

No. R. 883

28 October 2011

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

**AMENDMENT OF STATUTORY MEASURE AND**  
**DETERMINATION OF GUIDELINE PRICES: WINE EXPORT-GENERIC**  
**PROMOTION LEVY ON EXPORT 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) amend the statutory measure published by Government Notice No. R. 301 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 export wine shall be 353,25 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 Notice shall have that meaning, and "the Notice" means Government Notice No. R. 301 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 export levy is used by WOSA to generically promote SA wines on selected export markets and to improve the efficiency of the export process.
- (3) An increase on the current amount of 5% is requested. This is a conservative increase to partly counter inflation, but taking into account the circumstances of wine exporters and WOSA's business plan.
- (4) While South Africa has successfully diversified its exports within Europe from the UK and Netherlands to exporting substantial volumes into Germany and all of Scandinavia, the global recession has highlighted the need for South Africa to diversify outside of Europe. We need to continue to promote in the EU to protect our existing markets, but we also need to invest more heavily in the USA, Canada, key African countries such as Angola and Nigeria, as well as India, China, Japan, and South Korea. These are the markets of the future, and while South African exports to these countries are growing, it is off a very small base. Our producers are keen for WOSA to build a greater awareness of Brand Wine South Africa in these countries in order for the South African category to grow.

- (5) 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 wine export generic promotion levy shall -

- (a) in the case of export wine in bulk, be 7,96 cent per litre, of which 0,47 cent per litre shall be used to fund, maintain and further develop the Wine-on-Line system; and
- (b) otherwise, be 10,95 cent per litre, of which 0,47 cent per litre shall be used to fund, maintain and further develop the Wine-on-Line system".