BI Daaglik - BI Daily

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Consumer Countries/Markets

China reports sharpest wine sales decline during outbreak
The first set of official figures released by China’s alcoholic drinks trade body confirmed what everyone was fearing that the country’s nationwide wine sales are taking a nose-dive during the COVID-19 outbreak, with some fearing the worst is yet to come.

China Alcoholic Drinks Association announced this year that in January and February, large-scale distilleries and wineries across the country achieved sales revenue of RMB 120.7 billion (US$16.9 billion), a year on year drop of 15.58%, with wine sales suffering the sharpest decline among all alcoholic beverages.

According to the association, domestically produced Chinese wine suffered a 40.82% drop in sales, and sales profit further plunged by 57.95% in the first two months of the year, a time when it is usually the high season for beverage sales thanks to the traditional Chinese New Year Festival.

Global Trends - Wine Industry Key Elements

The sanitiser conundrum: It’s complicated, but improving
Consumers may be closer to being able to buy affordable alcohol-based sanitisers on retail shelves since the liquor industry was given a green light to temporarily relax excise duties on alcohol used in sanitisers.

Major Wine Producing Countries

South Africa Wine Grape Crop 2020 News
by Vinpro, WoSA & SAWIS | Apr 3, 2020

South Africa expects exceptional 2020 vintage despite COVID-19 lockdown.

Italian Wine Market: In Spite of Everything, Still Selling at the Time of Coronavirus
Wine production slows down, events are cancelled, trade and tourism are collapsing, but wine consumption in Italy has increased thanks to the lockdown.

The wine market is divided into many sectors: production, trade, restaurants and tourism. As the situation is worsening in Italy, wineries and wine businesses have been hit very hard. But wineries are still taking care of their vineyards and looking after the 2020 vintage. Also, they're keeping their wine inside the barrels, to mature and become ready for the next release.

However, difficulties are clear and wineries, under as per the government’s disposition, have taken preventive measures to reduce the risk of a new contamination among their employees. For many wineries the export represents a huge part of their market. They’re waiting for an increase of the market to keep selling their wines worldwide, but for now the bottles are still inside their cellars. 

Covid-19: South African drinks industry teams up to boost negotiation efforts with Government

South African wine industry bodies Vinpro, SA Liquor Brand Owners Association (SALBA) and Wines of South Africa (WoSA) have joined forces to put together an Exporters Task Team to boost its negotiations with the Government regarding exporting wine and spirits, during the country’s lockdown.

In a letter to their members the organisations warned that not being able to export under the Coronavirus lockdown posed a “significant” risk for the South African wine sector, and one that carried a huge human and financial impact on the industry.

The Exporters Task Team, met last and were busy putting together a case which the team hopes to present to Government by tomorrow (Wednesday, 1 April 2020).

One of a number of “serious barriers” which would need to be addressed is the limited capacity within those ports that have remained open, according to the group.

“Our objective is to position a convincing argument with regard to the immediate solutions – such as finished goods that are in bonded warehouses – over the remainder of the lockdown, but then also to gear up to be fully operational before the end of the current lockdown period,” said a statement from the group.

“We are acutely aware of the adverse effect that every day without exports has on your business. We want to thank you for all the support thus far and want to ask you for some patience to allow us to complete these important deliberations.”

Source Market IQ/VINEX

The SA wine industry update: COVID-19 lockdown #4 for feedback on:
- Exports
- Capacity of ports
- Application for excise relief
- Labour and safety during transport
- Permits
- DTI bizportal registration

Die SA wine industry update: COVID-19 lockdown #4 vir terugvoer oor:
- Uitvoere
- Kapasiteit van havens
- Aansoek om aksynsverligting
- Arbeid en veiligheid tydens vervoer
- Permitte
- DTI bizportal registrasie

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