

LAUNCH OF BEER ASSOCIATION OF SOUTH AFRICA

PRESS STATEMENT

22 August 2019

Today saw the official launch of the recently established Beer Association of South Africa (BASA) at the Mad Giant Brewery in Johannesburg.

The BASA brings together the Craft Brewers Association, Heineken South Africa and South African Breweries in order to form a unified voice on issues affecting the beer industry and enhance beer culture in South Africa.

The industry is a major supplier of local jobs, an economic driver and a large revenue raiser for government.

South Africa is one of the largest beer producing countries in the world and is the most popular beverage in the country in terms of volume and value.

In 2018 the beer industry contributed 1.53% of GDP at a multiplier of 1.4, which is the same contribution as the mining industry, generating a total GDP impact of R387.1 billion. Between 2015 and 2018 it supported around 200 000 jobs, contributing 1.4% of national employment last year alone.

For this reason, the BASA will focus on advocating for the responsible advancement of the interests of beer manufacturers, promoting ethical and legal trade practices and facilitating the sustainable growth of the sector.

The BASA members also recognise the negative effects of alcohol abuse in communities and are committed to differentiating beer as a product of moderation and leading co-regulation and transformation of the alcohol industry.

Strategic Imperatives

In order to achieve this the BASA will focus on two strategic imperatives:

- 1. Tell the story of the beer:** through a number of campaigns that aim to enhance the reputation of the industry and create a beer culture in the country by promoting the positive stories coming from the sector, including the fact that it is a diverse, increasingly transformed sector with the growing craft beer community helping differentiate the industry and increasing consumer choice.

2. Support regulation and facilitate a transparent and mutually beneficial regulatory framework: Improved regulation is critical for the sustainable growth of the sector. The BASA will work with government to ensure greater compliance within the industry and to develop a regulatory framework that facilitates the entry of new participants and encourages diversification of ownership. This will include a mutually beneficial excise regime where the needs of government are met while reducing the cost burden attributable to the industry and quantifying the true economic contribution of beer to the economy.

Immediate projects:

Some of the immediate projects the BASA will be focusing on over the next few months include:

- Supporting the growth and expansion of **South African Beer Day** taking place on 1st of February 2020 through new partnerships, so it becomes a flagship campaign where South Africans celebrate the most popular beverage in the country.
- Adopting the **“Let Us Buy Beer” campaign** initiated by the Craft Brewers Association of South Africa, which advocates for the transparent and consistent application of liquor legislation so that beer can also be sold in supermarkets, like wine is in the Western Cape and Gauteng, which has a higher alcohol content.
- Supporting a new documentary called **“Brewing the Republic”** which details the origins of beer and introducing the variety of brewers within the local sector that will be publicly released from September and augmenting this with a docu-series that shows how lives are being impacted across the beer value chain.
- Partnering with government and the broader tourism industry to establish and market an **official beer route** across the country that showcases the growing and diverse craft sector to local and international tourists.
- Support campaigns driven by our members that differentiate **beer as a product of moderation** and encourage people to drink beer responsibly and partner with [Aware.org](#) and other organisations to drive programmes that prevent the negative consequences of alcohol abuse.
- Engaging with regulators on key aspects of the National Liquor Amendment Bill currently in circulation.

Leaders of the member companies, and who are board members of the BASA, were present at today's launch and expressed their support for the association and the role it would play moving forward:

Craft brewer Apiwe Nxusani-Mawela said: *“It is such an exciting time for the Beer industry in South Africa. After many years of trying to set up the association, the launch is finally taking place. Together the BASA members will do more to elevate beer and grow a positive beer culture in the country.”*

"Heineken is a member of various beer/brewers associations in different markets in the world, and we therefore, know of the important role the beer association can play in promoting the role of beer in society, differentiating beer as a category, advocating for certain regulations for the category and in demonstrating the economic impact of the beer sector" said Gerrit van Loo – Managing Director of Heineken South Africa.

"SAB recognises the value of our membership in BASA and regards the association as an opportunity to engage and educate consumers and civil society on our contribution to growing the country's economy. Beer plays a significant role in growing local communities through the use of predominantly locally sourced raw materials and the provision of sustainable jobs across our diverse value chain, supporting thousands of farmers, suppliers and retailers – and creating opportunities for inclusion for many SA youth and women. BASA will enable the industry to collectively contribute to shaping the category's positive impact in South Africa and encourage stronger collaboration with government in creating a mutually beneficial business environment," said Ricardo Moreira, CEO of South African Breweries.

The BASA CEO, Sanele Gaqa also shared his vision for the association and the contribution it would make in advancing the interests of its members: *"The BASA looks forward to working with government and its partners within the private sector and civil society in order to ensure the sustainable growth of the sector and to continue making a positive economic and social contribution to South Africa."*