



Drinks Federation
of South Africa



Angela Russell
CEO, DF-SA



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From the desk of our CEO

A Responsible and Sustainable Path Forward

Dear Members and **Industry Partners,**

Building a Responsible & Sustainable Alcohol Industry in 2025

In 2025, the South African alcohol industry remains a key pillar of our economy, contributing **R226.3 billion** in market value and supporting nearly **500,000 jobs**. However, with this significant impact comes great responsibility. At the Drinks Federation of South Africa (DF-SA), we are committed to fostering a responsible, sustainable, and transparent industry that balances economic growth with social accountability.

This year, DF-SA will focus on five key priorities that align with our core pillars:

1. Understanding Underage Drinking & Illicit Trade Through Research

We will launch two major research projects in 2025. The first will assess the extent of underage drinking in South Africa, helping us tailor interventions to address this challenge at the community level. The second will update our understanding of the illicit alcohol trade, building on Euromonitor's last study in 2020. This data will guide industry-wide actions to combat the issue. (See page [4] for more details.)

2. Promoting Responsible Trading Practices

Ensuring ethical and responsible alcohol sales is critical. We will continue educating businesses on three key principles: not selling alcohol to minors, adhering to legal trading hours, and not selling illicit

products. As previously communicated, the industry will take collective action against those found in violation of these principles to maintain high trading standards. (See page [2] for more details.)

3. Reducing Illicit Alcohol Trade

Illicit alcohol accounts for nearly 22% of the market, posing risks to both consumers and the legal industry. DF-SA will update its research on the problem's scale and drive initiatives to reduce illegal trade through targeted interventions and enforcement support.

4. Strengthening Self-Regulation in Marketing

Upholding ethical advertising practices remains a priority. DF-SA will continue enforcing the industry's Communications Code of Conduct, ensuring marketing efforts align with the standards set by the Advertising Regulatory Board.

5. Enhancing Stakeholder Engagement

Collaboration is key to progress. By strengthening our partnerships with government, industry players, and community stakeholders, we aim to drive responsible trade practices and fair policy development that benefits the entire value chain.

We encourage all DF-SA members to engage actively in these initiatives. Together, we can shape an alcohol industry that prioritises integrity, accountability, and meaningful contributions to South Africa's society and economy.

Stay tuned for updates and opportunities to get involved.

**Till next time,
Angela Russell: CEO, DF-SA**

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Market Integrity

Strengthening Responsible Trade: Insights & Next Steps

Responsible trading is the foundation of a trustworthy and ethical alcohol industry. At DF-SA, we are committed to promoting responsible trade by working closely with formal and main market retailers to enforce key principles

- No sales to individuals under 18
- Adherence to legislated trading hours
- No alcohol sales to intoxicated patrons
- Preventing illicit alcohol trade
- Compliance with liquor licensing conditions



Key Learnings from Our Responsible Trade Pilot

In late 2024, we launched a **pilot programme** to test the implementation of the **Responsible Trade Framework**. This initiative provided valuable insights into **market dynamics, enforcement challenges, and areas for improvement**. While the pilot was successful, we identified opportunities to **refine processes, optimise results, and enhance partnerships**

for greater impact.

What's Next?

Building on these lessons, DF-SA is preparing to **resume the initiative in March 2025**. This next phase will ensure that responsible trading principles are **applied consistently across the industry**. We will collaborate with **retailers, regulators, and enforcement agencies to strengthen compliance and raise awareness** of responsible trade.

Join the Movement

The success of this initiative depends on **industry-wide collaboration**. We invite all stakeholders to support responsible trading and help shape a **safer, more sustainable alcohol sector**.

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Communications Code of Conduct: Key Campaign Updates & What's Ahead in 2025

A big thank you to everyone who participated in this important initiative. Thanks to your teams' dedication, **120 company members** and 44 participants from agencies, retailers, wine farms, and other sectors successfully completed the online Communications Code of Conduct (CCoC) test.

Your commitment to upholding responsible marketing principles strengthens our industry and

promotes ethical communication. Let's continue working together to ensure compliance and responsible trade.

We will continue with this Campaign in 2025 with targeted posting and engagement across the retail sector, focusing on the more niche markets of wineries, craft breweries and craft distilleries, and we look forward to expanding our reach across the value chain.

Strengthening Market Integrity: DF-SA's Initiative to Combat Illicit Trade

The DF-SA is committed to fostering a culture of responsible drinking and ethical trading in South Africa. As part of its focus on **Market Integrity**, this initiative aims to promote responsible trade practices, combat illicit trade, and uphold industry standards that protect consumers. By addressing key challenges and encouraging ethical conduct, the DF-SA seeks to create a safer, more inclusive environment while reinforcing the integrity of the alcohol industry.

A key priority is orchestrating a demonstrable reduction in the production, distribution, and consumption of illicit alcohol. This is critical to the sustainability of the illicit alcohol industry, addressing the

growing mainstream acceptance of illicit products while safeguarding public health, reducing tax leakage, and delivering broader societal benefits. To drive coordinated action, the DF-SA will lead a phased initiative to establish an **Illicit Task Force**.

Phase One, currently under review for approval, focuses on consolidating industry inputs, defining key implications, and shaping the task force's purpose, vision, and mission. Findings from this phase will inform subsequent strategic development, structural recommendations, and implementation plans to enable decisive action against illicit trade.





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Scientific Research



Research Insights: Updates on Key Studies and What's Coming Next

Quantitative Research: National Prevalence Study

The updated report has been shared with the Board for final review and approval, and the next step is for the Board to discuss how to use these findings while maintaining transparency.

Qualitative Research: Drivers of Binge Drinking Behaviours

On the qualitative side, we are finalising how to share the data on binge drinking behaviours. Once the sharing strategy is confirmed, we will develop an action plan to address the issue, in line with the findings from our quantitative research.

Underage Drinking Prevalence Study

For our Underage Drinking Prevalence Study, we've selected YDx as the service provider after reviewing proposals from top research firms. The study officially started in January 2025 and will cover a range of schools across private, semi-private, public, and rural areas. We have secured permissions from education departments and have finalised the study questionnaire, which has received ethical clearance from the South African Medical Association Research Ethics Committee (SAMAREC).

Euromonitor Illicit Alcohol Study

In the Euromonitor Illicit Alcohol Study, we've adjusted the scope, removing the "trading hours" component after thorough discussion. The consumer awareness survey is now set, and data collection began in February 2025. With the goal to complete 10% of surveys in the first week of that month. Euromonitor is also on track to provide final figures on illicit alcohol, with the report due by April 2025.



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Stakeholder Engagement & Collaboration

Key engagements at various levels with government stakeholders have been made. Our discussions with senior officials focused on critical issues such as the proposed excise tax policy and the efforts to combat the illicit trade of alcohol.

Highlights include productive meetings with national government departments and provincial governments of the Eastern Cape, Gauteng and Free State. Engagements with National Treasury addressed industry concerns regarding the draft policy on The Taxation of Alcoholic Beverages and underscored the need for stronger collaboration with senior management to advance policy and regulatory discussions.

Concerns over the rise in illicit and counterfeit alcohol were raised, with recommendations to involve the security agencies for more effective interventions.

A meeting with officials from one of the country's security agencies explored collaborative efforts to tackle illicit trade, including consolidating intelligence on manufacturers for further action. Additionally, Discussions with DIRCO highlighted the economic risks of proposed alcohol bans by the WHO and the need for urgent engagements with the South African government.



Engagements with the Parliamentary Committees acknowledged industry concerns on alcohol taxation and outlined plans for joint meetings with relevant portfolio committees to address the broader industry challenges.

These engagements underscore ongoing efforts to strengthen partnerships and advocate for balanced, evidence-based policies in the alcohol industry.

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Member News & Updates: Your Industry Roundup



Happy Birthday SA Wine



Celebrating excellence since 1659

Celebrating South Africa Wine's Legacy & Future: **Happy Birthday, South Africa Wine!**

On 2 February 1659, the first wine was crafted on South African soil, marking the beginning of a rich and storied history. Today, South African wine is globally celebrated for its exceptional quality, innovation, and deep cultural roots.

As one of DF-SA's valued partners, the South African wine sector is more than just a vital economic contributor—it is a leader in sustainability, ethical trade, and social impact. From vineyards to export markets, the industry supports thousands

of jobs while championing responsible production and consumption.

Here's to the Future!

As we celebrate this incredible milestone, we look forward to another century of innovation, collaboration, and responsible enjoyment.

Cheers to South Africa Wine!



DGB Expands 'The Travelling Classroom' to Transform Education in the Cape Winelands

DGB has doubled its impact in rural education by launching a second Travelling Classroom, a mobile learning facility providing essential literacy, math, and computer skills to over 5,000 primary school children and 153 teachers across 19 schools in the Cape Winelands.

Unveiled by Minister of Agriculture John Steenhuisen, the initiative addresses unemployment, inequality, and poverty by improving access to quality education. Each truck, with a 15m customised trailer unit, valued at R4.5 million, is fully equipped with books, laptops, and online learning tools to support students struggling with literacy and numeracy.

The project, funded by DGB Charitable Trust, Hutch Trust, and key donors, is already showing results, with improved student engagement and attendance. Operated by Kinderland Akademie and managed by DGB, the initiative invites further donor support to expand its reach and create lasting change in underprivileged communities.

Join the movement
changing education, changing lives!