**INTRODUCTION TO**

SAG**I**S

**Background**

The Marketing of Agricultural Products Act, 1996 brought an end to single channel marketing and the control boards. Role-players, however, realised the importance of reliable information for functioning in a free market, and have co-operated to establish SAGIS, a non-profit company, in November 1997.

The four industries served by SAGIS are:

 White Maize Yellow Maize

**The Maize Trust**

**Oil & Protein Seeds Development Trust**

 Sunflower Soybeans Canola Groundnuts

**Winter cereals Trust**

 Wheat Barley Oats

 Sorghum

**Sorghum Trust**

**Main goal**

The main goal of SAGIS is the gathering, processing, analysing, and timeous distribution of reliable grain and oilseeds information to all role-players.

**Empowerment to obtain information**

Market participants (hereafter referred to as co-workers), e.g. storers, processors, importers and exporters, are statutory compelled to register with SAGIS and to submit information.

A co-worker that does not adhere to the requirements of the statutory measure is guilty of an offence and can be prosecuted.

**Market participants that provide information**

The total number of co-workers changes continuously. The total number of co-workers for the previous year is available in SAGIS’ Annual Report. (Also published on SAGIS’ website)

SAGIS also has various other partners that provide information on a voluntary basis. This information is used as a measure of control to evaluate the information for completeness and reliability before it is released.

**Structures in which SAGIS is involved**

1. **Forums**

Market participants of each of the four industries established forums where role-players meet for matters of mutual interest, inter alia market information. With regards to information, the forums make recommendations to:

* The NAMC for the information needs of the industry and the institution (SAGIS) to provide the service.
* The Trust of each industry concerning the funding of the institution and additional services.
1. **Trusts**

The Trusts of the four industries are registered as Members of SAGIS and each Trust annually appoints two Directors as well as one Alternate Director.

The future existence of SAGIS totally depends on the existence and funding by the Trusts.

1. **Directors**

 The Board of Directors gives the direction and the General Manager reports to the Board.

1. **Government institutions**

SAGIS operates independently from Government as far as its main goal is concerned. SAGIS fulfils its statutory obligations and liaises with certain Government departments (e.g. NAMC) to obtain market information (e.g. Crop estimates).

1. **Internal structures**

The following departments execute the main functions of SAGIS:

* ***Information*** Gather, process, analyse, and disseminate information.
* ***Inspection*** Stocktaking and auditing of the information received to check for its correctness, completeness, consistency, and reliability.
* ***Corporate*** Finances and Personnel matters
1. **External structures**

 There are several external structures, such as the associations of role-players (e.g. GSI, NCM, NAMC, Grain SA, etc.), harbour authorities, Spoornet, consultants, research institutions, Crop Estimates Committee, etc., with which SAGIS regularly liaises in order to successfully achieve its main goal.

**Reliability of the information**

To verify the reliability of information, personnel execute various continuous actions, which include, inter alia:

* **Internal control measures**

 Controls and cross references on the returns and in the computer system.

 *Internal audits*:

 Verifying information with data obtained from sources that are not statutory compelled (e.g. harbour instances, PPECB, Spoornet, etc.).

* **External control measures:**

**AGIS erticipants (hehereafter**

SAGIS’ inspectors conduct audits on source documents as well as stocktaking at co-workers.

**Sundry**

* SAGIS’ stock figure is the physical stock stored in commercial structures at a given point in time. This stock is not necessarily available for marketing as it might include whole grain/oilseeds that have already been contracted.
* The Crop Estimates Committee (CEC) is responsible for the national crop estimates. This can, for various reasons, differ from SAGIS' producer deliveries. SAGIS' producer deliveries represent deliveries by producers in commercial structures on premises of co-workers registered with SAGIS and, therefore, does not include retention on farms.

**Who uses the information?**

SAGIS’ information is used locally for strategic decisions regarding planting intentions, marketing and stocks, internationally as well as the RSA’s neighbours in Africa. SAGIS is recognised internationally for the quality and speed with which information is processed and made available.

SAGIS’ mandate is to release cold, clinical, national information. We, therefore, rely on the authorities (DAFF and PDA), associations (e.g. Grain SA, NAFU, GFADA) and economists to release information in a user-friendly format to the layman and the developing community.



**Information gives you the edge**