

The handling and storage of grain and oilseeds

Wessel Lemmer
General Manager



The handling and storage of grain and oilseeds

Who are we?

- The legacy of storage operators spans **114 years**;
 - 1910: The establishment of the *Sentrale Agentskap vir Koöperatiewe Verenigings*,
 - 1935: The introduction of the *Uniegraan Koöperatiewe Maatskappy Beperk*
 - 1998: Establishment of the *Grain Silo Industry (Pty) Ltd.*
 - 2014: Introduction of **Agbiz Grain** as part of *Agbiz*



Who do we represent?

- Our members collectively handle and store 70% of grain and oilseeds produced in South Africa. (About 380 silos)
 - Agbiz Grain represents the formal handling and storage **sector that store grain and oilseeds for commercial purposes.**
 - Our members **does not include producers** that handle and store grain and oilseeds on farm in their own storage facilities, **processors or port silos.**
 - The **majority** of our members has farmers as shareholders in their companies
- Our members collectively owns 98% of all the JSE registered storage sites.
 - Advice: Source stock from storage sites that are **registered with the JSE**
 - We manage export protocols at cost to comply with **exporter's specific food safety requirements** concerning the producer's product delivered to our silos
 - Our members engage in the **export trade** between the silo and export ports on behalf of their shareholders and clients.

Agbiz Grain membership

تفاصيل الاتصال بأعضاء شركة أجبيز للحبوب



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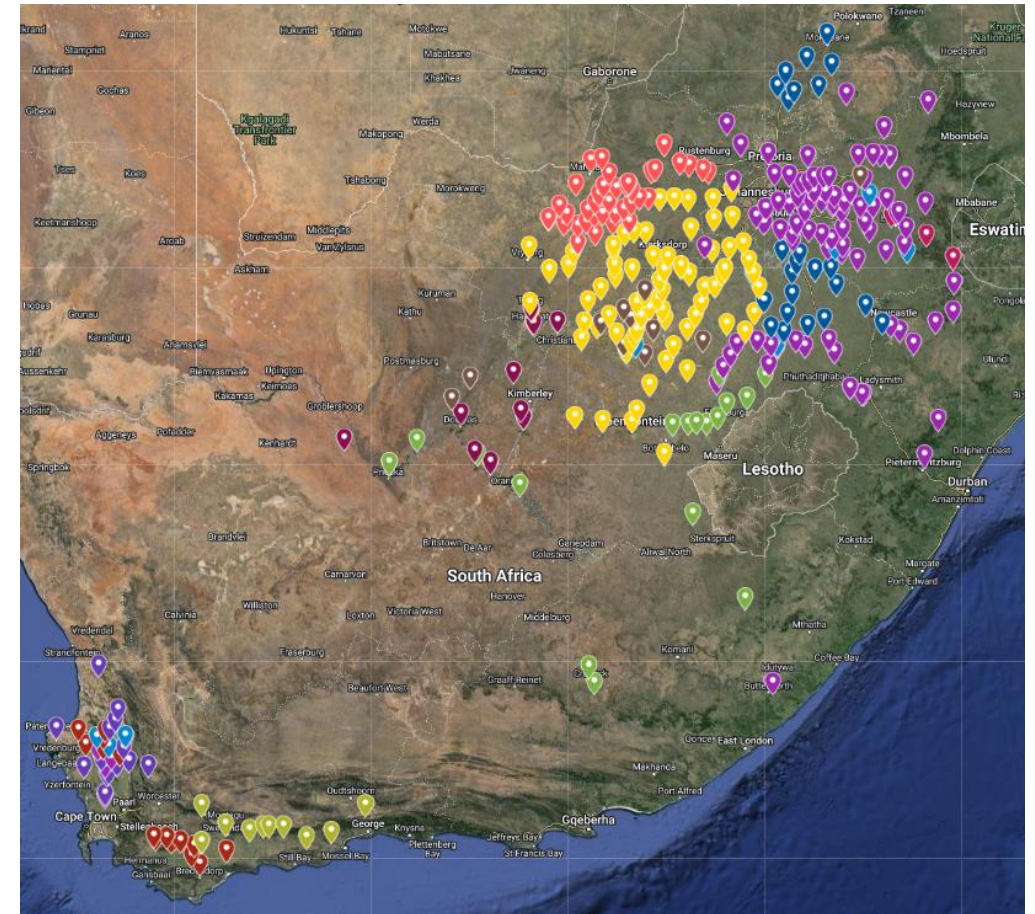
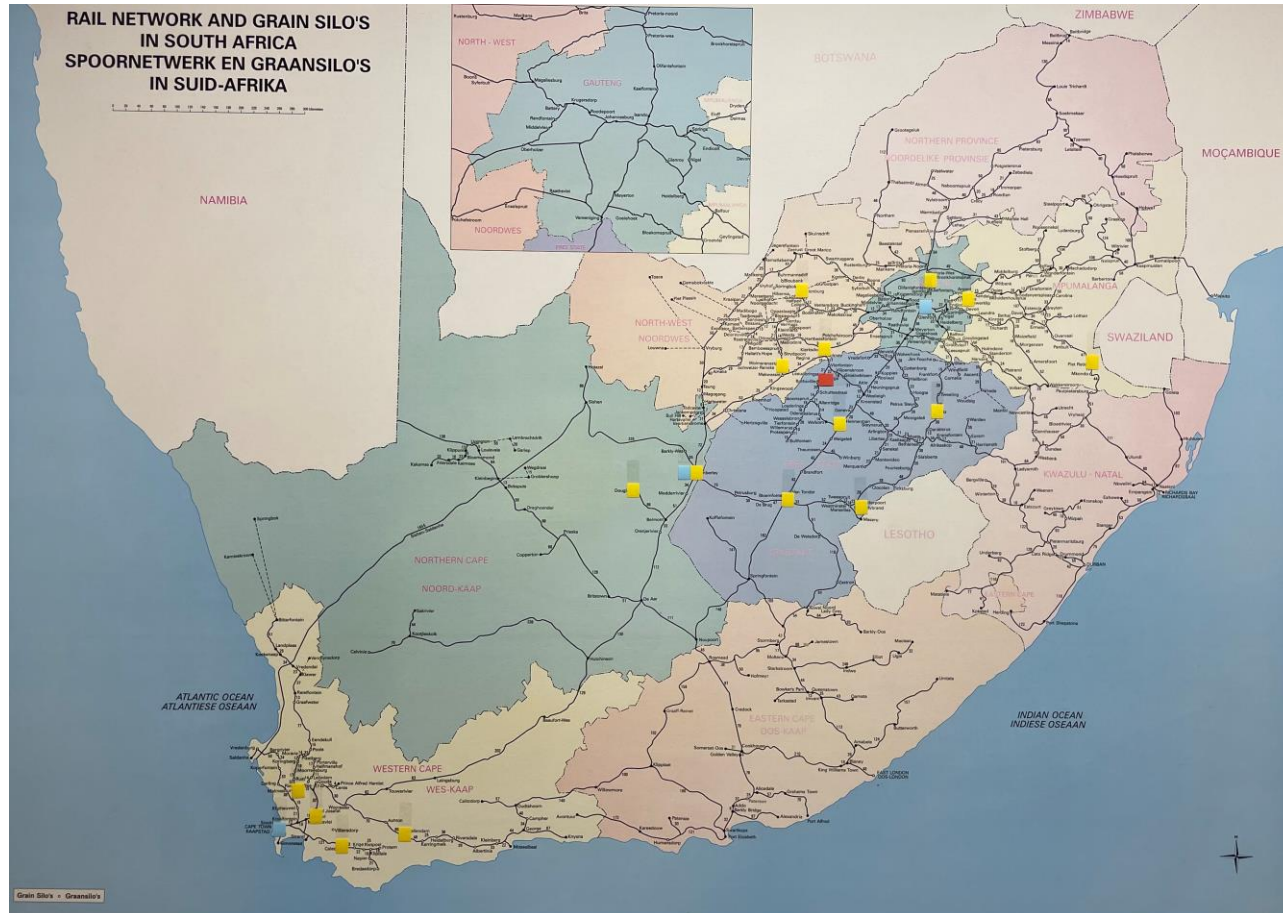
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<https://www.agbizgrain.co.za/>

Rail network and location of Agbiz Grain members

<https://agbizgrain.co.za/content/resources?page=storage-structures>



Brent Parrott - Schoeman Group



Executive Director and CEO: Highveld Production,



Jerry Maritz Chairman - AFGRI



Managing Director: AFGRI Grain Management

Agbiz Grain represent grain storers with common operational needs and initiatives with a positive contribution to the sustainability of the grain industry



PHOTO PROVIDED BY AFGRI

Francois Froneman - VKB

Executive Director: Grain Services



Agbiz Grain represent its members, commercial storers of grain, at all levels and in all matters that have an impact on grain storage in South Africa in order to ensure the competitiveness and sustainability of commercial grain storage within the agricultural industry.

Tom Meintjies Vice Chairman - GWK

Managing Director: Trading GWK Ltd



Agbiz Grain establish a national platform on which the standardized, fair and transparent trading of grain by all role players in the grain industry can take place. We link the total value chain in the grain trade to achieve alignment with objectives that promote free trade and free market principles



Wikus Grobler - Senwes



Managing Executive: Grainlink

Grainlink

Jaco du Rand - NWK



Senior Manager Grain

Agbiz Grain serve as a mouthpiece for the grain industry and contribute to an effective food chain in South Africa



Anton Duvenage - TWK Agri (Pty) Ltd



TWK Chief Executive Manager: Grain

I will give my knowledge and expertise to Agbiz Grain to ensure successful support of the whole grain chain through safe storage of grains and oilseeds. All role players, farmers, will have peace of mind for grains and oilseeds stored at our storage facilities.

Rudolph van Wyk - OVK



Director: Grain, Fibre and Livestock

Agbiz Grain sustainably promote the interests of all those involved in the grain industry



Casper Schmidt - BKB Grainco



General Manager

Agbiz Grain promote the grain industry for the benefit of the total agricultural industry

Cassie Bresler - Silostrat



Head of Storage and Handling - Silostrat

Agbiz Grain promotes the interests of all role players involved in the storing and handling of grain commodities and oilseeds. All stakeholders are assured equal and transparent opportunities.



PHOTO PROVIDED BY BKB GRAINCO



PHOTO PROVIDED BY SILOSTRAT

Pieter Malan - SSK



General Manager: Grain Services

Agbiz Grain will continuously make a significant difference in the agricultural value chain, which will ensure a sustainable future for all stakeholders, whether through government, local or industry-oriented cooperation and dialogue.

Johan Lusse - Overberg Agri



General Manager: Grain & Agri Services

Agbiz Grain promote the goals of the grain storage industry in South Africa to be the preferred provider of grain storage services for primary producers, traders and processors.



OVERBERG

Awie Kriel - Kaap Agri



Regional Manager Operational: Commodities

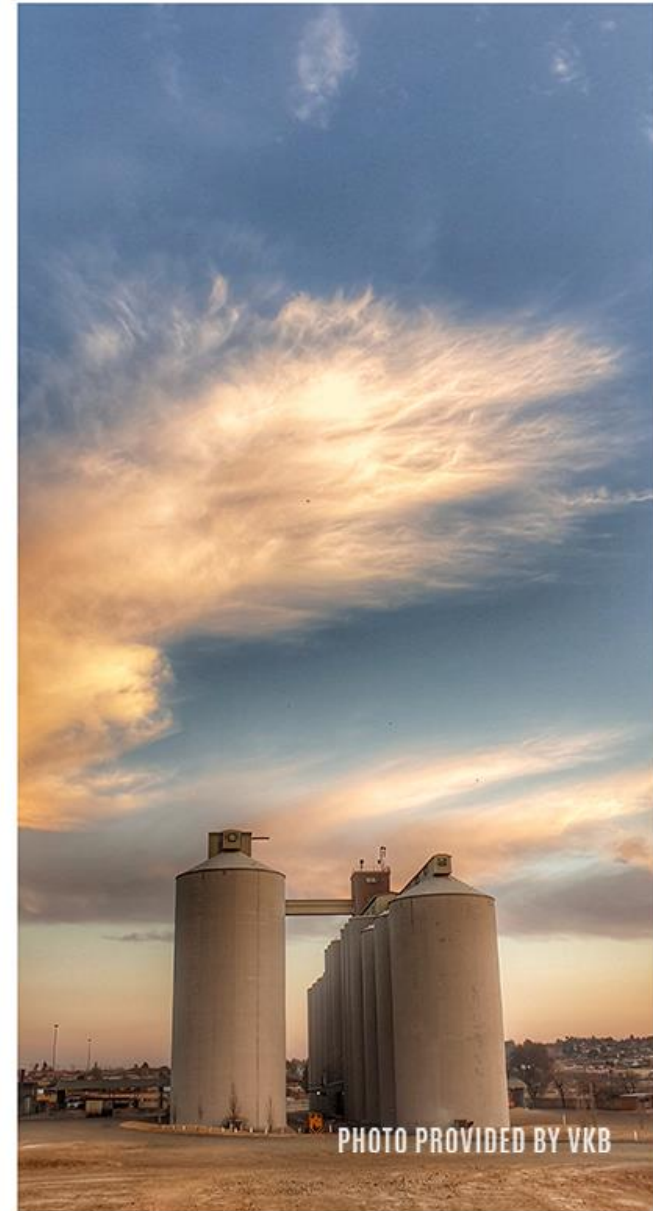
Agbiz Grain plays a leading role in the development of courses and training materials for the training of staff in the grain industry in order to address the shortage of skills.



The average size of a silo complex is about 70 000 tons

The purpose of the APS Act

- To provide for control over the **sale** and export of certain agricultural products, control over the sale of certain imported agricultural products; and control over other related products; and for matters connected therewith.
- "**sell**" includes agree to sell, or offer, advertise, keep, expose, transmit, convey, deliver or prepare for sale, or to exchange or to dispose of in any way for any consideration;
- 3. Control over sale of products.-(I) The Minister may-
 - (a) prohibit the sale of a prescribed product
 - (i) unless that product is sold according to the prescribed class or grade
 - (ii) unless that product complies with the prescribed standards regarding the quality thereof, or class or grade thereof;



The DALRRD at inspection may classify, grade any quantity of product or direct the owner or person in charge of that place to thus classify, grade

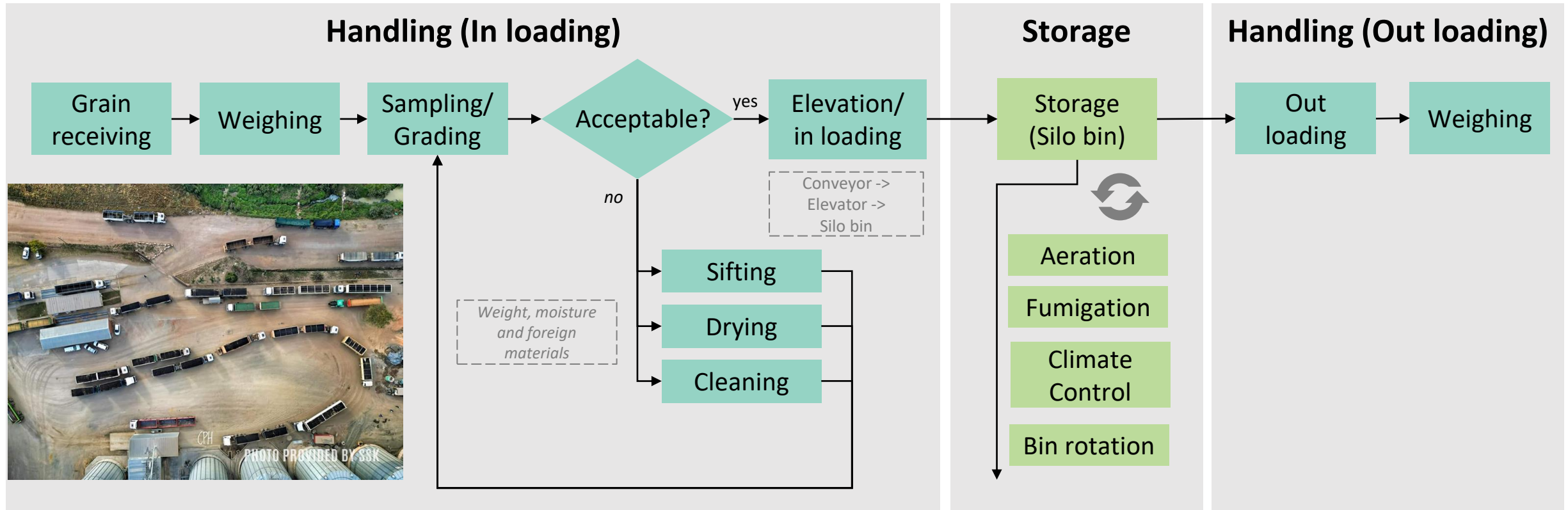
APS Act / DALRRD



- (d) Any sample taken under subsection (1) (e) shall-
- (iii) as soon as possible after it has been taken, be submitted to a person, undertaking, body, institution, association, board or laboratory which is competent to test, inspect or analyse that sample.
- 3A. Inspection, grading and sampling for quality control.-(1) The executive officer or the assignee may (b) classify, grade, pack or mark any quantity of a product in accordance with the prescribed requirements, or direct the owner or person in charge of that place, premises or conveyance to thus classify, grade, pack or mark such quantity;

Grain silo: Handling and Storage Processes

Traditional concrete/ steel silo



Getting grain within specification and into storage structures

Holding and quality preservation

Grain Safety in Storage

- We guarantee the safe handling and storage of the export product.
 - Our members underwrite the **Agbiz Grain Food Safety Conduct**.
 - Agbiz Grain members are regulated by the **Agricultural Product Standards Act (Nr 119 of 1990)**
 - The Act facilitates trade by prescribing the sampling, classing and grading of commodities
 - PPECB: We comply with the requirements set by DALRRD. PPECB (Assignee of DALRRD) inspect our storage sites to meet HACCP requirements.
 - Our members comply with the **Requirements for Approved Silos** set by the JSE and are inspected by the JSE and are audited by SAGIS

Agbiz Grain Food Safety Conduct (1/3)

Conduct: How the storage operator and its activities are managed or directed;

- **The client/producer declares that he/she** has kept the required records and **is legally compliant** in terms of chemical product usage and application, prevention of contamination and that he/she is aware of and compliant with any additional legislation that may apply to a client/producer.
- **By signing the storage contract** and/or submitting to the harvest rules of the storage operator, the client declares that;
 - The grain in storage has been produced in **strict compliance with Act 36** of 1947.
 - The client is **bound to the Agbiz Grain Food Safety Conduct**
 - The declaration by the client is a **formal and confident statement** that the grain and oilseeds delivered for storage to the storage operator have been produced in strict compliance with Act 36 of 1947.

Agbiz Grain Food Safety Conduct (2/3)

Compliance with legislation related to food safety

- The **storage operator** declares that it complies with the following South African legislation related to food safety:
 - Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
 - Foodstuffs, Cosmetics, and Disinfectants Act, 1972 (Act No. 54 of 1972)
 - Hazardous Substances Act No 15 of 1973 ("HSA")
- The **storage operator** declares that it applies food and animal feed safety and hygienic practices to the handling and storage of whole grain and oilseeds in a safe and hygienic environment and in compliance with national grading regulations

Agbiz Grain Food Safety Conduct (3/3)

Confirmation by PPECB

- Concerning grain and oilseeds destined for market the certificate issued by PPECB serves as **confirmation** that the storage operator complies with the following;
 - Food Hygiene and Food Safety Standard issued under the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990) as stipulated under section 4(3)(a)(ii) of the Agricultural Products Standards Act 119 of 1990, and promulgated in notice R707 of 13 May 2005.
 - The standard requires that all silos be registered with the Department of Agriculture, Forestry, and Fisheries as Food Business Operators (FBOs). Each site receives its FBO number and certificate individually.
 - Each registered establishment is allocated a unique FBO Code and is audited on a 3-year cycle by PPECB.
 - That the FBO has been audited and includes all storage sites listed

Agricultural Product Standards Act

Agbiz Grain members comply with the APS Act , 1990 (Act No. 119 of 1990)

You can access the grading regulations under the Act here

<https://agbizgrain.co.za/content/legislation?page=grading-regulations>



ABOUT US ▾

CROP QUALITY ▾

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LEGISLATION ▾

ASSOCIATE MEMBERS

RESOURCES ▾

EVENTS ▾

JSE

CONTACT



Grading Regulations

Home • Legislation • Grading Regulations

Agricultural Product Standards Act

Agbiz Grain members comply with Notice 707 of 2005, APS Act, 1990 (Act No. 119 of 1990) Standards regarding food hygiene and food safety of regulated products of plant origin intended for export (Section 4(3)(c) of the

Perishable Products Export Control Board (PPECB) is an assignee of the DALRRD that;

1. **Audit** Agbiz Grain members once every three years (HACCP)
 1. Critical Control Points (CCP) E.g. Iron particles (Magnets detect particles, weighing and monitoring)
 2. Good Manufacturing Practices (GMP) Eg. Moisture with maize in storage must be below 14%.
 3. PPECB can withdraw the certificate of compliance if a member does not comply after a quality control inspection by PPECB.
 4. The PPECB certificate can be obtained from our members
2. PPECB Inspect each consignment **before export** to comply with the APS Act (Relevant grading regulations E.g. maize grading regulations)
3. For more information contact Shaubesco Heilbron at the PPECB head office.

Legislation applicable on the storage sector

- Legislation and amendments
- Statutory Measures & Levies
- Legislation applicable to the grain and oilseed industry
- Food safety and food hygiene
- SAGOS
- Dispensation
- SHEQ Legislation and Regulations
- Proficiency testing
- Disputes and arbitration
- <https://agbizgrain.co.za/content/legislation?page=important-publications>

JSE Requirements for Approved silos (1/5)

- Detailed Agricultural Contract Specifications 2021
- Appendix A: Approved silos
- Appendix B: JSE silo receipts
- Appendix C: Requirements for Approved Storage operators
 - Financial Standing
 - Experience, Expertise and Equipment
 - Legal standing
 - Compliance with the Rules of the JSE and Terms of the Agricultural Derivatives Contract
 - Record-keeping, Inspection and Reporting
 - Further duties of the storage operator
 - Insurance
 - Handling procedures
 - Outloading conditions and procedures to access product represented by the JSE silo receipts
- Appendix D: Requirements of Approved Silos
- Appendix E to I

Source: JSE

JSE Requirements for Approved silos (2/5)

- **Financial standing:** The storage operator shall be in good financial standing and credit, and shall have an ongoing net financial worth as determined by the storage capacity of the storage operator. The **net financial worth required** will be as follows (includes all registered delivery points)

Silo Capacity (tons)	Net Financial Worth Required
≤20000	20,000,000
20 001 to 40 000	40,000,000
40 001 to 150 000	60,000,000
150 001 to 300 000	120,000,000
300 001 to 600 000	240,000,000
600 001 to 1 200 000	480,000,000
1200001 ≥ 2000 000	1,000,000,000

JSE Requirements for Approved silos (3/5)

- The storage operator shall provide the JSE with a copy of all South African Grain Information Service (SAGIS) Audit Letters resulting from **physical audits** within seven days of receiving such. The letters will be used to assess the **storage operator's ability to meet their storage obligations.**

JSE Requirements for Approved silos (4/5)

- Storage operators shall have current and **adequate insurance policies** in place with reputable insurers as determined by the JSE ensuring that the **silos buildings, equipment and all commodities stored** therein are comprehensively insured against the following minimum risks:
 - fire, earthquake, earth tremor, malicious damage, storm, flood, spontaneous combustion and explosion, lightning, terrorism, theft, and public violence.
- The storage operator shall also have insurance in place to cover damages suffered as a result of **fraud** by its employees.

JSE Requirements for Approved silos (5/5)

- The approved silo must have a **minimum storage capacity of 10 000 metric tons** (maize equivalent) and the necessary mechanical equipment in working order for the effective and expeditious inloading, storage and outloading of grain in bulk.
- The property where on the registered silo is situated **must be owned** by the storage operator or a minimum five year lease of the property must be in place.

In summary

- You have the contact details of our members & the PPECB
- All Agbiz Grain members comply with the requirements of the APS Act and the Agbiz Grain Food Safety Conduct.
- Make sure your storage partner
 - is audited by the PPECB for HACCP purposes,
 - has an FBO code
 - is certified by the PPECB for export.
 - has JSE registered storage sites that have to comply with the JSE requirements and are therefore audited by SAGIS
- Our members can assist you with specific needs required by your export protocol and are also engaged in the logistics of export trade

Thank you

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