



Drinks Ireland
Cider

Irish Cider Market Report 2019

drinksireland.ie/cider

Introduction

Drinks Ireland | Cider, formerly the Irish Cider Association, has produced a cider market report to highlight the performance of the sector in 2019. The data in this report predates the impact of Covid-19 but it highlights the need for support for the sector as it faces uncertain times in the months and years ahead.

Cider drinkers in Ireland continue to enjoy an unprecedented selection of cider brands from both craft cider producers and some well-established drinks manufacturers, scattered throughout the country. However, total cider sales in 2019 decreased by 1.7% with over 63 million litres of cider sold. It is the first decline in sales since 2015. It is estimated that over 50,000 tonnes of apples are used every year to manufacture cider in Ireland. Per capita consumption of cider declined by 0.47% which is in line with an overall trend of total alcohol consumption decline.

Today, cider is still Ireland's third most popular alcohol beverage behind beer and wine, once the spirits category is split into its different variants (such as whiskey, vodka and gin). Cider's market share of total alcohol sales declined marginally from 7.5% in 2018 to 7.4% in 2019.

The performance of Irish cider exports in the last decade has been a cause for concern. However, 2019 saw a significant increase in exports by 32%, primarily driven by UK exports. A number of factors likely contributed to this increase in exports to the UK, ranging from resurgent consumer demand to preparatory planning and stockpiling for potential Brexit shocks. In 2019, it is estimated that 90% of Irish cider exports went to the UK. Uncertainty around Brexit and Covid-19 could impact on investment within the sector.

Like other alcohol variants, cider makes a significant contribution to the exchequer with just under €60 million worth of excise collected in 2019. Over the past decade it has contributed over half a billion Euro in excise alone to the exchequer. Irish cider consumers pay the third highest rate of excise on cider in the European Union. In fact, there is no excise charge on cider in 14 EU Member States. Considering the impact of the Covid-19 crisis and the prospect of cider tariffs arising from a 'No-deal' Brexit, Drinks Ireland | Cider calls on the government to lobby for cider to be part of the EU Excise Structures Exemption. This will enable craft cider producers to secure excise relief reductions that are similar to those enjoyed by the craft beer sector.

Jonathan McDade
Head of Drinks Ireland | Cider



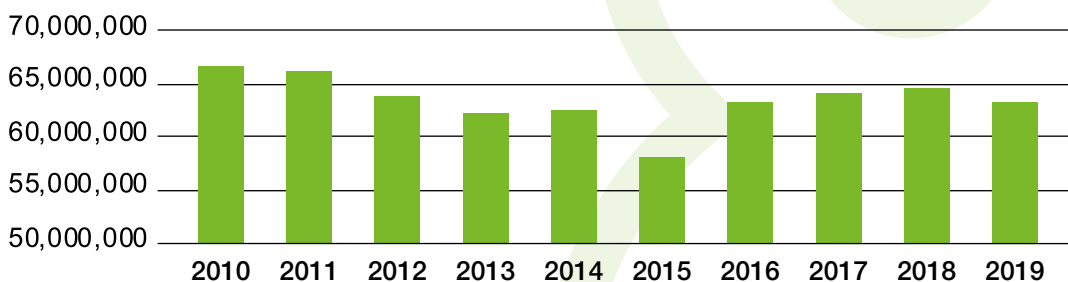
Total cider consumption (litres of cider)



Year	Litres of Cider
2010	66,361,233
2011	66,022,433
2012	63,763,095
2013	62,137,945
2014	62,410,778
2015	58,100,576
2016	63,068,636
2017	64,021,782
2018	64,299,656
2019	63,182,054

Source: Revenue

Cider consumption



Source: Revenue

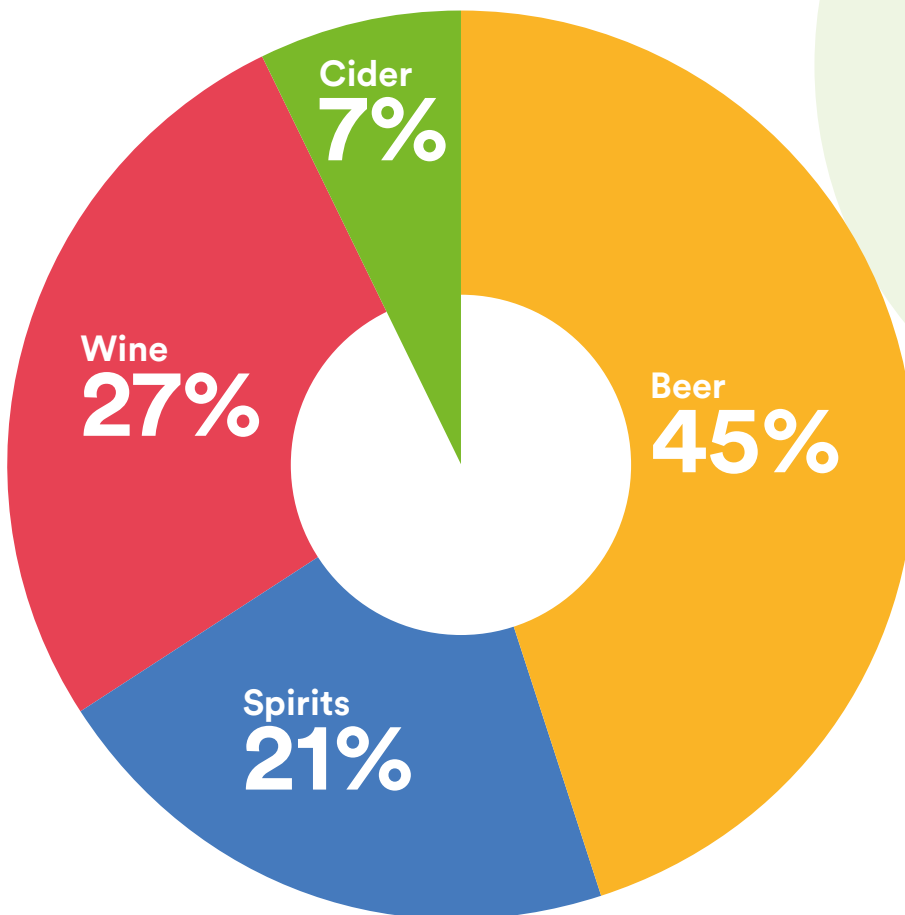
Total cider sales in 2019 decreased by 1.7% in 2019 with over 63 million litres of cider sold. It is the first decline in sales since 2015.

Consumption market share

Year	Beer	Spirits	Wine	Cider/Perry	Total
2010	47.7	18.5	25.9	7.9	100
2011	46.5	19.2	26.5	7.8	100
2012	46.2	19.8	26.3	7.6	100
2013	47.0	18.9	26.0	8.1	100
2014	47.2	18.1	26.8	7.8	100
2015	47.0	18.7	27.7	6.6	100
2016	45.8	19.1	27.6	7.5	100
2017	44.8	19.8	27.7	7.7	100
2018	45.2	20.5	26.7	7.5	100
2019	44.6	20.8	27.2	7.4	100

Source: Revenue

% Alcohol market share

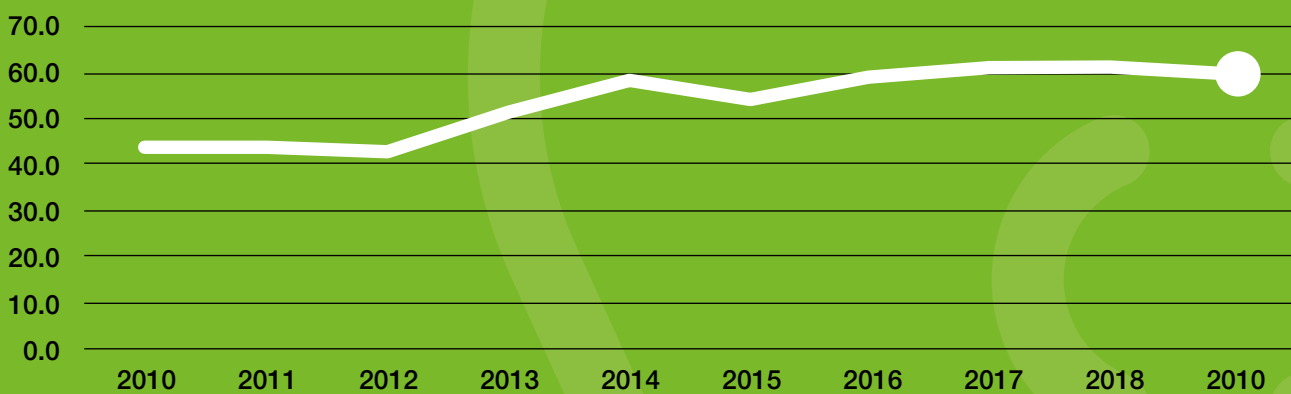


Excise receipts €m / annum

Year	Beer	Spirits	Wine	Cider/Perry	Total	%
2010	320.1	243.5	218.8	44.0	862.0	5.1%
2011	307.3	247.3	231.0	44.0	830.0	5.3%
2012	308.0	263.9	231.4	42.8	846.0	5.0%
2013	358.0	290.3	302.1	51.6	1002.0	5.1%
2014	424.8	301.8	354.6	58.5	1139.8	5.1%
2015	417.0	311.0	355.0	54.0	1137.0	4.7%
2016	430.0	338.0	380.0	59.0	1207.0	4.8%
2017	424.0	353.0	382.0	61.0	1220.0	5.0%
2018	430.1	372.2	376.4	61.2	1239.9	4.9%
2019	421.4	373.4	377.9	59.8	1232.5	4.9%

Source: Revenue

Cider/Perry – €m / annum



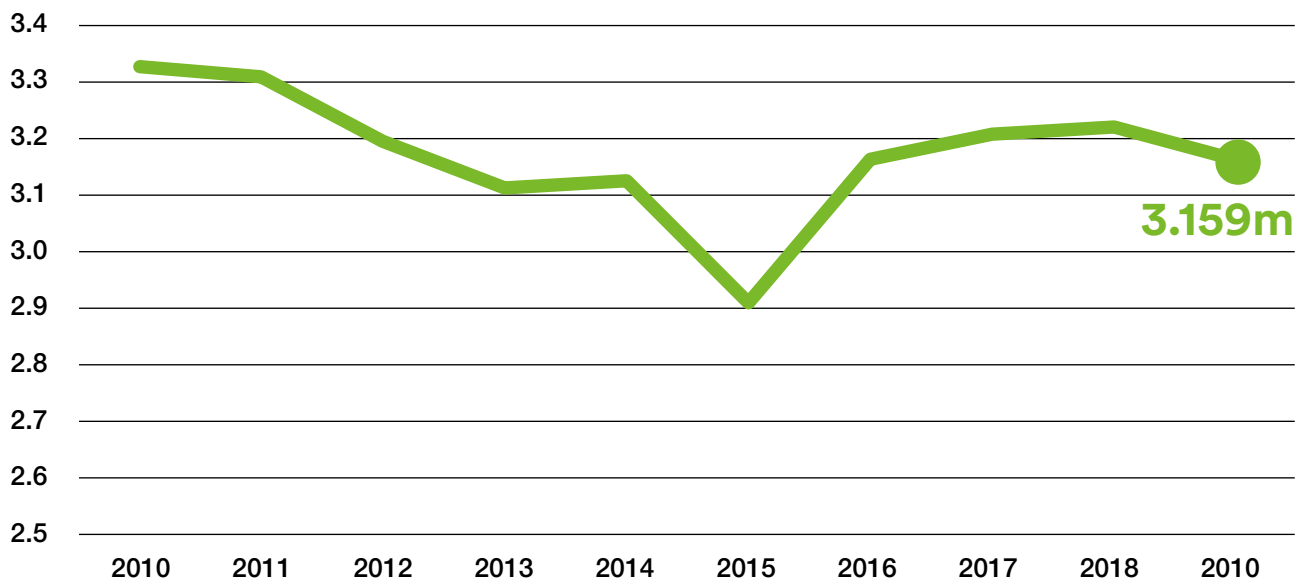
Consumption per capita

Year	Adult population – Millions (15 and over)	Million litres Alcohol content (5%) of cider	Average cider consumption per adult, litres of pure alcohol
2010	3.5971	3.318	0.92
2011	3.5983	3.301	0.92
2012	3.6057	3.188	0.88
2013	3.6208	3.107	0.86
2014	3.6478	3.121	0.86
2015	3.6862	2.905	0.79
2016	3.7340	3.153	0.84
2017	3.7855	3.201	0.85
2018	3.8482	3.215	0.84
2019	3.9126	3.159	0.80

Source: Revenue / DIGI

Difference
-0.47%

Millions of litres of alcohol content (5%) of cider





Excise & VAT on a pint of cider

Year	Cider/Perry
On basis of CSO national average price of a pint of cider in a bar – February 2020	€5.18
VAT at 23%	€0.97
Excise on cider of alcohol content of between 2.8% and 6%	€0.53
Amount left over	€3.68
Total Tax	€1.50
% of price	28.9%



Source. CSO and Revenue

Irish cider consumers pay the third highest rate of excise on cider in the European Union. In fact, there is no excise charge on cider in 14 EU Member States.

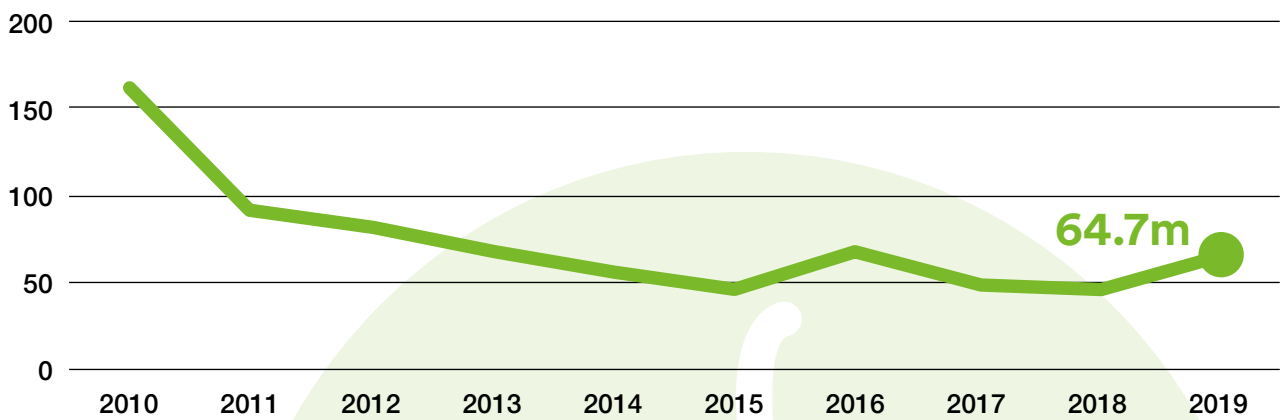
Export value

Year	Export €m
2010	161.8
2011	92.1
2012	80.8
2013	67.8
2014	55.5
2015	46.0
2016	68.3
2017	49.9
2018	48.8
2019	64.7

Source: CSO / DIGI



Export value €m



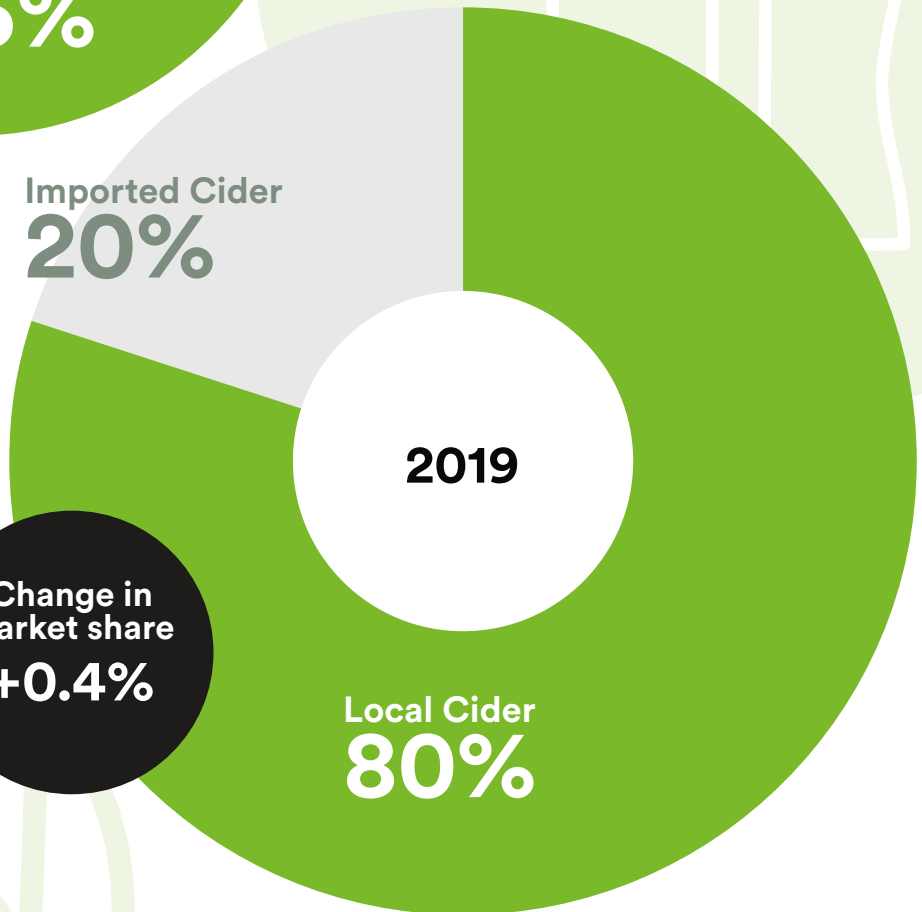
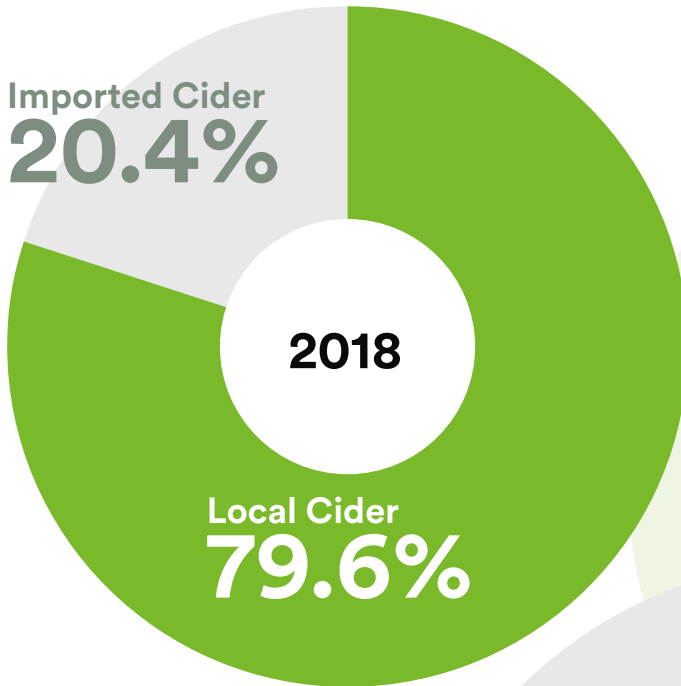


2019 saw a significant increase exports by 32%, primarily driven by UK exports. A number of factors likely contributed to this increase in exports to the UK, ranging from resurgent consumer demand to preparatory planning and stockpiling for potential Brexit shocks.

Imported v Local

Year	Total cider consumed (litres)	Local cider consumed (litres)	Imported cider consumed (litres)
2018	64,299,656	51,150,376	13,149,280
2019	63,182,054	50,495,098	12,686,956

Source: Industry / Member Data



Change in market share
+0.4%



Drinks Ireland | Cider was established in 2008 and aims to build on the great success of its predecessor, the Cider Industry Council, which was founded over 20 years ago and transformed the profile of cider in Ireland for the better.

Drinks Ireland | Cider is a part of Drinks Ireland



Drinks Ireland is the **ibec** group that represents alcohol drinks manufacturers and suppliers in Ireland. Ibec is the national voice of business in Ireland. Ibec represents the interests of business in Ireland and provides a wide range of direct services to its 7,500 member companies.

Ibec vision

Ibec – The most influential, dynamic business representative organisation in Ireland, driving our business agenda in Europe.

Ibec mission

Ibec – Leading, shaping and promoting business policy and conditions to drive economic success.

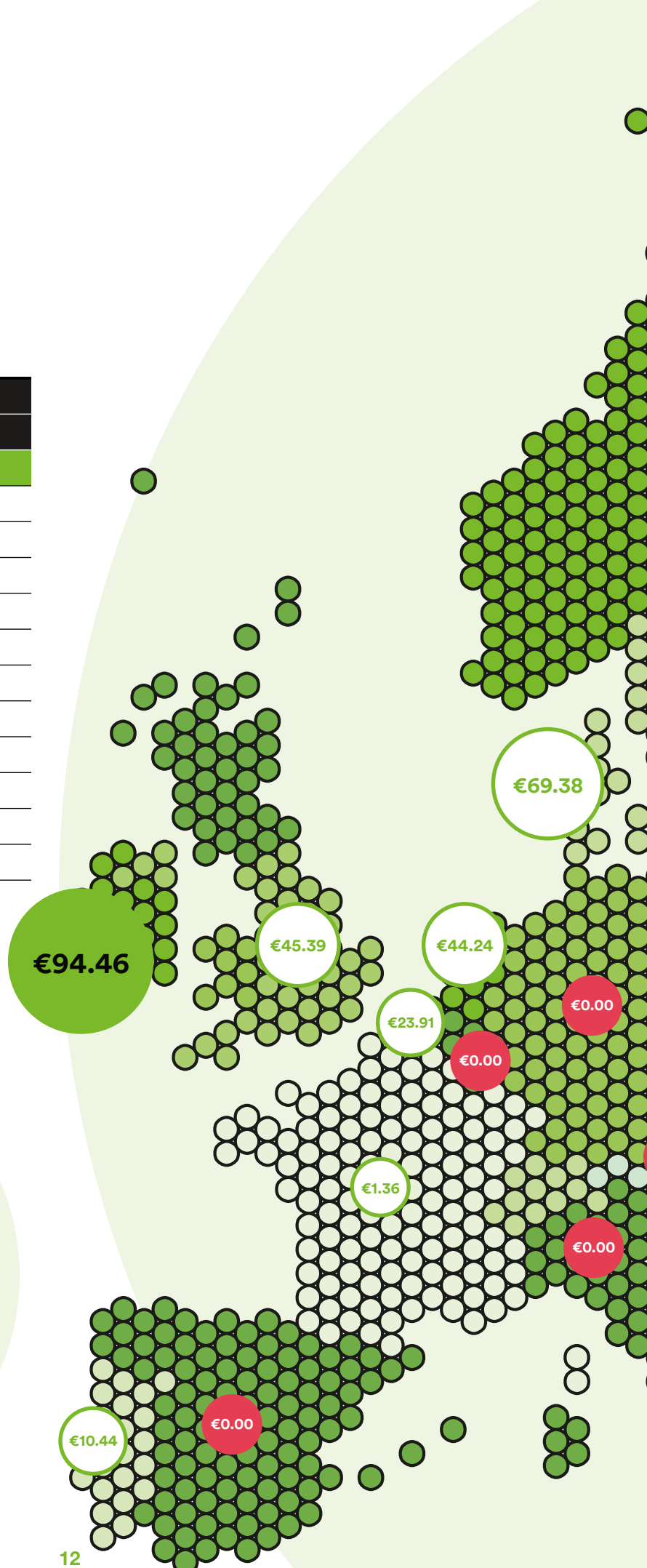
Cider Excise in Europe

Overview standard rates in € / hectolitre (5%ABV)

Rank	Country	Rate
1	Finland	€191.00
2	Sweden	€125.69
3	Ireland	€94.46
4	Denmark	€69.38
5	Lithuania	€65.46
6	Latvia	€64.00
7	Estonia	€63.35
8	United Kingdom	€45.39
9	Netherlands	€44.24
10	Hungary	€31.69
11	Belgium	€23.91
12	Poland	€22.16
13	Portugal	€10.44
14	France	€1.36

Note: All other EU members have a 0% excise rate on cider.

Source: European Commission Excise Duty Data – 2019/2020





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