
SOUTH AFRICAN WINE AND BRANDY INDUSTRY

APPLICATION FOR THE CONTINUATION OF STATUTORY MEASURES IN THE WINE AND BRANDY INDUSTRY

NAMC REQUESTING COMMENTS / INPUTS FROM DIRECTLY AFFECTED GROUPS IN THE WINE INDUSTRY

On 2 June 2025, the Minister of Agriculture, received a request, in terms of the Marketing of Agricultural Products Act (MAP Act), Act No 47 of 1996, for the continuation of statutory measures (registration, records & returns and levies) in the South African wine and brandy industry. It is proposed that the statutory measures be implemented for a new four-year period from 1 January 2026 to 31 December 2029. The current statutory measures will expire on 31 December 2025.

The applicant for the proposed statutory measures is the South Africa Wine non-profit company, (SA Wine), representing the role players in the wine and brandy industry. The proposed statutory measures are as follows:

- Registration;
- Records & Returns; and
- Levies:
 - Research, development and information levy (RDI levy).
 - Wine export generic promotion levy (Export levy); and
 - Brandy generic promotion levy (Brandy levy).

SA Wine contracted the following business units / non-profit companies (NPCs) to conduct its operational or business services, namely -

1. WOSA (Wines of South Africa NPC): International Market Growth;
2. SAWIS (SA Wine Industry Information and Systems NPC): Business Intelligence. SAWIS is also responsible for administering the registration and records & returns statutory measures; and
3. SABF (The South African Brandy Foundation NPC): Market Growth – Local Brandy.

The purpose and objective of the statutory measures in the wine and brandy industry are as follows:

- **Registration and Records & Returns:**

To ensure that continuous, timeous and accurate information is available to all role players. Market information is deemed essential for all role players for them to make informed decisions. By combining compulsory registration with the keeping of information and the rendering of returns on an individual basis, market information for the whole of the industry can be processed and disseminated and will form the basis for the collection of statutory levies. SAWIS will be responsible for the above-mentioned statutory measures.

- Payment of the **statutory levy amount** for the funding of the following functions in the wine and brandy industry, namely:

- Research, Development and Information Levy (RDI levy)

To co-ordinate and fund research and development, innovation, training, technology and knowledge transfer in the wine industry.

According to SA Wine, the South African wine industry can only prosper over the long term if it is an effective global role player. Offering the international market the best quality wines, brandies and other grape-based products (quality defined in terms of the market requirements and niches) at the lowest cost, and by means of superior marketing and logistics systems. The South African wine and brandy industry is a strong global role player through its size, unique style, the quality of its products, cost advantages, a good industry network and high technology cellars. To position and keep the wine and brandy industry as a global role player it is thus imperative that sufficient funds should be available to fund the required research, development, innovation, knowledge and technology transfer needs.

- Wine Export Generic Promotion Levy (Export levy)

To generically promote SA wines on selected export markets and to improve the efficiency of the export process.

According to SA Wine, the export levy will assist the SA wine industry to remain competitive in the global marketplace. In addition, it will assist in capacity building among all exporters, in particular SMME's and BEE's, and in improving the efficiency of the export process. A portion of the levy is also be used to fund, maintain and further develop the Wine-on-Line system, a free, user friendly, automated export certification process.

- Brandy Generic Promotion Levy (Brandy levy)

The objective of the brandy levy is to contribute to creating a transformed and responsible value chain and focus market for brandy. An integrated approach in collaboration with the wine industry will have a larger impact on the entire value chain. This is important to empower new entrants into the category and offer support/mentorship to ensure successful launches.

The proposed brandy levy is to be used by SABF to grow the entire brandy industry and to position South African brandy as a credibly quality alternative to Cognac, locally and globally.

The following levy amounts are proposed:

Grapes intended for the production of wine	2026	2027	2028	2029
	R/ton	R/ton	R/ton	R/ton
RDI levy	70,63	74,13	77,84	81,69
Total levies	70,63	74,13	77,84	81,69

Grape juice concentrate intended for use in wine	2026	2027	2028	2029
	c/l @ 17.4°B*	c/l @ 17.4°B	c/l @ 17.4°B	c/l @ 17.4°B
RDI levy	10,09	10,59	11,12	11,67
Total levies	10,09	10,59	11,12	11,67

Drinking wine	2026	2027	2028	2029
	c/litre	c/litre	c/litre	c/litre
RDI levy	10,09	10,59	11,12	11,67
Export levy Certified	17,19	18,49	19,88	21,38
Export levy Wine Online	0,75	0,79	0,83	0,87
Total levies	28,03	29,87	31,83	33,92

Distilling wine or wine spirit	2026	2027	2028	2029
	c/l @ 10% alc/vol**	c/l @ 10% alc/vol	c/l @ 10% alc/vol	c/l @ 10% alc/vol
Brandy levy	3,48	3,64	3,80	3,97
Total levies	3,48	3,64	3,80	3,97

* cents per litre at 17.4°Baling

** cents per litre at 10% alcohol per volume

SA Wine is the responsible entity for the implementation and administration of the statutory measures in the industry.

Proposed business plan for the new four (4) year period:

		2026	2027	2028	2029
Potential income		R138 216 000	R145 944 800	R154 139 200	R163 770 900
Statutory levy	Programme	2026	2027	2028	2029
Export	Market growth – international	R43 797 120	R46 684 800	R49 757 760	R53 044 800
Export	Development and transformation	R10 949 280	R11 671 200	R12 439 440	R13 261 200
Brandy	Market growth - brandy	R3 814 080	R3 989 440	R4 164 800	R4 351 120
Brandy	Development and transformation	R953 520	R997 360	R1 041 200	R2 087 780
RDI	Research & Development and Innovation	R25 700 496	R26 349 120	R27 612 446	R28 895 257
RDI	Information / business intelligence	R16 838 221	R17 738 452	R18 654 505	R19 616 361
RDI	Stake holder management and market access	R5 334 198	R5 600 909	R5 880 954	R6 175 002
RDI	Media & communication	R4 000 068	R4 725 071	R4 961 325	R5 209 392
RDI	Tourism	R2 486 051	R2 610 354	R2 740 871	R2 877 915
RDI	Overhead expenditure	R9 850 566	R10 368 094	R10 911 499	R11 482 073
RDI	Development and transformation	R14 492 400	R15 210 000	R15 974 400	R16 770 000
Total planned expenditure		R138 216 000	R145 944 800	R154 139 200	R163 770 900

A product is levied once only per levy. Thus, for example, if grapes intended for the production of wine were levied for the research, development and information levy, it cannot be levied in another format (such as wine) again for the research, development and information levy.

SA Wine will continue to spend at least 20% of the total amount of levies collected towards transformation projects.

The NAMC believes that the application by SA Wine for the continuation of the wine and brandy statutory measures is consistent with the objectives of the MAP Act (as set out in section 2 of the Act).

Directly affected groups (e.g. wine producers, wine traders, wine spirit producer, and exporters of drinking wine) in the wine and brandy industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to Mathilda van der Walt (mathildavdw@namc.co.za) on or before 11 July 2025, to enable the NAMC to finalise its recommendation to the Minister in this regard.

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