



Ref: 8/1/13 (N15)
Contact: Ndumiso Mazibuko

1 August 2018

FOR ATTENTION

Ms M de Lange
Red Meat Industry Forum
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Menlo Park
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Dear Ms M de Lange

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES IN THE SOUTH AFRICAN RED MEAT INDUSTRY (STATUTORY LEVIES, REGISTRATION AND SUBMISSION OF RECORDS & RETURNS)

The Red Meat Industry Forum's (RMIF) letter dated 31 January 2018, refers.

On 20 July 2018, the Minister of Agriculture, Forestry and Fisheries approved the continuation of the proposed statutory measures (statutory levies, registration and submission of records and returns) in the South African red meat industry, for a period of two years to lapse on 4 November 2020.

The Minister also approved that the levy income be spent as follows, namely that –

- 70% of the levy income is spent on generic functions relating to consumer assurance, consumer education, research and development, liaison and production development;
- not more than 10% on administration costs; and
- at least 20% on transformation (empowerment of the previously disadvantaged in line with NAMC's guidelines on transformation).

Furthermore, that the statutory measures be valid for a period of two years subject to the following conditions:

- that the statutory levies be audited by the Auditor General, with the percentage allocated towards transformation clearly indicated;
- that surplus funds should not form part of the assets of the RMIF and be utilised with the approval of the Minister after the lapsing of the levy (after two years);
- that levies be accounted for, in a manner and to the extent acceptable to the Auditor General, separately from any other funds or assets under the control of the levy administrator;

- that the relevant service providers receiving statutory funds, maintain a database of black role-players and their market share in order to monitor the progress of transformation in the red meat industry; and
- that the NAMC has observer status on the Board of the RMIF and of the Transformation subcommittee to ensure compliance with the original intent of the application.

The relevant Notices will be published in the *Government Gazette* of 10 August 2018 (the cost of the publication will be for RMIF's account).

Yours sincerely



Mr Zama Xalisa
Chief Executive Officer:
National Agricultural Marketing Council