

SACTA 2023 OVERVIEW & TRANSFORMATION ACTIVITIES

Andrew Bennett
CEO: SACTA

Sandile Mahlangu
Transformation Manager

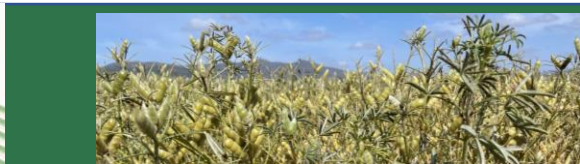
DALRRD/NAMC VIRTUAL TRADE AWARENESS WORKSHOP

13 SEPTEMBER 2023



SCOPE

1. SACTA Background
2. The SACTA Year: Crop Levy cycles vs Financial Year
3. Levy Utilisation
4. Transformation



SACTA Background

- SACTA is a non-profit company, run according to the Companies' Act 71 of 2008 as amended from time to time;
- SACTA's main responsibility is to administer the statutory levy on certain self-pollinated grain crops;
 - Distribution of the Levies to Seed company beneficiaries.
 - Deployment of Transformation Funds.
- The purpose of the levy is to:
 - Support breeding programs in developing new varieties with the latest technology where applicable of such crops;
 - Support transformation through Enterprise development, Skills development & Socio-economic development
- SACTA acts on behalf of seed companies as an agent;
- Financial year runs from 1 March to 28 February.



The SACTA Year

Crop Levy cycles vs Financial Year

Winter crops planting: from April

Soybeans planting: from September

Soybean season

Spring & Winter wheat season



- Crop growing season & crop marketing season are not the same
 - Winter crops are planted in April, and harvested in December
 - Summer crops planted in September, harvested in April/May

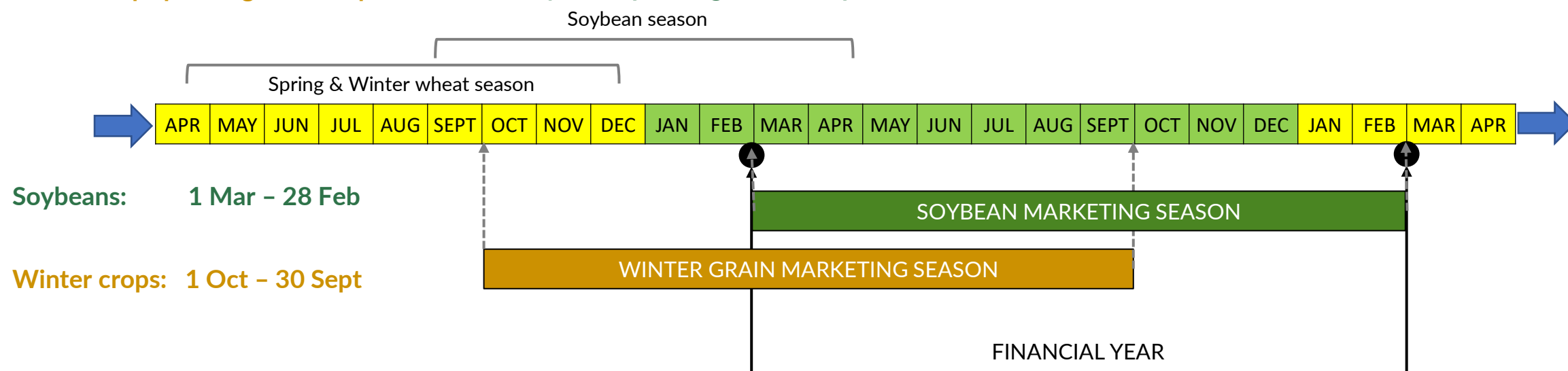


The SACTA Year

Crop Levy cycles vs Financial Year

Winter crops planting: from April

Soybeans planting: from September

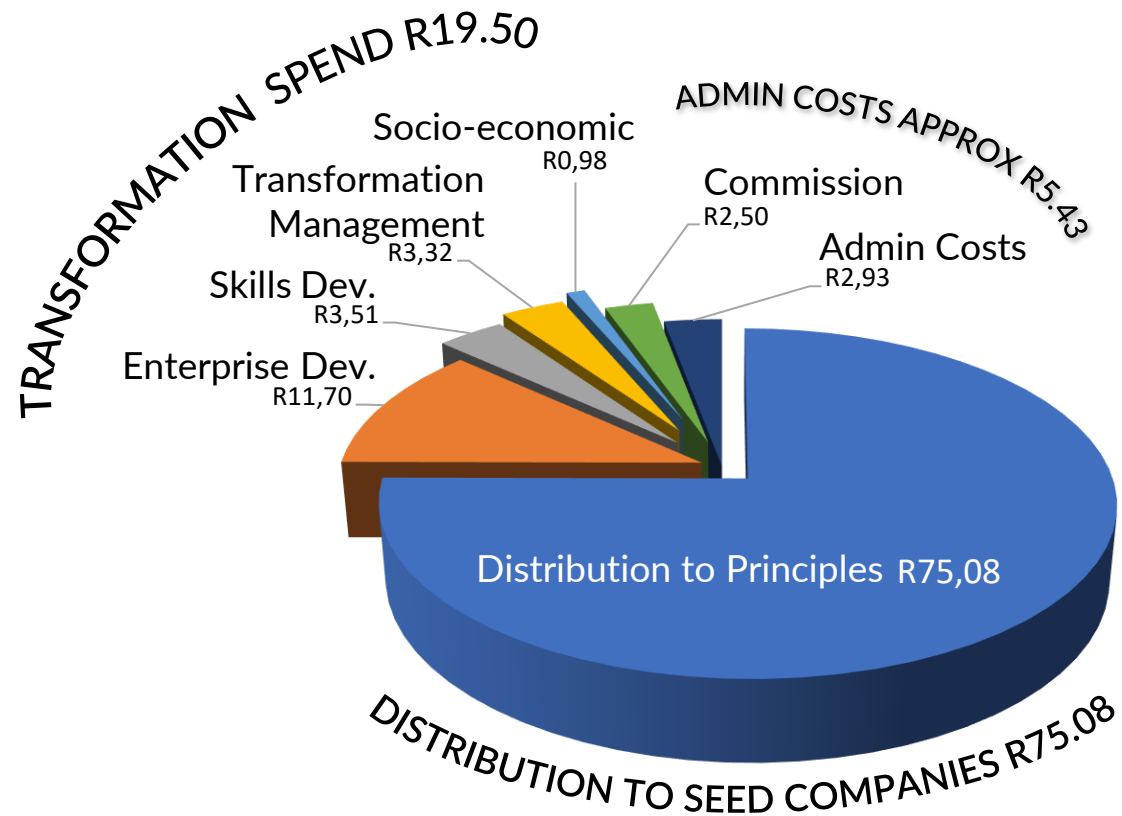


- Crop growing season & crop marketing season are not the same
 - Winter crops are planted in April, and harvested in December
 - Summer crops planted in September, harvested in April/May
- Grain Marketing Season
 - Winter crops 1st October – 30th September
 - Summer crops 1st March – 28 February



LEVY UTILISATION

FOR EVERY R100.00 OF LEVY COLLECTED,



STAATSKOERANT, 4 NOVEMBER 2022

No. 47443 13

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. R. 2699

4 November 2022

MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996 (ACT NO. 47 OF 1996)

CONTINUATION OF STATUTORY MEASURE AND DETERMINATION OF GUIDELINE PRICE: LEVY RELATING TO SOYBEANS

I, Thoko Didiza, Minister of Agriculture, Land Reform and Rural Development, acting under sections 13 and 15 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), hereby –

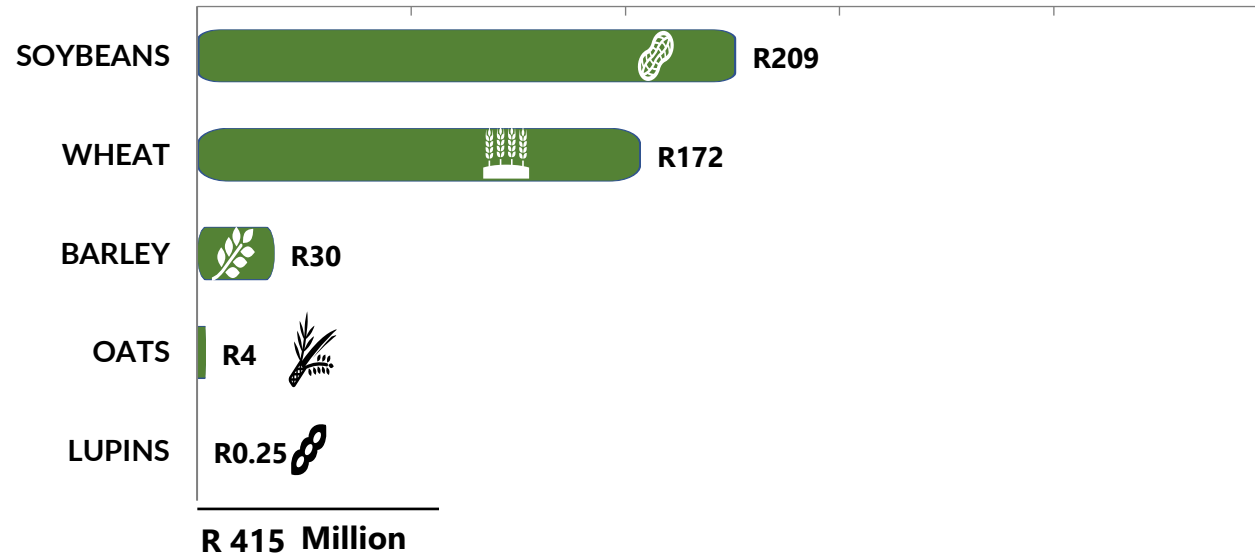
- (a) establish the continuation of the statutory measure as set out in the Schedule hereto; and
- (b) determine the guideline price for soybeans as R7519.05 per metric ton.

Angela Thoko Didiza
MRS ANGELA THOKOZILE DIDIZA
MINISTER FOR AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

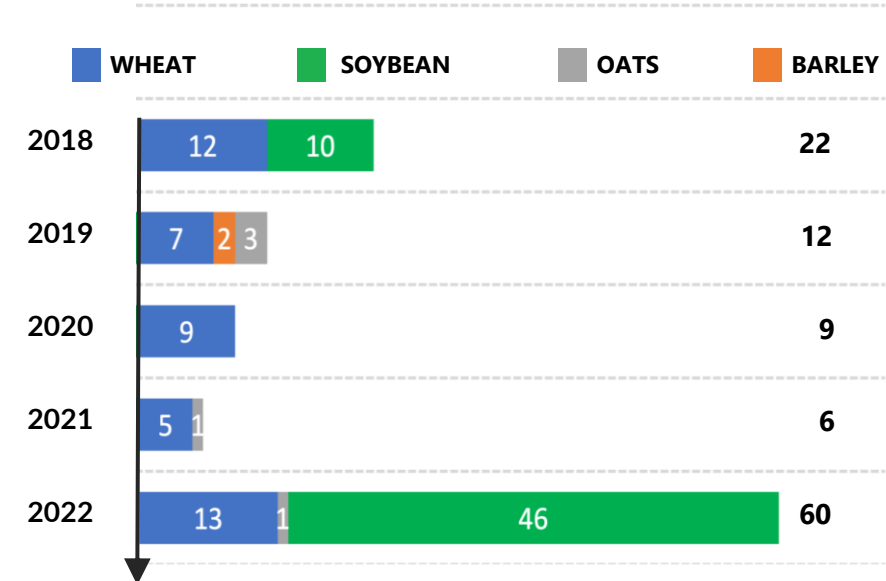
SACTA ACHIEVEMENTS

BREEDING & TECHNOLOGY FUNDING

FUNDS (MILLIONS of RANDS) MADE AVAILABLE FOR BREEDING & TECHNOLOGY
(up to Feb 2023)



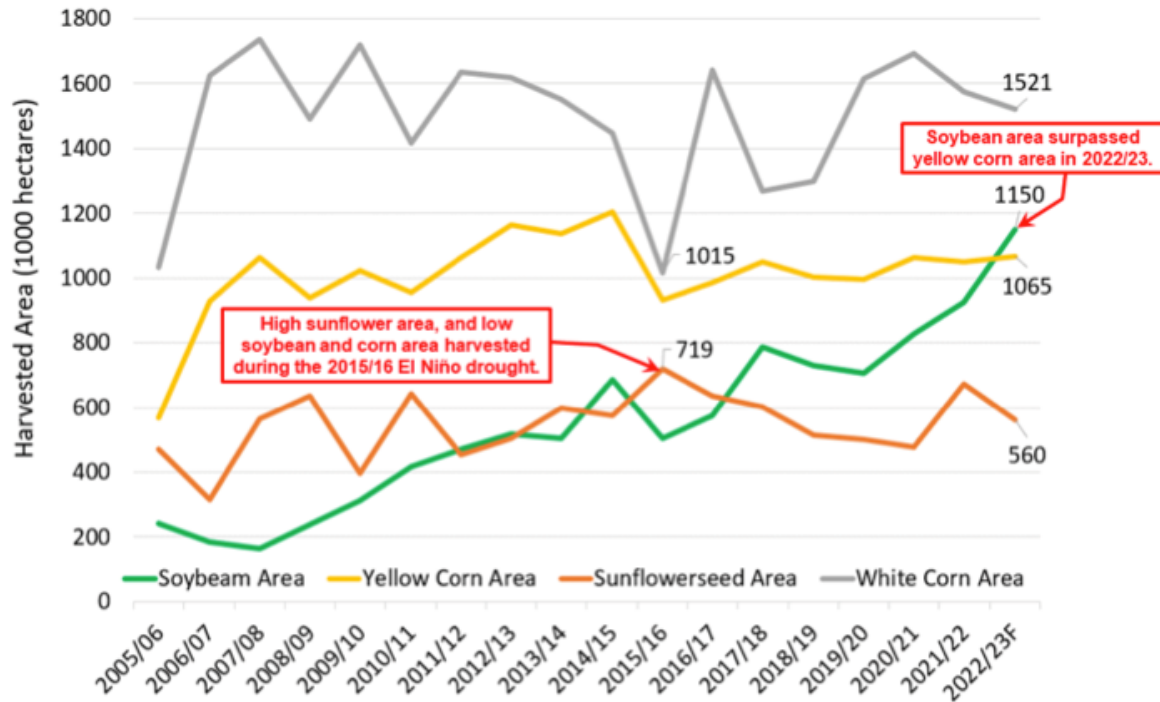
NEW VARIETIES SINCE 2018



SACTA ACHIEVEMENTS

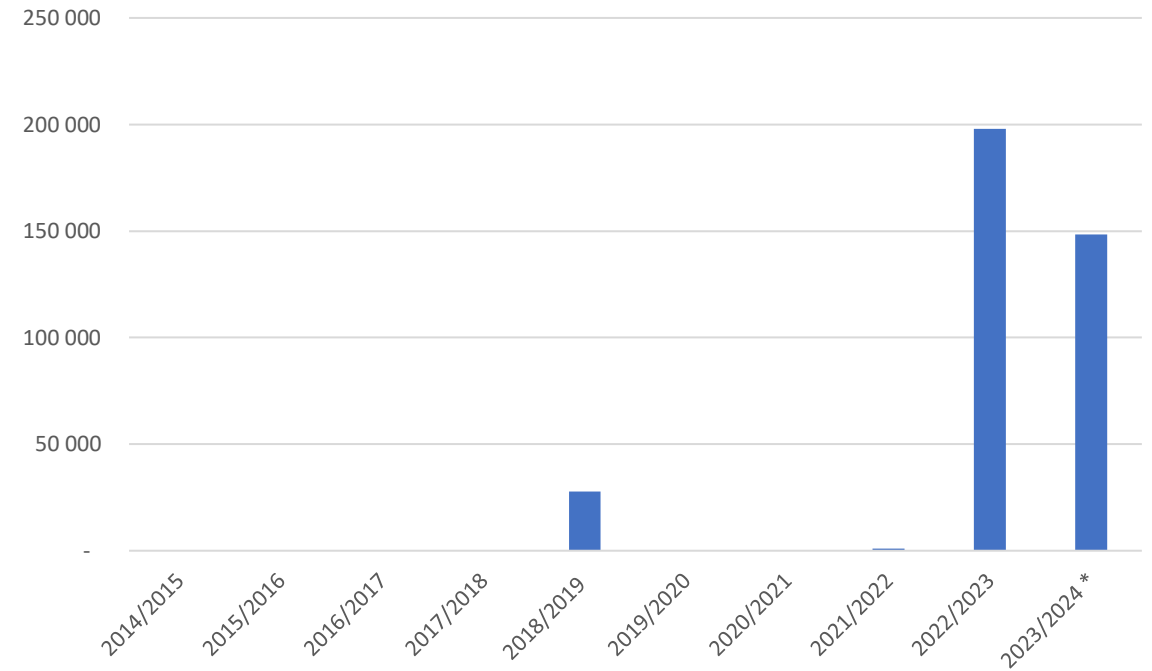
BREEDING & TECHNOLOGY FUNDING

Soybean Area Exceeds Yellow Corn Area in MY 2022/23



Source: South Africa Crop Estimates Committee

INCREASING SOYBEAN EXPORTS



TRANSFORMATION

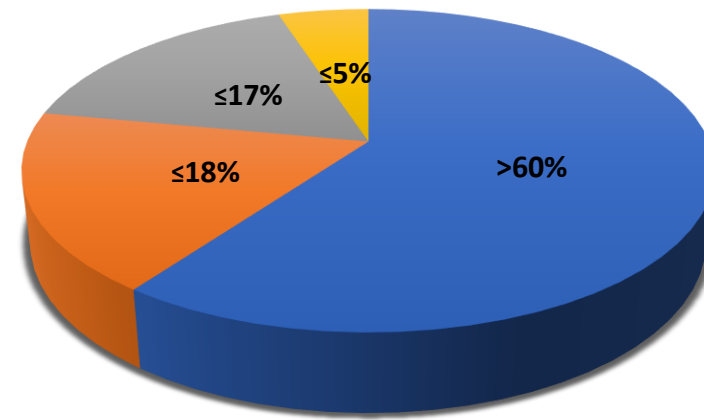
- The Breeding and Technology levy is statutory, therefore 20% of levy income must be allocated to transformation projects.
- Strictly done according to the NAMC Guidelines for Transformation.
- Presentation later regarding the SACTA transformation activities.



TRANSFORMATION...

- 20% of the collected levies are allocated to transformation activities and initiatives.
- SACTA work according to NAMC guidelines

NAMC TRANSFORMATION GUIDELINES



- Enterprise development
- Skills development
- Management Control
- Socio-economic development projects



SACTA TRANSFORMATION STRATEGY

- The aim is to develop independent and sustainable farmers.
- Prioritising enterprise and skill development, but not neglecting other pillars.
- Activities are conducted through service providers.
- SACTA does not focus on the number of farmers supported but on the quality.
- Allow crop rotation; this is informed by farming needs and the fact that we collect levies from multiple crops.
- Working towards a holistic approach: consider the farm as a whole, socioeconomic factors, and all involved stakeholders.
- As SACTA we are open to collaboration and partnerships.

WHO QUALIFIES?

- We work with Grain and Oilseed farmers.
- Be from previously disadvantaged groups.
- Be a South African.
- Own or have access to 50+ arable land.
- Belong to one of our service providers.
- We sign a Tri-Party agreement when you meet the criteria.



ENTERPRISE DEVELOPMENT INITIATIVES

Enterprise development is achieved through the provision of three-year interest-free loans:

1. Provide production input finance:

- Cover all the required variable inputs for the season.
- Loan is made available to a farmer for three years but evaluated seasonal.
- Enterprise budgets are developed by the farmer and the service provider.
- Service providers are expected to provide mentorship as well.
- Each farmer is treated as an individual: application and need analysis.

2. Mechanisation finance :

- Fund any farming equipment.
- Both new and pre-owned and improvements on the existing equipment.

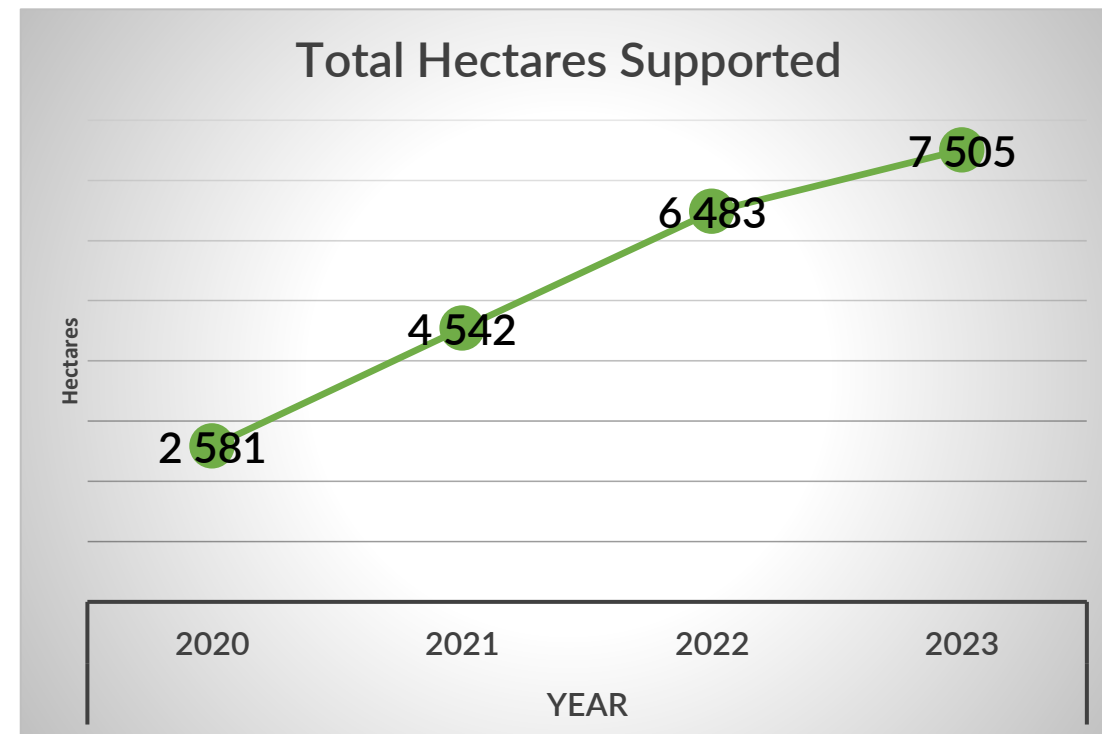
3. Business coaching and mentorship :

- This includes training and business coaching at the farm.
- Provided per the needs of a farm.



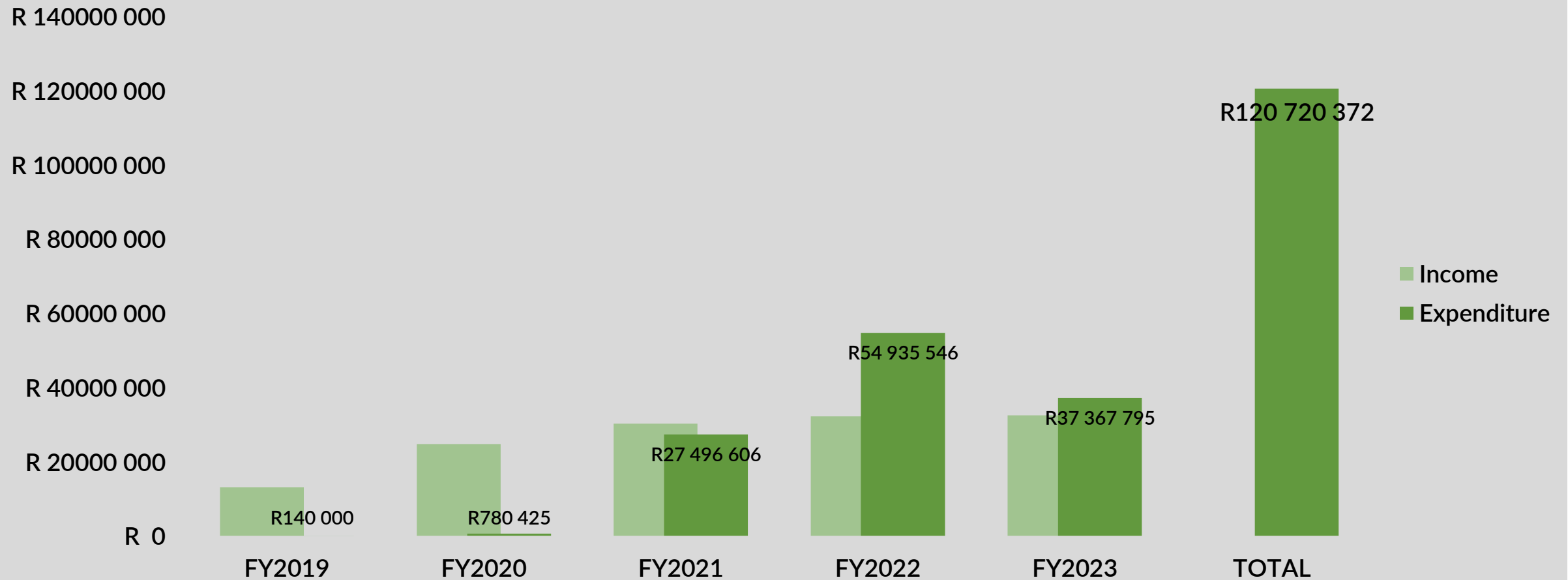
SUPPORTED HECTARES TO DATE

CROP	HA/YEAR			
	2020	2021	2022	2023
Soya beans	1 833	1 876	2 845	2 972
Maize	458	268	976	1 491
Sunflower	0	536	365	415
Wheat	290	1 490	1 064	1 519
Canola	0	149	130	360
Oats	0	0	412	335
Barley	0	223	691	343
Lupins	0	0	0	70
Total	2 581	4 542	6 483	7 505

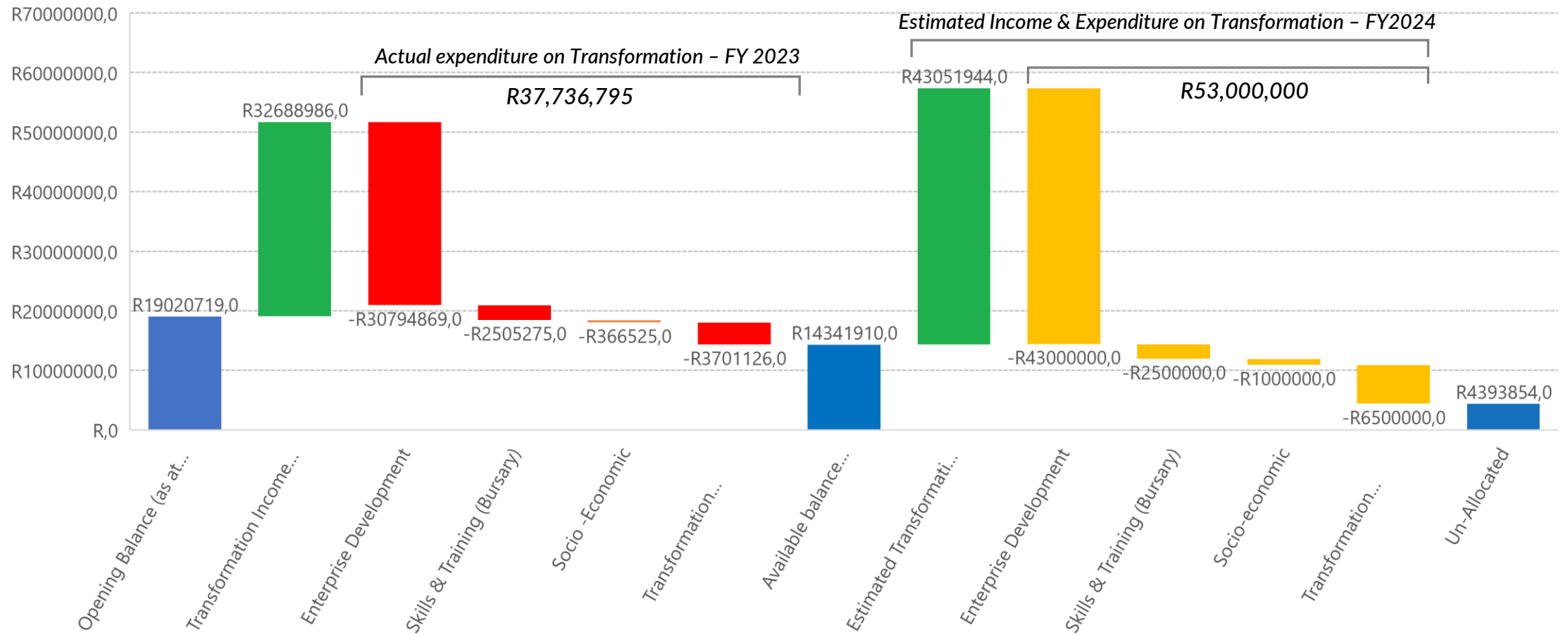


SACTA INCOME & EXPENDITURE TO DATE

SACTA Transformation Income & Expenditure 2019 - 2023



TRANSFORMATION EXPENDITURE & FORECAST



FARMERS & SERVICE PROVIDERS COMMENTS:

- SACTA funding allows farmers to do things on time.
- Flexibility is good for crop rotation.
- Farmers have already started realising the benefit of crop rotation with soya beans.
- Mechanisation project has a great potential to propel farmers to a good commercialisation pathway.
- Farmers have started to build valuable relationships and a track record with input suppliers, off-takers and the bank – they are becoming “bankable”.
- On-farm jobs are created which benefits the community and local economy.



CONTACT US

www.sactalevy.co.za

Feel free to contact:

Andrew Bennett – andrew@sactalevy.co.za

or

Sandile Mahlangu – sandile@sactalevy.co.za

