

No. R. 300

16 April 2010

MARKETING OF AGRICULTURAL PRODUCTS ACT, 1996
(ACT No. 47 OF 1996)

**CONTINUATION OF STATUTORY MEASURE AND DETERMINATION OF
GUIDELINE PRICES: EMPOWERMENT AND TRANSFORMATION LEVY ON
GRAPES, GRAPE JUICE CONCENTRATE AND DRINKING WINE**

I, Tina Joemat-Pettersson, Minister of Agriculture, Forestry and Fisheries, acting under sections 13 and 15 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), hereby –

- (a) continue the statutory measure set out in the Schedule;
- (b) determine that the guideline price for –
 - (i) grapes intended for the production of wine shall be R3091,00 per ton;
 - (ii) grape juice concentrate intended for use in wine shall be 265,17 cents per litre at 17.4 °Balling; and
 - (iii) drinking wine shall be 337,99 cents per litre.

T JOEMAT-PETTERSSON,
Minister of Agriculture, Forestry and Fisheries.

SCHEDULE

Definitions

1. In this Schedule any word or expression to which a meaning has been assigned in the Act shall have that meaning, and unless the context otherwise indicates –

“drinking wine” includes grape juice used in the production of drinking wine and drinking wine used in the production of other alcoholic products;

“grapes” means grapes intended for the production of drinking wine or distilling wine;

“grape juice” means grape juice and grape juice concentrate intended for use in drinking wine or other alcoholic products;

“in bulk” means a container of more than five litres;

“registered” means registered with SAWIS as a bottler, grape producer, grape juice producer, wine exporter, wine producer or wine trader, as the case may be;

“SAWIS” means the South African Wine Industry Information and Systems, a company incorporated under section 21 of the Companies Act, 1973 (Act No. 61 of 1973);

“the Act” means the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996);

“WIDA” means the Wine Industry Development Association, a voluntary association not for gain;

“wine producer” means any person who crushes grapes and who is not registered as a wine trader;

“wine spirit” means any spirit derived from wine, wine lees or husks;

“wine trader” means any person not registered as a wine producer who purchases or otherwise acquires -

- (a) grapes;
- (b) drinking wine, distilling wine or wine spirit, in bulk from a wine producer.

Purpose and aims of continuation of statutory measure and the relation thereof to the objectives of the Act

2. (1) The objective of the continuation of the empowerment and transformation levy is to continue to facilitate economic and social development and transformation in the wine industry through programmes such as economic empowerment and development, social development and upliftment and human resources development and training.
- (2) The empowerment and transformation levy will not be detrimental to the number of employment opportunities or fair labour practice.
- (3) The empowerment and transformation levy will be administered by WIDA. WIDA will continue to implement and administer the transformation levy.
- (4) The empowerment and transformation levy will be collected by SAWIS, who will act on behalf of WIDA in this regard. WIDA is the actual beneficiary of the levy who will utilise it in accordance with their business plan.

Products to which statutory measure shall apply

3. The empowerment and transformation levy shall apply to grapes, grape juice concentrate and drinking wine.

Area in which statutory measure shall apply

4. The empowerment and transformation levy shall apply in the geographical area of the Republic of South Africa.

Empowerment and transformation levy

5. (1) An empowerment and transformation levy is hereby continued to be imposed on –
- (a) grapes;
 - (b) grape juice concentrate; and
 - (c) drinking wine.
- (2) The amount of the empowerment and transformation levy shall –
- (a) in the case of grapes, be R2,12 per ton;
 - (b) in the case of grape juice concentrate, be 0,30 cent per litre at 17,4 degrees Balling;
 - (c) in the case of drinking wine, be 0,30 cent per litre.
- (3) The empowerment and transformation levy shall –
- (a) be payable by a wine producer in respect of drinking wine packaged in containers of 5 litres or less;
 - (b) be payable by a wine trader in respect of -
 - (i) grapes;
 - (ii) grape juice concentrate in containers of more than 5 litres, acquired from a wine producer; and
 - (iii) drinking wine in containers of more than 5 litres, acquired from a wine producer.

- (4) The empowerment and transformation levy shall be payable to SAWIS, acting on behalf of WIDA, in accordance with subclause (5).
- (5) (a) Payment of the empowerment and transformation levy shall be made not later than sixty days following the month of delivery of a quantity of grapes, grape juice concentrate or drinking wine sold, purchased or otherwise acquired.
- (b) Payment shall be made by means of a cheque or electronic transfer in favour of SAWIS, and shall –
- (i) when paid by cheque, be addressed to –
SAWIS, P O Box 238, Paarl, 7620;
 - (ii) when electronically transferred, be paid to the bank account obtainable from SAWIS on request.

Remaining levies

6. For the purposes of section 15(5)(a) of the Act, any empowerment and transformation levies collected, administered or kept by WIDA before 1 November 2009, and remaining in the possession or under the control of WIDA after 1 November 2009, may only be utilised by WIDA for the purpose and aims set out in clause 2.

7. Use of levy

The Minister approves that –

- (a) at least 70% of the levy funds should be used for the core business e.g. empowerment and transformation activities;
- (b) no more than 10% for administrative use; and
- (c) approximately 20% be allocated towards transformation.

Period of validity

8. The empowerment and transformation levy shall be implemented on date of publication and will lapse on 31 December 2013.