Global Trends - Wine Industry Key Elements

Why is Fairtrade not sexy in SA?

According to Fairtrade SA, the FAIRTRADE Mark is the most widely recognised and trusted ethical label in the world. When a product carries the FAIRTRADE Mark, it means that the whole supply chain is certified against the relevant Fairtrade Standards and is audited annually to ensure compliance.

In a business survey done recently by Insights Survey, they asked many business why they were partnering up and doing Fairtrade and the top 3 reasons were:
1. It's the right thing to do
2. Improve Brand Reputation
3. To have a Unique Selling Point

However, consumers in general in South Africa don’t seem to be interested in Fairtrade and what it stands for. The affluent end of the market is more interested and driving sales of Fairtrade products, as they often seem to have a higher price in South Africa, but somehow there aren't really any premium wines in the South African Fairtrade market which is odd. In Europe or the UK, there is no price differentiation between a product which is Fairtrade and which is not.

There is a common complaint from wine producers that certification is very expensive and there are too many types of certification required from too many bodies.

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Natural / Physical Resources

SA: Western Cape launches climate change action plan

The Western Cape government launched a climate change response strategy, known as Smart Agri, which sets out a road map to combat the impact of extreme weather events on the province’s agriculture sector.

The SmartAgri plan puts forward the following six priorities to be driven by government and industry as solutions:
Priority #1: Conservation agriculture
Priority #2: Restoring degraded landscapes
Priority #3: Improved catchment management for water security and job creation
Priority #4: Energy efficiency
Priority #5: “Climate-proofing” the Western Cape's agri-processing sector
Priority #6: Integrated knowledge system for climate smart practices

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