national statistics and objective aggregate information regarding production, sales, price trends and projections, export volumes, destinations and market/product requirements are fundamental to increase market access for all the participants. This statutory measure will also allow Cape Wools SA to continue to function as the wool industry information resource base to both national and international industry network.

According to Cape Wools SA, the proposed continuation of the statutory measures will further the objectives of the MAP Act as stipulated in section 2(2), namely to increase market access for all participants, to promote the efficiency of the marketing of agricultural products, to optimise export earnings from agricultural products and to enhance the viability of the agricultural sector. Moreover, the continuation will not contravene section 2(3) of the MAP Act, namely it will not be detrimental to food security, the number of employment opportunities within the economy or fair labour practices.

The National Agricultural Marketing Council (NAMC) took cognisance that the proposed continuation of the statutory measures relating to registrations and the keeping of records and rendering of returns in the wool industry as requested by Cape Wools SA, is consistent with the objectives of the MAP Act. Currently, the request is 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 wool industry are kindly requested to submit any comments regarding the proposed continuation of statutory measures to the NAMC on or before 31 January 2024, 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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