

Have your say on the proposed Regulations Relating to the Labelling and Advertising of Foodstuffs

Minister of Health Joe Phaahla published the Regulations Relating to the Labelling and Advertising of Foodstuffs on 31 January 2023. Because these regulations pose a threat to the sugar industry, it is essential that growers have their say.

After 5 years of battling against the Sugar Tax, government is once again proposing new rules that will make business difficult for the country's sugarcane growers. We know from the Sugar Tax how hard it is to change a law once it is passed. That is why growers must speak up **NOW**. Growers are already struggling, and so are the millers we depend on.

The industry cannot afford these new regulations.

Every grower must make a submission. The factsheet below provides the information needed to make a submission and tell government how these regulations will affect you. This can include why the regulations are a bad idea; how your business contributes to society (number of employees, for example); and how the regulations will affect your business (drop in revenue, loss of jobs etc).

Growers can use this information to write your own submission and email it to

malose.matlala@health.gov.za **before 20 July 2023**

Factsheet

The regulations will introduce new rules around the labelling of food. The most prominent of the changes will introduce warning labels on food items high in sugar, salt, and fats.



These labels will be required on solid foodstuffs containing more than 10.0g of sugar per 100g and on liquid products containing more than 5.0g of sugar per 100ml. These labels must be prominently visible to a consumer and anchored to the top right-hand corner of the front of the package, covering up 25% of the package.

These changes are aimed at reducing demand for the labelled products, and represent a lose-lose proposition.

On the one hand, there is no consensus on whether food labels work to change consumer behaviour, reduce sugar consumption, or decrease obesity. Our food manufacturers could incur significant costs to implement these regulations for no benefit to society.

On the other hand, if the regulations work, they will directly reduce the revenue to the country's sugar industry, and therefore to South Africa's small-scale growers. If the proposed regulations are implemented, **small-scale canegrowers could go out of business and workers will lose their jobs**. This will happen in communities that have no other opportunities. This will increase poverty and unemployment in South Africa's rural communities.

Research from the Bureau for Food and Agricultural Policy (BFAP) shows that if the regulations reduce demand for sugar by 150,000 tons, the country will **lose more than 25,710 hectares under cane**.

Most of the hectares lost will be in the **North Coast of KwaZulu Natal** where **Tongaat Hulett is already in Business Rescue.**

The sugar industry is already in a time of crisis with two millers in business rescue, and the effects of floods, loadshedding and high input costs threatening the industry's sustainability.

The industry is expected to lose more than 6,000 permanent jobs and 9,600 seasonal job over the next 10 years even without these regulations. But if these regulations are passed, the industry could lose up to 9,600 permanent jobs and 15,000 seasonal jobs.

South African cannot afford to lose more 24,000 jobs in rural communities!

The sugar industry is working to diversify the sugarcane value chain beyond sugar production, and this work must continue. In the meantime, **South Africa cannot afford to kill a productive, job-sustaining industry.** Instead, we need investment in the diversification project so growers can produce products other than sugar.

The **Department of Health still hasn't conducted the dietary intake study** proposed by the sugar industry to determine what factors in particular are contributing to the country's obesity rate. Instead it is **using food producers as a scapegoat at the expense of workers.**

The question in South Africa is not Health **OR** Jobs; its Health **AND** Jobs!

We have to promote Health, and also save the sugar industry and the country's food producers.

The Regulations Relating to the Labelling and Advertising of Foodstuffs will kill jobs!