



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 information is that 100% fruit juices remain excluded.

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 submissions in response to the 2 published government gazettes and covering the scope, methodology and especially costs which we consider to be far too high.
- Feedback sessions from DAFF and Assignee (Impumelelo) in respect thereof.
- Various workshops in Paarl and Pretoria with stakeholders and also in conjunction with the canned products category which is similarly affected.

The latest development is that proposals in respect of risk profiling (which will inform frequency of inspection) have been accepted in principle and working groups have been formed to submit protocols and procedures for consideration by DAFF in terms of pressured timelines. The first of these workshops in respect of fruit juices has been scheduled for September and 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.

Events: The bi-annual Anuga Food Show will take place in October in Cologne. In addition the Juice Summit 2017 will take 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.

Drought: The continued drought in certain key producing areas remains a cause for concern. The impact of water shortages could include reduction in crops and poorer fruit quality and producers face another challenging season. 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.

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