



1 October 2020

## **LEVY ON WHEAT, BARLEY AND OATS TO COMPENSATE BREEDERS**

The Minister of Agriculture, Forestry and Fisheries approved a statutory levy on wheat, barley and oats with effect from 1 October 2020. The levy was promulgated in Government Notice No. R. 11179 of 30 September 2020.

The purpose of the levy is to compensate breeders of wheat, barley and oats varieties for their contribution to benefit the aforementioned industries in South Africa through the successful procurement and utilisation of improved international and local agricultural intellectual property. The SA Cultivar & Technology Agency NPC (SACTA) has been appointed in terms of the Government Notice to collect and administer the levy.

The levy will be applicable from 1 October 2020 until 30 September 2022. Details of the levy and the tariffs are set out hereunder.

### **1. Circumstances under which the levy is payable**

The levy is applicable on wheat, barley and oats:

- (a) that is sold by or on behalf of the producer thereof;
- (b) that is processed or converted into a wheat, barley or oats product by or on behalf of the producer thereof, if the processed products are intended to be disposed of;
- (c) in respect of which a silo certificate has been issued, if the levy in respect of such grain has not already been paid in terms of paragraph (a) or (b) above; and
- (d) that is exported from the Republic of South Africa, and in respect of which the levy has not been paid in terms of paragraphs (a), (b) or (c).

**Note:** Please note that the levy is payable under all circumstances referred to above and is applicable to such actions with regard to all wheat, barley and oats, irrespective of the

<b>Directors:</b>	<b>Mr. D.N. van Rooyen (Chairperson), Mr. A.P. Theron (ex officio past Chairperson), Dr. L. Chetty, Ms. M. Purnell, Dr. M. Visser, Dr. E. Briedenhann, Prof. P.W. Mashela, Mr. A.M. Mbotshelwa, Ms. L. Mellet (NAMC Observer)</b>
<b>Chief Executive Officer:</b>	<b>Mr. G.F. Heyns</b>
<b>Administrators:</b>	<b>L&amp;L Agricultural Services</b>

grade or the purpose of usage thereof. The levy is only applicable to wheat, barley and oats produced within the Republic of South Africa.

## **2. Parties responsible for payment of the levy**

In terms of the regulation, the levy is payable by the following parties:

- (a) by the buyer of the wheat, barley and oats in the case of paragraph 1(a) above;
- (b) by the processor or converter of the wheat, barley and oats in the case of paragraph 1(b) above;
- (c) by the person issuing the silo certificate in the case of paragraph 1(c) above; and
- (d) by the exporter of the wheat, barley and oats in the case of paragraph 1(d) above.

## **3. Amount of the levy**

The amount of the levy for wheat, barley and oats is **R 30.00 (VAT excluded)** per metric ton for the period 1 October 2020 until 30 September 2022.

## **4. Recovery of levy**

In terms of the regulation, the levy payable by the buyer of the wheat, barley, and oats, in the case of paragraph 1(a), may be deducted from the purchase price payable to the producer.

The levy payable by the processor or converter of the wheat, barley and oats, in the case of paragraph 1(b), may be recovered from the producer of such grain.

The levy payable by the person issuing a silo certificate in respect of wheat, barley and oats, in the case of paragraph 1(c), may be recovered from the person to whom such a silo certificate is issued.

## **5. Payment of levy**

In terms of the regulation, the levy is payable by no later than the last day of the month following the month in which the grain had been sold, processed, converted, exported or in respect of which a silo certificate was issued.

Payment of the levy must be made to:

SA Cultivar and Technology Agency NPC  
P O Box 74626  
Lynnwood Ridge  
0040

The banking details for payments are as follows:

Bank:	First National Bank
Branch:	Menlyn Maine
Branch code:	250-655
Account holder:	SA Cultivar and Technology Agency NPC
Account number:	6264 3558 185

## **6. Information to be submitted**

Affected parties are requested to please identify the breeders whose varieties are being purchased from producers, or are processed or converted on behalf of producers, or in respect of which a silo certificate is to be issued, inter alia, by means of declarations from the producers concerned or the physical identification of the varieties. The purpose of such identification of varieties is to determine the involvement of the different breeders of wheat, barley and oats varieties in the market in order to compensate breeders proportionately in accordance to their market share from the levy funds collected.

Payments of the levy must be accompanied by a duly completed payment advice (levy return form), a copy of which is attached. Your co-operation in completing the form with each payment to be made, will be appreciated.

Enquiries can be directed to Sakkie Kloppers on **076 221 3554** or at **sakkie@llagric.co.za**.

**Sakkie Kloppers**  
**The Administrators**  
**SA Cultivar and Technology Agency NPC**