

parent, seed can be harvested and replanted, which results in less seed being sold. In South Africa, approximately 70% of wheat is planted with farm saved seed. The investment in the development of new cultivars is as a result only covered by a small portion of the market. A lack of return on investment therefore prevent new seed companies and new cultivars from entering the market. This situation is however not unique to South Africa. In order to address this issue, various End Point Royalty systems were investigated and the outcome was a proposal to establish a statutory levy for breeding and technology, in addition to the industry statutory levy that has been implemented for many years.

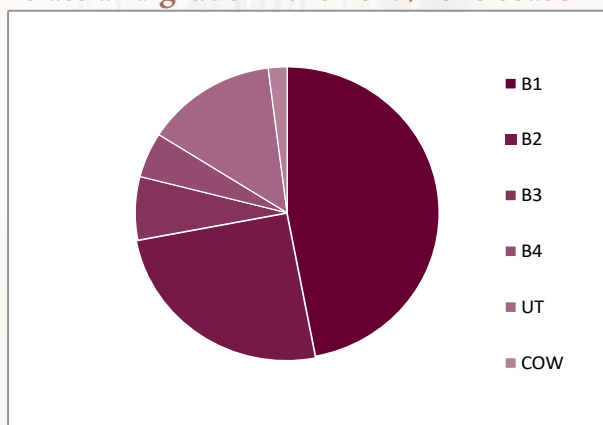
After meetings and consultations with stakeholders and various experts, the South African Cultivar & Technology Agency NPC (SACTA) was established in June 2016. SACTA has been recommended by role-players in the different industries as the body to administer the breeding and technology levy and will make payments to the seed companies from funds collected by means of the levies. The payments will be according to actual performance, calculated each year based on the market share achieved. It is envisaged that this system will eventually be implemented for all self-pollinating crops.

## Wheat grades

The 337 representative crop samples were graded as follows: 45% was graded B1, 26% was graded B2, 9% was graded B3, 4% was graded B4, 14% UT (Utility Grade) and 2% COW (Class Other Wheat). The majority of the samples (75%) downgraded to Utility Grade was as a result of either the percentage screenings or mainly the percentage other grain and unthreshed ears, individually, or in combination with the combined deviations, exceeding the maximum allowable level for grades B1 to B4. Most of these downgraded samples originated from the Western Cape.

Grade B1 wheat in the Free State province amounted to 68% (51% in the previous season). In the Irrigation areas 50% (43% in the previous season) of the wheat was graded as B1 and in the Western Cape Province 37% was graded as B1 (48% in the previous season).

**Graph 17: Percentage of samples per class and grade in the 2017/2018 season**



**Graph 18: Percentage of samples per class and grade in the 2018/2019 season**

