PC TRADE, INDUSTRY AND COMPETITION

Presentation on the the Liquor Amendment Bill [B21–2025]







Purpose

☐ The purpose of the presentation is to provide an input on the Liquor Amendment Bill [B21–2025] introduced in Parliament on 8 September 2025 by Ms VN Mente-Nkuna.

Liquor Amendment Bill

- ☐ The Liquor Amendment Bill B21-2025 was introduced in Parliament as a Private Members' Bill on 8 September 2025 by Ms VN Mente-Nkuna.
- ☐ the dtic regulates liquor in terms of the Liquor Act, 59 of 2003.
- The Act regulates the macro manufacturing and distribution of liquor.
- ☐ The objects of the Liquor Act are:
- ☐ to reduce the socio-economic harms associated with liquor abuse; and
- ☐ to promote the development of a responsible and sustainable liquor industry in a manner that facilitates transformation in the liquor industry.
- □ Section 9(1) prohibits a person from advertising liquor or methylated spirit in a false or misleading manner, and in a manner intended to target and attract minors; or any substance that is prohibited in terms of the Liquor Act.

Liquor Amendment Bill, B21-2025: Long title

The amendment Bill by Ms Mente-Nkuna, aims to:

- amend the Liquor Act, 2003, so as to insert certain definitions;
- prohibit the advertising, promotion or product placement of liquor, in all forms of media;
- prohibit the use of a manufacturer's name or any brand element to promote liquor or the consumption of liquor;
- prohibit the organising, promoting of, or the making of a financial contribution to, an organised event by a registered person; and
- provide for matters connected therewith.

Liquor Amendment Bill, B21-2025: Definitions

The Bill introduces the following four definitions:
Brand element in relation to a brand of liquor, means the brand name, trade mark, trade name distinguishing appearance, logo, graphics, design, slogan, symbol, motto, selling message, print typeface, recognisable colour or pattern of colours, or any other symbol of product identification of association, that—(a) is likely to be associated with that brand of liquor; and (b) is designed to promote consumption of that brand of liquor;
Organised activity —(a) means any activity or event—(i) which a member of the public may attend of participate in; (ii) which is organised for the purpose of entertainment, sport or recreation or for educational or cultural purposes; and (iii) where liquor, a brand element, or company name which is usually associated with liquor or a brand element, is used in the name, description or advertising of the activity or event, to promote liquor consumption; and (b) excludes any activity or event arranged by registered person where the only attendees are—(i) shareholders; (ii) partners; (iii) stakeholders; (iv employees; (v) existing business clientele upon direct and specific invitation; (vi) suppliers or service providers; or (vii) spouses or partners of any of the persons in subparagraphs (i) to (vi);
Product placement means the depiction of, or reference to, liquor or a brand element in a broadcast programme, film, video recording, telecast, social media or other electronic medium for which the producer of, or any other person associated with, the broadcast programme, film, video recording telecast, social media or other electronic medium, receives consideration in cash, kind or otherwise; Promotion , unless the context indicates otherwise, means any activity that supports the sale of liquor, or that encourages the use of liquor.

Liquor Amendment Bill, B21-2025 amendment to section 9

- ☐ The Bill provides amendment in section 9 of the Liquor Act of 2003. Section 9 provides for liquor advertising and sale restriction.
- Advertising and sale restrictions- The proposed Bill provides that a person must not advertise—(a) [any liquor or] methylated spirits—(i) in a false or misleading manner; or (ii) in a manner intended to target or attract minors; or (b) any substance that is prohibited in terms of this Act
- ☐ It provides that a person must not advertise any substance as [liquor or] methylated spirits if that substance is not [liquor or] methylated spirits.
- ☐ The Bill also provides that a person may not—(a) use advertisement as defined in the Liquor Products Act, 1989 (Act No. 60 of 1989), read with the necessary amendment to promote liquor or the consumption of liquor or cause a person to use advertisement for such purposes; (b) promote or effect product placement, or cause a person to use promotion or product placement, to promote liquor or the consumption of liquor; or (c) use a manufacturer's name or any brand element through direct or indirect means to promote liquor or the consumption of liquor.
- A registered person may not—(a) organise or promote any organised activity that is to take place in whole or in part, in the Republic; (b) make any financial contribution to any organised activity that is to take place, or is taking place or has taken place in whole or in part, in the Republic.

Liquor Amendment Bill: Transitional provisions

☐ In terms of the transitional provision, agreements for advertisements, promotion or product placement, to promote liquor use of a manufacturer's name or any brand element or organising or promoting of, or for the making of a financial contribution to, an organised activity contemplated entered into before the commencement of the Liquor Amendment Act 2025 remains valid and enforceable and may be executed after commencement of the Act.

Liquor Amendment Bill, 2016 of the dtic

In 2016, following various research studies, the Liquor Act was reviewed resulting in the Liquor Amendment Bill, 2016 (Bill).
The aim of the Bill was to address and reduce the socio-economic harms associated with liquor abuse; and provided for wider participation and transformation in the liquor industry.
The Bill was subsequently published for public comment following Cabinet's approval.
There were written comments received; face to face engagements with members of the public within provinces, government departments, industry associations and industry role players, liquor regulators, and non-governmental organisations (NGOs).
The draft Bill was also tabled before the National Economic Development and Labour Council (Nedlac) Trade and Industry Chamber Task Team for engagement in 2017.
The Bill was tabled before the Cabinet Committee on 21 February 2018 requesting Cabinet's approval to introduce the Bill into Parliament. The Bill was however not approved pending clarity on some issues; its pre-certification and source an independent legal opinion on the issue of the drinking and purchasing age of liquor.
the dtic resolved to keep the Bill in abeyance with the intention of introducing it in the coming administration.

Liquor Amendment Bill 2016 of the dtic

Amendment of Section 9 (advertising restrictions)

Section 9 is amended to provide for more restrictions on liquor advertising, inter alia,

- advertisement of liquor or methylated spirits must not be likely to appeal to persons under the age of 21;
- feature in a significant role anyone who is, or appears to be a person under the age of 21;
- Prohibited on the following public platforms:
- Billboards placed less than one hundred (100) metres away from an education institution, an intersection, a street corner or a traffic circle;
- Radio and television, outside of such time period as may be prescribed by the Minister;
- The liquor advertisement must reflect the harmful effects of liquor abuse; and
- The Minister may, after consultation with the Council, relevant government departments and municipalities as the case may be, prescribe more advertising restrictions.
- the dtic published Bill of 2016 was broader and had other provisions that included the prohibition on the sale or supply of liquor or methylated spirits to persons under the age of 21 years, B-BBEE requirements; designation of inspectors, and civil liability, amongst others.

Analysis of the proposed (Liquor Amendment Bill, B21-2025 by Ms VN Mente-Nkuna), Section 9 Amendment

- ☐ It is noted that the prohibition will have no retrospective effect and therefore will not impact on existing advertising agreements in force.
- ☐ The proposed outright prohibition (ban) of alcohol advertisement is likely to disadvantage and discourage new entrants into the industry.
- ☐ Established players already benefit from strong brand recognition and may only require advertisement when launching new products.
- ☐ In contrast, emerging businesses rely heavily on advertising to build brand awareness and compete effectively.
- □ Outright prohibition may result in unintended consequences of entrenching the market power of existing registrants thereby contradicting the objective of B-BBEE Act and to some extent the principles of fair competition under Competition Act.

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Analysis of the proposed (Liquor Amendment Bill, B21-2025 by Ms VN Mente-Nkuna), Section 9 Amendment

- ☐ The Private Members Bill primarily focuses on Section 9 of the Liquor Act which deals with advertising restrictions. The approach is narrow and will not adequately address societal harms caused by liquor.
- ☐ This may have unintended consequences as the industry currently contributes towards big sporting events in the country; even through sponsorship.
- ☐ The prohibition of the manufacturer's name or any brand element may have unintended consequences for the market.
- ☐ There is a need to consider any correlation with the rise in illicit liquor and impact on consumers.
- It seems that the Bill has drawn on the ban of Tobacco advertising and one will need to consider the impact of such ban in terms of implementation and enforcement challenges.

Analysis of the proposed (Liquor Amendment Bill, B21-2025 by Ms VN Mente-Nkuna), Section 9 Amendment

- ☐ The proposed Private Members' Bill, although well intentioned, does not support a holistic approach to the harms caused by liquor or address the impact on communities.
- ☐ The Bill does not include supporting enforcement or penalty provisions. The Bill is not accompanied by a SEIAS or policy research providing empirical evidence to support such amendment.
- ☐ There may be issues of technical drafting on section 9(1) as it completely removes liquor and focuses on the prohibition of methylated spirits. It may not mean the prohibition or banning of liquor as intended from a legal drafting perspective. The mere removal of the 'any liquor' in section 9 does not prohibit the advertising of liquor meaning the advertising of liquor will be unregulated. The drafting issues also affect section 9(3).
- ☐ The Bill also does not indicate specific penalty provisions if there are transgressions meaning it will rely on the existing provisions.

Conclusion and Way Forward

the dtic policy proposals from the 2016 published Bill were drawn from extensive research and data and included the issues tabled at the Inter-Ministerial Committee on substance abuse led by the Department of Social Development at the time. ☐ It is also important to note that the 2016 Bill was also widely consulted and accepted by civil organisations, government departments and other stakeholders. Currently, the National Liquor Policy Council (consisting of Minister and MECs in 9 provinces) convened on 8 July 2025 and 30 October 2025 where the 2016 Bill was presented and resuscitated as members were presented with a way forward. This process must be acknowledged as Government's intention to address and prioritise liquor abuse in the country. the dtic believes that cumulatively, restriction of advertising and other measures might assist in reducing harms associated with liquor abuse. The Department is currently reviewing the Liquor Amendment Bill of 2016. It is in consultations with stakeholders and working through the National Liquor Policy Council with provinces. The outright prohibition (ban) on alcohol advertising is not supported.

Recommendation

☐ It is recommended to the Portfolio Committee to note **the dtic**'s briefing of the Private Member's Bill on the Liquor Amendment Bill B21-2025.

Thank you