The RPO in a nutshell

Strategic goals and activities

The RPO protects and promotes the interests of commercial producers within the red meat industry’s value chain. The RPO as collective negotiation organisation, improves the economic wellbeing of its producers.

The RPO focuses on important industry functions such as:
- Animal health
- Tariff protection
- Import monitoring
- Trade agreements
- Extension services and education
- Negotiations in terms of legal frameworks
- The promotion of the economic position of producers and stability within the industry
- The promotion of producers’ interests and matters at governmental and non-governmental organisations
- The establishment and promotion of a positive image of the red meat industry and its products
- Predation management
- Combating and prevention of stock theft
- Negotiations for decreased input and marketing costs
- Information on production systems
- Market information
- Research

The RPO’s active representation and inputs in industry bodies

The RPO has close ties with and representation and input in inter alia the following institutions to promote and protect the interests of red meat producers:
- National Agricultural Marketing Council
- National Agricultural Research Forum
- Onderstepoort Biological Products (OBP)
- Onderstepoort Veterinary Institute (OVI)
- Wildlife Ranching SA (WRSA)
- National and provincial stock theft forums
- Organisations of organised agriculture
- Agri SA Commodity Chamber
- Industry trusts
- Livestock Producers’ Organisation of Namibia (NLPO)
- Predation Management Forum (PMF)
- Breed societies
- National and provincial government departments
- Training and research institutions
- Southern African Livestock and Red Meat Forum (SALMF)
- Livestock Welfare Co-ordinating Committee (LWCC)
- Red Meat Research and Development SA (RMRD-SA)
- Other producers’ organisations
- Sheep and Mutton SA
- International industry organisations

The RPO represents the interests of red meat producers on the Red Meat Industry Forum (RMIF) on which all institutions involved in the value chain of the red meat industry are represented.

The RMIF consists of:
- The South African Pork Producers’ Organisation (SAPPO)
- Red Meat Abattoir Association (RMAA)
- South African Feedlot Association (SAFA)
- South African Federation of Livestock Agents (SAFLA)
- National Federation of Meat Traders (NFMT)
- South African Meat Processors Association (SAMPA)
- South African National Consumers’ Union (SANCU)
- Association of Meat Importers and Exporters (AMIE)
- South African Hides, Skins and Leather Council (SHALC)
- National Emerging Red Meat Producers’ Organisation (NERPO)
- South African Meat Distributors and Allied Workers’ Union (SAMAU)
- RPO Large Stock
- RPO Small Stock

The RPO and NERPO jointly form the Federation of Red Meat Producers of South Africa, which handles the collective interests of primary commercial and emerging red meat producers.
Critically important functions for the survival and wellbeing of primary red meat producers and the red meat industry in general are funded from two separate sources of financing, namely the compulsory statutory levy and the voluntary producers’ contributions.

The statutory levy was implemented within the framework of the National Agricultural Marketing Act and is exclusively used to finance the following functions in the interests of the red meat industry:
- Consumer security (food safety)
- Consumer communication and education (marketing)
- Research and development
- Industry liaison
- Development of the emerging sector
- Production development and industry projects

In terms of the provisions of the National Agricultural Marketing Act, an organisation like the RPO is not allowed to fund its organisational functions from the statutory levy.

The primary producer contributes the most to the statutory levy and if the RPO is not financially empowered in its monitoring duties, the paying producer will lose his say as far as the scope and application of the statutory levy is concerned. It is imperative that the RPO has a strong say in the Red Meat Industry Forum on behalf of the producer to ensure that statutory funds are correctly managed.

The voluntary contributions that are currently recovered from producers amount to 0.15% of the turnover at the first point of sale. Various actions of critical importance that the RPO has to undertake on behalf of stock farmers will not be realised without the voluntary contribution, due to a lack of capacity.

The voluntary contributions are collected by agents and abattoirs within provinces and paid over to the provincial RPO organisations, which then pay a predetermined amount over to the national RPO in order to empower the organisation to perform its organisational and administrative functions. The rule of thumb is that 70% of the funds are applied within the provincial organisations, while 30% is used for national actions.

As primary role player in the red meat industry, the producer is expected to contribute financially by supporting both the statutory levy and voluntary contribution schemes. In this way, capacity is created to address and ensure the producer’s interests within the total value chain of the red meat industry.

**Organisational and administrative functions**

The following important functions are financed by the voluntary contributions in the interests of the producer:
- Provincial and national office and staff
- Administrative management of the national office and provinces
- Radio talks and TV interviews
- Consumer education
- Producer liaison by means of information days, congresses, SMS-messages, webpage information, brochures, Facebook, the *Red Meat* magazine and electronic newsletters
- Influencing the policies of provincial authorities
- Liaison with departments and veterinary services in terms of e.g. border and disease control
- Training of producers and their workers
- Financing of relevant research projects
- Management of the provincial stock theft forums
- Consumer liaison

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**EXPLAINING THE STATUTORY LEVY**

4th Period - 1 November 2017 - 31 October 2018.

**CATTLE**
- R6.34 per head is recovered from the seller and paid to the buyer in all transactions.
- R10.40 per head is paid at the point of slaughter by the person presenting the animal for slaughter. This is also applicable to the importation of cattle.

**SHEEP AND GOATS (small stock)**
- R1.34 per head is recovered from the seller and paid over to the buyer in all transactions.
- R2.02 per head is paid at the point of slaughter by the person presenting the animal for slaughter. This is also applicable to the importation of small stock.

**IMPORTS**
- A permit for the importation of meat amounts to R1 160.00 per permit, with a maximum of 28 tons per permit.

**HIDES AND SKIN**
- Hides and skins are calculated at R2.01 per kilogram.

**AGENTS**
- Livestock agents pay 0.102% of their commission.

**TRADE**
- Points of sale pay R659.00 per annum.