

No. R. 882**28 October 2011**

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

**AMENDMENT OF STATUTORY MEASURE AND DETERMINATION OF GUIDELINE
PRICES: RESEARCH AND DEVELOPMENT LEVY ON GRAPES, GRAPE JUICE
CONCENTRATE, DRINKING WINE, DISTILING WINE AND WINE SPIRIT**

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) amend the statutory measure published by Government Notice No. R. 302 of 16 April 2010 to the extent as set out in the Schedule;
- (b) determine that the said amendments shall come into operation on date of publication; and
- (c) determine that the guideline price for –
 - (i) grapes intended for the production of wine shall be R3354,00 per ton;
 - (ii) grape juice concentrate intended for use in wine shall be 305,86 cents per litre at 17.4 degrees Balling;
 - (iii) drinking wine shall be 353,25 cents per litre; and
 - (iv) distilling wine and wine spirit shall be 95,57 cents per litre at 10 per cent alcohol by volume.

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 Notice shall have that meaning, and "the Notice" means Government Notice No. R. 302 of 16 April 2010.

PURPOSE AND AIMS OF AMENDMENT OF STATUTORY MEASURE AND THE RELATION THEREOF TO THE OBJECTIVES OF THE ACT

2.
 - (1) In a previous application for statutory measures the industry concerned requested that levy amounts be indexed for inflation. It was, however, indicated that an application to amend levy amounts if and when required, was preferred. The purpose and aims of the proposed amendment to this levy are, thus, to account for inflation and other circumstances over the period since the current amount was determined by the Minister (16 April 2010) until the end of the current cycle on 31 December 2013.
 - (2) The research levy is used to defray the administration costs of WINETECH, and to co-ordinate and fund research and development, training and technology transfer in the wine industry. An increase on the current amount of 10% is requested. Other than to account for inflation, motivation for this increase includes:
 - (a) Due to the loss of income other than the Research and Development levy Winetech's income has stabilised on approximately R18,0 million per annum since 2004. Without the proposed increase, this leaves insufficient funds for essential research projects that will secure the competitive advantage the industry needs to maintain and expand its position in the national and international markets.

- (b) A solid statutory levy funding base for research and development is of the utmost importance to be able to leverage THRIP and ARC funds, which is a good example of co-operation between government and industry.
- (3) The amendment of the statutory measure will not be detrimental to food security, the number of employment opportunities within the economy or to fair labour practice. It is aimed at growing the competitiveness and capacity of the industry concerned.

AMENDMENT OF CLAUSE 5 OF THE NOTICE

3. Clause 5 of the Notice is hereby amended by the substitution for subclause (2) of the following subclause:

"(2) The amount of the research and development levy shall -

- (a) in the case of grapes, be R15,82 per ton;
- (b) in the case of grape juice concentrate, be 2,26 cent per litre at 17,4 degrees Balling;
- (c) in the case of drinking wine, be 2,26 cent per litre;
- (d) in the case of distilling wine and wine spirit, be 1,95 cent per litre at 10 per cent alcohol by volume."