THE SORGHUM TRUST

Leon du Plessis L&L Agricultural Services Administrators



The Maize Trust / The Sorghum Trust NAMC Ministerial Workshop Agricultural Trusts - 8 March 2012

BACKGROUND TO TRUST

- CLOSURE OF CONTROL BOARDS IN MID 1990'S
- AGREEMENT BETWEEN SORGHUM INDUSTRY & GOVERNMENT
- TRUST FORMED CONSENSUS ON DEED, OBJECTIVES AND COMPOSITION OF TRUSTEES
- •SORGHUM BOARD ASSETS TRANSFERRED TO AND UTILISED BY TRUST FOR BENEFIT OF INDUSTRY
- STATUTORY LEVY ON SORGHUM ADMINISTERED BY TRUST



BACKGROUND TO TRUST

THREE OBJECTIVES:

- 1. PRODUCTION AND MARKET RESEARCH
- 2. MARKET INFORMATION COLLECTION/DISSEMINATION
- 3. TRANSFORMATION AND MARKET ACCESS

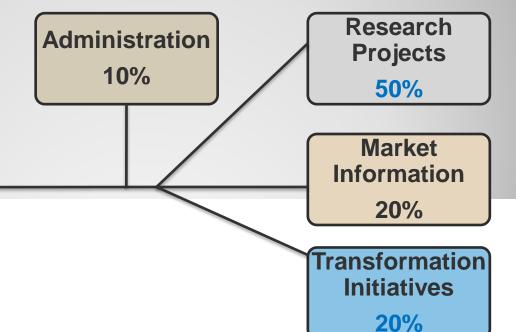


DECLINE IN INDUSTRY

- STRONG DECLINE IN SORGHUM PRODUCTION RECENTLY
- YIELD, MARKET AND ECONOMIC FACTORS THE REASONS
- LOWER LEVY INCOME AND DECLINE IN FUNDING
- ADVERSITY UNDER FARMERS TO PRODUCE
- PRESSURE ON TRUST TO FUND INDUSTRY REQUIREMENTS
- RESEARCH TO BECOME A HIGH PRIORITY



FUNDING BY TRUST





Available Funds

R1,2 million

annually = 100%

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TRANSFORMATION

- TRAINING
- TRIAL PLOTS
- STUDY GROUPS
- COMMUNICATION/INFORMATION TRANSFER
- GRAIN FARMER DEVELOPMENT ASSOCIATION (DIFFICULTY IN GETTING NEW PROJECTS ON TRANSFORMATION)



QUESTIONS? THANK YOU THE END



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