



“FRUIT JUICE MATTERS”



SAFJA NEWSLETTER: SEPTEMBER 2017

Sugar Tax: The Minister of Finance made the initial announcement of a Sugar Tax on Sugar Sweetened Beverages during his 2016 Budget Speech and amended proposals in respect of a Health Promotions Levy in his 2017 Budget Speech for implementation after final comments and consultations. The proposed sugar tax bill is currently at NEDLAC for further discussion between government and business before it is presented to parliament as recommended by the Portfolio Committee. Our current information is that 100% fruit juices remain excluded and that the targeted implementation date is 1st April 2018.

The focus on sugar is spreading to other sugar sweetened food categories and industry will increasingly be forced to develop voluntary initiatives to promote healthier food options. This would apply to many categories such as breakfast cereals, dairy products as well as snacks and treats.

Inspection Services: There has been a great deal of consultation since DAFF appointed Assignees in respect of the various categories of regulated agricultural products. With regard to processed products, including fruit juices, regular consultations have already taken place. This includes

- SAFJA submission dated 25/4/17 in response to the proposed Inspection Tariffs issued by Impumelelo Agribusiness Solutions (refer Non-Governmental Organization Notice 251 of 2017 in Government Gazettes No 40733 dated 31/3/17) and covering the scope, methodology and especially costs which we consider to be far too high.
- SAFJA submission dated 3/7/17 in response to the proposed publication of Regulations regarding Assignees and Fees issued by DAFF (refer Governmental Notice R552 in Government Gazettes No 40899 dated 9/6/17).
- Feedback sessions from DAFF and Impumelelo in respect of the above 2 submissions.
- Various workshops in Paarl and Pretoria with stakeholders and also in conjunction with the canned products category which is similarly affected.

On 5/9/17 DAFF arranged a workshop with all stakeholders in respect of regulated processed products falling within the Impumelelo mandate. During this meeting, proposals in respect of risk profiling (which will inform frequency of inspection) were accepted in principle and working groups were formed to submit protocols and procedures for consideration by DAFF in terms of their requested tight timelines.

The first of these workshops in respect of fruit juices was held on 20th September in Paarl. The workshop focused on a variety of principle and detail issues in respect of inspection covering scope (including exclusion of exports and bulk products for reprocessing); methodology (including risk profiling; standard operating procedures; frequency and point of inspection); and cost (including income and expenditure currently determining the inspection fees as well as governance). Further working group meetings will be scheduled next month with a view to submitting proposals to DAFF by the end of October 2017. Please do not hesitate to contact me if you require any clarification or information in this regard.

This process is receiving dedicated attention from SAFJA. Our objective remains to have beneficial and efficient inspection, but at an acceptable cost for the industry and consumers.

Drought: The continued drought in certain key producing areas remains a cause for concern. The impact of water shortages could include poorer fruit quality and reduction in crops over the short or longer term and producers face another challenging season. The Western Cape for instance has had one of the driest winters in recent history with unprecedented low dam levels and pressure on the water infrastructure servicing Cape Town. Dam levels servicing the city have dropped consistently every year since 2014. Drought management is a collective responsibility and hopefully current initiatives will now actually be put in place until normal rains return and in a balanced way to ensure support for sustainable primary agriculture and the downstream value chain.

Events: The bi-annual Anuga Food Show takes place in October in Cologne. In addition the Juice Summit 2017 takes place in Antwerp on 4th & 5th October. This Juice Summit is a global annual conference and the 5th organized for and by the industry and deals with a host of scientific, technical, trading, consumer and other issues. Of particular interest will be the European PR campaign which aims to share the science and celebrate the goodness in respect of 100% fruit juice. We wish all travelers rewarding participation at these events

General: We are currently planning an upgrade and modernization of the SAFJA website in order to give more focus on the promotion of fruit juice and review the current content. Any inputs would be most welcome.

Please do not hesitate to contact me if you need any information in respect of the activities of SAFJA or any areas that require SAFJA industry focus.

Please diarize the date of the next General Meeting of Members to be held on Thursday 9th November 2017 at the City Lodge OR Tambo at 13h00.

Rudi Richards
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(www.safja.co.za)

