

Self-regulation: juice the thing needed

Peter Cowie, chairman of the South African Fruit Juice Association (SAFJA), reveals that the association was started up during 2011 to address the issues of importance within the fruit juice industry as a single voice.

“Our first milestone was the approval of the constitution in March 2011 which gave SAFJA an identity. The members elected six board members and six technical committee members at that meeting,” he states. “The rest of the year was taken up getting SAFJA established, which involved activities such as building an organisation structure, establishing plans, setting up bank accounts and accounting/administrative structures. The main focus was on recruiting members to give the association a foundation from which to grow, and planning of the Information Forum - which was held on 26 January in Somerset West - to prepare for moving into the next phase of being ‘open for business.’”

Cowie says SAFJA is focusing its immediate efforts on the following activities during 2012:

- Continuing to engage with important stakeholders such as the Department of Agriculture, Forestry and Fisheries (DAFF); Department of Health; Department of Trade and Industries; and the Consumer and Competitions Boards, in order to promote SAFJA as a



- credible partner.
- Engaging with DAFF on improving the standards applicable within the industry.
- Working with SA Canners to optimise common focus areas and to learn from their experiences and government relationships gained over many years.
- Launching a self-regulating programme that will start to introduce checks and balances within the industry.
- Investigating a range of trade and legal issues to ensure that SAFJA is directing its efforts in the right areas, and is compliant with relevant regulations

- and legislation.
- Expanding its current membership of 15 leading companies to a wider representation of a potential listing of 110 companies which operate in the “fruit juice” industry - which is made up of processors, blenders and packers/distributors/traders - and making it possible for smaller companies to afford membership.
- Introducing the related retailer and packaging sectors into the circle as associate members.
- Raising the funds needed to finance start-up projects, such as the self-

regulation programme.

- Appointing a full-time resource to co-ordinate and manage the various activities.

Addressing regulatory hurdles

In terms of SAFJA engaging with DAFF to address issues related to the existing regulations and the introduction of more modern regulations, Cowie explains that at the members' meeting held in January the issues raised by DAFF were debated, and it was agreed that SAFJA would accept the invitation to discuss these issues and to find ways of improving the current outdated regulations. It is envisaged that a high-level discussion will take place to clarify the issues and define the scope of each task, which will then be presented to a joint task group to investigate in more detail. In due course, more specific proposals will be presented to members to obtain a mandate to proceed with the next steps in the process.

In his address at the members' meeting, Billy Makhafola, DAFF's executive officer of Agricultural Products: Standards Act, defined the challenges involved and the way forward for the industry as:

- Regulations are outdated and have not kept up with industry's needs, new developments and international trends and standards
- Enforcement by inspection services is insufficient due to lack of analysis
- Marketing requirements are inadequate
 - consumers are not properly informed and protected from misleading labelling practices
- The unavailability of official profiles of SA fruit juices
- Laboratories/equipment to verify percentage of juice content and authenticity are not available locally and it's costly to send samples overseas
- Industry is very fragmented, but the recent formation of SAFJA will overcome this.

Cowie explains how SAFJA is going to address some of these issues by implementing a self-regulating or inspectorate programme, which will primarily improve the overall compliance with regulations and standards. "Our initial idea was to launch a pilot inspection programme aimed at the 100% fruit juice category, but this

was postponed as discussions had commenced with SGF International, a company that is regarded as the leader in self-regulation practices in Europe.

"Discussions are in progress with this organisation to establish alignments with the aim of implementing their proven self-regulation programme. One of the important steps would be to conduct a market survey to identify where the initial control efforts should be directed. Issues that are being explored, include finding ways of improving the laboratory capacity in the country to avoid the high cost of having to send samples to Europe for testing."

When questioned about SAFJA dealing with erosion of the local market through uncontrolled and non-conforming imports, the surge of imports, and the lack of monitoring of compliance with regulations, Cowie responded: "The association needs to give attention to the control of imported products as well as controlling products produced within the country. And our proposed discussions with DAFF will also include procedural and regulatory options for improving the control of imported fruit juice products."

He says that although no progress has been made in the direction of establishing a National Food Control Agency (NFCA) or links with the relevant parties involved, following the legal perspectives presentation at the Information Forum,

SAFJA plans to ask Rian Geldenhuys, director of Trade Law Chambers, to advise on how best to proceed with engaging the relevant trade and legal institutions to address challenges such as the NFCA issue.

The way forward

Cowie says the main reason for organising the Information Forum in January was to bring a wide range of industry players under one roof to present important perspectives and considerations that SAFJA should be addressing in the coming year. "The aim was to filter the many challenges into a manageable set of activities. A number of important actions arising from each of the presentations were confirmed at the members' meeting, and steps are being planned to address these actions," he reveals. "SAFJA's AGM is planned for May and mandates will be sought to allow the immediate tasks to be tackled. We are also working on launching a website before the AGM, and this communication mechanism will be used to keep all stakeholders informed of progress and new developments.

SAFJA also considers education of the customer community as important, so we would like to include relevant Q&As and articles on the website to achieve as wide a communication as possible."

- Melissa Jane Cook

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Membership categories

Peter Cowie, chairman of the South African Fruit Juice Association (SAFJA), explains that a personal recruitment drive was launched in 2011 to achieve a balanced membership representation across the fruit processing, blending and packing/distribution categories within the fruit juice industry. "To date, 80% of the targeted 'critical mass' membership is in place and discussions with other key players are continuing."

SAFJA defines members as the persons or entities who become members of the association and are actively involved and participate in the manufacturing, importation, exportation, packaging, distribution, marketing and supply of fruit juice products - but not in direct selling of the products to the consumer.

Associate members, on the other hand, are persons or entities that

have an interest in the ethical and fair supply and selling of fruit juice products to the consumer.

Cowie says that members approved the rights, responsibilities and lower fee structure of associate members at the January members' meeting. He adds that a tiered fee structure - based on levels of turnover - was also approved at the meeting, in order to encourage smaller companies to join the association. **F&B**