
SOUTH AFRICAN CITRUS INDUSTRY

APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES (LEVIES, RECORDS & RETURNS AND REGISTRATION) ON CITRUS FRUIT PACKED AND PASSED FOR EXPORT

NAMC REQUESTING COMMENTS / INPUTS FROM DIRECTLY AFFECTED GROUPS

On 9 May 2024, the Minister of Agriculture, Land Reform and Rural Development received a request from the Citrus Growers' Association of Southern Africa (CGA) for the continuation of statutory measures (levies, records & returns and registration) on citrus fruit produced, passed and packed for export, in terms of the Marketing of Agricultural Products Act (MAP Act) 1996. The current statutory measures will expire on 31 December 2024.

It is proposed that the following statutory measures be implemented for a new four-year period, effective from date of publication:

- Levies (in terms of Section 15 of the MAP Act);
- Records & Returns (in terms of section 18 of the MAP Act); and
- Registration (in terms of section 19 of the MAP Act).

The purpose and objective of the statutory measure relating to registration are to compel directly affected groups in the citrus industry to register with CGA. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, market information for the whole of the industry can be processed

and disseminated and will form the basis for the collection of statutory levies. This is necessary to ensure that continuous, timeous and accurate information is available to all role players.

The current and proposed levy amounts Rand per 15-kilogram carton (R/carton) are as follows:

	Current levy R/carton	Proposed new levy amount R/carton			
	2024	2025	2026	2027	2028
Citrus fruit produced, passed and packed for export					
Levy Rand per 15 kg carton	R1,79	R1,65	R1,67	R1,70	R1,76

Proposed business plan for the four (4) year period:

Income	2025	2026	2027	2028
Export cartons	182 000 000	191 000 000	200 000 000	205 000 000
Levy Rand per 15 kg carton	R1,65	R1,67	R1,70	R1,76

Levy income	R300 369 472	R319 161 391	R339 645 916	R360 737 333
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Expenditure	2025	2026	2027	2028
Provide product and quality assurance	R1 266 700	R1 342 702	R1 423 264	R1 508 660
Engage with government and stakeholders	R1 272 000	R1 348 320	R1 429 219	R1 514 972
Industry transformation	R67 756 500	R71 821 890	R76 131 203	R80 699 076
Research and development	R188 111 989	R200 339 279	R213 361 332	R227 229 819
Facilitate efficient logistics	R4 208 200	R4 485 972	R4 755 130	R5 040 438
Grower profitability and sustainability	R3 535 315	R3 535 434	R4 097 560	R3 972 414
Gain, retain and optimise market access	R21 604 360	R22 900 622	R24 274 659	R25 731 138
Administer, fund and resource CGA group	R12 614 407	R13 387 172	R14 173 548	R15 040 815
Total expenditure	R300 369 472	R319 161 391	R339 645 916	R360 737 333

22%

The MAP Act stipulates that a statutory levy may not exceed 5% of the price realised for a specific agricultural product at the first point of sale. The maximum of 5% must be based on a guideline price calculated as the average price at the first point of sale over a period not exceeding three years. The 2025 proposed average statutory levy level of R1,65 R/carton, is less than 1,1% of the calculated average guideline price for citrus

fruit exported and is therefore well within the limit of 5%.

The NAMC believes that the measures 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 citrus industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC (**e-mail to mathildavdw@namc.co.za**) on or before 21 June 2024, to enable the Council to finalise its recommendation to the Minister in this regard.