

## Wine export report shows market stability despite alcohol bans

According to the latest report by Wines of South Africa, the 2020 export volumes echo that of a challenging 2019, despite a five-week-long ban on exports and huge challenges at the Cape Town Port terminal due to Covid-19. This follows on from a good 2020 harvest and vineyard recovery of the drought experienced in the South African winegrowing regions from 2015-2018.



Image source: Gallo/Getty

Despite this, the overall value of our exports increased by 7.7% to R9,1bn, of which the packaged wine export value grew by 8.3%. Countries which showed good growth in value include the United Kingdom (28%), The Netherlands (19%), the USA (12%) and Sweden (17%).

Bulk wine has also seen positive trading with value increasing 5% to R1,9bn and volume increasing by 3.7% to 181.5 million litres. The UK saw value growth of 13% while Denmark and Finland grew by an impressive 27% and 29% respectively, whilst the USA and Canada saw growth at 338% and 84%.

Despite a drop in volume at lower price points, the report shows continued growth in the premium segment with wines over the R40 per litre price point growing steadily in value and volume. While still a relatively small volume segment for South Africa, the super-premium segment showed growth of 37% in volume.

## **Export value growth**

South Africa's two distinctive varieties saw good growth in terms of export values at 13% for Chenin Blanc and 12% for Pinotage, the former also being our largest single export variety with a total export volume of 48,9 million litres. The Cap Classique category continues to see strong growth at 17% and is proving to be a strong category in terms of growing value and quality recognition in our overseas markets.

Siobhan Thompson, WoSA CEO, comments: The year 2020 will probably go down in history books as one of the most challenging years for the industry, however despite this, we have learnt to adapt and have explored creative ways of engaging with our partners. T

Through extensive online and social media campaigns such as #SpectacularSouthAfrica, our 'Insider Sessions' virtual seminars, the advent of the Cape Export Network platform alongside our partners at Wesgro and the externally run #SaveSAWine, we managed to draw a lot of awareness to the plight of the South African wine industry and garnered incredible support from the trade, importers and consumers across the globe.

"We are eternally grateful to everyone who has shown us their support and hope that this support will continue as we are yet again banned from selling wine locally for the foreseeable future."

View infographic for 2020 exports

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