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**GOVERNMENT NOTICES  
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**DEPARTMENT OF AGRICULTURE  
DEPARTEMENT VAN LANDBOU**

**No. R. 228**

**14 February 2003**

**MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996**

**(ACT No. 47 OF 1996)**

**ESTABLISHMENT OF STATUTORY MEASURE AND DETERMINATION OF  
GUIDELINE PRICES: LEVY RELATING TO SORGHUM**

I, Angela Thokozile Didiza, 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 that the guideline price for sorghum shall be R627 per metric ton.

  
A.T. DIDIZA,

**Minister of Agriculture.**

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## 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-

“buyer” means a sorghum dealer, feed manufacturer, malt manufacturer, processor or any other person who purchases sorghum from the producer thereof and a sorghum agent, broker or any person who purchases sorghum on behalf of another person, from the producer thereof;

“dealing in the course of trade” means every purchase of sorghum from the producer thereof by any person, if the sorghum so purchased or any quantity thereof, is or is intended to be disposed of by that person for any consideration whatsoever, or is used or is intended to be disposed of by that person for any consideration whatsoever, or is used or is intended to be used in the manufacture or processing of any product or commodity disposed of by that person for any consideration whatsoever;

“exporter” means any person who exports sorghum from the Republic of South Africa;

“feed manufacturer” means a person dealing in the course of trade with sorghum by using it in the manufacture of animal feed, pet foods, poultry feed or bird seed;

"importer" means any person who imports sorghum into the Republic of South Africa for his own account or on behalf of someone else;

"malt manufacturer" means a person dealing in the course of trade with sorghum malt;

"producer" means a person who produces sorghum grain or a person on who's behalf sorghum grain is being produced;

"processor" means a person other than a malt manufacturer or a feed manufacturer who deals with sorghum products in the course of trade;

"sorghum" means the threshed, ripe seed of plants of *Sorghum bicolor* (L.) Moench, but not seed sorghum or sorghum utilised as silage;

"sorghum agent or broker" means a person dealing in the course of trade with sorghum by acting on behalf of the producer, seller or buyer thereof at the sale or purchase of that sorghum;

"sorghum dealer" means a person dealing in the course of trade, other than in the retail trade, with sorghum that has been bought from producers of sorghum, but also not a malt manufacturer, feed manufacturer or processor; and

"Sorghum Trust" is a discretionary trust certified by the Master of the High Court under registration number I TRUST 9221/97 and containing funds for the benefit of the sorghum industry.

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

2. The purpose and aims of this statutory measure are to provide financial support for the sorghum research and information functions that the sorghum industry has identified as essential and in the interest of the industry as a whole.

Research is essential for the furtherance of the sorghum industry's competitive position. It is essential that this infrastructure created by way of research levies collected under the previous agricultural marketing dispensation, be retained and maintained to the benefit of the sorghum industry.

Market information is essential for all role-players in a deregulated market, in order for them to be able to make informed decisions and for the market to operate effectively.

At least 10% of the funds collected by means of this levy will be ear marked for the transformation (exposure, training, empowering) of previously disadvantaged groups within the sorghum industry.

The establishment of this statutory measure will not only assist in increasing market access for all participants but will also enhance the viability of the sorghum industry. The establishment of this statutory measure will in fact further all the objectives of the Act as stipulated in section 2 thereof.

This statutory measure shall be administered by the Sorghum Trust and an auditing firm approved by the Auditor General. Both the Sorghum Trust and the auditing firm will be funded for the purpose of the statutory measure out of the sorghum levies.

The levies collected in terms of this statutory measure shall be administered as a separate account. The Minister shall decide on the application of any surplus at the date of termination of this statutory measure and any deficit shall be for the account of the Trust.

**Product to which statutory measure applies**

3. This statutory measure shall apply to sorghum.

**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 sorghum -
  - (a) that is sold by or on behalf of a producer;
  - (b) that is processed or converted or caused to be processed or converted into a sorghum product by or on behalf of the producer thereof, if such sorghum product is intended to be sold or disposed of;
  - (c) that is imported or brought into the Republic of South Africa; and
  - (d) that is exported from the Republic of South Africa, and in respect of which a levy has not previously been paid in terms of paragraphs (a), (b) or (c).

**Amount of levy**

6. The levy shall amount to R6,00 per metric ton sorghum, excluding VAT.

**Persons by whom levy is payable**

7. The levy payable in terms of clause 5 shall –
- (a) in the case of a levy implicated in clause 5 (a), be payable by the buyer of the sorghum;
  - (b) in the case of a levy implied in clause 5 (b), be payable by the processor or converter of the sorghum;
  - (c) in the case of a levy implied in clause 5 (c), be payable by the importer of the sorghum;
  - (d) in the case of a levy implied in clause 5 (d), be payable by the exporter of the sorghum.

**Payment of levy**

8. (1) The accountability for the levy shall be shared between the buyer and the producer on a fifty-fifty percent basis;
- (2) All first time buyers and importers shall be liable to pay the full levy to the Sorghum Trust;
- (3) An administration fee of 2,5% of the levy fee may be deducted by the buyer;
- (4) Payment of a levy imposed in terms of clause 5 shall be made by the persons contemplated in clause 7 not later than 15 days after the month in which the sorghum was purchased, processed, converted, imported or exported.
- (5) Payment shall be made by means of a cheque, postal order or money order made out in favour of the Sorghum Trust, which shall accompany the levy return as prescribed by the Sorghum Trust.

- (6) An audit certificate or accountant's affidavit issued by an external auditing or accounting organisation, shall be submitted before 31 July of each year to the Sorghum Trust by the first buyer and importer of the sorghum.
- (7) Payments, levy returns and audit certificates shall –
- (a) when forwarded by post, be addressed to –
- The Sorghum Trust  
P.O.Box 35336  
MENLOPARK  
0102
- (b) when delivered by hand delivered to -
- The Sorghum Trust  
1014 Schoeman Street  
Hatfield  
PRETORIA  
0002

**Commencement and period of validity**

9. This statutory measure shall come into operation on the date of publication hereof and shall lapse on 28 February 2006.