

(No. 111)

FRUIT PRODUCTION AND MARKETING BOARD LAW, 5733-1973*

CHAPTER ONE: INTERPRETATION

Definitions.

1. In this Law --

- "storage" includes warehousing ;
- "the Ministers" means the Minister of Agriculture and the Minister of Commerce and Industry;
- "the Board" means the Fruit Board established under section 2(a) ;
- "quota committee" means the committee appointed for the purposes of section 22 (a);
- "objection committee" means the committee appointed for the purposes of section 23 (c);
- "this Law" includes regulations and directions made or issued thereunder ;
- "grower" means a person who carries on the production of fruit or a cooperative society the members of which carry on the production of fruit ;
- "joint quota" means a production quota of a cooperative society which is shared by all the members thereof as provided in section 24 (a) ;
- "individual planting quota" means a quota prescribed under section 21 (b);
- "species of fruit" of any genus includes any variety thereof ;
- "fruit" means fruit specified in the Schedule, but does not include citrus fruit ;
- "financial year" means a period of twelve consecutive months beginning at the date prescribed by the Ministers.

CHAPTER TWO: STRUCTURE OF BOARD

Establishment
of Board.

2.

- (a) There is hereby established a Fruit Production and Marketing Board (hereinafter referred to as "the Fruit Board").
- (b) The Ministers may extend the scope of the functions and powers of the Fruit Board to wine grapes and to olives of Syrian varieties, and they may, with the approval of the Economic Committee of the Knesset, by order published in *Reshumot*, establish separate boards for these branches, viz. a Wine Board and an Olive Board.
- (c) Where a Wine Board or Olive Board has been established under subsection (b), its functions and powers shall be the same, *mutatis mutandis*, as those of the Fruit Board, and in addition it may, subject to any direction issued by the Ministers, prescribe rules for the purposes of -
 - (1) regulating the production, marketing and export of wine grapes and intoxicating liquors, or of oil and olive oil, as the case may be ;
 - (2) prescribing modes of supervising production in all its stages.

The Board --
a non-profit
body corporate.

3.

- (a) The Board shall be a body corporate competent in respect of any right, obligation and legal act.
- (b) The Board shall not distribute profits, and all its income in excess of its expenditure shall accrue to funds the objects of which have been approved by the Ministers.

Composition
appointment
and
membership
of Board.

4.

- (a) The Ministers shall appoint the members of the Board, whose number shall not exceed thirty-five and who shall include representatives of the Government, not exceeding three in number, and representatives of the public.
- (b) The representatives of the public on the Board shall be -
 - (1) representatives of the growers, whose number shall be at least half the total number of the members of the Board ;
 - (2) representatives of manufacturers of fruit products, of fruit dealers and of consumers, whose aggregate number shall not exceed one quarter of the total number of the members of the Board.
- (c) The Minister may prescribe that one of the representatives of the public shall be a representative of the World Zionist Organisation-Jewish Agency for Eretz Israel.
- (d) The Ministers shall, with the approval of the Economic Committee of the Knesset, prescribe by regulations the modes of appointing the members of the Board and the grounds for the cancellation of such appointments. The representatives of the public on the Board shall be appointed from lists submitted to the Ministers by organisations which in the opinion of the Ministers are representative of the interest in question.
- (e) The period of tenure of the members of the Board shall be four years, but they shall continue to serve until members have been appointed for the new period of tenure: Provided that they shall not so continue to serve for a period exceeding three months.

A member of the Board may be reappointed.

- (f) The Ministers may appoint a substitute for a member of the Board, who shall serve in place of a member who is absent or temporarily unable to serve. A substitute shall be appointed from the list from which the member whose place he takes was appointed.

Appointment of
chairman and
vice-chairman
of Board.

5.

- (a) The Minister of Agriculture and the Minister of Commerce and Industry shall respectively appoint the chairman and vice-chairman of the Board from among the members thereof.
- (b) The chairman, and in his absence the vice-chairman, shall preside over the meetings of the Board ; in the absence of both, the members present

shall elect the chairman of the meeting from among the Government representatives present.

Quorum.

6.

- (a) A quorum at the meetings of the Board shall be more than half of the members, among them a government representative.
- (b) If there is not a quorum owing to the absence of a Government representative, the meeting shall be adjourned for one week ; if the adjourned date falls on a day of rest, within the meaning of the Days of Rest Ordinance, 5708-1948(1), the meeting shall be held on the following day. At a meeting adjourned as aforesaid, half of the members shall be a quorum even in the absence of a Government representative.

Decisions of Board.

7.

- (a) The decisions of the Board shall be adopted by a majority of the votes of those participating in the voting. Where the votes are evenly divided, the chairman shall have a casting vote. Those abstaining from voting shall not be counted either in favour or against.
- (b) The chairman of a meeting of the Board may determine that a particular decision adopted at that meeting shall not take effect immediately, in order that the Ministers may be able to express an opinion thereon. If within ten days from that meeting one of the Ministers notifies the Board of his opposition to the decision, the decision shall take effect if it is confirmed by the Board by a majority of two thirds of those present, even in the absence of a Government representative, provided that at least half of the members of the Board are present; if neither of the Ministers notifies his opposition within ten days as aforesaid, the decision shall take effect at the expiration of that period. The provisions of this subsection shall not affect the power of the Ministers or of one of them to approve decisions of the Board if those decisions require their or his approval under the provisions of this Law.
- (c) A decision of the Board adopted at an adjourned meeting under section 6 (b) without the participation of a Government representative shall be brought to the knowledge of the Ministers. If the Ministers notify the Board of their opposition to the decision within seven days from the day on which it is brought to their knowledge, the decision shall not take effect unless it is confirmed by the Board by a two-thirds majority of those present. If the Ministers do not notify their opposition within seven days as aforesaid, the decision shall take effect at the expiration of that period.
- (d) Notices of meetings of the Board shall be sent to the members least seven days in advance.

Procedure of Board.
Manager of Board.

8. The Board shall prescribe its rules of procedure and the right to sign in its name in so far as these matters are not prescribed by this Law.

9. The Board shall, with the approval of the Ministers, appoint a manager of the Board either from among its members or otherwise: Provided that a manager shall not be appointed from among the members of the Board save by decision by

Executive. a three-quarters majority.
10.

- (a) The Board shall have an Executive of not more than thirteen members, three of whom shall be appointed by the Ministers from among the representatives of the Government. The chairman and vice-chairman of the Board shall also be the chairman and vice-chairman of the Executive. The other members of the Executive shall be appointed by the Board from among its members, other than Government representatives: Provided that the number of growers' representatives on the Executive shall be twice that of the other representatives of the public.
- (b) The Board shall prescribe the work procedures of the Executive and the provisions of sections 5 to 7 shall apply mutatis mutandis to the Executive.

CHAPTER THREE: FUNCTIONS AND POWERS

Functions
of Board.

11. The functions of the Board shall be -

- (1) to develop, encourage and consolidate the fruit industry, including the improvement of the methods of cultivation, increase work productivity and carry out any other activity calculated to contribute to the development and consolidation of the fruit industry ;
- (2) to assure a fair price to growers;
- (3) to take measures to reduce the cost of production and marketing;
- (4) to ensure a regular supply of fruit to the population at appropriate prices ;
- (5) to encourage and initiate research connected with the fruit industry and its products, including market research, research as to marketing and packing methods and other similar research;
- (6) to regulate production, and marketing in Israel and abroad, of every species of fruit prescribed by the Minister of Agriculture by notice in Reshumot.

Powers of
Board in
carrying out
its functions.

12.

- (a) The Board shall be the representative of the fruit industry vis-a-vis the Government and shall advise it on any subject within the scope of the Board's functions.
- (b) The Board shall be competent to do any act for the carrying out of its functions, and in particular -
 - (1) to buy and sell materials and equipment required for the production and marketing of fruit, including the acquisition and import of improvement materials, seeds, saplings, fertilisers, crop-dusting materials and packing materials; but the aforesaid shall not confer upon the Board an exclusive right to buy or sell these products ;
 - (2) with the approval of the Ministers - to accept loans and advance payments for the financing of activities within the scope

- of its functions, to provide security and to grant floating or fixed charges on its property ;
- (3) with the approval of the Ministers - to grant loans and aid in any manner for the financing of activities within the scope of its functions and to accept security and charges;
- (4) to charge agricultural produce delivered to it for marketing, or the proceeds of the sale thereof, with a fixed or floating charge, provided that the Minister of Agriculture or a person empowered by him in that behalf has given his approval.
- (c) The Board may appoint committees to make recommendations to it on matters or categories of matters designated by it. The members of the committees may or may not be members of the Board so long as at least one is a Government representative on the Board.

Pest control
and prevention. **13.**

- (a) The Board may, with the approval of the Ministers, initiate and carry out for and at the expense of growers, with or without their consent, operations for the control and prevention of diseases and pests which in its opinion threaten fruit crops or plantations and may impose on a grower a proportional part of the expenses according to the area occupied or quantity of fruit produced by him. Operations under this section for the control or prevention of diseases and pests shall be carried out in accordance with the provisions of the Plant Protection Law, 5716-1956(1).
- (b) A person acting on behalf of the Board in pursuit of the objects mentioned in subsection (a) may enter any area and carry out therein any operation required therefor.
- (c) The Board shall prescribe the mode of requiring growers to pay for control and prevention operations and of collecting the payments, including collection in the manner in which the Board collects levies imposed by it under the provisions of this Law.
- (d) Decisions of the Board under this section, including decisions as to the modes of imposing expenses on growers, shall be published in Reshumot, and any person who considers himself aggrieved by a decision as aforesaid may, within thirty days from the day on which it was delivered to him, lodge objection with an objection committee designated for the purposes of section 23. An objection committee may confirm or vary the decision, and its decision shall be final. Objection to a decision of the Board shall not stay the carrying out thereof unless the committee otherwise directs.

Advertising. **14.**

- (a) The Board may advertise Israeli fruit in Israel and abroad and carry out any other similar activity which in its opinion may contribute to the expansion of fruit marketing, and it may also impose control on the modes of the advertising of Israeli fruit by others, and regulate such advertising at its discretion.
- (b) The Board may require growers or distributors to finance the activities

referred to in subsection (a) in such manner or according to such method as the Minister of Agriculture may prescribe by regulations with the approval of the Economic Committee of the Knesset. Such requirements may be general or restricted.

Powers reserved to the Board.

15. The following powers are reserved to the Board alone:

- (1) the power to make decisions as to the budget of the Board ;
- (2) the power to appoint a control committee;
- (3) the power to appoint a manager of the Board;
- (4) the power to make rules ;
- (5) any other power which the board decides to reserve to itself alone.

Establishment of bodies corporate.

16. The Board may, with the approval of the Ministers, establish or join any body corporate, in such manner as it may see fit, if it is necessary so to do in order to promote its objects.

Saving of powers.

17. The existence of the Board, its Executive or any of its committees, and the validity of the decisions of any of these, shall not be affected by the vacancy of the place or a defect in the appointment of any of its members.

Auxiliary powers.

18. Where under the provisions of this Law the Board is authorised to regulate anything or permit it to be carried out, it may make the carrying out thereof subject to such conditions as it may prescribe or may restrict or prohibit it, and it may suspend or annul an authorisation or permit granted by it in respect of the carrying out of any act.

Functions and powers of Executive.

19.

- (a) The Executive shall implement the decisions of the Board and manage the affairs of the Board in accordance therewith, shall carry out the functions assigned to it by the Board and shall, with regard to the said affairs, be competent to exercise all the powers of the Board, except those reserved to the Board alone.
- (b) The Executive may from time to time assign to one or some of its members or of the members of the Board executive functions, subject to its decisions.
- (c) At the request of one third of the members of the Executive attending a meeting thereof, any matter considered thereat shall be referred to the plenum of the Board for consideration and decision. A request as aforesaid shall be submitted to the chairman of that meeting.

CHAPTER FOUR: REGULATION OF FRUIT PLANTING AND FRUIT-GROWING

Rules for planning of planting.

20. The Board may, subject to the decisions of the Minister of Agriculture, prescribe rules concerning the planning of the planting of fruit or a particular species of fruit in relation to the following matters:

- (1) the regulation of the planting of plantations of fruit of a particular species, according to seasons or regions or some other principle of planning ;

- (2) the regulation of the production of reproduction material and the rationing or limitation in any other manner of the means of production, including the control of operations in nurseries and the regulation of production therein ;
- (3) the improvement of production in fruit plantations so as to ensure quality, quantity and compliance with consumer demands in the local market and abroad;
- (4) the regulation and control of the harvesting, transportation and warehousing of fruit;
- (5) the receipt of data from growers concerning the location, size and kinds of plantations, the fruit produced and the times and cost of production.

Determination of volume of production and planting.

21.

- (a) The Minister of Agriculture shall prescribe the national volume of the planting of fruit plantations, and the Board may advise him in connection therewith.
- (b) The Minister of Agriculture may prescribe the division of the national volume of planting into individual planting quotas, according to regions or according to the economic position and stage of development of categories of agricultural farms or of particular agricultural farms, and he may delegate all or part of his powers under this subsection to the Board or to an employee of his Ministry, which or who shall act in accordance with his directives.
- (c) No person may plant or sow fruit plantations save if an individual quota has been fixed for him and to an extent not exceeding that quota.

Quota committee.

22.

- (a) If the Minister of Agriculture does not exercise his power under section 21 (b), he shall appoint, from among the members of the Board or otherwise, a quota committee, which shall have the powers vested in him by section 21 (b), except the power of delegation.
- (b) A decision of a quota committee signed by the chairman thereof and fixing an individual planting quota or refusing to fix such a quota shall be served upon the applicant through the Board and if sent to him by registered post at his ordinary or last place of residence or business shall be deemed to have been served upon him at the expiration of ten days from the day on which it was delivered to the Post Office.

Objection.

23.

- (a) A person who considers himself aggrieved by the fixing of an individual planting quota under section 22 or by a refusal to fix such a quota may lodge objection with an objection committee within fifteen days from the day on which the decision was delivered to him.
- (b) An objection committee may confirm or vary an individual planting quota and its decision shall be final.
- (c) For the purposes of subsection (a), the Minister of Agriculture shall, as

may be necessary, appoint objection committees of five members otherwise than from among the members or employees of the Board. Three members of an objection committee, including the chairman, shall be a quorum at the meetings thereof. A person who is or less than a year ago ceased to be a member of a quota committee shall not sit on an objection committee.

- (d) The members of an objection committee shall be two employees of the Ministry of Agriculture and three persons recommended by the Board and not being members or employees thereof. The chairman of the Committee shall be an employee of the Ministry of Agriculture and at least one of the persons recommended by the Board shall not be a growers' representative.
- (e) An objection committee shall prescribe its rules of procedure in so far as they are not prescribed by the Minister of Justice.
- (f) An objection committee shall send its decision, in writing, to the objector.

Joint quotas
of cooperative
societies.

24.

- (a) A cooperative society shall represent its members for the purposes of individual planting quotas and shall have one planting quota fixed for it for all its members jointly. The society may apportion the whole or part of the joint planting quota into individual planting quotas for its members, and upon doing so, shall report to the Board. A cooperative society shall not apportion to its members individual planting quotas exceeding in the aggregate the joint quota fixed for it.
- (b) Notwithstanding the provisions of subsection (a), a cooperative society may, upon a decision of its general meeting, ask that planting quotas be allotted to each of its members separately or to part or some of its members jointly.
- (c) A member of a cooperative society who considers himself aggrieved by the fixing of an individual planting quota under subsection (a) may lodge objection with an objection committee appointed for the purposes of section 23, whose decision shall be final.

Reduction
of volume
of planting.

25.

- (a) The Minister of Agriculture may, by rules, reduce the overall area of fruit plantations, and upon deciding to do so, he shall, as far as possible, fix the reduction in respect of growers at a proportionate rate.
- (b) Notwithstanding the provision of subsection (a) concerning the rate of reduction of the area of fruit plantations in respect of growers, the Minister of Agriculture may, if he sees a reason for so doing, fix the reduction, mutatis mutandis, in accordance with the criteria indicated in section 21 (b).
- (c) The Minister of Agriculture may delegate to the Board all or part of his powers under subsections (a) and (b). The Board shall exercise them in accordance with his directives.
- (d) A grower who considers himself aggrieved by a determination under this section may within fifteen days from the day when notice thereof was delivered to him, lodge objection with an objection committee appointed

for the purposes of section 23.

- (e) The objection committee may confirm or vary the determination against which objection has been lodged, and its decision shall be final.
- (f) Notice of a determination as to the reduction of a planting area and notice of the decision of an objection committee shall be sent to the grower concerned.

Modes of fruit marketing and authorised distributors.

26.

- (a) The Board may prescribe by rules that fruit or a particular species of fruit be marketed in Israel - through the Board or otherwise, as it may prescribe - by authorised distributors on conditions prescribed in those rules. If distributors as aforesaid have been authorised, growers shall be assured of the right to choose one of them for all species or a particular species of fruit for a period of linkage of one year.
- (b) Rules prescribed for the marketing of fruit under this section shall not, unless otherwise expressly prescribed therein, apply to marketing for industrial purposes.
- (c) If the Board decides upon marketing through authorised distributors, it shall, by rules, prescribe the modes and conditions of authorisation.
- (d) A person whom the Board refuses to authorise for the purposes of this section may lodge objection with a committee of three appointed by the Minister of Justice. The chairman of the committee shall be a member of the Chamber of Advocates qualified to be appointed a Judge of a Magistrates' Court. The other members of the committee shall be appointed upon the proposal of the Ministers, and at least one of them shall not be a State employee.
- (e) Where rules have been prescribed under subsection (a), a person shall not market fruit in respect of which they have been prescribed unless he is authorised so to do under this Law.

Marketing in accordance with determination of Board.

27. Where the Board prescribes rules under section 26, a person shall be bound to market his fruit in accordance only with those rules, unless the Board has granted him a written permit to do otherwise. A permit may be general, or special to a particular grower or category of growers, a particular species of fruit, a particular period, or a particular region, and the Board may make the grant of a permit dependent on the fulfilment of such conditions as it may think fit.

Marketing by member of cooperative society.

28. Where a joint quota has been fixed for a cooperative society, a member of such society shall only market fruit through an authorised distributor chosen by the society unless the society otherwise decides.

Power of Board to regulate marketing.

29. The Board may by rules prescribe -

- (1) the duty of every grower to be linked to an authorised distributor chosen by him, either for the marketing of fruit generally or for a particular species of fruit, including the procedure and conditions of and the right and duties connected with linkage, the cancellation of linkage, the duty of authorised distributors to accept fruit from growers and the settlement of disputes arising out of linkage either by arbitration or in some other manner prescribed by the Minister of Agriculture;
- (2) the classification of fruit according to size, weight, quality or colour or

any other principle of classification and the determination of binding standards for its marketing;

- (3) the modes of treating, sorting, packing and marking fruit and the supervision of these operations;
- (4) the duty of storing fruit in cold stores or warehouses or otherwise and the duty of reporting to the Board, on such forms as it may direct, on the fruit stored, its quantities, owners or possessors and the variations of the stock in storage;
- (5) the quotas of fruit permitted to be brought to markets and the times for doing so, according to the capacity of the markets, the degree of ripeness of the fruit or any other criterion ;
- (6) fruit or kinds of fruit permitted to be marketed in Israel at particular times or intended for export only ;
- (7) arrangements for the transportation of fruit accompanied by bills of lading and the modes of supervising transportation, including the giving of security in respect of each bill of lading, and the Board's right to declare the security forfeit if any of the provisions of the rules is not complied with ;
- (8) the restriction to specific hours of the transportation of fruit to markets;
- (9) the procedure for ordering fruit from authorised distributors and from growers and for its delivery to the Board for marketing ;
- (10) the procedure for the supervision of the trade in fruit at all stages;
- (11) the duty of growers and distributors to keep records and deliver reports on such forms as the Board may direct ;
- (12) the channelling of fruit for marketing, industry or consumption in accordance with its classification and with the quantities of fruit available at the time for utilisation for each of the said purposes ; the rules as to eating-grapes for the production of alcohol shall be prescribed in consultation with the Minister of Finance or a person empowered by him in that behalf;
- (13) standards and terms and conditions as to the establishment and operation of packing-houses, sorting centres and other installations for the handling of fruit, and a stipulation that such installations may only be established under a licence from the Board and in accordance with the conditions of such licence.

Powers of
the Board as
to marketing.

30.

- (a) In respect of fruit marketed through it the Board shall be competent -
 - (1) to market it in such manner and place as it may see fit, to determine the method of apportionment of the proceeds it receives for it and for this purpose to prescribe, with the approval of the Ministers, a pooling system for each species of fruit as it may think proper;
 - (2) subject to the provisions of section 60, to prescribe rules for dealing with fruit surpluses delivered to it which, in its opinion, cannot be effectively marketed and for the payment to growers, for fruit delivered to it even though it may not have been marketed, or not delivered to it but dealt with in accordance with its directions,

- of sums fixed by it either as consideration out of the general pool or as separate compensation out of the proceeds of the sale;
- (3) to deduct, in accordance with rules prescribed by it, amounts of money from the proceeds of the sale of fruit or particular species of fruit marketed by it, so as to cover its expenses in handling, transporting and marketing the same and its running expenses for personnel, services and any other act performed by it in the exercise of its functions; the provisions of this section shall not affect the Board's right to collect from a grower or distributor any amount otherwise due to it.
- (b) A grower who disputes a decision of the Board not subject to approval by the Ministers under this section may lodge objection with the Minister of Agriculture or a person appointed by him for this purpose.

CHAPTER FIVE: EXPORT PROCEDURES

Designation
of sole
exporter.

31.

- (a) The Ministers may, by direction published in Reshumot, prescribe that the Board, or some other juristic person controlled by the government either alone or together with a board for the production and marketing of agricultural produce, shall be the sole exporter of all or a particular species of fruit produced in Israel (such an exporter hereinafter referred to as a "sole exporter"). A direction as aforesaid shall be brought to the knowledge of the Economic Committee of the Knesset prior to its publication.
- (b) The Ministers may direct that a direction issued under subsection (a) shall not apply to a particular species of fruit or that notwithstanding a direction issued as aforesaid the export of a particular species of fruit shall be permissible under a permit on behalf of the Board and in accordance with the conditions and limitations imposed by such permit.
- (c) The provisions of subsection (a) shall not affect the right of a person who before the coming into force of this Law carried on the export of particular kinds of fruit to continue doing so; the Board shall authorise him to be an exporter, so long as he meets the conditions prescribed by it, in respect of the fruit or species of fruit in the marketing of which he was engaged.
- (d) The provisions of section 32 shall apply wholly or in part, as the Board may prescribe, to an exporter authorised under subsection (c).

Powers
of sole
exporter.

32.

- (a) A sole exporter may, with the prior approval of the Board -
 - (1) export fruit received by him for export on such conditions, in such manner, at such prices, at such times and to such destinations as may have been prescribed ;
 - (2) pay the proceeds of sale to the growers direct or through authorised distributors upon the instructions of the growers, after deduction of the expenses of marketing, according to a method

prescribed by the Board with the approval of the Minister of Agriculture;

- (3) market the fruit in Israel, or direct it to local industry, through the Board.
- (b) The Minister of Agriculture may prescribe by regulations that particular activities assigned to a sole exporter, other than the Board, shall be carried out by or through the Board. Regulations as aforesaid shall be brought to the knowledge of the Economic Committee of the Knesset prior to publication.

Obligations in connection with export.

33. The Board may, with the approval of the Minister of Agriculture, require growers or authorised distributors -

- (1) to assign for export part of their fruit or of the fruit at their disposal and to treat the same in such manner as the Ministers of the Board may direct;
- (2) to place fruit intended for export at the disposal of the Board, or of such person as the Board may direct, in such manner, in such place, at such time and in such packaging as the Board may direct: Provided that the consideration for the fruit shall be prescribed by the branch committee with the approval of the Minister of Agriculture.

Treatment of fruit intended for export.

34. The Board may prescribe by rules -

- (1) the modes of treatment of fruit intended for export, from the time of picking to the time at which it is placed at the disposal of the exporter, including the conditions of packing, warehousing and transportation;
- (2) special treatment to be given to land and plantations where fruit intended for export is produced, in order to ensure quality, cleanliness and proper hygienic conditions.

Export expenses and export funds.

35. A sole exporter may, with the approval of the Board, deduct from the proceeds of the sale of fruit exported, in such place, at such rate and in such manner as the Ministers may direct, amounts to cover his expenses in respect of the export of the fruit, including expenses of advertising and market development, and to create funds for the encouragement of exports.

CHAPTER Six : FUNDS, LEVIES AND MAINTENANCE OF PRICES

Levies.

36.

- (a) The Board may by rules, with the approval of the Minister of Agriculture and the consent of the Minister of Finance -
 - (1) impose levies on growers, authorised distributors or exporters ; which may be general or restricted or graded according to regions or species of fruit and also according to the season of marketing, destination, weight or form of packaging of the fruit;
 - (2) prescribe tunes and modes for the payment of the levies, including deductions from the consideration for fruit sold through the Board, authorised distributors or exporters or otherwise ;

- (3) require growers, authorised distributors and exporters to keep records and make reports for the purpose of the levies.
- (b) Levies under this section shall be used -
 - (1) to create special funds for financing expenses involved in measures to regulate fruit marketing, such as the absorption of fruit surpluses, the supply of fruit to industry and the export of fruit;
 - (2) to finance the administrative expenses of the Board to an amount not exceeding three per cent of the proceeds of the sale by wholesale of the fruit marketed in the preceding season.

Funds.

37.

- (a) The moneys of the levies imposed on a particular species of fruit shall, after deduction of the amount intended to cover the administrative expenses of the Board, be placed to the account of a special fund for the species on which the levies were imposed and be used for purposes of that species only: Provided that the Board may -
 - (1) transfer up to 10 per cent of the moneys of the said levies to a general fund, for the conduct of activities relating to different species of fruit;
 - (2) debit each special fund with its administrative expenses, according to such division among the funds as the Board shall prescribe;
 - (3) with the approval of the Ministers return the balances of the levy moneys to the growers.
- (b) The Board may select, from among its members or otherwise, branch committees for each species of fruit which shall recommend to it the procedures of the special fund of the species.
- (c) A special fund may be shared with the Government, in which case the Government may stipulate that the Accountant-General shall manage the fund.
- (d) The Board shall, with the approval of the Ministers and the Economic Committee of the Knesset, prescribe rules as to the establishment of the funds.

Exemption from income tax.

38. The levy moneys transferred to funds the objects of which have been approved by the Minister of Agriculture and the Minister of Finance shall be exempt from tax within the meaning of the Income Tax Ordinance(1).

Maintenance of prices of produce by Board.

39.

- (a) To assure growers of a fair return for the fruit, the Board may, with the approval of the Ministers given after consultation with the Minister of Finance, prescribe all or any of the following, having regard to fluctuations in production costs, to market prices and to consumers:
 - (1) guaranteed prices before or at the beginning of the season and minimum prices, from time to time, during the season ;
 - (2) financial subsidies;
 - (3) the purchase of surpluses.
- (b) The approval of the Ministers may be general or restricted according

- to species of fruit, the date of the harvest or any other similar criterion.
- (c) The Board may make a return as referred to in subsection (a) conditional upon compliance with directions as to production, treatment and marketing, including directions issued by it as to maintenance of a production framework prescribed generally or in respect of a particular species of fruit.

CHAPTER SEVEN: BUDGET AND ADMINISTRATION

Budget
of Board.

40.

- (a) Not later than two months before the beginning of any financial year, the Board shall submit a draft budget for such financial year to the Ministers for approval.
- (b) The Board shall not expend any moneys or incur any financial liability or carry out any financial operation save in accordance with a budget approved by the Ministers.
- (c) The Board may during the financial year submit to the Ministers for approval -
 - (1) separate income-and-expenditure budgets of the funds, as shall be prescribed by it from time to time, in accordance with the provisions of this Law;
 - (2) a draft additional budget.

Structure
of budget.

41.

- (a) The Budget of the Board shall be divided into separate heads of income and expenditure for the different matters covered by it.
- (b) The Board shall not expend moneys otherwise than for the purpose to which they are appropriated in the approved budget unless the Ministers have approved the expenditure prior to its being made.

Forecast of
activities
of Board.
Financial
system.

42. At the request of the Ministers, the Board shall, together with the draft annual budget, submit a forecast of its activities.

43. The Ministers may enact by regulations provisions as to the Board's financial system and the supervision thereof, including the submission of budgets, financial forecasts and reports to the Ministers and the publication of annual balance-sheets.

Employees
of Board
and conditions
of employment.

44. The practice regarding engagement of employees, staff establishment, pay and benefits, and other conditions of employment shall be the same for employees of the Board as they are for State employees, with such adaptations and variations as the Board may with the approval of the Ministers prescribe.

Control
committee.

45.

- (a) The Board shall, with the approval of the Ministers, appoint a control committee to supervise the activities of the staff of the Board and to carry out other supervisory functions assigned to it from time to time by the Ministers or the Board.
- (b) A member of the control committee shall not be a member of the

Board or of a committee of the Board which has executive powers or the power to make recommendations for executive action.

- (c) The members of the control committee shall have the right of access to the offices of the Board, to the property occupied by it and to all documents, books and accounts in its possession and may carry out any such examination thereof as they may see fit.
- (d) The control committee shall submit an annual report to the Ministers and the Board not later than six months after the expiration of every financial year and may submit to them during any financial year comments and findings as to any matter within the scope of its functions.
- (e) The control committee shall itself prescribe the procedure for its work and deliberations.

CHAPTER EIGHT: OFFENCES

Fine.

46.

- (a) Where any grower, carrier or distributor, either by himself or through his employees or agents, contravenes any of the provisions of this Law, a fines committee established under section 48 may impose on him a fine not exceeding one thousand pounds for every dunam of land and/or a fine not exceeding one pound for every kilogramme of fruit or products in respect of which the offence is committed.
- (b) A person who has been fined under subsection (a) shall not be brought to trial for the act which was the ground for the imposition of the fine.

Destruction of thing in respect of which offence was committed.

47.

- (a) Where a person has committed an offence under any of the provisions of Chapter Four or the regulations made or directions issued thereunder, a fines committee established under section 48 the chairman of which is a Judge of a Magistrates' Court may, by disposal order, require that person to destroy, within a time prescribed in the order, the things in respect of which the offence was committed. Compliance with the order does not release from criminal responsibility for the offence.
- (b) Where a person does not carry out a disposal order issued to him, the Board may carry it out at his expense.
- (c) Where a person commits an offence in relation to which a disposal order may be made, a person empowered in that behalf by the Board may, for a period not exceeding twenty-eight days, prohibit the transfer to another person, or the removal, of things to which the disposal order is likely to apply.
- (d) Where a person to whom a disposal order was issued succeeds in an appeal against his conviction, the Board shall compensate him for the actual damage suffered by him in consequence of the order.

Fines committees.

48.

- (a) Fines committees shall be established.

- (b) A fines committee shall hear matters by a bench of three, viz. a Judge of a Magistrates' Court, or a member of the Chamber of Advocates qualified to be a Judge of a Magistrates' Court, who shall be appointed by the Minister of Justice and shall act as chairman of the committee, and two representatives of the public.
- (c) The Ministers shall select two panels of representatives of the public, one from lists submitted to them by organisations which in the opinion of the Ministers are representative organisations of growers, the other from lists submitted to them by organisations which in the opinion of the Ministers are representative organisations of authorised distributors. Members of the Board shall not be included in the panels.
- (d) The chairman of the committee shall, from the panels selected under subsection (c), choose the representatives of the public who shall hear any particular matters.
- (e) Notice of the establishment and addresses of the fines committees shall be published in Reshumot.
- (f) The Minister of Justice may prescribe the procedure of the committees.

Representation
of Board
before fines
committee.
Hearing of
the accused.
Appeal.

49. An information shall be filed with a fines committee by the Attorney-General or his representative on the application of the Board.

50. A fines committee shall not impose a fine before it has given the accused a reasonable opportunity to be heard.

51. A person who considers himself aggrieved by a decision of a fines committee may appeal to the District Court within thirty days from the day on which the decision was delivered to him, and the decision shall for the purposes of the appeal be treated like a judgment of a Magistrates' Court in a criminal matter. But an appeal against a decision, including a disposal order, shall not stay the carrying out thereof unless the Court otherwise decides.

Enforcement
of fine.

52. A decision of the fines committee against which no appeal has been filed and a decision of the court in an appeal against a decision of a fines committee shall, as to everything relating to enforcement, be treated like a final judgment of a competent court in a civil case. The Board may deduct the fine from the proceeds of the sale of fruit to the person fined.

Inspection.

53.

- (a) The Board may appoint in writing, for a period not exceeding twelve months, an inspector who shall be competent, whenever he has reason to believe that it is necessary so to do to ensure the implementation of this Law or to prevent an offence against its provisions -
 - (1) to enter any place and stop any means of transport and carry out a search therein: Provided that a place used as a dwelling may only be entered under a search warrant of a competent court and that the provisions of sections 26 to 30 of the Criminal Procedure (Arrest and Searches) Ordinance (New Version), 5729-1969(1), shall apply mutatis mutandis to a search under this paragraph ;
 - (2) to require any person who has in his possession or is transporting any fruit - except a quantity of fruit for his own consumption, as determined by the Board by rules - to produce the documents relating to that fruit and to furnish particulars in

connection therewith.

- (b) The inspector may seize fruit or any other thing if he has reasonable grounds for believing that an offence under this Law was committed in respect thereof, and he may seize packing materials or documents which he reasonably assumes are likely to serve as evidence particulars in connection therewith.

Duty to supply information, samples, etc.

54.

- (a) A person shall furnish the inspector, at his request, with any information, samples, books and other documents which in the inspector's opinion are calculated to ensure or facilitate control of the implementation of this Law.
- (b) Samples furnished under subsection (a) may be analysed in a laboratory and dealt with in any other way.

Examination.

55. Notice of the appointment of inspectors under section 53 shall be given to the Minister of Police, and the Minister of Police may empower them, by general or special order, for a period not exceeding twelve months, to conduct examinations for the purpose of preventing or discovering contraventions of this Law, and an inspector empowered as aforesaid may exercise all the powers vested in a police officer of or above the rank of inspector by section 2 of the Criminal Procedure (Evidence) Ordinance(2).

Recording of answers.

56. The answers of a person examined under section 55 shall be recorded and signed as provided in section 3 of the Criminal Procedure (Evidence) Ordinance.

Dealing with things seized.

57.

- (a) A thing seized under section 53 (b) may be retained until a court or fines committee with which a charge as to an offence committed in relation to such thing has been filed decides how it shall be disposed of. Where a charge as aforesaid is not filed within forty days from the date of the seizure, the thing seized shall be returned; and where a doubt arises as to whom it is to be returned to, the chairman of the committee in the area of jurisdiction of which it was seized shall decide the question on the application of a person who claims the thing or an interest therein or of the Board if the same so claims.
- (b) Where a thing seized under subsection (a) is likely to deteriorate unless sold forthwith, either owing to its special nature or for some other reason, the Board may sell it at a price obtaining on the date of the sale. The proceeds of the sale shall be deposited with the Board, and the provisions of subsection (a) shall apply to them as if they were the thing seized.

Substandard fruit.

58. Notwithstanding the provisions of section 57, the Board may, in accordance with prescribed rules, destroy fruit seized under section 53(b) which does not conform to the standard prescribed for marketing that kind of fruit under section 29 (2).

Penalties.

59. A person who, either by himself or through his agent, factor, worker or representative, contravenes any of the provisions of this Law or infringes any of the conditions of a licence or permit issued under this Law or obstructs or

prevents an inspector or any other person acting on behalf of the Board from carrying out his functions or refuses to give answers, or gives incorrect answers, in documents addressed to him by the Board under the provisions of this Law shall be liable to a fine of 10,000 pounds or to imprisonment for a term of two months.

CHAPTER NINE: MISCELLANEOUS PROVISIONS

Prohibition of destruction of surpluses.	60. Fruit surpluses may only be destroyed under a permit from the Minister or the Director-General of the Minister of Agriculture, and such a permit may only be issued if the Minister or the Director-General, as the case may be, is satisfied that they cannot be used for any useful - including charitable - purpose.
Approval of rules of Board.	61. Rules of the Board, other than by virtue of section 36, require the approval of the Ministers and shall be published in Reshumot after being brought to the knowledge of the Economic Committee of the Knesset.
Variation of Schedule.	62. The Ministers may, by notice published in Reshumot, vary the Schedule after consultation with the Board and advance notice to the Economic Committee of the Knesset.
The Board as an agent of the government.	63. The Government may, either generally or in respect of a particular case or category of cases, prescribe that the Board shall be its agent for the grant of financial subsidies to ensure fair prices for fruit and for means of production connected with fruit production within the purview of the Board, and for carrying out any other activity.
Insurance against natural hazards.	64. <ul style="list-style-type: none">• (a) The Board may insure growers, with or without their consent, against natural hazards, either by creating an internal fund of the Board or through bodies corporate carrying on insurance against natural hazards. For this purpose, the Board may require payment of insurance contributions prescribed for any fruit or species of fruit and deduct the insurance premiums from the proceeds of the sale of fruit. The provisions of this section shall not affect the right of any insurance fund to collect insurance premiums in any manner whatsoever or to make the effectuation of insurance conditional upon premiums being paid in advance.• (b) Where the Board has insured growers under subsection (a), it may, with the consent of the insured, present claims in respect of damage caused to them and make in their name any written waiver, certificate or declaration pertaining to such insurance.
Fees.	65. The Ministers may by order, after consultation with the Board and with the approval of the Economic Committee of the Knesset, prescribe fees for the grant or renewal of a licence or permit, or the issue of a document or rendering of a service, under the provisions of this Law.
Implementation and regulations.	66. The Ministers are charged with the implementation of this Law and, save as otherwise provided, may make regulations as to any matter relating to its implementation.
Delegation of powers.	67. The Ministers may delegate their powers under this Law, except the power to make regulations, to approve rules, to approve the Budget of the Board, to approve procedure under section 44 and to grant permits under section 60.

Saving of powers and obligations.

68. Save as otherwise provided in this Law, a power conferred by this Law shall not derogate from a power conferred by any other enactment, and the fulfilment of an obligation imposed by this Law shall not release from an obligation imposed by any other law.

Order for discontinuance of Board's activities.

69.

- (a) The Ministers may by order, with the approval of the Economic Committee of the Knesset, direct the discontinuance of the activities of the Board, or dissolve it, if in their opinion -
 - (1) it does not meet its obligations and liabilities;
 - (2) it does not efficiently fulfil the purposes for which it was established.
- (b) The Ministers may dissolve the Board by order with the approval of the Economic Committee of the Knesset if in their opinion the circumstances under and objects for which it was established have changed.
- (c) The Ministers may only exercise their power under subsection (a) after the Board has been given written warning and has not remedied the position.
- (d) For the purposes of subsection (a), the Ministers shall, as may be necessary, enact by regulations provisions as to proceedings for the dissolution of the Board, the modes of discharging its debts and liabilities and realising its rights and the disposal of its property and of the surplus moneys held by it.

Transitional provisions.

70. Upon the establishment of the Board, there shall be transferred to it all the immovable and movable property of the company registered under the name "Fruit Production and Marketing Board," every vested or contingent right and every interest it has in any property and all the debts owed and liabilities validly incurred by it.

Publication.

71. This Law shall be published in Reshumot within thirty days from the day of its adoption by the Knesset.

SCHEDULE

(Sections 1 and 62)

- | | |
|-------------------------|-------------------------------------|
| 1. Avocado | 22. Litchi |
| 2. Mango | 23. Carambolav |
| 3. Persimmon | 24. Feijoa |
| 4. Loquat | 25. Pitanga |
| 5. Guava | 26. Pappea |
| 6. Annona | 27. Pineapple |
| 7. Bananas | 28. Mulberry |
| 8. Pears | 29. Juglans regia |
| 9. Quinces | 30. Peanuts |
| 10. Apples | 31. ; Chestnuts |
| 11. Peaches, nectarines | 32. Macadamia |
| 12. Apricots | 33. Actinidia |
| 13. Plums | |
| 14. Cherries | <i>European Varieties of Olives</i> |
| 15. Dates | 34. Merhavva |
| 16. Eating-grapes | 35. Manzanillo |
| 17. Figs | 36. Nuovo de Sicrona |
| 18. Pomegranates | 37. Sde Eliyahu 5 |
| 19. Almonds | 38. Kalamata |
| 20. Pecan nuts | 39. Conservolia |
| 21. Passiflora | |

GOLDA MEIR
Prime Minister

HAIM BAR-LEV
*Minister of Commerce
and Industry*

HAIM GVATI
*Minister of
Agriculture*

EFRAYIM KATZIR
President of the State

* Passed by the Knesset on the 25th Tammuz, 5733 (25th July, 1973) and published in *Sefer Ha-Chukkim* No. 715 of the 25th Av, 5733 (23rd August, 1973), p. 310 ; the Bill and an Explanatory Note were published in *Hatza'ot Chok* No. 867 of 5730, p. 42.