



**• Payment to grower codes that are not joint ventures**

Qualifying growers will be paid a provisional amount of R80 000 which will be processed via the milling companies unless otherwise advised by the grower.

The final payment in January 2019 will be based on a rate per ton cane to be agreed upon.

**• Payment to grower codes that are identified as joint ventures**

In order to benefit the black partners in joint ventures, a different dispensation based on a Rand per ton basis will be determined by industry members.

**SASA Cane Transport Subsidy and Cane Growers' Association Cost Subsidy - Subsidisation of qualifying black small-scale growers' cane transport costs and Cane Growers' Association Cost**

SASA has recognised that transport costs are a significant component of small-scale growers' costs. Further to these costs, small-scale growers have Cane Growers' Association Costs that need to be paid. In order to bring some immediate relief of these costs to black small-scale growers, SASA will subsidise the cane transport costs of black small-scale farmers who deliver 1800 tons cane and below as well as their Cane Growers' Association Costs through a subsidy.

SASA will pay provisional subsidies per ton cane delivered up to the end of August 2018 and monthly thereafter, with the final payment being made at the end of January 2019.

**Where a grower is transferred from Grant 1 to Grant 2, as a result of actual deliveries for 2018/2019 exceeding 1800 tons cane, the grower will receive the benefit from Grant 2 and subsidies received from Grant 1 will be offset against the payment from Grant 2.**

**The recovery will be processed in the cane payment run in the month the qualifying grower is to receive payment for Grant 2. (NB: The grower will receive a grant in accordance with the terms stipulated in Intervention 2)**

*Disclaimer: This pamphlet is distributed for information purposes only and does not contain all the details of each grant or subsidy above and is subject to change by SASA.*



**Dear sugarcane grower,**

**As part of the South African Sugar Association's (SASA's) continued commitment to transformation, SASA has approved eight (8) key interventions for the 2018/2019 season**

## This is to improve the plight of black sugarcane growers in the industry who face a number of challenges including high input costs, high levels of gearing, and limited access to working capital.

SASA has committed R172 million to benefit all black (African, Indian and Coloured) growers who delivered sugarcane in the 2018/2019 season to address these challenges, and to support the need for skills development and jobs for black industry stakeholders, with a specific focus on black youth and women.

The purpose of this pamphlet is to make all black growers aware of four of the eight transformation interventions which will be paid through the industry cane payment system, unless expressly indicated otherwise by qualifying growers for Grant 2. The remaining four interventions are being dealt with by SASA separately.

Each intervention is closely monitored and regulated by SASA to ensure that the growers who qualify for the subsidies and/or grants are paid the correct amounts in accordance with the rules, in a fair and an objective manner.

### What you need to know:

- The recipients of the grants and/or subsidies are all black (African, Indian, Coloured) sugarcane growers
- The recipients will only qualify if they deliver cane in the 2018/2019 season on or before 5 January 2019

- The grants and subsidies have only been approved for the 2018/2019 season
- If a grower has received a grant from Intervention 1, the grower will not qualify for a grant in Intervention 2 and vice versa
- Grants and/or subsidies are calculated based on total tonnage delivered per grower code (e.g. 123456) i.e. for all farms (e.g. A, B, C, etc)
- If a grower farms on communal land, the grower must have proof of a Permission to Occupy (PTO) by the relevant traditional authority
- All grower deliveries held in suspense status as at 5 January 2019 will be excluded from the subsidy and grant payments. PLEASE CONTACT YOUR MILL/MGB TO ASSIST IF ANY OF YOUR DELIVERIES ARE IN SUSPENSE!
- Final payments for these grants and/or subsidies will be made in January 2019
- Unless otherwise indicated, all payments will be made through the cane payment system via the home mill

**Growers do not need to apply for the grants and/or subsidies. These are calculated by SASA, based on actual cane deliveries for the 2018/2019 season on or before 5 January 2019, and are paid accordingly.**

- The grants and subsidies will not be subject to any cessations, deductions or set-off, except where a grower is transferred from grant 1 to grant 2 or, unless where expressly authorised by the grower.
- These grants and subsidies are in addition to the current Supplementary Payment Fund (SPF).

## The four much-needed grants and/or subsidies are described in more detail below:

### SASA Cane Payment Grant 1 - Grant cane payment for black small-scale growers

Black small-scale sugarcane growers make up the vast majority of farmers in the industry. These growers cultivate their cane on small plots on communal and freehold land. This grant is a commitment to growers who deliver 1 800 tons cane and below in the 2018/2019 season on or before 5 January 2019. This grant will be paid once-off at the end of January 2019,

Growers who qualify for this grant will also qualify for a cane transport subsidy and a cane growers' association costs subsidy.

### SASA Cane Payment Grant 2 - Grant cane payment for black growers (who do not qualify for Grant 1)

SASA, in recognising black growers who do not qualify as small-scale growers face similar challenges, has also committed to give these farmers a grant. The recipients of this grant are all black growers who delivered above 1 800 tons cane on or before 5 January 2019 for the 2018/19 season. These growers will also include joint ventures, as determined by the Mill Group Board and Projects or Co-operatives which delivered more than 1800 tons of cane and which did not qualify for Grant 1.

As an additional benefit, Grower Codes on communal land who qualify under this Grant 2, will also qualify for a cane transport subsidy and a cane growers' association cost subsidy, these subsidies will be capped to the maximum of 1800 tons per grower code.

This grant will have an initial provisional payment in the October 2018 cane payment run and thereafter monthly payments as a grower qualifies with a final payment in the January 2019 cane payment run.