

WHEAT FORUM

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03 October 2024

Dear Stakeholders of the Winter Cereal Industry

INDUSTRY MEMO

On behalf of the Wheat Forum, we are writing to clarify the roles and responsibilities of the **South African Winter Cereal Industry Trust (SAWCIT)** and the **South African Winter Cereal Industry Agency NPC (SAWCIA)** and their significance to the Winter Cereal Industry.

SAWCIT is an inter-vivo agricultural trust established to manage voluntary levies and support industry functions such as research and transformation. Following the approval of statutory measures by the Minister of Agriculture, which were gazetted on 27 September 2024, the trustees will determine the future of SAWCIT at their next meeting the end of October 2024.

SAWCIA NPC has been established as the governing body responsible for administering statutory measures related to the winter cereal industry. This includes collecting and managing statutory levies from commodities such as wheat, barley, and oats, which will be maintained in separate accounts to ensure transparency and accountability.

These levies are imposed on all winter cereal products sold, imported, processed, or exported within South Africa, as outlined in the statutory measures gazetted on 27 September 2024.

The statutory levies provide financial support for critical industry functions, including information gathering, research, and transformation initiatives.

To further assist you in understanding the framework within which SAWCIA will operate, we have included the following annexures:

1. [Government Gazette No. 11742, dated 27 September 2024](#)
2. [SAWCIA Levy Declaration Form](#)
3. [SAWCIA Collections Agencies Database](#)

These documents offer critical insights into the Statutory Measures and Financial Structures governing the Winter Cereal Industry.

Please note that a new service provider to support **SAWCIA NPC** will be appointed soon.

Should you have any questions or require further clarification, please do not hesitate to contact our offices.

Yours sincerely,



PROF ANDRÉ JOOSTE
CHAIRPERSON



Government Gazette Staatskoerant

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Contents

<i>No.</i>		<i>Gazette No.</i>	<i>Page No.</i>
GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS			
Agriculture, Land Reform and Rural Development, Department of / Landbou, Grondhervorming en Landelike Ontwikkeling, Departement van			
R. 5232	Marketing of Agricultural Products Act (47/1996): Establishment of statutory measure and determination of guideline prices: Levies relating to wheat, barley and oats	51305	3

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. R. 5232

27 September 2024

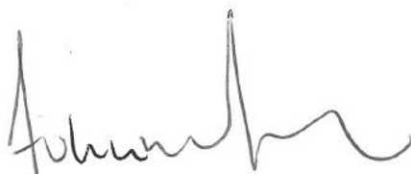
**MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996
(ACT No. 47 OF 1996)****ESTABLISHMENT OF STATUTORY MEASURE AND DETERMINATION OF
GUIDELINE PRICES: LEVIES RELATING TO WHEAT, BARLEY, AND OATS**

I, John Henry Steenhuisen, Minister of Agriculture, acting under sections 13 and 15 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), hereby –

(a) establish the statutory measure set out in the Schedule hereto; and

(b) determine the guideline price, per metric ton, for –

- (i) wheat as R 6 728
- (ii) barley as R 6 728 and
- (iii) oats as R 3 694.



(MR) J.H. STEENHUISEN (MP)
MINISTER OF AGRICULTURE

SCHEDULE

Definitions

1. In this Schedule any word or expression to which a meaning has been assigned in the Act shall have that meaning, and unless the context otherwise indicates –

- “**Approved silo owner**” means a silo owner approved by the Clearing House.
- “**Clearinghouse**” means the JSE Commodities Exchange or any other body corporate or unincorporated association or department of the JSE Securities Exchange of South Africa, recognized as such by the Registrar of Financial Markets.
- “**Company**” means SA Winter Cereal Industry Agency NPC (SAWCIA).
- “**barley**” means the kernels of the genus *Hordeum*.
- “**importer**” means any person who imports winter cereal from another country into the Republic of South Africa.
- “**JSE**” means the Johannesburg Stock Exchange or its successor in title.
- “**oats**” means the kernels of the genus *Avena*.
- “**producer**” means a person who produces winter cereal or a person on whose behalf winter cereal is produced.
- “**Silo receipt**” means a transfer document, utilised as symbolic delivery of the underlying product, issued by an approved silo owner in the form prescribed and, on the terms, set out in the JSE Futures Contract.
- “**SAGIS**” means the South African Grain Information Service NPC, an association not for gain incorporated under the Companies Act, 1973 (Act No. 61 of 1973).
- “**The Act**” means the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996).
- “**wheat**” means the kernels of the species *Triticum aestivum*.
- “**Winter cereal**” means wheat, barley and oats.
- “**oats**” means grains of the genus *Avena*.

Purpose and aims of statutory measure and the relation thereof to the objectives of the Act.

2. The purpose and aims of this statutory measure are to provide financial support to winter cereal information, research, and transformation functions, which the winter cereal industry identified as essential and are in the interest of the industry. The winter cereal industry and directly affected groups consider the maintenance of macro industry information essential for strategic planning purposes. Continuously supplying generic market information to all role players is critical for the market to operate effectively.

The winter cereal industry supports the principle that generic market information be obtained using statutory measures in terms of the Act and that SAGIS should be the official vehicle to achieve this. SAGIS also operates as an official information service for the maize, sorghum, and oilseeds industries. A statutory levy is required to ensure that the winter cereal industry shares in the gathering and disseminating of proper market information. Proper and accurate winter cereal market information, which is provided continuously and timely, will not only increase market access for all participants but also promote efficiency in the marketing of winter cereals and winter cereal products. Furthermore, Proper market information will enhance the viability of the winter cereal industry and the agricultural sector. Market information also enhances food security, as information on national stock levels of winter cereal is available for the market to function properly.

The agricultural sector is expected to ensure food security, strengthen the economy, and create job opportunities. This can be reconciled with the provisions of Section 2(3) of the Act. Continued research is essential to achieving these aims and furthering the competitive position of the winter cereal industry. According to experts in the field of research, the good performance of the South African agricultural sector, despite the lack of high-potential arable land, could be mostly attributed to the development and application of agricultural research results. The complex interaction between crop behavioural patterns and external factors affecting them, such as diseases and pests, often impacts production and quality negatively, thus creating an urgent demand for new technology to keep the agricultural sector profitable. Accounts should also be taken into account for consumer preferences within the market. Specific infrastructure has been created over time regarding research, and it is essential that this infrastructure be retained and maintained to the benefit of the winter cereal industry.

South African products must conform to international quality standards to optimise export earnings. Researchers and breeders must ensure that locally produced winter cereal is competitive internationally. A significant portion of the funds collected through the levy will be focused on small-scale farmers and the transformation of the winter cereal industry.

The SA Winter Cereal Industry Agency NPC (SAWCIA) shall administer the statutory measure. Levies collected for the different commodities shall be administered in separate accounts.

SAWCIA has experienced an increase in research applications over the past few years. Levy funds are required to partly compensate for the diminished funds available from other sources regarding research and to make provision for new research projects to be funded. However, the calculation of a continued levy and the SAWCIA's budget depends on the Government continuing to fund its proportion of winter cereal research.

In determining the amounts of the levies applied, cognisance was taken that a separate application for a statutory levy to support seed breeding programs for wheat and barley would be submitted.

Product to which statutory measure applies.

3. This statutory measure shall apply to winter cereal.

Area in which statutory measure applies.

4. This statutory measure shall apply within the geographical area of the Republic of South Africa.

Imposition of levy

5. A levy is hereby imposed on all winter cereal –

(a) sold by or on behalf of the producer thereof.

(b) imported into the Republic of South Africa.

(c) processed or converted or caused to be processed or converted into a winter cereal product by or on behalf of the producer thereof if the winter cereal product is intended to be disposed of.

(d) exported from the Republic of South Africa if the levy in respect of such winter cereal has not already been paid in terms of paragraphs 5 (a), (b) or (e); and (e) in respect of which a silo receipt has been issued, if the levy in respect of such winter cereal has not already been paid in terms of paragraph (a) or (b).

Amount of levy

6. The amounts of the levies (excluding Value Added Tax) will be as follows:

<i>Commodity</i>	<i>Period</i>	<i>Amount (VAT excluded)</i>
Wheat	1/10/2024 to 30/09/2025	R 12.00 per metric ton
	1/10/2025 to 30/09/2026	R 12.70 per metric ton
	1/10/2026 to 30/09/2027	R 13.40 per metric ton
	1/10/2027 to 30/09/2028	R 14.30 per metric ton
Barley	1/10/2024 to 30/09/2025	R 12.00 per metric ton
	1/10/2025 to 30/09/2026	R 12.70 per metric ton
	1/10/2026 to 30/09/2027	R 13.40 per metric ton
	1/10/2027 to 30/09/2028	R 14.30 per metric ton
Oats	1/10/2024 to 30/09/2025	R 10.00 per metric ton
	1/10/2025 to 30/09/2026	R 10.60 per metric ton
	1/10/2026 to 30/09/2027	R 11.20 per metric ton
	1/10/2027 to 30/09/2028	R 11.90 per metric ton

Persons by whom levies are payable.

7. (1) The levy payable in terms of clause 5 shall –

(a) in the case of a levy contemplated in clause 5(a), be payable by the buyer of the winter cereal.

(b) in the case of a levy contemplated in clause 5(b), be payable by:

(i) the buyer of the winter cereal where the winter cereal is sold by the importer; and

(ii) the importer of the winter cereal where the importer is also the processor thereof.

(c) in the case of a levy contemplated in clause 5(c), be payable by the processor or converter of the winter cereal.

(d) in the case of a levy contemplated in clause 5(d), be payable by the exporter of the winter cereal; and

(e) in the case of a levy contemplated in clause 5(e), be payable by the person issuing such silo receipt.

(2) The amount of the levy payable by the buyer in terms of sub-clause (1)(a) and (b)(i) may be deducted from the purchase price payable to the producer or the importer, respectively.

(3) The amount of the levy payable by the person issuing the silo receipt in terms of sub-clause 1(e) may be recovered from the person to whom such silo receipt is issued.

Payment of levy

8. (1) Payment of a levy imposed in terms of clause 5 shall be made by the persons contemplated in clause 7 not later than the last day of the month following the month in which the winter cereal was purchased, processed, converted, or exported or in respect of which a silo receipt was issued.

(2) Payment shall be made in favour of SAWCIA.

(3) Payment shall –

(a) when forwarded by post, be addressed to –

The Administrator
Attention: Ms B de Witt
SAWCIA
Grain Building Agri-Hub Office Park
Block D
477/478 Witherite Road
The Willows
Pretoria
0184

(b) when delivered by hand, be delivered to –

The Administrator
Attention: Ms B de Witt
SAWCIA
Grain Building Agri-Hub Office Park
Block D
477/478 Witherite Road
The Willows
Pretoria
0184

(c) when delivered by e-mail, be sent to

beatrice@agrimanage.co.za

Commencement and period of validity

9. (1) This statutory measure shall come into operation on 1 October 2024 and lapse on 30 September 2028.

(2) Notwithstanding the provisions of sub-clause (1), the Minister may, after evaluation and review of the measure under section 9(1)(f) of the Act, by notice in the Government Gazette, determine that the measure shall lapse on a date specified in that notice: Provided that such date shall not be later than the date determined under sub-clause (1).

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To complete the relevant levy form on, click on the cell:

[Wheat, Barley and Oats](#)

- 1 Complete the Business Details on the relevant Sheet
- 2 Complete the tonnage per commodity
- 3 Kindly forward the completed form to :

admin2@agrimanage.co.za

finance@agrimanage.co.za



South African Winter Cereal Industry Agency NPC

COMMISSION OF 2,5% PAYABLE TO SERVICE PROVIDER:
WHEAT, BARLEY, OATS, LUPINS
(01 OCTOBER 2024 - 30 SEPTEMBER 2025)

Building D, Grain Building Agri-Hub Office Park
477/478 Witherite Street, Die Wilgers, 0184

Date 2024/10/04

For the Month Levies was delivered

Trading Name of Business :

VAT Registration Number of Business :

Postal Address of Business :

Contact Details :
Name
Telephone
E-Mail

WHEAT

	PANNAR	SENSAKO	ARC Small Grain	Other
Total (Tonnage)				
Levy Tariff (VAT Excl) per ton	R 12,00	R 12,00	R 12,00	R 12,00
Amounts Payable for Wheat	R -	R -	R -	R -

BARLEY

	SABBI	SENSAKO	ARC Small Grain	Other
Total (Tonnage)				
Levy Tariff (VAT Excl) per ton	R 12,00	R 12,00	R 12,00	R 12,00
Amounts Payable for Barley	R -	R -	R -	R -

OATS

	AGRICOL	SENSAKO	ARC Small Grain	CAPSTONE SEEDS	PANNAR	OTHER
Total (Tonnage)						
Levy Tariff (VAT Excl) per ton	R 10,00	R 10,00	R 10,00	R 10,00	R 10,00	R 10,00
Amounts Payable for Oats	R -	R -	R -	R -	R -	R -

SUMMARY

	Tonnage	Total (VAT Excl)	VAT Amount	Total Amount Payable (VAT Incl)
Wheat	-	R -	R -	R -
Barley	-	R -	R -	R -
Oats	-	R -	R -	R -
TOTALS	-	R -	R -	R -

Commission - Please note, if you don't send a commission Invoice to SAWCIT, you may claim commission back by using the column below.

	Total Tonnage	Total Amount (VAT Incl)	Amount Commission only (VAT Incl)	Amount Payable to SAWCIT after Commission Deduction (VAT Incl)
Wheat	-	R -	R -	R -
Barley	-	R -	R -	R -
Oats	-	R -	R -	R -
TOTALS	-	R -	R -	R -

Signature

SAWCIA Collection Agencies

Agency Name
Cultigrain (Pty) LTD
NWK Beperk
Agrimark Operations Ltd
Weskaap Graanprodusente (Edm) Bpk
Bester Voer en Graan
Grainco(BKB) PTY LTD
Streicher Grain Trading BK
Sentraal Suid Kooperasie Bpk
GWK Limited
Overberg Agri Bedrywe (Edms) Bpk-MRB
Afgri Grain Silo Company
Perdigon
Premier FMCG (Pty) Ltd
Imex Int-A division of Tiger Brands
Wesgraan
Pepsico South Africa
AG Beukes BK
Boontjieskraal Landgoed
Brisen Commodities PTY Ltd
Sasko Strategic Services
Overberg Agri Bedrywe (Edms) BPK
Unigrain Commodities (PTY) LTD

Agency Name
African Grain Investments (PTY) LTD
Unigrain (PTY) LTD
VKB Landbou (Edms) Bpk
TWK AGRI (Pty) Ltd
Silostrat
Grain Capital Pty LTD
Oos Vrystaat Kaap Bedryf Beperk
Unigrain (Do not use)
Rand Agri Pty Ltd
AFGRI Grain Marketing a div of AFGRI
Agricol (Pty) Ltd
JH Blanckenberg(Edms)Bpk
KLK Landbou Limited
Agrisa Commodities
Western Cape Agricultural Research Trust
NAMPO (Pty)Ltd
Agri Manage Solutions (Pty)Ltd
Test 01
JA Loubser (Edms) Bpk
PE Loubser Bdg
Nexgro Bemarking
Pioneer Foods
CenGen