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**National Council – Standing Committee on Security, Constitutional and Legal Affairs**

**Public Hearing on Shebeen Motion**

**27 March 2012**

**Introduction to SAIF**

The Self-regulating Alcohol Industry Forum (SAIF) is an association comprising of members that include most of the formal manufacturers and distributors of alcoholic beverages in Namibia, these are African Marketing, Camelthorn Brewing Company, Castle Brewing Namibia, Commercial Investment Corporation, DISTELL Namibia, House of Wines, Kristall Kellerei, Namibia Breweries Limited, Pernod Ricard Namibia, SMC Brands Namibia, United Liquor Agencies. SAIF very recently has resolved to invite alcohol traders as associate members. Negotiations with the Hospitality Association of Namibia are at an advanced stage.

SAIF is focused on the prevention of the negative consequences of alcohol abuse. The Forum's mission is to *reduce alcohol-related harm through combating the misuse and abuse of alcohol beverages and promoting only their responsible use*. SAIF furthermore intends to change the reputation of alcohol in society.

The primary targets for its interventions are two broad groups namely young people and those adults who are vulnerable and most at risk of suffering the negative consequences of alcohol abuse and misuse. Most of its interventions are in partnership with other stakeholders who share similar objectives.

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SAIF retains strong links with international organizations working in the same field such as the International Centre on Alcohol Policies (ICAP), South African Industry Association for Responsible Alcohol Use (ARA), Botswana Alcohol Industry Association (BAIA) and European Forum for Responsible Drinking (EFRD). SAIF was formed on 21 February 2007, and adopted a strict Code of Commercial Communication to which its members commit when joining the forum.

### **General Comments**

1. SAIF is in favour of an alcohol act that is balanced, effective, practical, and considers the Namibian context and available resources. We believe that all stakeholders should act to alleviate the social and financial burden caused by alcohol misuse, in such a manner that unintended consequences are eliminated.
2. SAIF supports the ideology of a strong collaboration between Government and Private Sector towards public awareness and education on the effects of alcohol abuse. We therefore endorse the World Health Organization (WHO) requirement that calls for all stakeholders to be included in the development of a National Alcohol Policy (NAP), including the economic operators.
3. All liquor legislation should consider the rights of non-drinkers and drinkers alike. It should acknowledge the fact that globally the majority of people drink and of these only a small minority abuses alcohol. It is our belief that Alcohol abuse is never the result of a single factor and cannot be resolved by a one size fits all approach. This means a multifaceted, targeted and dynamic act is required, singling out those who are at risk and aiming to change behaviour over time.
4. SAIF supports law enforcement hence it is our belief that it is the responsibility of liquor trading outlets, including Shebeens, to familiarize all staff members with legal and responsible serving aspects associated with liquor trading.
5. SAIF is of the opinion that the current liquor Act (Act No.6 of 1998) is of superior standard with only minor changes and especially clarifications that could be reviewed. It is our opinion that a large percentage of the liquor trade related problems are directly attributable to a general lack of

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- the application of the law. We furthermore believe that the application of the law does not rest entirely on the shoulders of law enforcement agencies but owners and managers of alcohol trading organizations should take responsibility for their actions by committing all trading activities within the law.
6. SAIF does not support the employment of family members in a liquor trading outlet as this principle promotes the employment of caregivers of children and therefore the presence of underage children in the outlet. It also provokes the employment of persons under the age of 21 years in Liquor Trading Outlets.
  7. SAIF is of the opinion that in many cases, Shebeens have become a means of economic survival, due to the ease and minimal costs involved in establishing such in the absence of the application of the law. We believe that this pattern is directly linked to the difficult economic times experienced in Namibia and therefore in our opinion a strategy needs to be employed to support the development of other non-alcohol related entrepreneurial activities.
  8. Research has proven that there is a direct correlation between homebrews and illicit alcohol trade increasing when alcohol levies are imposed. In Namibia it is estimated that the government is currently losing approximately N\$ 12 million per month in revenue due to illicit trading in alcohol. Therefore, SAIF is opposed to further punitive measures towards the formal self-regulated alcohol industry, but advocates for effective border controls and measures to target illegal products and trade.
  9. SAIF recommends that the unfortunate situation of problems at Shebeens in Namibia could be addressed by means of Self-regulation, where owners and managers commit to adhere to a code of conduct in line with the liquor act, where the minority that misbehaves will be reported by the majority that trades within the Liquor Act. Trading outlets that infringe on the Liquor Act must be fined substantially at the first infringement and closed with the second infringement. Community policing and an easy point of call for community members to report non-compliant Shebeens may effectively increase the reach of law enforcement.
  10. The licensing of Shebeens remains a problem as it is generally acknowledged that the Regional Liquor Licensing Committees under the auspices of the Regional Magistrate Office's are pre-occupied with judicial matters and don't have the capacity to dedicate attention to the licensing

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of Shebeens. This fact has led to thousands of unlicensed Shebeens being operative in Namibia.

11. Social Development Organizations are concerned about the impact alcohol abuse at Shebeens has on the community. SAIF believes that to a certain extent this is true due to the misbehavior by the minority of alcohol trading outlets. These outlets should be brought under control by the enforcement of the law. Care must be given to outlets that have been trading for years on a certain premises with the erection of a school or church thereafter. SAIF believes that just as Shebeens have no right to be established near such institutions, so have such institutions no right to be erected near Liquor Trading outlets if such outlets were in existence first.

### **Review of Relevant Provisions of the Liquor Act (Act No.6 of 1998)**

1. Part 1 – Licenses - A distinct difference should be made on rules and regulations concerning operating hours, residence of managers/owners on the premises of the Shebeen, the type of alcohol to be sold and noise levels of Shebeens in residential areas versus Shebeens in designated business areas.
2. Part 1 – Licenses – The Trading of Light Liquor only in Shebeens  
The enforcement of light liquor sales in Shebeens will potentially lead to an increase in illegal activities around these products, creating a situation where the practical application of the Liquor Act can not be enforced. SAIF also believes that the lack of trading in hard Liquor by Shebeens can potentially increase Drinking and Driving, as people may purchase liquor in Bottle Stores and due to lack of space at home will drink hard liquor in open places, such as the Brakwater Recreation Centre.
3. Part 1 – Licenses – Section 2.2 (a) On-consumption licenses.  
This should be changed to on/off consumption as is the practice at the moment. If On-consumption is enforced Shebeens will cause major congestions in the surroundings where they operate due to persons trying to obtain seating in the Shebeen. This may lead to increased public drinking as patrons will drink in front of the Shebeen on the street due to a lack of seating.
4. Part V – License Requirements and Restrictions

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A License application should include formal training on the basics of the Liquor Act as well as the basic concept of Responsible Serving

5. Part V – Licensing Requirements and Restrictions  
All outlets should have the minimum legal requirements displayed prominently at a minimum font size visual to all visitors of the outlet
6. Section 48 of the Act should stipulate minimum standards for various products e.g. whisky, brandy, beer, wine etc. and should also stipulate minimum standards on packaging in line with the Trade Metrology Act. Cheap packaging such as plastic sachets should be prohibited.
7. The amendment of the fourth schedule of the Liquor Act (Act No.6 of 1998) should stipulate the number of ablution facilities determined by the size of the outlet either in square meters or number of seats
8. Part VIII - Judicial Matters – This section is a matter of the lack of enforcement of the law. SAIF believes that fines should be imposed for the first offence and depending on severity of the offence the second offence could lead to closure. In the case of an outlet selling Alcohol to a person under the age of 18 its license should be withdrawn.

### **Recommendation**

SAIF is in support of the revision of the current Liquor Act (Act No.6 of 1998). To endeavor into this exercise as a first step it is crucial that all stakeholders are identified and incorporated in the revision. It is as important to engage into research that will enlighten the current situation as experienced in practice.

It must be emphasized that such a process should include stakeholders from all spheres and should be based on current practical evidence. We therefore recommend the following process:

- Stakeholder Mapping
- Conduct a National Stakeholder Workshop
- Establishing of an Operational Committee
- Conduct evidence based research
- Analyze research results
- Disseminate research results
- Call for debate on the research results

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- Formulation of amended draft Act
- Disseminate the draft Act and call for approvals
- Finalize the Act
- Implementation of the Act

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