Association of Meat Importers and Exporters (AMIE) Member of the Red Meat Industry Forum (RMIF)

Business Plan for the RED MEAT INDUSTRY STATUTORY LEVY. November 2014 to October 2018

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#### What is AMIE

AMIE is the Association of Meat Importers and Exporters of South Africa.

Amie is the representative body of Meat Importers and Exporters. See Below extract from the Constitution of AMIE.

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### 1. NAME AND STATUS

- 1.1 The Association shall be known as the **Association of Meat Importers and Exporters**.
- 1.2 The Association shall constitute a legal persona and shall exist independently of its members.
- 1.3 It shall accordingly have perpetual succession, notwithstanding any change in the number or identity of its members from time to time.
- 1.4 It shall have the right to sue and be sued in its own name and to buy and sell property.
- 1.5 It shall not be carried on for purposes of gain and the income and assets of the Association shall be applied towards the promotion of the Objects, for which it is established.
- 1.6 No part of that income of those assets, directly or indirectly, by way of dividend or otherwise, shall accrue to members of the Association.
- 1.7 The Association shall not be entitled to carry on any trading or other profit making activities, participate in any business, profession or occupation, carried on by any of its members, or provide to any of its members financial assistance or continuous services, or facilities, for the purpose of carrying on any business, profession or occupation.

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#### Functions of AMIE

# The Constitution of AMIE gives the Main Objects as:

To promote and to protect the interest of the Members.

To deal with all matters that may affect the common interest of the Members.

To confer and collaborate with all bodies controlling and administering the Meat Industry in Southern Africa.

To convey views and recommendations to all concerned in order to improve the meat import and export business.

To seek and maximise official recognition of the Association.

To promote and safeguard the common interest of Members in their activities as Meat importers and exporters.

To represent Members in their dealings with the South African Government, SARS, ITAC, Veterinary Services, NAMC and other regulatory bodies.

To disseminate amongst it's Members information on all matters affecting the Meat Industry.

To correspond with any similar Association in other countries.

To promote, support or oppose any legislation affecting the rights or objects of the Association and its Members.

To promote ethical business practice amongst all Association members and in the meat industry.

# **Business Plan for Levy Application**

The Association believes that a well organized and efficient communication and information mouthpiece for each role-player member of the Red Meat Industry is important. AMIE strives to provide these services to and for its members.

AMIE continues to be the recognized mouthpiece and to represent its members and industry sector in terms of the objectives of the Association and the following business plan is presented.

#### Income:

(These figures are all annual figures)

An estimated R1, 074,093 for year 1, with 10% annual increases, has been budgeted by AMIE to provide the following service functions. (See Annexure A – Budget)

This income has been allocated according to the future budgeted income from imports of beef and sheep meat from the Statutory Levy.

# **Expenditure:** (to be read in conjunction with Annexure A)

### **Customer Assurance:**

AMIE strongly supports fair trade and to assist in this aim wishes to participate in the relevant structures of the Red Meat Industry Forum.

AMIE fully supports the functions of these structures (to protect the Red Meat Industry and any legislation which serves the Red Meat Industry), and believes that for this function to have any ability to operate and have success that it needs to be allocated sufficient funding to be able to carry out its brief.

The AMIE representatives will need to attend meetings of the various structures and will expend direct costs in terms of travel, communication and time.

Consultations and legal advice to be expended relates to independent advice taken by AMIE and the education of all relevant bodies (e.g. customs, veterinary inspectors, AMIE members) with relation to documentation, valuation, and identification of imported meat items to ensure that tariff determination, taxes and duties and animal health regulations have not been compromised or abused.

#### Liaison and communication:

Amie communicates with its members, associates and other organizations (including government departments) through many mediums.

AMIE uses its web site to communicate with members and non members. This medium is used to communicate statistics, information, newsletters and current information. AMIE provides an updated and relevant web site with interactive links to other industry sites.

AMIE purchases statistics (local and international) and the interpretation and presentation of this information to members for their use and consideration in their commercial decision making, as well as to "outside interested parties" and economists. Specific information relating to trade and updates is also emailed direct to members on a regular and ongoing basis.

## **Administration and operations:**

AMIE needs to retain an office and personnel to ensure that the Association is efficiently managed.

This function will ensure that there is continuous flow of information and communication by all industry, government and service providers to the industry.

The function will include the regular interaction with members, veterinary authorities (DAFF), SARS (at port of entry and head office) international industry bodies, local industry bodies, regular newsletters to members, correspondence and general administration of the Association.

Ongoing audit and bookkeeping functions are a prerequisite for efficient operations.

### **Compliance**

Compliance plays a very large role in AMIE's affairs and AMIE puts in many hours in largely positive and meaningful efforts to ensure that level playing fields are maintained in the industry.

This role is of great benefit to the wider meat industry and AMIE can rightfully claim numerous successes in this important area of trade.

A number of transgressions uncovered by AMIE have been referred directly to the Forum for further action.

# **Transformation:**

The Association does not currently have the capacity to manage a transformation budget but requests the Industry to spend the Transformation budget (20%) collected from imports on activities which will benefit the Import and Export sector. This may take the

form of Commercial education, Logistics, Wholesale trading training. Any interested Service provider is requested to engage AMIE in the spend of these funds.

# Imports as producer:

South Africa is a net importer of red meat products. This is due to various factors. Over the past 12 months imports have accounted for a large percentage of red meat supply in South Africa and as such should be considered as an important producer. Generally imports balance out the ratios between local production and demand.

## **Exports:**

Currently due to mainly Animal Health issues exports of red meat are very limited and once these matters have been addressed AMIE will be more actively involved in market access and other export matters.

#### **Conclusion:**

AMIE is in favour of and wishes to Participate in the renewal of the Transactional Statutory Levy for the Red Meat Industry and believes that for the industry to prosper, representative industry bodies need to preserve the interests of each sector and the total industry. This can only happen if there are funds available to the industry to continue such activities.