

No. R. 638

4 August 2011

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

**ESTABLISHMENT OF STATUTORY MEASURE AND DETERMINATION OF GUIDELINE
PRICES: LEVIES RELATING TO POTATOES**

I, Tina Joemat-Pettersson, Minister of Agriculture, Forestry and Fisheries, acting under sections 13 and 15 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), hereby establish the statutory measure set out in the Schedule.

**TINA JOEMAT-PETTERSSON,
MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES**

SCHEDULE

Definitions

1. In this Schedule any word or expression to which a meaning has been assigned in the Act must have that meaning, and unless the context otherwise indicates -

"Administrator" means Potatoes South Africa;

"exporter" means a person who trades potatoes for export for his or her own account, or acts as an agent on a commission basis on behalf of potato producers;

"fresh produce market" means a market, either privately owned or owned by local government, established for the orderly and centralised distribution of fresh produce;

"importer" means a person who imports potatoes for his own account or acts as an agent on a commission basis or on behalf of potato producers, traders or processors;

"market agent" means an agent acting on a commission basis on a fresh produce market;

"potatoes" mean table potatoes, seed potatoes, potatoes for processing or potato products;

"Potatoes South Africa" means an association incorporated under section 21 of the Companies Act, 1973 (Act No. 61 of 1973);

"potato producer" means a person who produces potatoes for export, for sale as seed potatoes, or for domestic consumption as table potatoes or potato products;

"pre-packer" means a person that re-packs or pre-packs potatoes;

"processor" means a person who processes potatoes; and

"trader" means a person who purchases potatoes from a potato producer or any other supplier for trading on the domestic market.

Purpose and aims of the statutory measure and the relation thereof to objectives of the Act

2. (1) The measure is required by the potato industry to fund -
 - (a) basic as well as applied research, including cultivar evaluation, and the dissemination of all relevant technical information;
 - (b) the gathering, processing, analysing and compiling of industry related information, including market statistics, and the dissemination thereof;
 - (c) the development and implementation of a marketing plan for developing and expanding local and foreign markets;
 - (d) the creation of market access for small and medium scale farmers, including development projects;
 - (e) the delivery of industry services to potato producers at grassroots level; and
 - (f) the expansion of the pool of knowledge and human capital development in the potato industry.
- (2) The measure will enhance the objectives of the Act and will not be detrimental to food security, the number of employment opportunities or fair labour practices.
- (3) The levies collected under this measure will be utilised in accordance with the purposes set out in this notice. The Potato Industry Development Trust appoints Potatoes South Africa as administrator to implement and administer the statutory measure as set out in the Schedule on behalf of the South African potato industry.

Utilization of statutory levies

3. It is hereby determined that in respect of levies collected -
- (a) approximately 70% of the funds shall be used for the core business functions;
 - (b) approximately 20% of the funds shall be used for transformation; and
 - (c) not more than 10% of the funds shall be used for administration.

Products to which statutory measure applies

4. This statutory measure shall apply to potatoes.

Area in which statutory measure applies

5. This statutory measure shall apply within the geographical area of the Republic of South Africa.

Determination of guideline prices

6. The guideline prices are hereby determined as -
- (a) 255,0c/kg for table potatoes;
 - (b) 365,0c/kg for certified seed potatoes;
 - (c) 192,0c/kg for potatoes for processing;
 - (d) 255,0c/kg for potatoes destined for exports;
 - (e) 587,0c/kg for imported potatoes (FOB).

Amount of levy

7. The amount of the levy payable is as set out in the schedule and is applicable to the following-
- (a) all classes of locally produced potatoes for sale on the domestic market irrespective of the format in which it is marketed;
 - (b) all classes of locally produced intended for the export market irrespective of the format in which it is marketed; and
 - (c) all classes of imported potatoes irrespective of usage.

Commodity	Annual levy per kilogram in cent			
	2011/2012	2012/2013	2013/2014	2014/2015
Table potatoes	1,600	1,675	1,750	1,825
Certified seed potatoes	0,635	0,665	0,695	0,725
Potatoes for processing	0,750	0,785	0,821	0,856
Potatoes for export	1,600	1,675	1,750	1,825
Imported potatoes	1,130	1,183	1,235	1,288

Persons by whom levy is payable

8. (1) The levy is payable by -
- (a) a potato producer; or
 - (b) a trader at the first point of trade, exporter, owner of a fresh produce market, market agent, processor, pre-packer or any other person to whom a potato producer provides potatoes, in the event that the levy has not already been paid by the potato producer concerned; and
 - (c) a potato importer on all imported potatoes.
- (2) For the purposes of the application of clause 8(1) a levy shall only be payable once: Provided that any person who on enquiry by the Administrator avers that

the levy has been paid, shall provide sufficient proof of such a payment to the Administrator, in the absence whereof that person shall be deemed to be liable for payment of the levy.

- (3) A levy shall be paid to the Administrator in accordance with clauses 7 and 9.

Payment of levy

9. (1) The levy must be paid –

- (a) for purposes of clause 8(1)(a), by the potato producer concerned by the seventh day of the month following the month in which the payment was received by the potato producer, but not later than seven days after the delivery of the potatoes to a trader, exporter, owner of a fresh produce market, market agent, processor or pre-packer; or
- (b) for purposes of clause 8(1)(b), by the trader, exporter, owner of a fresh produce market, market agent, processor or pre-packer concerned not later than the seventh day after delivery of the potatoes to that trader, exporter, owner of a fresh produce market, market agent, processor or pre-packer; and
- (c) for purposes of clause 8(1)(c), by the potato importer concerned by the seventh day of the month following the month in which the potatoes were imported by that potato importer.

- (2) Payment must be made -

- (a) by means of a cheque which must be forwarded to -

The Administrator
Potatoes South Africa
Private Bag X135
PRETORIA
0001; or

- (b) directly into the bank account of the Administrator, the details of which are obtainable on request from the Administrator. Notification of payment must be sent by e-mail to potatolevies@agric.co.za.

Commencement and validity

10. This statutory measure comes into operation on the date of publication and lapses four years later.