

# THE CAPE WINEMAKERS' EQUITY ACCELERATOR SOUTH AFRICA



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South Africa is the most  
unequal society in the world.

<3%

of the winemaking industry in  
South Africa is owned by black  
individuals.

## **A new vision for South Africa's winemaking industry**

The Cape Winemakers' Equity Accelerator (CWEA) project addresses the historical legacy of inequality in South Africa's wine producing community. It builds upon the transformation efforts of the Solms-Delta Wine Estate in the Franschhoek Valley of South Africa's Western Cape Province that has been addressing the unequal distribution of land and its benefits for the past sixteen years. By initiating a model that embraces shared ownership of land and equity, and further improves working and living conditions for farm workers, the Solms-Delta Wine Estate was able to develop a stronger sense of community on the farm. Productivity increased significantly, driving an increase in sales and various programmes that benefitted the entire community on an egalitarian basis.

The CWEA project now plans a further two phases of development that build on the work carried out during the last years. These will focus on empowering emerging black wine producers, bringing them to a level at which they are recognised for the value they generate in the agricultural economy. The specific project supported by the Julius Baer Foundation aims at developing a training curriculum and mentoring programme including all aspects of wine production (viticulture skills, access to vineyards, cellars, and equipment) as well as its distribution (financial and business planning, administration, sales, and marketing). An additional important aspect of the project is the establishment of a development capital fund that will help emerging black winemakers purchase wine estates and winemaking equipment.

### Julius Baer Foundation

For more than fifty years, the Julius Baer Foundation has dedicated itself to making meaningful and impactful contributions to society. The grant foundation of the Julius Baer Group was founded in 1965 by Walter J. Bär to support all forms of art and culture, various sciences, and carefully selected charitable causes within Switzerland. The Foundation's reach has extended along with the growth of the Group, and, today it collaborates with partner organisations worldwide in the core areas of Vocational Training, Recycling PLUS, and Wealth Inequality.

### How you can contribute

Clients and employees of Julius Baer can support the Foundation.

Your donation will be used specifically for the core area of your wish. IBAN: CH 94 0851 5072 8789 4200 9

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### Creating the next generation of wine producers

Through the CWEA, historically disadvantaged wine producers and their staff are mentored and trained by industry leaders. Further, other vineyards are engaged with the CWEA thus initiating the aspired transformation of the industry. Ultimately, the aim of the CWEA is to fast-track the expansion and equitable redistribution of resources and expertise within the wine industry in the Western Cape province of South Africa. Thereby, the CWEA is increasing:

- the number of black wine producers;
- the number of black wine producers owning land;
- the volume of wine sold by black producers in South Africa.

The emphasis on race is unfortunately necessary, as an artificial historic imbalance has to be reversed.

### Facts and figures: South Africa

Since 1994, significant progress towards economic equality in South Africa has been made, and the country has established itself as a constitutional democracy. Notwithstanding its achievements as a young democracy, South Africa's international ranking, in terms of income distribution, and the divide between the wealthy and the poor, has been declining over the past three years, and it still remains one of the most unequal societies in the world. Its wine industry is one of the most unequal social and economic sectors. Less than 3% of the industry is owned by black South Africans and many farm workers live under appalling conditions.

- South Africa is the most unequal society in the world, according to its Gini coefficient of 0.64.
- Income disparity is measured by the distribution of incomes within a country. The Gini index lists the various Gini coefficients in ascending or descending order (0: the least disparity / 1: the greatest disparity). Additionally, the Palma ratio is also a known economic benchmark for the income and wealth distribution within individual countries. It measures the income sum of the top 10% in relation to the income sum of the bottom 40% of the population of a country.
- South Africa's economy is characterised by diversity. There are well-developed regions around the major industrial hubs and business centres and less-developed regions with slow economic growth.
- South Africa is one of the world's largest producers and exporters of gold, platinum, and other natural resources.
- South Africa is the 8th biggest wine producer country in the world.
- The longest continuous wine route on Earth is found in South Africa.

For more information about the Cape Winemakers' Equity Accelerator, please visit: [www.cwea.org.za](http://www.cwea.org.za)<sup>1</sup>

**“The most difficult thing is not to change the world but to change yourself.”**

Nelson Mandela, Nobel Peace Prize Laureate

<sup>1</sup> Website under construction