

# Alcohol industry welcomes easing of ban, pleads for transparency

The South African alcohol industry welcomes President Ramaphosa's announcement yesterday evening to reinstate the sale of alcohol by licenced premises for offsite consumption from Monday to Thursday from 10am to 6pm. Further, the president stated that the sale of alcohol by licensed premises for on-site consumption - such as restaurants and taverns - will be permitted throughout the week from 10am to 10pm.



Credit: Pexels

In addition, it says that the relaxing of restrictions to allow registered wineries, wine farms, micro-breweries and distilleries to sell alcohol for offsite consumption during normal licenced hours is a welcome step to helping the industry begin its long journey back to recovery.

However, the industry requests regular review of ongoing restrictions as the health situation improves, and calls for collaborative and transparent engagement with Government going forward.

"The reinstatement of the alcohol ban for the third time during lockdown announced by the President on 28 December has decimated the industry and threatened its long-term survival. Moreover, this has led to job losses, a rise in illicit trade and a significant decline in its economic contributions.

"The industry has calculated that the decrease in excise tax contribution to the fiscus has declined more than 28% from R47bn in 2019/20 to R34bn in 2020/21. This R13bn loss in alcohol tax revenue could have covered the investment needed in the procurement of vaccines and other measures needed to curb the impact of Covid-19," the alcohol industry says in a statement.



Report warns govts against using alcohol prohibition laws as emergency response

25 Jan 2021



## Industry on its knees

Kurt Moore, CEO of South African Liquor Brandowners Association (Salba) comments, "As an industry, we welcome the president's decision to ease the restrictions on alcohol sales for on and offsite consumption and are extremely relieved that partial areas of alcohol sales are to be opened up again. However, after this six-week ban that has left the industry on its knees, this development is no quick fix for our long-term economic survival.

"We call on Government to work together with us to find a workable solution going forward that protects lives, while preserving the livelihoods of around one million people who rely on some form of income from this sector."

Rico Basson, managing director of Vinpro says, "Tonight's announcement has long been necessary to one of South Africa's oldest but most significant industries which has suffered appallingly at the hands of these lockdown restrictions. Sales of alcohol for on and offsite consumption during restricted hours of trading marks the start of the long road to recovery for this sector, but has come too late for many small businesses that have not been able to weather the storm of Covid-19.

"Additionally, with the harvest for this year's wine underway, the impetus to create sales for our existing wine stock is all the more pertinent if we are to safeguard our future. We continue to implore our consumers to drink responsibly during the country's ongoing lockdown."



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25 Jan 2021



## Small businesses in need of assistance

The Beer Association of South Africa (Basa) says that while the partial lifting of restrictions still limit the beer sector's recovery, it is relieved to be able to begin trading again. "While there is no guarantee that our craft brewers will recover, the president has offered small businesses a glimmer of hope – although it may be too little too late for some," the association comments.

According to Basa, the situation faced by small business owners and craft brewers remains dire. The last two alcohol bans had a devastating impact on the beer industry, with an estimated 7,400 jobs lost and R14.2bn in lost sales revenue.

Basa has written to the Presidency and to the Department of Trade, Industry and Competition (DTIC), to reiterate its call for urgent government intervention to save jobs and small businesses within the sector. To date, the industry has not been able to secure a meeting with Minister Patel or the Presidency to deal with the matter.

"Basa would like to reiterate that there is a desperate need for payment deferrals, financial relief, and liquor licence automatic renewals for 2021, if we are to have any hope of saving the businesses that remain standing," says Basa.



## Craft brewers battling to survive blanket ban on alcohol

26 Jan 2021



The industry says it has always understood the need to save lives but maintains that the regulations could have been implemented in a more targeted, less damaging manner that alleviates the impact on the healthcare system and helps to mitigate transmission, while still helping to preserve livelihoods. Since the pandemic began, the alcohol industry has implemented numerous proactive measures to address safety at consumer touchpoints and within the trading environment.

It has already [committed R150m](#) in harm reduction measures to address the four specific areas prioritised in the proposed social compact: reducing the incidence of binge drinking, drink driving, and underage drinking and gender-based violence. The industry says it supports the president as he urges consumers to drink responsibly to avoid a spike in trauma cases or an increase in infections due to reckless behaviour.

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