

NATIONAL AGRICULTURAL MARKETING COUNCIL
MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996
(ACT No. 47 OF 1996)

RED MEAT INDUSTRY -

- **REQUEST FOR THE INTRODUCTION OF STATUTORY MEASURES RELATING TO LEVIES, REGISTRATION AND RECORDS & RETURNS**
 - **DIRECTLY AFFECTED GROUPS ARE INVITED TO FORWARD ANY COMMENTS REGARDING THE PROPOSED STATUTORY MEASURES**
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It is hereby made known in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), that the Minister of Agriculture has received a request for the introduction and promulgation of statutory measures for levies, registration, the keeping of records and the rendering of returns.

The Red Meat Industry Forum (RMIF), on behalf of the directly affected groups in the red meat industry applied for the statutory measures.

The statutory measures relating to registration and records & returns refer to the following persons / institutions –

- Persons presenting animals (cattle, goats, pigs and sheep) for slaughter at abattoirs
- Abattoirs
- Meat retail outlets
- Importers of red meat products
- Exporters of live animals
- Livestock agents
- Processors and / or exporters of hides and skins
- Processors of pig carcasses

The RMIF applied for a “transaction levy” which they regarded as fair to all industry participants. It was formulated so that all the role-players in the red meat industry make a contribution to finance the following functions –

	Percent of levy income for the first year
❑ Customer assurance	6%
❑ Consumer communication and education	40%
❑ Development of the developing sector	12%
❑ Livestock product research and development	14%
❑ Industry liaison	15%
❑ Industry projects	1%
❑ Production development	12%

The proposed levy on each category of designated animal and meat product is as follows:

a. Beef:

	Levy	Description
i	R3.00 per head	Deducted and retained from the selling price of each animal by any buyer of such animal
ii	R5.00 per head	Deducted by the abattoir at slaughter from the person presenting such animal for slaughter and paid over to the levy administrator
iii	R 300 per year	Payable by each meat retail outlet and paid over to the levy administrator
iv	R0.03 per kg	Payable by the importer of beef products at point of entry and paid over to the levy administrator
v	R5.00 per head	Payable by the exporter of live animals at the point of exit and paid over to the levy administrator
vi	0.07% of the commission	Payable by the livestock agent per head sold and paid over to the levy administrator
vii	R0.01 per kg	Payable by the processor of locally produced hides and paid over to the levy administrator. The same amount will also be collected for every unprocessed hide exported, paid by the exporter to the levy administrator

b. Sheep and goats:

	Levy	Description
i	R0.50 per head	Deducted and retained from the selling price of each animal by any buyer of such animal
ii	R0.75 per head	Deducted by the abattoir at slaughter from the person presenting such animal for slaughter and paid over to the levy administrator
iii	R 300 per year	Payable by each meat retail outlet and paid over to the levy administrator
iv	R0.03 per kg	Payable by the importer of sheep meat products at point of entry and paid over to the levy administrator
v	R0.75 per head	Payable by the exporter of live animals at the point of exit and paid over to the levy administrator
vi	0.07% of the commission	Payable by the livestock agent per head sold and paid over to the levy administrator
vii	R0.01 per kg	Payable by the processor of locally produced skins and paid over to the levy administrator. The same amount will also be collected for every unprocessed skins exported, paid by the exporter to the levy administrator

c. Pigs:

	Levy	Description
i	R5.20 per head	Deducted by the abattoir at slaughter from the person presenting such animal for slaughter and paid over to the levy administrator
ii	R 300 per year	Payable by each meat retail outlet and paid over to the levy administrator
iii	R0.03 per kg	Payable by the importer of pork meat products at point of entry and paid over to the levy administrator
iv	R5,20 per head	Payable by the exporter of live animals at the point of exit and paid over to the levy administrator
v	0.07% of the commission	Payable by the livestock agent per head sold and paid over to the levy administrator
vi	R0.01 per kg	Payable by registered processors for pig carcasses purchased for processing, and paid over to the levy administrator

It is envisaged that the red meat industry would collect an amount of approximately R27 million to finance the above-mentioned functions. It is also proposed that the South African Meat Industry Company (SAMIC), a Section 21 Company, will be responsible to administer the

proposed statutory measures.

As the statutory measures requested by the Meat Industry Forum are *prima facie* consistent with the objectives of the Marketing of Agricultural Products Act, No 49 of 1996, the Minister requested the National Agricultural Marketing Council on 16 May 2005 to investigate the possible implementation of the relevant statutory measures and to report back to her within 60 days.

Directly affected groups in the red meat industry are kindly requested to submit any comments or objections regarding the proposed statutory measure to the National Agricultural Marketing Council within 14 days of the publication hereof.

Submissions must be in writing and be addressed to:

The Chairperson (put your name Schalk)
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