



SABIO

South African Bee Industry Organisation

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The Status on the implementation of the NAMC Recommendations following recent SABIO meetings held on 8, 9, & 10 August 2010

“When a curriculum is being developed, a committee usually does the work. Inevitably, the final curriculum will reflect the views of the committee and the compromises they needed to ‘get the job done’.....The end result is that, no matter how dedicated the committee might be, they will produce a document that contains some details that will appear unacceptable to some stakeholders.Curriculum frameworks should always be viewed as ‘works in progress’The fact that the framework is not perfect at some point in time does not necessarily mean that the foundational principles on which it is based are inappropriate.”
Pg 80 *Teaching Strategies*: Roy Killen

The above refers specifically to the introduction of OBE in South Africa in 2005. The same could be said of the recent attempts to come to terms with the Recommendations in the NAMC Report for the bee industry, which has been debated and discussed at some length now since its publication in 2008. Our essential guiding principle is embedded in SABIO's constitution where its **mission is stated to create a sustainable and prosperous bee industry in South Africa**. Bearing these factors in mind I shall now try and make a reasonable assessment of deliberations and decisions taken at the most recent meeting with the NAMC and DAFF held on the 10 August 2010 following two days of meetings with selected facilitators, Board Members, Association Chairpersons and members of the NAMC.

The two elements which received the most attention were Structure and Funding. Dawid Smit had requested at the conclusion of the Elsenberg Meeting to present a proposal that we could use as a starting point for discussion at the meetings to be held in Pretoria, which then could be debated and discussed in order to reach some acceptable final decision. This he did on Monday 9 August and following his presentation of a fair summary of the current *status quo* in the industry the delegates at the meeting proposed the following changes and recommendations.

1. Structure and function needed to be integrated to reflect the needs of the different interest groups in the industry.
2. Four collective interest groups were identified in the bee industry which include:
 - a) The commercial beekeepers and pollinators who are beekeepers who depend on their bees for more than 60% of their income or who run more than 100 hives. The recently proposed commercial group identified by Theunis at meeting in Pretoria and Cape Town could represent these larger beekeepers. They have a significant role in the industry and their voice must be considered on all matters which have statutory and industry implications.
 - b) The hobbyist or smaller beekeeper represented by Beekeeping Associations.
 - c) The processor or bottler of honey.
 - d) Developmental beekeepers who form a vital component within the social chain and who need to be drawn into the formal structure of the industry. Their informal status within the industry is no longer acceptable within the current socio-political climate in present day South Africa.

Each group would nominate representatives to sit on the SABIO Board which could comprise up to 12 members. Thus for example there could be 3 nominees from Associations, 3 from the "Commercial Beekeepers Association" (*sic*), 2 nominees from Bottlers and Processors and 2 from Developmental Beekeepers. In addition as non voting members 2 additional persons could be appointed to represent Government (NAMC) and Research. The existing board would continue to function until the AGM in 2011 when a new Board would be elected.

3. A statutory funding base could be in the form of a statutory levy which is governed in terms of the Marketing of Agricultural Products Act. Strict provisions govern the process and implementation of a Statutory Levy but these are not so insurmountable as to preclude our industry from applying and being granted such statutory provision.
4. The three key elements of a statutory levy system are: a) the industry itself should decide how the system must operate; b) the lesser the number of collection points for the levy the more efficient the system will be; c) the calculation of the levy must be simple.
5. The application of the levy must be an agricultural product. Honey is an agricultural product (used by the consumer). A beehive is not an agricultural product (which is sold to consumers) but can be seen as the unit identified as the "collection point" for the "honey" product. Although this might all sound somewhat confusing it is important to understand these concepts in setting up a Statutory Levy system in our industry.
6. The distribution and spending of monies collected from a Statutory Levy is also strictly governed in terms of the Marketing of Agricultural Products Act. Not more than 10% of the monies collected may be used by the industry body for administrative purposes such as salaries, rental, and telephone and communication facilities, cleaning, stationary and so forth. The remainder of the levy income must be apportioned to benefit the industry in respect of such functions as transformation, research, information, export promotion

for example. A potential concept known as “ring fencing” on the proportionate amounts collected from the respective groups can be implemented. Hence, for example if commercial beekeepers are the major donors of a statutory levy on an agricultural product (honey) they are entitled to the say on how their proportion should be spent. If they believe that “x” amount should be earmarked for crucial research purposes then they have the right to stipulate such. It was unanimously agreed that the principle of collection should be based on confidentiality and fairness. Confidentiality on contributor’s intimate information must be respected and managed and the payment of the levy must be equitably fair.

7. Statutory funding did not exclude private funding as indicated by the NAMC in its guidelines and expounded on by Mike Miles in his presentations. An industry body such as SABIO would still need and be entitled to incur income from membership fees, Association affiliation fees, commission payments and other means of generating private funds for its operations. Indeed for sufficient funding there would have to be lobbying from related vital interest groups dependent on bees and government.
8. There was a great deal of discussion regarding the point of application of a levy. Basically three options were debated; Honey, Hives and Pollination; bearing in mind the point raised in paragraph 5 above. A levy on Honey itself can be distinguished in terms of “bottled honey”, bulk honey” and “imported honey”. The point of collection has to be determined such as a levy on hives, pollination units, bottles of honey – the proposed “Nando’s” (or MK) sticker system was read out and considered - and a third option of a “license to operate” was also considered. No final decision has been made at this stage.
9. A third party could be appointed to manage and administer the collection of the statutory levies. Hortgrow was proposed as they have the capacity to do this and are a related industry. This would mean that there would be confidentiality regarding all contributions paid.
10. Re the **Registration** Issue: It was unanimously concurred within the SABIO group that all beekeepers should be registered. This is currently in the hands of DAFF given the proposed recent amendments to the Control Measures on Pest and Disease Control (the AFB Regulations). (The existing legislation devolves this function to SABIO and the *status quo* must continue until the legislation changes to providing this as a government (DAFF) function.) Whether government will levy a fee for this function is unknown at this stage. Whilst it would be ideal to have all beekeepers in the country registered before restructuring and transformation in the industry takes place SABIO is not in a position to wait for this potential in-eventuality to proceed with the recommendations of the NAMC Report. However Alice Baxter agreed to meet with the NAMC to consider to what extent DAFF could share registration information. If for example the levy was to be on hives, all beekeepers would have to show that they had paid their levy before the mandatory registration. There was no further comment from DAFF regarding the final status of the proposed regulations for AFB. However the need for a memorandum of agreement between DAFF and SABIO has already been agreed to at a previous meeting.
11. Rather than use a costly and time consuming road – show process to elicit support for the imposition of a statutory levy, the NAMC indicated that it would accept a consultative process with the respective collective interest groups in order to assess whether there was sufficient ‘buy –in’ from stakeholders in order to proceed with statutory levies. It would be impractical to show that there was sufficient support (60%) from the estimated “± 2500” individual beekeepers throughout the country. This does not imply that

individual representations would not be considered but the notion of collective representivity would be the preferred and most practical option.

12. The NAMC recommended that SABIO considered the option of registering as a Section 21 Company but this was not mandatory.
13. The need to regard bees as a national asset mentioned by Dawid Smit was fully supported by the meeting and noted as a priority.
14. The creation of a basic entry requirement for a beekeeper to keep and manage bees was suggested as a minimum requirement to status entitlement as a member of the industry. This could be a basic exam written following a basic course in beekeeping. No decision was reached on this point.
15. The question of where the bee industry's best interests could be catered for in respect of Government Departments was discussed. Alice Baxter suggested that as pre - 1994 legislation was being revised by Government this was a matter that should be kept in mind but Plant Health would be happy to continue as our link with government.

What do the above points mean for the industry?

The structure will change and there will be better representation of beekeepers by SABIO without a massive restructuring process. There are already Associations in place to cater for the needs of smaller beekeepers and focus on the introduction of new beekeepers and training needs for them. They will have to decide how best to elect their representatives as Board Members. Theunis has already identified a need for a body to represent the larger beekeepers and a 'loots komitee' (launch committee) has already been established. He agreed at the meeting to take this further and focus on their representation. Bottlers and processors need to organize themselves if they wish to participate in industry matters at Board level. Developing beekeepers would be coordinated by William Urquart and Elize Magnussen. It would be preferable that the Board appoint an executive paid manager / CEO who would be able to see to administrative details and lobby for funding to support areas of research and biodiversity. He/she would need to be a competent manager/administer and would in all probability need an office and a secretary. However the industry would have to be more financially viable and stable before any final decision on this Executive appointment can be considered. Interim measures for the running of the SABIO office will have to be made in the short term.

Private funding will continue to be organized by each sector according to its needs. The statutory funding will be levied on all beekeepers but each sector will have a say in how they would like to allocate the spending of the levied funds on condition it is in line with the guidelines set out by the NAMC. This means that funds collected from a group will directly be spent in their chosen manner. I feel that this is the only way beekeepers will support a scheme of this nature. The actual point of levy still needs to be decided – but if it can be linked to compulsory registration by DAFF then it will be fairly managed. This will mean that all registration will be legislated and enforced by DAFF but proof of levies having been paid will need to be presented to government or a body appointed to administer registration. Confidentiality will be ensured, as only statistical data will be released for public perusal and for the purpose of decision making for the industry.

Mike Miles agreed to suggest necessary changes to the constitution of SABIO if we remained a non-profit registered organization and report back on how necessary it was to convert to a Section 21 Company. If so then he would also see how our constitution needs to be adjusted.

In order to establish buy-in for the Statutory Levy we will distribute information via the representative groups who need to comment so that adjustments can be made where or if necessary. A Schedule is attached which provides a time framework for us to follow. I hope that by BEECON 2011 we will be in a position to submit an application to the NAMC with an appropriate business plan by a representative board elected at the AGM.

Please note that with the resignation of Jan Barnard as Office Manager there is a good deal of catching up to do with the administrative work. Ursula is in the process of doing this but it requires her to check registrations back to March and read and unread e-mails not yet downloaded from the hans@sabio.co.za account. She has agreed to stand in and sort things out for us for the next two months but in that time we need to advertise and appoint another administrator. Please contact her at the 028 7221823 number - all phone lines into the ARC were stolen and we need to establish a permanent cell phone line for SABIO. Ursula assures me that by the end of this week she will have registrations, finance and insurance up to date. This may delay the consolidation of the minutes of the 7 meetings we have had in the last 30 days.

I trust this provides you with sufficient background and information to the deliberations, which the SABIO team has embraced during this short period to consider the way forward in respect of transformation within our industry. **Our vision is to grow this industry in line with the Recommendations of the NAMC Report and if we abandon this path now we will not have another chance for many years to come. We would urge you to be constructive in your responses to this report-back and would hope that we have the confidence and support of all stakeholders within the beekeeping industry.**

John Moodie

SABIO Chairman.

14 August 2010

