

## In this issue...

- FALL ARMY WORM (FAW) RESEARCH DISCUSSIONS UNDERWAY
- REVIEW OF THE DIESEL FUEL TAX REFUND SYSTEM
- INPUT PRICE TRENDS UNDER THE MICROSCOPE
- CONSERVATION AGRICULTURE GREEN TOUR
- POSSIBLE LOCUST INVASION/OUTBREAK AND OTHER EPIDEMIC PESTS IN SOUTH AFRICA
- SAAMA: TRACTOR ACCIDENT SURVEY
- STAY INSPIRED...

## FALL ARMY WORM (FAW) RESEARCH DISCUSSIONS UNDERWAY

*Petru Fourie, Research Coordinator & Production Cost Analyst, Grain SA*

» Grain SA arranged a special meeting between pertinent role-players to discuss different research initiatives against the FAW. The meeting was attended by DAFF, SANSOR, ARC-GCI and the North-West University. The main objective is to support producers in finding solutions to control and manage this pest. As a result, discussions focussed on research that would primarily assist producers in the short-term while medium- to long-term options were also debated.



Back (left to right): Jan-Hendrik Venter (DAFF), Dr Julian Jaftha (DAFF), Dr Annemie Erasmus (LNR-IGG), Wandile Ngcamphalala (Grain SA);  
Front (left to right): Dr Lukeshni Chetty (Sansor), Dr Marinda Visser (Grain SA), Petru Fourie (Grain SA), Prof Johnnie van den Berg (NWU)

[CLICK HERE](#) to download the FAW Steering Committee Action Log, which covers surveillance, research, status, assessment, registration of chemicals and awareness initiatives.

[Back to Top](#)

## REVIEW OF THE DIESEL FUEL TAX REFUND SYSTEM

*Corné Louw, Sr Economist: Inputs, Grain SA*

» National Treasury last week published a discussion document for comment on the review of the Diesel Fuel Tax Refund System for comment.

Written comments should be submitted by close of business on Monday, 15 May 2017 to:

- National Treasury email: [dieselrefundcomments@treasury.gov.za](mailto:dieselrefundcomments@treasury.gov.za) or queries to Dr. Memory Machingambi email: [Memory.Machingambi@treasury.gov.za](mailto:Memory.Machingambi@treasury.gov.za) and
- SARS email: [C&E\\_legislativecomments@sars.gov.za](mailto:C&E_legislativecomments@sars.gov.za)

Grain SA will establish a working committee to scrutinise the suggested changes to the Diesel Refund System, but would appreciate comments from individual members.

Some of the suggested changes:

- *"The delineation of activities will be limited to purely primary production as such. All transport activities beyond the site where qualifying primary production occurs and any processing activities whatsoever will be excluded. Ideally, only activities necessary for primary production up to the harvesting of crops, plantations, fish and animals, and the winning of minerals should qualify. All off-site transport activities, inclusive of inputs to the primary production site or outputs to markets, and any processing, whether on site or elsewhere, will be excluded.*
- *Qualifying primary production activities would have to be linked to a physical site where such operations will take place.*
- *Persons that conduct qualifying primary production activities could claim refunds for diesel used therein, provided proper logbook keeping is linked to the physical site where such qualifying primary production takes place and to the legal sanction where required.*
- *Claims will only be allowed in respect of diesel used in qualifying primary production activities and the current 80:20 percentage allocation to determine qualifying refunds in farming, forestry and mining on land will therefore fall away.*
- *A standalone diesel refund administration is being proposed separate from the VAT system. The limitations around intended beneficiaries that cannot claim diesel refunds due to not being VAT registered will therefore fall away."*

Grain SA members are requested to send their comments to [corne@grainsa.co.za](mailto:corne@grainsa.co.za)

Click [here](#) to view the full discussion document

Click [here](#) to view the original media statement

[Back to Top](#)

## INPUT PRICE TRENDS UNDER THE MICROSCOPE

*Corné Louw, Sr Economist: Inputs, Grain SA*

### Agricultural Chemicals

Almost 100% of the active ingredients required to manufacture agricultural chemicals are imported to South Africa. International trends and the exchange rate thus play a decisive role in domestic price trends.

**Tables 1 and 2** show trends in the prices of international agricultural chemicals (active ingredients). The tables clearly indicate the impact of the exchange rate on domestic prices. The second part of the table indicate international prices in Rand value.

**Table 1: Pesticide prices: International in Dollar and Rand value**

International prices (Dollar/ton)			
	Jan 2016	Jan 2017	% change
	\$/t	\$/t	
Acetamiprid (95%)	12 949	18 840	+45.5%
Lambda-cyhalothrin (95%)	21 116	20 996	-0.6%
Chlorpyrifos (95%)	4 231	4 348	+2.8
Cypermethrin (94%)	9 938	9 655	-2.9%
R/\$	16.388	13.560	-17.3%
International prices (Rand/ton)			
	Jan 2016	Jan 2017	% change
	R/t	R/t	
Acetamiprid (95%)	212 208	255 471	+20.4%
Lambda-cyhalothrin (95%)	346 049	285 548	-17.5%
Chlorpyrifos (95%)	69 338	58 965	-15.0%
Cypermethrin (94%)	162 864	130 916	-19.6%

Where herbicide are concerned, all active ingredients indicate sharp year-on-year declines in Rand-values, except for glyphosate, which show an increase of 12.4% over this period.

**Table 2: Herbicide prices: International in Dollar en Rand value**

International prices (Dollar/ton)			
	Jan 2016	Jan 2017	% change
	\$/t	\$/t	
Glyphosate (95%)	3 106	4 206	+35.4%
Acetochlor (92%)	2 516	2 588	+2.9%
Atrazine (97%)	2 878	2 657	-7.7%
Metolachlor (97%)	3 588	3 373	-6.0%
Trifluralin (95%)	5 063	4 516	-10.8%
<b>R/\$</b>	<b>16.39</b>	<b>13.60</b>	<b>-17.3%</b>

  

International prices (Rand/ton)			
	Jan 2016	Jan 2017	% change
	R/t	R/t	
Glyphosate (95%)	50 901	57 196	+12.4%
Acetochlor (92%)	41 232	35 194	-14.6%
Atrazine (97%)	47 165	36 137	-23.4%
Metolachlor (97%)	58 800	45 878	-22.0%
Trifluralin (95%)	82 972	61 423	-26.0%

#### Fertiliser

Since South Africa imports a large quantity of its fertiliser requirements, domestic and international prices should correlate well. **Table 3** indicates international prices in Dollar value over a year period, while **Table 4** is an indication of said prices in Rand value. From **Table 4** it is clear that the strengthening of the exchange rate can play a significant role in the manner which international price decreases, trickle into the local market.

**Table 5** indicates average domestic fertiliser prices (price list prices). The domestic prices show the same trend as international prices, but it is clear that local prices have not yet fallen to the same extent. Remember that these prices aim to show trends and not necessarily focus on the physical price, since international prices are free on board in international ports and domestic prices are average price list prices.

**Table 3: International fertiliser prices**

Average international fertiliser prices (Dollar value)			
	Jan 2016	Jan 2017	% change
Fertiliser	Dollar/ton	Dollar/ton	%
Ammonia (Middle East)	331	233	-29.6
Urea (46) (Eastern Europe)	210	242	+15.2
DAP (USA Golf)	390	326	-16.4
Potassium Chloride (CIS)	257	217	-15.6
Rand/Dollar exchange	16.38	13.56	-17.3

**Table 4: International fertiliser prices**

Average international fertiliser prices (Rand value)			
	Jan 2016	Jan 2017	% change
Fertiliser	Rand/ton	Rand/ton	%
Ammonia (Middle East)	5 424	3 159	-41.8
Urea (46) (Eastern Europe)	3 441	3 282	-4.6
DAP (USA Golf)	6 391	4 421	-30.8
Potassium Chloride (CIS)	4 212	2 943	-30.1

**Table 5: Domestic fertiliser prices**

Average domestic fertiliser prices			
	Feb 2016	Feb 2017	% change
Fertiliser	Rand/ton	Rand/ton	%
CAN (28)	5 821	5 803	-0.3
Urea (46)	6 362	6 400	+0.6
MAP	9 957	8 798	-11.6
Potassium Chloride	7 694	6 558	-14.8

#### Fuel Price Outlook for March 2017

According to the latest information from the Central Energy Fund, the diesel price could decrease with 2 sent per litre on 1 March 2017 while the price of petrol could decrease by 7 cents per litre.

The Minister of Finance announced in his budget speech that the General Fuel Levy will increase by 30 cents per litre on 5 April while the Road Accident Fund Levy will increase with 9 cents per litre. As 40% of the fuel levy and 100% of the road accident fund levy constitutes the diesel rebate, the diesel rebate will also increase on 5 April from R2.62 per litre to R2.83 per litre.

[Back to Top](#)

#### CONSERVATION AGRICULTURE GREEN TOUR

The annual Conservation Agriculture Green Tour is taking place on 16 March in Reitz. Presented by the Riemland Study Group, Grain SA and VKB, this year's theme will focus on *"Back to Basics" - Advantages and Challenges of CA* with the programme consisting of technical presentations, feedback sessions, trial visits and soil profiles.



**Bewaringslandbou**

# GROENTOER

Aangebied deur: **Riemland Studiegroep, Graan SA & VKB**

**16 Maart 2017**  
**Emden Woning**  
(Armand Muller)  
**Reitz**

**Tema:**  
**"BACK TO BASICS"**  
Voordele en uitdagings  
van bewaringslandbou

 Kontak: Danie Slabbert 082 339 018 • Registrasie R100 p.p.

   

[Back to Top](#)

## POSSIBLE LOCUST INVASION/OUTBREAK AND OTHER EPIDEMIC PESTS IN SOUTH AFRICA

*Dr Gerhard Verdoorn, Director, Griffon Poison Information Centre*

South Africa is currently managing an invasion of the fall Army worm that has had negative impacts on maize farmers in many parts of the country. A very recent report of a red locust outbreak in Zambia raises alarm for South Africa as this migratory pest may spill over into our country from our northern neighbours. The red locust is not endemic in South Africa but there have been incidents in the past twenty years when swarms did arrive in the northern parts of South Africa. There is also a possibility that the brown locust may emerge if climatic conditions in Bushmanland and the Central Karoo improve. Farmers in the arid regions of South Africa are familiar with the brown locust and should be able to spot an emergence easily.

CropLife South Africa urges all farmers to be on high alert for plant pests such as the fall army worm, African army worm, false army worm, bollworm, stem borers, red locust, brown locust, Oriental fruit fly and tomato leaf miner. It is essential to scout all crops currently under production for rapid and large scale pest infestation. Pests such as the army worms, locusts, Oriental fruit fly and tomato leaf miner must be reported to the department of Agriculture; farmers are welcome to also contact CropLife South Africa to report any suspicious pests in order for us to identify it and pass the information on to the authorities.

Farmers are urged to refrain from applying unregistered pesticides; consult the CropLife SA data sets: [www.agri-intel.com](http://www.agri-intel.com) and [www.croplife.co.za](http://www.croplife.co.za) agricultural remedies databases for registered pesticides. **When using pesticides, strictly adhere to label instructions.** It is still summer with vast numbers of migratory birds that will fall victim to pesticide misuse. CropLife SA can offer advice on sound pest management to avoid negative impacts on wildlife.

For more information, call Dr Gerhard Verdoorn on 082 4468946 or e-mail to [neshier@tiscali.co.za](mailto:neshier@tiscali.co.za)

[Back to Top](#)

## SAAMA: TRACTOR ACCIDENT SURVEY

The South African Agricultural Machinery Association (SAAMA) has indicated that the Department of Transport are planning to formulate regulations in order to provide additional protection to tractors for tractor drivers. The protection involves equipment that will be installed to prevent tractor drivers from being pinned down by tractors if the equipment overturns.

The association wishes to conduct a survey among producers so as to determine the extent of tractor accidents and developed a short questionnaire was for this purpose.

Click here to download the [English questionnaire](#)

Completed questionnaires must be sent to:  
Liza Joubert on telefax 011 453 9710 or via e-mail [liza.joubert@agfacts.co.za](mailto:liza.joubert@agfacts.co.za)

[Back to Top](#)

## STAY INSPIRED...

Act as if what you do makes a difference. It does!

~ William James

[Back to Top](#)

### GRAAN SA • GRAIN SA

Posbus 74087 • PO Box 74087

Lynnwood Ridge 0040



+27 (0)86 004 7246



[www.grainsa.co.za](http://www.grainsa.co.za)



+27 (012) 807-3166



[alzena.gomes@grainsa.co.za](mailto:alzena.gomes@grainsa.co.za)

Navrae/Enquiries: Alzena Gomes - [alzena.gomes@grainsa.co.za](mailto:alzena.gomes@grainsa.co.za)