Revisioning 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 have 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 is now expanding its efforts of helping black people elevate themselves in the wine industry, pursuing its vision of a more equitably distributed wine landscape. Most black people working with wine are farm workers or wine entrepreneurs selling wines in the retail field. Typically, they suffer from a lack of visibility, market-access and vinicultural know-how to progress and become producers or vineyard owners of their own. In a bottom-to-top approach, the CWEA project is creating empowering platforms for wine entrepreneurs and retail workers, and will follow by gradually building the means for them to develop and move up the value chain — from farm workers and wine vendors to wine makers producing their own wines, and — ultimately — becoming landowner of their own vineyard.

Raising the next generation of wine producers

A series of initiatives will accompany farm workers and wine entrepreneurs on their journey to become self-sufficient wine producers. First, the CWEA project is creating
a brand that represent a South African Wine culture inclusive of black wine entrepreneurs. A digital marketplace will allow each entrepreneur to market their products under the collective brand, benefiting of its consolidated exposure. A physical marketplace at the Solms Delta farm will provide access to land, human resources and learning facilities to train and build the required vinicultural know-how. Under the brand, funds will be raised for the establishment of a collaborative wine making cellar in the heart of cape town, following the example of many successful gin distilleries and artisanal breweries. In the long run, the goal is to purchase a farm as an avenue to promote optimum scale farming operations. This endeavour aims to balance the power structure both economically and politically and establish a sense of ownership for the emerging generation of black wine producers.

Thereby, the CWEA works toward 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 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 the 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 index is called Gini coefficient (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.
• The poorest 20% of the South African population consume less than 3% of total expenditure, while the wealthiest 20% consume 65%
• South Africa’s economy is ruled 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 Winemaker’s Equity Accelerator, please visit: www.cwea.org.za

“The most difficult thing is not to change the world but to change yourself.”
Nelson Mandela, Nobel Peace Prize Laureate