



Week ending 25 January 2019

Maize grading regulations

A meeting of the Trade Group of the Maize Forum Steering Committee took place on 22 January 2019 to discuss certain amendments to the definitions of defective maize kernels. Other matters that were also discussed were the current maximum levels of poisonous seeds and mycotoxins.

In the case of poisonous seeds the Health regulations were amended in 2002 to allow for a maximum of 1 poisonous seed per 1 000g in an agricultural product compared to a maximum of 1 seed per 10 000g (10 kg) in the previous regulation it replaced. The Maize Forum Steering Committee will engage with the Department of Health on this huge relaxation in the regulation.

In the case of mycotoxins the opinion was expressed that the entire value chain from the producer to the end user should ensure that grains should conform to maximum levels as per the Health regulations. The Maize Trust is going to hold a Mycotoxin Workshop on 15 March 2019 to discuss possible practical solutions to address it. The possible introduction for a passport system for maize, similar to what is practice in the barley and canola industry that addresses Maximum Residue Limits (MRL's), mycotoxins and noxious seeds, will also be discussed.

Soya meal and sunflower oilcake SAFEX futures contract: Cash settlement vs Physical Delivery

During a meeting held during July 2018 a Work Group finalised minimum quality specifications for a soya meal and sunflower oilcake SAFEX futures contract. A follow-up meeting took place on 23 January 2019 to discuss the rationale for physical delivery vs cash settlement. There was a strong feeling that the contract should be settled by means of physical delivery at expiry date. Certain proposals were made regarding delivery points, maximum storage periods and storage rates, which will now be tabled at a meeting of the SA Oilseeds Processors Association to be held on 6 February 2019. If they are in agreement, the two contracts can be implemented on SAFEX.

Imports of maize: Port Health arrangements

SACOTA engage with Port Health in order to ensure that the same arrangements that applied during 2016 regarding imports of maize and wheat are implemented this year to alleviate any possible congestions that may arise in the ports or port silos.

BBBEE

Agbiz made a presentation to the AgriBEE Council requesting a special dispensation (separate AgriBEE Scorecard) for traders taking into account high volumes and high turnover but relatively low margins compared to other industries. The document will again be discussed at a next meeting to be held on 20 February 2019 for a decision. The secretariat will keep you updated on the outcome of the meeting.

Ukraine

SACOTA met with a delegation from the Ukraine during December 2018 and they are keen to strengthen trade relations with South Africa. We raised certain quality issues experienced with the imported maize received from them and they were requested to escalate the matter to the testing authorities in the Ukraine, which they complied with. SACOTA will also request SGS, who is a member of SACOTA, to elevate this matter to their offices in the Ukraine.

Membership drive

At the SACOTA Annual General Meeting held during October 2018 members were requested to strongly encourage their brokers to become members of SACOTA. We strongly urge members to recommend to their brokers the benefits of becoming a member of SACOTA.

Skype for business

SACOTA is looking into the possibility of using Skype for business to conduct future meetings. This will enable members who cannot always attend meetings in person to take part via Skype. This will reduce cost for members and also increase participation. The secretariat will keep you updated on the outcome of investigations in this regard.