





9 April 2020

COVID-19 Q&A: WINE EXPORTS

This Q&A document pertains to the exemption provided by the RSA Government to allow exports of wine as per the Government Gazette that was published on the 7th of April 2020. It is our interpretation, as industry, that permission has been granted for finished wine product (in bulk and packaged format) that is currently in port or to be transported from cellars and warehouses to ports or airports for the purpose of export.

1. What is considered a finished product?

This is a market-ready product (both packaged and bulk) with an official WSR4A certificate. The wine is effectively ready for collection by a logistics company for transport directly to a port or airport.

2. Can market-ready bulk wine, currently without a WSR4A certificate, be exported?

- All bulk wine that is ready to be exported, but the application for a WSR4A certificate is still outstanding, requires some further intervention. The respective SAWIS Inspector must be notified, who will collect a sample and submit it for analysis. Once completed, the results will be uploaded on Wine Online and the WSR4A/export certificate will be issued. In this regard please refer to the Wine and Spirit Board/SAWIS directive in this regard.
- During the current lockdown period there will not be any tasting panels (with consent from the Wine and Spirits Board), but laboratory analysis is still required.
- All bulk wine earmarked to be exported should be certified, for an export certificate to be issued.
- If a business entity is already in the possession of a WSR4A certificate, they can proceed to export the wine.
- Unfiltered bulk wine is permitted for export, on condition that a letter from the buyer is provided and confirms as such.

3. Can market-ready *packaged* wine, currently without a WSR4A certificate, be exported?

Yes, provision is made for uncertified market-ready packaged wine to be exported. The process will be similar to the pre-lockdown process. For any queries in this regard contact DAFF, Kobus van Wyk – kobusvw@daff.gov.za.

4. What defines 'wine for export' during the lockdown period?

Still wine, fortified wine and sparkling wine as well as industrial wine. Any other wine-related products, i.e. brandy and wine-based RTD's, are not allowed to be exported at this time.

5. Is bottling and any other related services (i.e. labelling and packaging) allowed during lockdown?

No, only the essential services as previously published in the Government Gazette(s) is allowed during lockdown.

6. Can dry goods service providers continue to print labels, provide bottles and/or capsules, corks, etc.?

No, as per the previous answer. It is not classified as an essential product or service.

7. Can any imports, i.e. chemicals, dry goods, wine barrels and bottles, be off-loaded and collected from the harbour or airport?

Yes, this can be done, provided that it falls under the list of 'essential goods' as highlighted previously in the Government Gazettes, and transported to a destination where it must be stored. TPT (Transnet Port Terminals) is, on a continuous basis, striving to operate at a \pm 60% of normal capacity, but given resource constraints congestions and blockages might slow down activities. Read more

8. Can wine samples be transported from a winery to a laboratory?

- Local (as part of harvest and storage/production activity) Yes. Please follow the instructions on the <u>DHL-link</u>, as well as <u>Vinlab</u> and <u>Wynland</u> links. Please provide the driver with 1) Copy of the <u>Gazette</u> published; 2) <u>Maritime letter</u>; 3) Driver's ID; 4) Permit for each individual in the vehicle.
- International (samples or wine exports) Yes. Transportation of samples (eg. DHL), is allowed and considered "transportation of wine". Follow the DHL-link. Exporters can apply via the Wine Online system for the electronic export certificate.

9. How will the DAFF control samples be dealt with during the lockdown? As is currently the case, please draw the control samples and deliver it to the Wynland laboratory.

10. How do I go about obtaining an export certificate?

The DAFF office is geared to continue with remote issuing of all export documentation. Electronic certification has been implemented on Wine Online as an urgent measure to ensure that export clearance can still continue. All clearance documentation, e.g. VI1 documentation, analyses certificates, health certificates, etc. will be issued electronically until the DAFF offices reopen.

11. Transportation of finished/market-ready bulk and packaged products for export:

- Is any wine transport across our country borders (eg. Botswana/Namibia) by road or rail permitted?
- It is our interpretation of the regulations that no road or rail freight is allowed during lockdown.
- Is transportation from one warehouse to another warehouse, within SA, permitted?
- It is our interpretation that only co-loads are allowed to be transported between warehouses and from there to sea ports and/or airports.
- Is movement of wine from one cellar to the next cellar allowed?
- It is our interpretation that only co-loads are allowed to be transported between warehouses and from there to sea ports and/or airports.
- Is transport of finished goods to the rest of Africa by road or rail allowed?
- No, it is our interpretation that the Gazette only makes provision for sea ports and/or by air.

Although compulsory, it is advisable to register any business entity on the <u>bizportal</u> and to obtain a hard copy of the CIPC-certificate. Given an exemption, as a product/service (transportation of wine exports), it is also important to keep a hard copy of the latest regulation directive on-hand and/or in vehicle (attached). The driver and all the passengers and/or assistants to be in possession of a permit.

12. I represent an exporter. How do we apply for exemption status?

- It is our interpretation that all exempted wine exporters should confirm their exemption status with DTIC (via the bizportal), and submit the obtained exemption document to the indicated e-mail address, transnet.cnc@transnet.net. Please also note the Transnet and SAMSA letters attached.
- SMME's wishing to clarify their status as rendering an essential service or providing essential goods may contact the Department of Small Business Development (DSBD) on 0860 663 7867 for more information or alternatively send their queries to info@dsbd.gov.za.
- If you are a Sole Proprietor or a Trust or a Partnership, refer your email to the Department of Small Business Development: pphaahla@dsbd.gov.za.

13. How do I ensure that I am conforming to the correct health and safety regulations (PPE, etc.) for my workers during this lockdown period when loading export wine?

Refer to the safety procedures and/or what PPE should be worn as submitted to government. Please familiarise yourself and strictly apply it to your environment. COVID-19 Preventative Measures SA Wine Export Loading Procedure (Packaged Wine)

14. What is the status quo with capacity at the Cape Town port?

Transnet is in the process of increasing the capacity to handle freight at the harbour. In the short term this will remain a challenge and can lead to delays. This aspect is also of significant concern for Government and part of the reason why exports of non-essential product is limited. Whilst the export of wine is now allowed, it is still not classified as an 'essential' good and it is possible that port authorities will prioritise other essential and perishable cargo. The Export Task Team are in weekly discussions with Transnet Port Terminals (TPT) to address the situation.

15. What will happen in the event of an extended lockdown beyond 16 April 2020? As things stand today (9 April 2020), we do not have a final answer, however the Export Task Team will continue the deliberations with government in this regard. We will keep all members updated on these developments.

K MOORE

CEO: SALBA P O Box 236 STELLENBOSCH

7599 Tel no.: 021-8870117

e-mail: kmoore@salba.co.za

H J BASSON

EXECUTIVE DIRECTOR: VINPRO

P O Box 1411 SUIDER-PAARL

7624

Tel no.: 021-8073047 e-mail: Rico@vinpro.co.za S E THOMPSON

CEO: WOSA P O Box 987 STELLENBOSCH

7599

Tel no.: 021 883 3860

e-mail: sthompson@wosa.co.za