

SOUTHERN AFRICAN GRAIN ARBITRATION ASSOCIATION
(SAGAS)

SAGAS is a culmination of a great deal of work and input by many, which started in June 2003. The Maize Trust granted essential funding to make the formation of **SAGAS** possible.

Grain industry role-players and leaders recognised that a cost-effective and user-friendly dispute resolution procedure is an essential element of the free market. As such, it should be available to all contracting parties in the grain and oilseeds industries.

In March 2003 the initiative was taken by the SA Cereals and Oilseeds Traders' Association (SACOTA) to apply to the Maize Trust for funding to review the SAGOS contract and the Rules of Arbitration for grain. The Maize Forum Liaison Committee decided that SACOTA should drive the initiative, but that the funds have to be administered by the Maize Forum. Mr. Peter Brown, an international grain arbitrator, was retained to draft the Rules of Arbitration. The SAGOS contract was reviewed and amended slightly by Mr. Gary Moore of Hofmeyr attorneys.

An industry working group was appointed which perused and amended the SAGOS contract and Arbitration Rules numerous times. Both the contract and the rules were widely circulated for comment by the industry associations and consensus was eventually achieved. A proposal for the establishment and administration of a grain arbitration service was subsequently accepted by the founding associations, i.e. AFMA, GSI, GSA, NCM and SACOTA. This proposal was also tabled and accepted by both the Maize Forum and the Wheat Forum.

It is vitally important for the arbitration process to be available to all and not exclusively to members of the founding associations. For this reason the element of access to the disputes resolution must be maintained and it was decided to invite the NAMC and NAFU to nominate members to serve on the Governing Committee of **SAGAS**. The NAMC made its nominations but no nominations have as yet been received from NAFU.

Interim arbitrators were nominated by the industry and most of them have since completed formal training courses and have passed an examination to become fully accredited arbitrators under the **SAGAS** Rules and SAGOS contract. The following persons are presently accredited **SAGAS** arbitrators:

- Mr. Lambert Botha
- Mr. Leon du Plessis
- Mr. Hans Swart
- Mr. Giel van Zyl
- Mr. Steve Hochfeld
- Mr. Peter Watt
- Dr. Erhard Briedenhann

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