



# LIMPOPO

## PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

### DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM

ADDRESS BY THE MEC FOR LEDET, HON. TSHITEREKE MATIBE, ON THE OCCASION OF THE LIMPOPO LIQUOR  
INDUSTRY STAKEHOLDER ENGAGEMENT: 14 NOVEMBER 2024 – MEROPA CASINO, POLOKWANE

Programme Director,  
Executive Mayor of the Capricorn District Municipality, Her Worship Cllr Teffo,  
Executive Mayor of Polokwane Local Municipality, His Worship Cllr Mpe,  
CEO of the Limpopo Liquor Board, Gregory Makoka,  
Liquor Traders and Industry stakeholders present,  
Our event sponsors,  
Members of the SAPS who consistently supporting us,  
All Government officials present,  
Members of the media present,  
Ladies and gentlemen,

It is an honour and a privilege to welcome all of you to this historic inaugural Limpopo Liquor Indaba, which also inadvertently marks my first and certainly not my final interaction with our liquor industry stakeholders since my appointment as MEC for this Department.

Programme Director, the 2022 research provided by the Drinks Federation of South Africa revealed that the Liquor industry contributed R226.3 billion or 3.6 % to South Africa's Gross Domestic Product. The alcohol industry boasts a sizeable claim to the number of employed South African citizens, it provides jobs to more than 500 000 employees in the country and proudly contributes R215.5 billion in households' income.

Therefore, as government, we are not lost to the pivotal role that this industry plays in the economy of our province and country. It contributes to job creation, supports small businesses, and generates significant tax revenue.

By virtue of its nature, it is able to branch out to support other industries and sectors such as tourism, entertainment and hospitality. Liquor sales stimulate a wide range of sectors and create livelihoods for countless people.

However, as many of us may have witness in the past, the potential of this industry is often hindered by regulatory barriers that slow down business growth, increase costs, and create friction with communities.

Today, I want to emphasize the importance of removing these bottlenecks while maintaining a responsible and socially conscious framework for liquor sales. Our focus must be on building a liquor industry that thrives economically and is aligned with the needs and values of our communities.

In order to unlock the full potential of this industry, there are some key factors that need to be worked on, these are areas such as liquor trading hours and days, licensing fee structures together with their types and conditions, municipal and traditional authority permits and others.

It is our place therefore as government, to create a conducive environment for this industry to break the glass ceiling that holds it back from reaching its imagined full potential.

Ladies and gentlemen,

The current laws governing liquor trading hours are often rigid and inconsistent across regions. While intended to curb irresponsible trading characteristics, these restrictions can stifle the growth of businesses, especially in areas that depend on tourism or nightlife.

Expanding and standardizing trading hours while ensuring that residential businesses follow stricter guidelines is a balancing act that this engagement must strike. It is my belief that we as government can better support liquor establishments without compromising community welfare.

We must realize that flexibility is essential in today's dynamic market. Allowing businesses to trade on Sundays, public holidays, or during peak seasons will boost revenue and align with consumer demand.

On the matter of Liquor Licensing, during the review period for the fee structure, it is my express instruction that the regulator actively engage with business owners to foster business continuity and welcome new market entrants.

I have observed that the complexity of liquor licenses is another issue that businesses often struggle with. The multitude of categories, each with its own set of conditions, makes the process of obtaining and maintaining a license more confusing than necessary.

Streamlining these categories will certainly help reduce administrative burdens and give business owners clearer guidance on their responsibilities from the start. For instance, the 1989 Act established categories like Liquor Restaurant, Tavern, and Eating House, which have since been consolidated with the Limpopo Liquor Act into a broader provision for food service.

Similarly, licenses for accommodations, such as those under the old Act's Hotel and special license accommodations, have now been unified into a single accommodation category. This simplification would allow regulators to concentrate on key issues, ensuring that businesses adhere to safety, responsibility, and community standards.

Programme Director,

While the liquor industry is a crucial driver of economic growth, we cannot ignore the concerns of residents in areas near liquor establishments. Noise, public disturbances, and other nuisances can strain relationships between businesses and communities, often leading to tension and opposition.

To foster peace and cohesion in our communities, we must enforce stricter nuisance regulations that require liquor establishments in residential areas to manage noise, litter, and crowd control more effectively.

We believe that by holding businesses strictly accountable and promoting responsible operation, we protect the rights of residents while still allowing businesses to flourish.

We have found that one of the most significant challenges in granting liquor licenses is the lack of consultation with neighbors and local communities. When liquor licenses are issued without meaningful engagement, we have often times seen it lead to frustration, protests, and opposition from those who feel their voices and views are not considered.

A mandatory consultation process will ensure that community members and neighbors are actively involved in decisions affecting their environment. Public hearings and objection mechanisms will empower communities, creating a cooperative environment where businesses and residents coexist.

Ladies and gentlemen,

Perhaps another challenge we have identified for businesses, particularly those in rural areas or on traditional land, is the confusion over permissions from municipalities and traditional authorities.

Many business owners are uncertain whether they need approval from local municipalities or traditional authorities, creating delays and sometimes causing businesses to operate without proper licenses.

As government, we have the responsibility of clarifying these permissions and ensure that the approval process is straightforward, reducing the administrative burden for business owners and allowing for quicker regulatory approvals.

The process of streamlining liquor regulations is not just about helping businesses thrive. But it's about creating an environment where businesses can operate responsibly, where community voices are heard and respected, and where the rule of law is enforced clearly and fairly.

When we tackle these bottlenecks, we're not only promoting a stronger liquor industry, but we're building a more prosperous society. We're creating jobs, supporting tourism, and fostering entrepreneurship. Most importantly, we're shaping an industry that respects the interests of both businesses and communities.

Our goal is to ensure that liquor regulations promote business growth, protect community interests, and provide clarity for all stakeholders. Through dialogue, consultation, and cooperation, we can build a liquor industry that is vibrant, sustainable, and responsible.

In conclusion, Programme Director,

As we embark on this journey to navigate the legislative bottlenecks of the liquor industry, let us remember that the true measure of progress is not only in economic terms but also in how well we balance growth with responsibility.

This is a pivotal moment for the industry, and we have the opportunity to shape its future in a way that benefits everyone.

I urge you business leaders, community representatives, regulators, and policymakers to take ownership of this mission. By working together, we can create an environment where businesses thrive, communities prosper, and the industry grows responsibly.

**Thank you**