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**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 (c); 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

[beatrix@agrimanage.co.za](mailto:beatrix@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).