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## FRUIT INDUSTRY

### REQUEST FOR A PER HECTARE STATUTORY LEVY TO FUND THE AREA WIDE FRUIT FLY CONTROL PROGRAMME (FOCUSING ON THE MEDITERRANEAN FRUIT FLY BUT INCLUDE CAPE FRUIT FLY AND THE ORIENTAL FRUIT FLY)

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#### NAMC REQUESTING COMMENTS / INPUTS FROM INDUSTRY ROLE PLAYERS

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On 12 February 2024, the Minister of Agriculture, Land Reform and Rural Development received a request from FruitFly Africa (Pty) Ltd (FFA) for the continuation, of a per hectare statutory levy the funding of an area wide control fruit fly programme, in specific production regions, for a new four-year period. The current statutory levy will expire on 2 December 2024.

If approved this will be a separate and differentiated levy, meaning that the existing statutory levies in the fruit industry (to finance research, information, transformation etc.) will remain unchanged. **It is proposed that the differentiated levy be introduced, in the specific production regions, based on the needs and unique requirements in terms of international best practice and tailor-made strategies for those areas.**

The Medfly programme is managed in conjunction with the Department of Agriculture, Land Reform & Rural Development (DALRRD) which co-fund the operational expenses *via* a Public Private Partnership arrangement between the Department and the participating producers for the past approximately two decades. Producers are represented by area coordinating committees and the various national deciduous fruit industry commodity organisations.

Internationally, fruit flies are proclaimed quarantine pests and their presence in a country can hinder free trade in terms of fruit exports. Some of South Africa's main deciduous fruit and table grape production areas are in the Western, Eastern and Northern Cape Provinces. Medfly is the most prevalent economically important fruit fly species.

Although the focus will be on Mediterranean fruit fly (Medfly), risks associated with other quarantine pests *via* early warning monitoring and control programmes incorporated into the Medfly programme, is also managed in conjunction with DALRRD. FFA will also provide pest monitoring and an operational rapid response capacity for the suppression of Cape fruit fly and the Oriental fruit fly both declared international quarantine pests.

It is proposed that the differentiated levy be introduced in the respective production regions based on the needs and unique requirements in terms of international best practice and tailor-made strategies for such areas. The proposed strategy includes the Sterile Insect Technique (SIT) at various stages of implementation as agreed with the producers in such areas.

The areas that agreed to be included during this levy cycle, of the envisaged ultimate industry-wide roll of the programme, are:

- **Langkloof** (Various subregions);
- **Lower Orange River (Table grapes);**  
(Note: Raisins SA (RSA) agreed to include the fruit fly levy in their statutory measures application. A 4-year Service Level Agreement will be signed between FFA and RSA to ensure continued service to the raisin producers in the region);
- **Elgin-Grabouw, Vyeboom, Hemel & Aarde Valley;**
- **Warm Bokkeveld, Wolseley & Tulbagh; and**
- **Hex River Valley** (Incl. De Wet and Brandwacht).

Limited other regions / sub-regions will also be serviced but on a user-pay basis. This includes other areas in the Langkloof, Orange River, Olifants River and Little Karoo regions.

The areas (production regions) that agreed to be included during this levy cycle are:	2024/25	2025/26	2026/27	2027/28
	R p/ha (not more than):			
<b>Langkloof</b> (Joubertina, Krakeel, Louterwater, Misgund, Noll, Waboomskraal*) *Tree nuts (i.e. almonds and pekan nuts) are excluded.	1 939	2 075	2 220	2 376
<b>Langkloof</b> (Avontuur, Haarlem, Ongelegen)	745	797	853	913
<b>Lower Orange River</b> (Table grapes)	1 740	1 862	1 992	2 131
<b>Elgin/Grabouw</b>	1 845	1 974	2 112	2 260
<b>Vyeboom</b>	1 785	1 910	2 044	2 187
<b>Hemel and Aarde Valley:</b>	1 751	1 873	2 004	2 145
<b>Warm Bokkeveld:</b>	2 156	2 307	2 468	2 641
<b>Wolseley:</b>	1 886	2 018	2 160	2 311
<b>Tulbagh:</b>	2 204	2 358	2 524	2 700
<b>Hex River Valley</b> (including De Wet & Brandwacht):	2 539	2 717	2 907	3 111

The business plan provides for a 23% and 77% split contribution from DALRRD and producers respectively according to the following proposed schedule for the new period:

	DALRRD		Producers		Annual Sub-total
2024/25	R17 105 000	23%	R58 607 696	77%	R75 712 696
2025/26	R17 966 000	22%	R63 096 339	78%	R81 062 339
2026/27	R18 595 000	21%	R68 198 191	79%	R86 793 191

Furthermore, FFA also provide on a user-pay basis monitoring services for False Codling Moth (an international quarantine pest) and Vine mealybug.

**Both commercial and small-scale farmers, as well as informal communities are affected by these species and supported via FFA.**

The NAMC believes that the statutory levy requested are consistent with the objectives of the MAP Act (as set out in section 2 of the Act).

Directly affected groups (e.g. producers, packers and exporters) in the fruit industry are kindly requested to submit any comments, in writing, regarding the proposed statutory levy, to the NAMC (e-mail to [mathildavdw@namc.co.za](mailto:mathildavdw@namc.co.za)) on or before 15 March 2024, to enable the Council to finalise its recommendation to the Minister in this regard.