



Ref: 8/1/22 (N5)
Contact: Ndumiso Mazibuko

16 July 2018

FOR ATTENTION

Dr Ziyanda Majokweni
Acting CEO Stakeholder Relations
South African Poultry Association
PO Box 1202
Honeydew
2040

Cc: Mr Christopher Mason

Fax no: 011 795 2590

Dear Dr Majokweni

**REQUEST FOR THE ESTABLISHMENT OF STATUTORY MEASURES RELATING TO
LEVIES, REGISTRATIONS AND RECORDS & RETURNS ON TABLE EGGS**

The South African Poultry Association (SAPA) letter dated 9 November 2017, refers.

On 3 July 2018, the Minister of Agricultural, Forestry and Fisheries approved the introduction of the proposed statutory measures (statutory levies, registrations and submission of records and returns) in the South African table eggs industry, for a period of four years to lapse on 31 March 2022.

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 education, consumer assurance, research & development and industry information, liaison and training;
- not more than 10% on administration costs; and
- at least 20% on transformation (empowerment of the previously disadvantaged in line with the NAMC's guidelines on transformation).

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

- that the statutory levies be audited by the Auditor-General, with the amount allocated towards transformation clearly indicated;
- that surplus funds should not form part of the assets of SAPA and would be utilised with the discretion of the Minister after the lapsing of the levy (after four years);

Council Members: Prof P.K. Chauke (Chairperson), Mr. H. Prinsloo (Deputy Chairperson), Mr. S. Faku, Ms. F. Mkhle, Mr. H. Mohane, Mr. B. Mkgatle, Ms. N. Mokose, Prof. D. Rangaka, Mr. G. Schutte, Mr. Z. Wapi

- that levies be accounted for, in a manner acceptable to the Auditor-General, separately from any other funds or assets under the control of the levy administrator;
- that SAPA maintains a database of black role players and their market share in order to monitor the progress of transformation in the egg industry; and
- that the NAMC has observer status on the Board of SAPA to ensure compliance with the original intent of the application.

The relevant notices will be published in the *Government Gazette* of 27 July 2018 (the cost of publication will be for SAPA's account).

Yours sincerely



Mr Zama Xalisa
Chief Executive Officer:
National Agricultural Marketing Council