

GOVERNMENT NOTICES GOEWERMENSKENNISGEWINGS

DEPARTMENT OF AGRICULTURE DEPARTEMENT VAN LANDBOU

No. 737

17 August 2001

NATIONAL AGRICULTURAL MARKETING COUNCIL MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996

(ACT No. 47 OF 1996)

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES IN THE WINE INDUSTRY

It is hereby made known in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), that the Minister of Agriculture has received a request for the continuation of the following statutory measures, in terms of section 10 and 11 of the said Act:

- Registration (Section 19 of Agricultural Products Act, 1996 (Act 47 of 1996)).
- Records and returns (Section 18).
- Information levy (Section 15).
- Research and Development levy (Section 15).
- Wine export generic promotion levy (Section 15).

In the application it is proposed that all the above-mentioned statutory measures be continued for four years from 1 November 2001 to 31 October 2005. It is proposed that Registration and Records and Returns also be extended for four years, despite the fact that they are only due to lapse in 2003. This is because Registration and Records and Returns are an essential part of levy administration. It is therefore proposed that in future all statutory measures run concurrently.

Directly affected groups in the wine industry are hereby invited to lodge any comments or objections regarding the proposed statutory measures to the National Agricultural Marketing Council within 14 days of the publication hereof.

Submissions should be in writing and be addressed to:

The Chairperson
National Agricultural Marketing Council
Private Bag X 935
PRETORIA
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**REQUEST FOR THE CONTINUATION OF A STATUTORY MEASURES IN THE
WINE INDUSTRY IN TERMS OF THE MARKETING OF AGRICULTURAL
PRODUCTS ACT, 1996
(ACT NO 47 OF 1996)**

**RESEARCH AND DEVELOPMENT LEVY ON GRAPES, GRAPE JUICE
CONCENTRATE, DRINKING WINE, DISTILLING WINE AND WINE SPIRIT.**

The Wine Industry Forum applied for the continuation of the statutory measure (Research and development levy) in the wine industry in terms of section 10 and 11 of the Marketing of Agricultural Products Act, Act No. 47 of 1996.

**THE WINE INDUSTRY FORUM REQUESTED THE INTRODUCTION AND
PROMULGATION OF THE FOLLOWING STATUTORY MEASURES:**

- Section 15 of the Marketing of Agricultural Products Act: The continuation of the research and development levy

**IF APPROVED THE STATUTORY MEASURES WILL BE APPLICABLE TO
THE FOLLOWING PRODUCT/S**

- Grapes intended for the production of drinking wine or distilling wine
- Grape juice concentrate
- Drinking wine
- Distilling wine
- Wine spirit

**IF APPROVED THE STATUTORY MEASURES WILL BE APPLICABLE TO
THE FOLLOWING PERSONS:**

- Wine producers in respect of packaged drinking wine, packaged wine spirit, wine spirit sold to another wine producer and wine spirit produced by a wine producer used for fortification of that wine producer's own drinking wine
- Wine traders in respect of grapes purchased. Wine traders in respect of grapes used for production of their own drinking wine or distilling wine and in respect of drinking wine, distilling wine and wine spirit purchased in bulk

**THE PURPOSE OF THE PROPOSED RESEARCH AND DEVELOPMENT
LEVY IS FOR THE FUNDING AND PROVISION OF THE FOLLOWING:**

The research and development levy will be used to defray the administration costs of WINETECH (Wine Industry Network of Expertise and Technology), to co-ordinate and fund research and development, training and technology transfer in the wine industry. SAWIS (South African Wine Industry Information and Systems), having the infrastructure and information, will continue to collect this proposed levy on behalf of WINETECH

The objectives of a research and development levy are -

- (a) to support the wine industry with expertise, enabling it to be cost effective while producing quality wines and other grape based products through the application of environmentally friendly technologies;
- (b) to support the training and education of individuals for the industry – at all levels in terms of skills, knowledge and insight development – in order to ensure the practical implementation of the best knowledge and most advanced technologies in viticulture, wine making and other grape based products;
- (c) to establish a culture of technological innovation, to ensure the ongoing utilization of the best technology within the industry, and to facilitate its dissemination to all the sectors of the industry;
- (d) to facilitate the development of resources poor and previously disadvantaged producers and to improve their access to the industry by making leading edge appropriate technology available to such producers;
- (e) to establish world leadership in selected niche areas of the wine industry through WINETECH'S network of scientific and technological expertise;
- (f) to commission relevant and thoroughly planned research, technology development and technology transfer in the promotion of the industry's technological capabilities and in the attainment of the other objectives.

The levy will be collected by SAWIS, who will act on behalf of WINETECH in this regard. WINETECH is the actual beneficiary of the levy who will utilise it in accordance with their business plan.

THE AMOUNTS OF THE PROPOSED LEVY ON THE RELATED PRODUCTS

1. Grapes

R8,40 per ton (0.84c/kg)

2. Grape juice concentrate

- R0,012 per litre at 17,4 degrees Balling

3. Drinking wine

- R0,012 per litre;

4. Distilling wine and wine spirit

- R0,01 per litre at 10 per cent alcohol by volume.

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WINE INDUSTRY IN TERMS OF THE MARKETING OF AGRICULTURAL
PRODUCTS ACT, 1996
(ACT NO 47 OF 1996)

**REGISTRATION, RECORDS AND RETURNS, INFORMATION LEVY ON
GRAPES, GRAPE JUICE AND PRODUCTS DERIVED FROM GRAPE JUICE.**

The Wine Industry Forum applied for the continuation of the statutory measures (registration, records and returns and information levy) in the wine industry in terms of section 10 and 11 of the Marketing of Agricultural Products Act, Act No. 47 of 1996.

**THE WINE INDUSTRY FORUM REQUESTED THE INTRODUCTION AND
PROMULGATION OF THE FOLLOWING STATUTORY MEASURES:**

- Section 15 of the Marketing of Agricultural Products Act: The continuation of the Information levy.
- Section 18 of the Marketing of Agricultural Products Act: Records and Returns.
- Section 19 of the Marketing of Agricultural Products Act: Registration.

**IF APPROVED THE STATUTORY MEASURES WILL BE APPLICABLE TO
THE FOLLOWING PRODUCT/S**

1. Registration with SAWIS

- Grapes intended for the production of drinking wine or distilling wine;
- Grape juice concentrate intended for use in wine;
- drinking wine;
- distilling wine; and
- wine spirit.

2. Keeping of records and returns

- vines;
- grapes intended for the production wine;
- grape juice and grape juice concentrate;
- drinking wine
- distilling wine; and
- wine spirit

3. Information Levy

- Grapes intended for the production of drinking wine or distilling wine;
- grape juice concentrate intended for the use in drinking wine or other alcoholic products; and
- drinking wine