



SA WINE
INDUSTRY
TRANSFORMATION

UNIT NPC

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SA Wine Industry Transformation Unit NPC

ANNUAL PROGRAMME STATEMENT

BLACK OWNED ENTERPRISES

Financial Year – 2020

1.

Background, Purpose and Functions of the SA Wine Industry Transformation Unit

The SA Wine Industry Transformation Unit (SAWITU) is a Non - Profit Company Incorporated under the first schedule of the companies act of the Republic of South Africa. The TU was incorporated on 17 October 2016 by its founding members, the National Agricultural Marketing Council (NAMC), Vinpro and SA Liquor Brand Owners Association (SALBA).

The purpose of the company, as outlined in its Memorandum of Incorporation (17/10/2016) is as follows;

- 1.1 To generate and promote equitable access and participation within the wine value chain in, and for the Wine Industry;
- 1.2 To strengthen and accelerate the development of the operational and financial capacity of wine farms and businesses owned by Black People throughout the value chain in, and for the Wine Industry;
- 1.3 To increase representation of Black People, with a specific focus on black women, at management level in wine cellars, wine businesses and industry organisations through industry programmes for human development in, and for the Wine Industry;
- 1.4 To promote ethical practices within its community of stakeholders (including workers) through the implementation of well-integrated ethical trade programmes throughout the Wine Industry;
- 1.5 To become proactively involved in the upliftment and empowerment of workers and communities comprising of Black People within the Wine Industry
- 1.6 To promote socially responsible consumption of the produce of the vine;
- 1.7 To assist in the facilitation of an all-inclusive social compact for the Wine Industry
- 1.8 To implement and receive Levies as principal and/or agent, payable by different interest groups in the Wine Industry for purposes of the above-mentioned objectives;
- 1.9 To carry out in general administrative tasks and functions in the furtherance of its objectives.

In keeping with statutory requirements in terms of categories of allowable spending of statutory levy funding, please refer to the 2018 NAMC Generic Transformation Guidelines available online at <http://www.namc.co.za/wp-content/uploads/2018/06/NAMC-Generic-Transformation-Guidelines-as-amended-in-2018.pdf>. Though examples of support presented in these generic guidelines might differ from sector to sector, SAWITU commits itself to the agreed categories of spending in these Guidelines and in strict alignment to the revised Agri-BEE codes available online at <https://bbbeecommission.co.za/wp-content/uploads/2017/12/AgriBEE-Final-08Dec2017.pdf>.

2. Background and Purpose of the Annual Programme Statement

Guided by its Memorandum of Incorporation and a Ministerial Mandate outlined in four-year statutory levy approval dated 9 November 2017, SAWITU seeks from time to time to solicit proposals for funding and services to B-BBEE Level 1 and 2 stakeholders. Funding is granted to service providers or directly to businesses who can best affect the desired outputs defined in section 1 above. The Purpose of the Annual Programme Statement is as follows;

- 2.1 To convey the latest set of programme and funding intentions of SAWITU as solicited through input from Black Businesses, Labour, Wine Producers and Grape Producers;
- 2.2 To convey the most recent set of funding rules as approved by SAWITU which pertain to;
 - 2.2.1 Application Formats;
 - 2.2.2 Programme Definitions;
 - 2.2.3 Required Supporting Documents;
 - 2.2.4 Fiduciary Registration Criteria for Applicants;
 - 2.2.5 Application Adjudication Procedures



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INDUSTRY
TRANSFORMATION

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- 2.3** To convey SAWITU calendar in terms of;
 - 2.3.1 Application Deadlines
 - 2.3.2 Stakeholder Engagement Dates
 - 2.3.3 Stakeholder Events that SAWITU might support

- 2.4** To provide clarity in terms of service providers and businesses that might qualify for funding or services from SAWITU.

3. Funding Rules

The most recent version of the SAWITU Funding Rules (2020) is attached hereto as “Attachment 1. ”. SAWITU establishes the rules in consultation with affected stakeholders. They are strictly aligned to the NAMC Generic Guidelines of 2018 and the Agri-BEE sector codes as referenced in section 1 of this document. All applicants are to adhere to the rules stated in Attachment 1.

4. Call for proposals by category of organisational support

The following categories of organization are invited to apply to the SAWITU for funding. Applicants are urged to read the full set of funding rules attached hereto as Attachment 1 before embarking on an application process.

4.1 Black Wine and Brandy Entrepreneurs

Applicants who are part of the wine industry value chain, and who are seeking to strengthen and accelerate the development of the operational and financial capacity of their businesses are invited to apply. One application per enterprise is allowed per annum, unless an exception is made by the SAWITU board, in which case such an exception shall be communicated by SAWITU.

4.1.1 Eligibility for funding

- I. Latest Business plan
- II. SAWITU Application Form
- III. Certificate of Incorporation (or equivalent)
- IV. Share certificates and register (if applicable)
- V. Shareholders agreement (or equivalent revised company requirements)
- VI. Memorandum of Incorporation (or equivalent)
- VII. Certified Identity Documents of Directors (Individuals)
- VIII. B-BBEE certificate or DTI approved Affidavit
- IX. Evidence of registration with SAWIS
- X. Evidence of registration with WOSA
- XI. Evidence of registration with Vinpro membership
- XII. Valid Liquor Licence or Customs Export Licence
- XIII. Tax Clearance Certificate / Tax online number
- XIV. Recent Annual Financial Statements

4.2 For Trusts, Broad based ownership Schemes (BBOS) and Employee Ownership Schemes (ESOP) the following:

- Latest business plan
- SAWITU Application Form
- Certificate of Incorporation (or equivalent)
- Share certificates (if applicable)
- Shareholders agreements (or equivalent revised company requirements)
- Memorandum of Incorporation (or equivalent)
- Certified Identity Documents of trustees/ directors (Individuals)
- B-BBEE certificate or DTI approved Affidavit
- Trust Deed/ or Scheme rules and names of Trustees
- List of beneficiaries of the trusts
- Evidence that the scheme can do business with any other entity and not only with the 'donor' or partner (arm's length relationship) or evidence of skills development and training for the entity to operate independently.
- Evidence of registration with SAWIS
- Evidence of registration with WOSA
- Evidence of registration with Vinpro membership
- Valid Liquor Licence or Customs Export Licence
- Tax Clearance Certificate/ Tax online number
- Recent Annual financial statements

4.1.2 Level of Funding:

The level of funding is expected to be capped at a maximum per organization unless otherwise waived by the board of directors for plausible reasons and by special resolution of the SAWITU board of directors;

- i. Past performance of applicants with grant funding in terms of 6 monthly and 12 monthly reports reflecting a progressive and sustainable increase in the volume, value and extend of wine sales or



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distribution and or other predefined set criteria. Measure and evaluation report has to be submitted on time to SAWITU.

- ii. Refer to attached Funding Rules for relevant exclusions.

4.1.3 **Category of funding support allowed:**

- i. **Enterprise development support** as illustrated on page 8 of the NAMC Guidelines and pages 2 to 5 of the attached SAWITU Funding rules (2020).
- ii. **Training** as and when the applicant can motivate the merits of a given course of programme that will strengthen and accelerate the development of the operational and financial capacity of the applicant.
- iii. **Promotional Activities** as and when these can demonstrate the outcome of generating and promoting equitable access and participation of their respective enterprise within the wine value chain.
- iv. **Legal Mentorship** for applicants seeking first time assistance with liquor licences, mercantile law contracting, financials, trademark / brand searches and registration, specifically applicable to those whom have been trading for fewer than two consecutive financial years. Funding rule limitations apply to such new applicants.
- v. **Business planning** for applicants who have been trading for fewer than two consecutive financial years. Funding rule limitations apply to such new applicants and is dependent on availability of budget.
- vi. **Ownership:**
The SAWITU Board may on a yearly basis and if budget allows to allocate funds for Ownership support that could be utilised as an aid/ leverage funds in acquiring land or infrastructure.

Refer to attached Funding Rules (2020) for further definitions, exclusions and adjudication procedures. All categories of application described in 4.1.3, which are being pursued by the applicant has to be included in one single annual application form referred to in the attached funding rules and the Business Plan.

4.1.4 Beneficiation of Funding:

In instances where applicants have previously received grant support from the government or other funding providers, the SAWITU board may seek that the applicant disclose this information upon application.

5. Communication and Process Deadlines Dates

5.1 Application Process deadline dates

TU Application Process Open	17 th September 2020
TU Application for Funding process Close	19 th October 2020
Appraisal committee Assessment to be finalised	13 th November 2020
TU Board Assessment	25 th November 2020
Applications outcome communicated to applicants	18 th December 2020

Any related enquiries can be addressed in writing to Wendy Petersen at wendy@witu.co.za

Wendy Petersen

Transformation Operations Manager

SA Wine Industry Transformation Unit

Landline number: 27 21 276 3210

www.witu.co.za