



Friday, 26 May 2017

Honourable Mr Yunus Carrim

Chairperson:
Standing Committee on Finance
National Assembly
Parliament of the Republic of
South Africa
P O Box 15
Cape Town
8000

Honourable Ms Mary-Ann Dunjwa

Chairperson:
Portfolio Committee on Health
National Assembly
Parliament of the Republic of
South Africa
P O Box 15
Cape Town
8000

Attention: Mr Allan Wicomb
Committee Secretary: Standing Committee on Finance
National Assembly
By email: awicomb@parliament.gov.za

**WRITTEN SUBMISSION AND REQUEST FOR ORAL PRESENTATION BY
PIONEER FOODS:**

**Public Hearings on 2017 Draft Rates and Monetary Amounts and Amendment
of Revenue Laws Bill (Health Promotion Levy on Sugary Beverages -
Schedule No. 1, Part 7, Section A)**

Dear Honourable Carrim and Honourable Dunjwa,

Pioneer Foods is a leading nutrition-based food and beverage business in Southern Africa.

We appreciate the opportunity to submit our written comments to the National Assembly Standing Committee on Finance as well as the Portfolio Committee on Health, in respect of the 2017 Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill – inclusive of the proposed Health Promotion Levy on Sugary Beverages (Schedule No. 1, Part 7, Section A).

On the basis of our detailed written submission attached hereto, Pioneer Foods humbly requests the opportunity of a 5-minute allocation on the Committee's programme to make oral presentation during the Public Hearings on the Bill scheduled for Wednesday, 31 May 2017.

We would utilise the opportunity of an oral presentation (if afforded), to highlight that:

1. Pioneer Foods acknowledges the basis for the proposed exclusion of unsweetened 100% fruit and vegetable juice from the Health Promotion Levy on Sugary Beverages; as a timely and critical opportunity to contribute to addressing the problem of excess sugar intake in ordinary South African's diets and the impact this has on the prevalence of Non-Communicable Diseases (NCDs). This includes for the purposes of practically complimenting whole fruit intake into one's diet and to work with Government to deepen evidence-based research and innovation in areas such as:
 - Product reformulation.
 - Voluntary initiatives that support public policy and regulatory objectives.
 - Better labelling, marketing, advertising, nutritional and consumer disclosures.
2. Pioneer Foods acknowledges that the proposed exclusion of unsweetened 100% fruit and vegetable juice from the Health Promotion Levy on Sugary Beverages; is of a temporary nature in the short-term and therefore subject to further review in future phases.
3. Pioneer Foods agrees with Government that any future review to consider the inclusion of unsweetened 100% fruit and vegetable juice in the Health Promotion Levy on Sugary Beverages over the medium to long term, must be undertaken and informed by an evidence based assessment of defined criteria and subject to further consultation. This includes: -
 - i. balanced and appropriate representation across and within all of the concerned and affected constituencies in the NEDLAC process, specifically the broad-based nature of representation required within business and labour.
 - ii. Parliament.
 - iii. the Departments of National Treasury; Health; Trade and Industry; Economic Development and Agriculture, Fisheries and Forestry.
4. Such an evidence based assessment must include a holistic consideration of population based health promotion interventions. This should also include what market leaders such as Pioneer Foods are committed to undertaking at both a voluntary and statutory level to reformulate products (not just beverages), as well as marketing, advertising, labelling, nutritional guidelines and consumer awareness interventions.
5. Therefore, Pioneer Foods does not consider the proposed exclusion of 100% unsweetened fruit and vegetable juices from the Health Promotion Levy on Sugary Beverages (Schedule No. 1, Part 7, Section A) as contained the 2017 Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill, as an excuse to abdicate our responsibility and commitment to promoting and contributing to population based health interventions and combatting the prevalence of NCDs.

On this basis, we trust you will afford our request for a short oral presentation of no more than a few minutes, your due consideration.

Our presentation will be led by Mr. Martin Neethling (Chief Marketing Officer).

We look forward to your reply and feedback in this regard.

Thanking you in advance and with appreciation.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Phil Roux', written in a cursive style.

Phil Roux
Chief Executive Officer