

Annual General Meeting

The SACOTA AGM was held on 15 October 2020 as a virtual meeting. The closed session was attended by 15 member delegates and the open session attended by 28 member delegates and invited guests. At the open session, a presentation was made by the invited guest speaker, Dr Tracy Davids from the Bureau for Food and Agricultural Policy (BFAP) on the Role and importance of agricultural trade during Covid-19.

During the closed session, the following directors were duly nominated and elected to the SACOTA Board of Directors:

- Hein Barnett, *ETG World*
- Machiel Jacobsz, *Farmwise Grains*
- Jan-Christoph Kabath, *Louis Dreyfus*
- Gido van Rensburg, *Bester Feed & Grain*

The Chairperson presented his Chairman's report during the open session of the AGM.

Konrad Keyser (*Brisen Commodities*) was re-elected as Chairperson and Johan Steyn (*Cofco International*) was elected as Vice-Chairperson.

RSA IN SYNC WITH THE USA TO IMPORT SOYBEANS

After a lengthy process, the Secretariat was able to provide the necessary evidence to the GMO Registrar to inform industry that South Africa is in sync with the USA to import soybeans. SACOTA would like to express its gratitude towards the members of CropLife SA for providing confirmation on soybean events that are deregulated in the US but not commercially cultivated. SACOTA is currently in the process to ascertain if South Africa is also in sync with Argentina and Brazil to import soybeans.

JSE REQUIREMENTS FOR STORAGE PROVIDERS

The JSE has issued a market notice on 13 October 2020 on certain amendments to the detailed Agricultural Contract Specifications. A SACOTA working group met on 21 October 2020 to discuss the proposals of the JSE. SACOTA provided feedback to the JSE and again met with the JSE on 6 November 2020 to discuss SACOTA's feedback. It is foreseen that feedback will be provided by the JSE on all comments received at the meeting of the JSE Agricultural Commodities Advisory Committee on 19 November 2020. SACOTA members will be informed of the outcome of the meeting.



EXPORTS TO ZIMBABWE



It has come to SACOTA's attention that there is a huge bottleneck on the South African side of the Beitbridge that impacts heavily on the export of maize to Zimbabwe. SACOTA has requested Agbiz, who is heading the Agri Sector Covid-19 Response Team, for assistance to deal with this matter as a priority. SACOTA has forwarded a letter from SARS to members that indicated they are going to temporarily discontinue the use of the CN2 form (the gate pass for the truck to exit the border) to expedite movement through the border post.

GRAIN COMMODITY PASSPORT SYSTEM

At a meeting of the Trade Group of the Wheat Forum Steering Committee (WFSC) held on 5 November 2020 it was decided to recommend the following regarding the implementation of a Grain Commodity Passport system to the WFSC:

- It will be advisable that the entire grain value chain industry adopts a self-regulatory principle to firmly showcase its commitment to legislative compliance and due diligence to nullify government's efforts to introduce grain inspections through an organisation such as Leaf Services.
- The passport system should be

based on due diligence – with monitoring programs in place rather than testing of each consignment released (Based on a certificate of conformance (COC), rather than a certificate of analyses (COA).

- Trade Group members unanimously supported the need to introduce a simplified passport system.
- A phased-in approach should be followed that consider practical realities affecting the industry.
- Implementation of the system to be in consistent with marketing seasons (from 1 May 2020 for maize and 1 October for wheat).

DISPUTE RESOLUTION PROCESS

At the same meeting of the Trade Group the following was decided regarding the implementation of a dispute resolution process:

- The document tabled at the meeting was accepted as final.
- It was emphasised that the final document only applies to address disputes when the quality that is received by the processor differs from the quality as agreed to between the seller and the buyer

and that it does not apply to general sampling and grading.

- An important recommendation included in the final document is that only the double pneumatic sampling device tested by the SAGL is to be used in grain disputes.
- It will also be investigated if this document can be registered as a SAGAS (SA Grain Arbitration Services) type document with AFSA (Arbitration Foundation of SA).

ACQUISITION AND UTILISATION PER GRADE

SACOTA requested the different grains and oilseeds forums to consider that SAGIS also publish the Acquisition and Utilisation of grains and oilseeds per grade.

- The Request arose during March/April/May this year when there was uncertainty or misconceptions around the quality (grades) and stock levels of maize.
- After a meeting between Agbiz Grain and SACOTA it was decided to recommend that stock levels should also be reported by grade.
- The Trade Group decided to recommend that due to complexities with for instance wheat (and imported wheat) that SAGIS should start with the reporting of this information on maize from the start of the 2021/22 marketing year.

SOY MEAL AND SUNFLOWER OILCAKE FUTURES CONTRACT

SACOTA received the following feedback from the JSE on the industry proposed Soy meal and Sunflower Oilcake futures contract:

- JSE legal team still reviewing details contract specifications.
- Waiting for feedback from crushers to finalise storage operator requirements.
- Aim is to present to New Products Committee in Q1 in 2021.

BIOSAFETY: POST MARKET MONITORING

Commodity Clearance permits approved under the GMO Act, includes permit conditions requiring that annual reports be submitted regarding any unanticipated adverse effects arising from the handling and use of the approved GMO commodity. As the permit holders (technology developers) are not directly involved in the trade and import of commodities, annual commodity reporting will be facilitated by CropLife SA.

After contacting its members in this regard, SACOTA submitted a report to CropLife SA that no spillages, accidents or unanticipated adverse effects as guided by the safety standards presented in the SABS Standard (SANS 910:210) was experience during the reporting period October 2019 to September 2020.

WHEAT – VOLUNTARY LEVY

The preliminary feedback from industry is that payment of levy in Western Cape is good so far, but indications are that farmers in northern part of country do not want to pay levies. For administration purposes members are advised to let farmers sign a declaration form that they are not prepared to pay the voluntary levy.

MAIZE FORUM – 20 NOVEMBER 2020

The annual meeting of the Maize Forum will take place on 20 November 2020. Members are welcome to attend the meeting and the virtual meeting link and documentation will be circulated once received by the SACOTA secretariat.



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