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## **DRIED VINE FRUIT (RAISINS) INDUSTRY APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES**

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

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On 11 September 2024, the Minister of Agriculture received a request from Raisins South Africa (Raisins SA) for the continuation of statutory measures (levies, records & returns and registration) in the dried fruit industry (on dried vine fruit (raisins) produced, and imported into South Africa), in terms of the Marketing of Agricultural Products Act (MAP Act) 1996.

Currently, the following statutory measures, are applicable, in the dried fruit industry, namely the -

- **Payment of levies (in terms of section 15 of the MAP Act);**
    - Traditional levy  
Financing the core functions as identified by Raisins SA e.g. market access; information & communication; research & development and transformation & training within the dried fruit sector, administered by Raisins SA, (expiring on 11 December 2024); and
    - Fruit fly statutory levy in the Orange River Valley  
Funding of the Mediterranean fruit fly (*Ceratitis capitata*) (Medfly) control programme, on dried grapes in the Lower Orange River area, administered by Fruit Fly Africa (FFA), (expiring on 2 December 2024).
  - **Keeping of records & returns (section 18 of the MAP Act)**  
Administered by Raisins SA, (expiring on 11 December 2024); and
  - **Registration of directly affected groups (DAGs) (section 19 of the MAP Act),**  
Administered by Raisins SA, (expiring on 11 December 2024).
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Raisins SA requested that the current statutory measures be continued and extended as follows -

- Payment of levies (in terms of section 15 of the MAP Act);
  - Traditional levy; and
  - Fruit fly statutory levy,
- Keeping of records & returns (section 18 of the MAP Act); and
- Registration of directly affected groups (DAGs) (section 19 of the MAP Act).

The purpose and objectives of the statutory measures are as follows:

- The **payment of the statutory levies**, in terms of section 15 of the MAP Act, is to compel the parties to pay a levy to Raisins SA.
  - i) The **payment of the traditional statutory levy**.  
The levy will fund the following functions, namely –
    - Market access and market development and intelligence;
    - Research & development programmes and technology transfer;
    - Information and communication throughout the value chain; and
    - Transformation (enterprise development, skills development and socio-economic development).
  - ii) The **payment of the fruit fly statutory levy**.  
This levy will fund the fruit fly control programme in the Orange River Valley.

The application by Raisins SA, included the fruit fly statutory levy, previously administered by FFA. However, it was agreed that Raisins SA will in future administer this statutory levy.

It will finance the Mediterranean fruit fly (*Ceratitis capitata*) (Medfly) control programme and the Oriental Fruit Fly (*Bactrocera dorcalis*) (BD), control programme, in the Orange River Valley.

This is a separate and differentiated levy, meaning that it does not form part of the traditional statutory levies in the dried fruit industry (to finance research, information, transformation etc). The fruit fly statutory levy will fully (100%) be utilised for monitoring, mapping and aerial baiting in the

Orange River Valley.

• **Records & Returns (Sections 18 of the MAP Act)**

The purpose and aim of this statutory measure are to compel the identified parties to render records and returns to Raisins SA. By prescribing the keeping of records with the rendering of returns on an individual basis, this information can be correlated to ensure that all producers are actually paying what they are supposed to pay.

• **Registration (Sections 19 of the MAP Act)**

The purpose and aim of this statutory measure is to compel the identified parties to register with Raisins SA. Registration is necessary to assist Raisins SA in ensuring that the levy imposed on dried vine fruit, can be collected. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, information for the whole of the industry can be coordinated to ensure the orderly collection of levies.

The current and proposed levy amounts cents per kilogram(c/kg) are as follows:

| Products   | Current levy amount (excluding VAT) | Proposed new levy amount (excluding VAT) |          |          |          |
|--|-------------------------------------|--|----------|----------|----------|
|  | 2023/24                             | 20224/25                                 | 2025/26  | 2026/27  | 2027/28  |
| Dried vine fruits (raisins)<br>Produced and imported | 21c/kg                              | 22.4c/kg                                 | 23.8c/kg | 25.4c/kg | 27c/kg   |
| Fruit fly statutory levy in the Orange River Valley  | 12c/kg                              | 17.2c/kg                                 | 18.6c/kg | 20.2c/kg | 21.9c/kg |

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

| Income   | 20224/25           | 2025/26            | 2026/27            | 2027/28            | Total              |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Traditional levy</b>                                    |                    |                    |                    |                    |                    |
| Dried vine projected volumes (tons)                        | 88 000             | 90 000             | 92 000             | 100 000            | <b>370 000</b>     |
| Levy R/kg  | 0.224              | 0.238              | 0.254              | 0.270              |                    |
| <b>Budgeted levy income</b>                                | <b>R19 681 200</b> | <b>R21 436 853</b> | <b>R23 337 587</b> | <b>R27 015 793</b> | <b>R91 471 433</b> |
| <b>Fruit fly statutory levy in the Orange River Valley</b> |                    |                    |                    |                    |                    |
| Levy R/kg  | 0.172              | 0.186              | 0.202              | 0.219c             |                    |
| <b>Budgeted levy income</b>                                | <b>R15 136 000</b> | <b>R16 740 000</b> | <b>R18 584 000</b> | <b>R21 900 000</b> | <b>R72 360 000</b> |

| <b>Expenditure</b>            | <b>20224/25</b>    | <b>2025/26</b>     | <b>2026/27</b>     | <b>2027/28</b>     | <b>%</b> |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|----------|
| <b>Traditional levy</b>       |                    |                    |                    |                    |          |
| Market access and development | R6 494 796         | R7 074 161         | R7 701 404         | R8 915 212         | 33%      |
| Information & communication   | R2 361 744         | R2 572 422         | R2 800 510         | R3 241 895         | 12%      |
| Research & development        | R5 510 736         | R6 002 319         | R6 534 524         | R7 564 422         | 28%      |
| Transformation and training   | R3 936 240         | R4 287 371         | R4 667 517         | R5 403 159         | 20%      |
| Administration                | R1 377 684         | R1 500 580         | R1 633 631         | R1 891 106         | 7%       |
| <b>Total</b>                  | <b>R19 681 200</b> | <b>R21 436 853</b> | <b>R23 337 586</b> | <b>R27 015 794</b> |          |

| <b>Expenditure</b>                     | <b>20224/25</b> | <b>2025/26</b> | <b>2026/27</b> | <b>2027/28</b> | <b>%</b> |
|--|-----------------|----------------|----------------|----------------|----------|
| <b>Fruit fly levy*</b>                 |                 |                |                |                |          |
| Monitoring, mapping and aerial baiting | R15 136 000     | R16 740 000    | R18 584 000    | R21 900 000    | 100%     |

**The NAMC believes that the proposed statutory 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. importers, producers, packers and exporters) in the fruit 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](mailto:mathildavdw@namc.co.za)**) on or before 11 October 2024, to enable the Council to finalise its recommendation to the Minister in this regard.