

FOR IMMEDIATE RELEASE

DF-SA Leads United Response to Fast-Growing Illegal Alcohol Market

Johannesburg, 1 July 2025 — The Drinks Federation of South Africa (DF-SA) has called for urgent national cooperation to stop the rapid growth of the illegal alcohol trade, now worth an estimated R25.1 billion and responsible for R16.5 billion in lost tax revenue.

This call to action was made at the United for Good Panel Discussion, hosted by DF-SA at GIBS Business School. Leaders from across the alcohol-value-chain came together to discuss findings from the Understanding the Illicit Alcohol Market in South Africa study by Euromonitor International.

To build momentum, all participants signed a Pledge of Commitment — a shared promise to:

- Increase public awareness about illegal alcohol
- Support safe and legal alcohol sales
- Improve data-sharing and enforcement cooperation
- Help set up a national Multi-Stakeholder Committee on Illicit Alcohol

Leaders Sound the Alarm

Richard Rivett-Carnac, CEO, SAB and Chairperson, DF-SA *“Illicit alcohol now makes up 18% of the total market — that’s nearly one in every five drinks sold. This is not just a public health concern, but a direct threat to fiscal revenues and formal businesses that contribute significantly to the economy and job creation. The legal alcohol sector supports around one in 31 jobs and generates over R100 billion in tax revenue annually. When illicit traders avoid tax, undercut the market, and exploit vulnerable consumers, we all lose. As an industry, we’re clear: this problem won’t be solved by one sector alone. It requires coordinated, society-wide action, from government to retailers, enforcement agencies to producers — working together to respond, fast and decisively.”*

Dr Shamal Ramesar, Head of Research at DF-SA, added:

“This research shows we’ve hit a turning point. Communities are at risk, and our economy is losing billions. Recent testing with the University of KwaZulu-Natal found that many illegal products contain dangerous substances like methanol, which can cause serious harm. Unless we shut down illegal producers and educate consumers, lives will continue to be at risk.”

Hardin Ratshisusu, Acting Commissioner of the National Consumer Commission, stated: *“This isn’t just about trade — it’s about protecting people from fake and unsafe products. Consumers have the right to know what they’re buying. Tackling this issue takes teamwork — through better information-sharing, stronger partnerships, and public education. We welcome DF-SA’s leadership in pushing for a united national response.”*

Benjamin Rideout, Consultant at Euromonitor International, explained: *“Nearly one in five alcoholic drinks sold in South Africa is illegal. This is no longer a small problem. Unlike some countries where homebrews are the issue, South Africa is facing large-scale counterfeiting — especially in white spirits. The situation demands better control over production inputs like ethanol and much stronger enforcement.”*

Jan-Harm Swanepoel, Partner at Adams & Adams, concluded: *“This is organised crime. We already have the legal tools to fight it — now we need alignment and action.”*

The Numbers Behind the Crisis

- 18% of all alcohol sold in SA is illicit
- R16.5 billion in tax revenue lost in 2024
- 55% rise in illicit volume since 2017
- 29% of surveyed adults know someone harmed by illegal alcohol

What’s Next

The event ended with a public signing of the Pledge of Commitment and a shared call to create a national Multi-Stakeholder Committee on Illicit Alcohol.

DF-SA also announced a new national awareness campaign to help South Africans recognise illegal alcohol and understand the risks. The campaign will include tools for traders and consumers, tips on spotting fake products, and information on how to report them.

This forms part of DF-SA's United for Good initiative — a commitment to tackling shared challenges through facts, cooperation, and leadership, so that South Africans can access safe, regulated products they can trust.

ENDS

About DF-SA

The Drinks Federation of South Africa (DF-SA) is the leading industry body advocating for responsible marketing and communication practices in the alcohol sector. DF-SA collaborates with stakeholders across the beverage industry to promote ethical advertising, regulatory compliance and sustainable business practices. Through initiatives like the Communications Code of Conduct, DF-SA seeks to ensure that marketing efforts uphold the highest standards of integrity and consumer responsibility.