



Week ending 14 September 2018

JSE: LOCATION DIFFERENTIALS

The JSE held a conference call on 13 September 2018 to discuss the relevance of location differentials as well as the way the JSE is calculating the published differentials. The following was resolved during the conference call and supported by AFMA, Grain SA, National Chamber of Milling and SACOTA:

- The JSE will do an independent updated review of the 2009 study commissioned by the National Agricultural Marketing Council and done by Professor Matthew Roberts.
- It was decided that Professor Roberts again be approached to do the study.
- The Terms of Reference will be drawn up by the JSE and circulated to the Advisory Committee for comment and ratification.
- The JSE will carry the cost of the study.
- The status quo regarding location differentials will remain until the independent review is available.
- It was agreed that the study should be done as soon as possible, but it is envisaged that the final report will only be available in 2019.

AGRIBEE

It has come to SACOTA's attention that the Department of Agriculture, Forestry and Fisheries has developed and approved Agri-BEE Enforcement Guidelines which provide a guide on how to align agricultural services with the BBBEE Act No 53 of 2003 and the AgriBEE Sector Codes. According to DAFF, the alignment of services are in line with Section 10 of the BBBEE Act, which states that all government departments and institutions must include BBBEE criteria when allocating licences, issuing certificates and **permits**, authorisations or approving grants for funding projects.

These guidelines will impact directly on SACOTA members with regards to export permits issued under the Genetically Modified Organisms Act.

SACOTA will be monitoring the situation and address it in conjunction with other commodity groups.