



Dear member

Since the announcement by the President of South Africa, Mr Cyril Ramaphosa, about the national lockdown we have been inundated with calls about what constitutes essential services and whether the trade in alcohol can continue.

We have formed an alcohol industry task team that is busy liaising with government to get answers to the myriad of questions that we have received from members. Among these are the following questions:

1. What is deemed to be essential services?
2. The regulations speak about beverages being an essential service, is alcohol included?
3. Will we be allowed to deliver to the trade during the lockdown?
4. Can we still export our wines?
5. Will the ports be open for the products that we import from abroad?
6. Can we complete the harvesting of grapes?
7. What happens to the wine and beer processing sites that cannot be stopped during the 21 day lockdown?
8. Can we continue to produce ethanol for use in sanitisers?

These and many other questions were posed to the Deputy Minister of the Department of Trade, Industry and Competition earlier today. The National Liquor Authority (NLA) was also present in the meeting.

From all accounts the meeting was extremely positive and both the Department and the NLA appreciated the efforts to liaise with them. The key issue discussed was business continuity and how we can help to keep the economy going during this difficult time.

In summary the following was agreed to:

1. All parties agreed that sales through the on-trade should cease.
2. Government will consider allowing off-trade concessions but the NLA is of the view that there should not be any discrimination between licensees in the townships versus those in the suburbs as this will cause consumers to travel to areas where retailers are operating.
3. Government will take our concerns to the National Coronavirus Command Council and will revert BEFORE the lockdown.

While the outcome of the meeting seems very positive and we all hope government will allow trade, we need to wait for the directive from the National Command Centre.

All our questions have been put to government and all we can hope for at this stage is a positive response by tomorrow.

We know that most of you are urgently seeking answers, but in these uncertain times there are no definitive answers. We request that you remain patient, and that you are responsible in the messages you communicate as we don't have definitive answers yet.

Keep safe.

Regards

Yours faithfully



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