

**Drinks Ireland**  
Beer

# Irish Beer Market Report 2020

[drinksireland.ie/beer](https://drinksireland.ie/beer)

# Introduction

**2020 has been a year like no other. The Covid-19 pandemic which has engulfed daily life around world has had a significant impact on the brewing sector both domestically and globally. This report will highlight in stark terms, the impact that the prolonged closure of the hospitality sector has had on Ireland's brewers.**

While beer remains Ireland's favourite alcohol beverage, its market share has fallen from 45% in 2019 to 38% in 2020. This is due to a staggering 17% fall in total beer sales in 2020 when compared to the previous year. There was also a 19% fall in the per capita consumption of beer sales in 2020.

Typically, just over 60% of beer sales are in Ireland's pubs, restaurants, and hotels. However, in 2020 an estimated 29% of beer sales were from the hospitality sector. This has also resulted in a fall in production by 13% in 2020. The value of beer exports also declined by 17% to €254 million in 2020, down from €305 million in 2019. This reflects the lower international demand for Irish beer as other markets endured lockdowns to its respective hospitality sectors. A most notable decline was a 45% fall in Irish beer exports to the United States.

Coupled with a fall in sales for Irish beer, brewers have also provided extensive financial support to its hospitality customers at a heavy cost to sector. Since the first lockdown, breweries extended high value credit lines which provided life support to many pubs and bars that were short on cash. An additional relief that the brewing sector provided for pubs was the reimbursement for all unsold kegs and as well as the disposal of unsold beer.

The lockdowns have also impacted on types of beer that were sold in 2020. Stout sales typically make up around 30% of overall beer sales, in 2020 stout made up just a 25% of beer's market share. Lager was the main beneficiary of this, increasing its market share from 63% in 2019 to 69% in 2020. Ale's beer market share went down from 6% in 2019 to 4% in 2020. Non-alcoholic beer had a fractional increase in its market share by 0.1%. The most dramatic movement in sales channels was for ale and stout. In 2019, 80% of stouts and ales were sold in the hospitality sector. In 2020, only 43% of those variants were sold in the on-trade sector.

Also notable was that beer was not the biggest contributor of excise receipts to the exchequer within the alcohol market. Indeed, it was not even the second biggest contributor with an estimate collection of €351 million paid to the exchequer in 2020, a fall of €70 million compared to 2019. Beer drinkers in Ireland continue to pay the second highest rate of excise in the EU.

Looking ahead to 2022, Ireland's brewing sector needs support from the Government. A reduction in the excise rate for beer would be a welcome move but the sector also requires additional financial aid to support the coverage of costs associated with the uplift, disposal, and writing-off of out-of-date beer. Furthermore, the sector requires a change in the duty system allowing for excise to be recovered in a similar manner to VAT on bad debts, which would prove invaluable in supporting the provision of credit to the sector. These measures are vital for the sector as it continues to endure lockdown measures in 2021.

**Peter Mosley, Chairperson  
Drinks Ireland | Beer**

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# Headlines

	2019	2020	Difference
<b>Total production (1,000HL)</b>	8,240	7,100	<b>-13.8%</b>

Source: Drinks Ireland Beer Members

	2019	2020	Difference
<b>Total employment</b>	1,147	1,132	<b>-1.0%</b>

Source: Drinks Ireland Beer Members

	2019	2020	Difference
<b>Total consumption (1000HL)</b>	4,537	3,748	<b>-17.3%</b>

Source: Revenue

	2019	2020	Difference
<b>Per capita consumption</b>	77.2	63.7	<b>-19.6%</b>

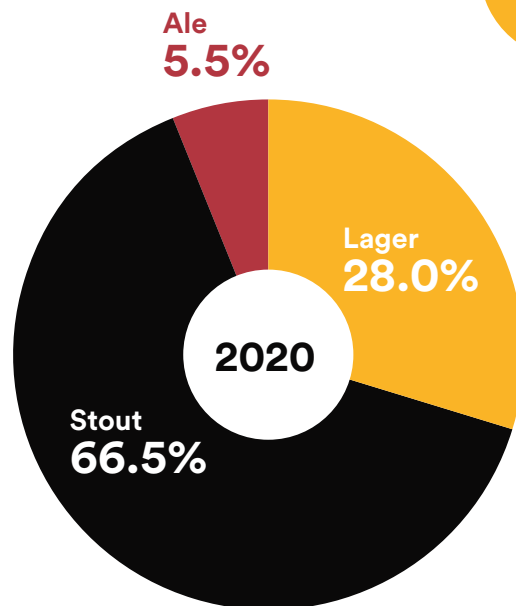
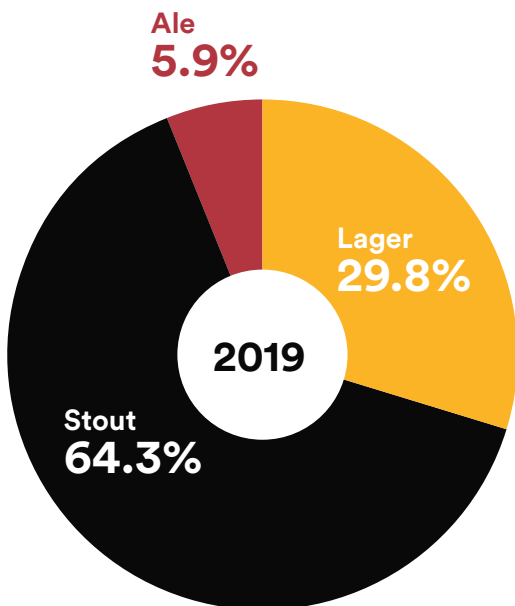
Source: Calculation based on consumption but as 5%ABV (pan-European benchmark) and CSO population figure of 2020 Census of 4,937,786

	2019	2020	Difference
<b>Export value</b>	€305m	€254m	<b>-17.0%</b>

Source: EuroStat



# Production





## Sales channel

	2019	2020
On-Trade	62.7	<b>29.7%</b>
Off-Trade	37.3%	<b>70.3%</b>

Source: Drinks Ireland Beer Members

## Variants

	2019	2020	Difference
Lager	63.5%	<b>69.5%</b>	<b>+6.0%</b>
Stout	29.3%	<b>25.3%</b>	<b>-4.0%</b>
Ale	6.2%	<b>4.1%</b>	<b>-2.1%</b>
Non-alcohol	1.0%	<b>1.1%</b>	<b>+0.1%</b>

Source: Drinks Ireland Beer Members

Variant	2019 on-trade	2019 off-trade
Lager	53.1%	46.9%
Stout	80.9%	19.1%
Ale	78.3%	21.7%
Non-alcohol	33.8%	67.2%

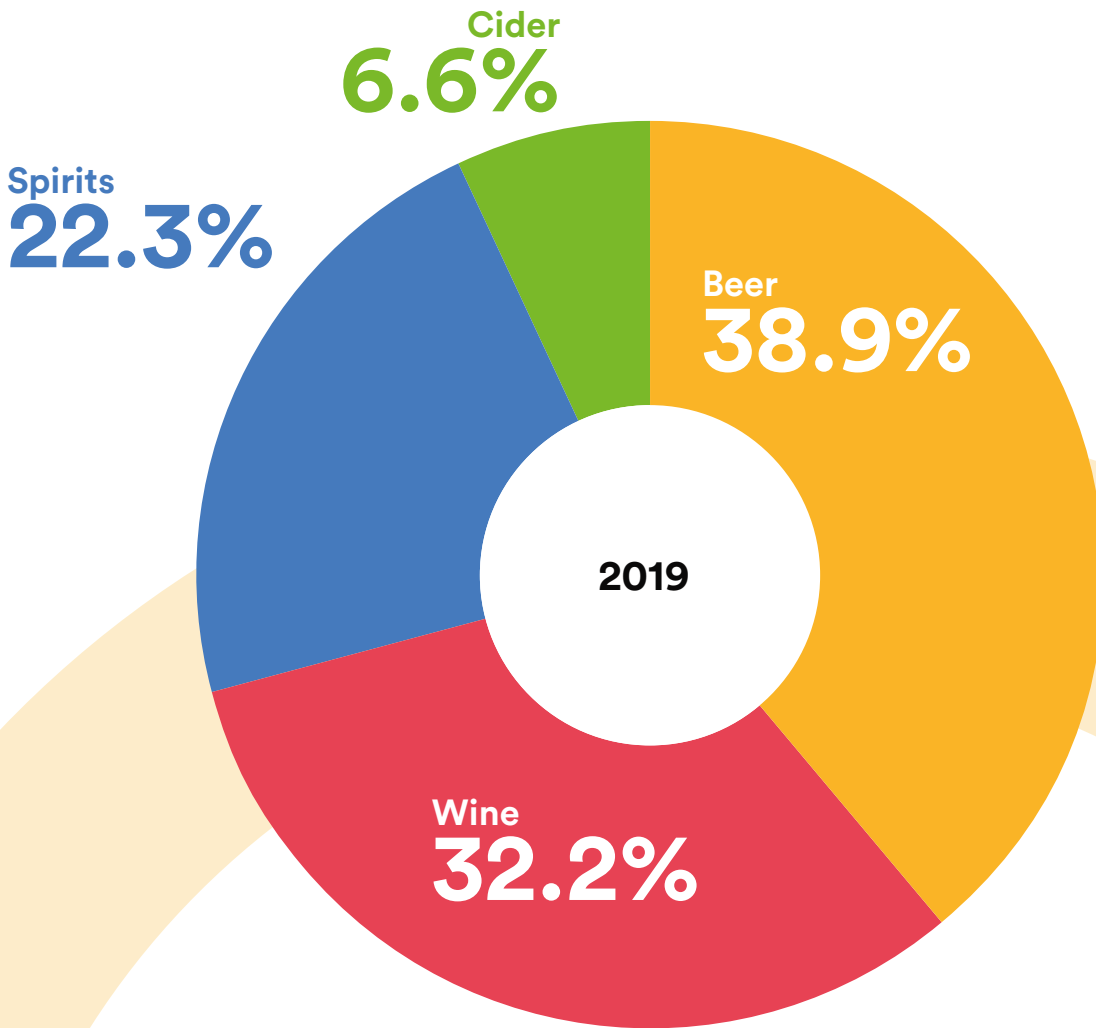
Source: Drinks Ireland Beer Members

Variant	2020 on-trade	2020 off-trade
Lager	24.2%	76.8%
Stout	43.3%	56.7%
Ale	43.5%	56.5%
Non-alcohol	14.8%	85.2%

Source: Drinks Ireland Beer Members

Typically, just over 60% of beer sales are in Ireland's pubs, restaurants, and hotels. However, in 2020 an estimated 29% of beer sales were from the hospitality sector.

# Alcohol consumption by category mix



	2019	2020	Difference
Beer	44.6%	38.9%	-5.7%
Wine	27.2%	32.2%	5.0%
Spirits	20.8%	22.3%	1.5%
Cider	7.4%	6.6%	-0.8%

Source: Revenue Commissioners



## Excise receipts (€ million)

Year	Beer	Wine	Spirits	Cider	Total	Beer as %
2011	€307	€231	€247	€44	€829	37%
2012	€308	€231	€284	€43	€866	36%
2013	€358	€302	€290	€52	€1,002	36%
2014	€425	€355	€302	€59	€1,141	37%
2015	€417	€355	€311	€54	€1,137	37%
2016	€430	€380	€338	€59	€1,207	36%
2017	€424	€382	€353	€61	€1,220	35%
2018	€430	€376	€372	€61	€1,239	35%
2019	€421	€378	€373	€60	€1,233	34%
2020	€351	€425	€374	€53	€1,203	29%

Source: Revenue Commissioners

### Excise duty on a pint of lager



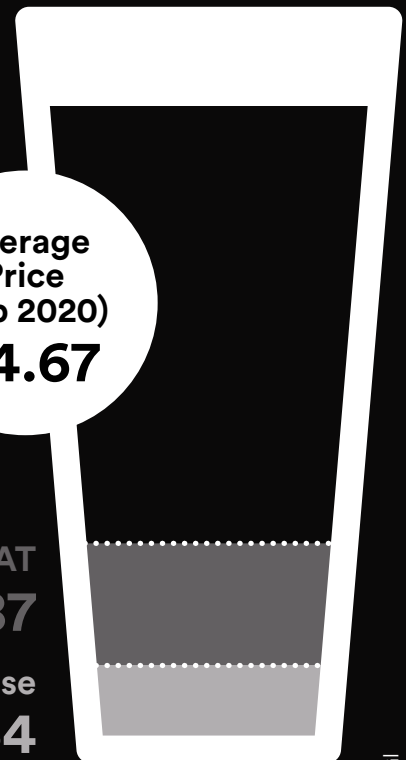
Average Price  
(Feb 2020)  
**€5.06**

VAT  
**€0.95**  
Excise  
**€0.55**

% paid in tax  
**29.6%**

Excise contribution in decade  
**€3.87 billion**

### Excise duty on a pint of stout



Average Price  
(Feb 2020)  
**€4.67**

VAT  
**€0.87**  
Excise  
**€0.54**

% paid in tax  
**30.2%**

Source: DGI

## EU (incl. UK) Beer Excise Rates in 2020

Excise duty in Euro on beer 12 degrees Plato / 4.8% ABV (1HL) in EU

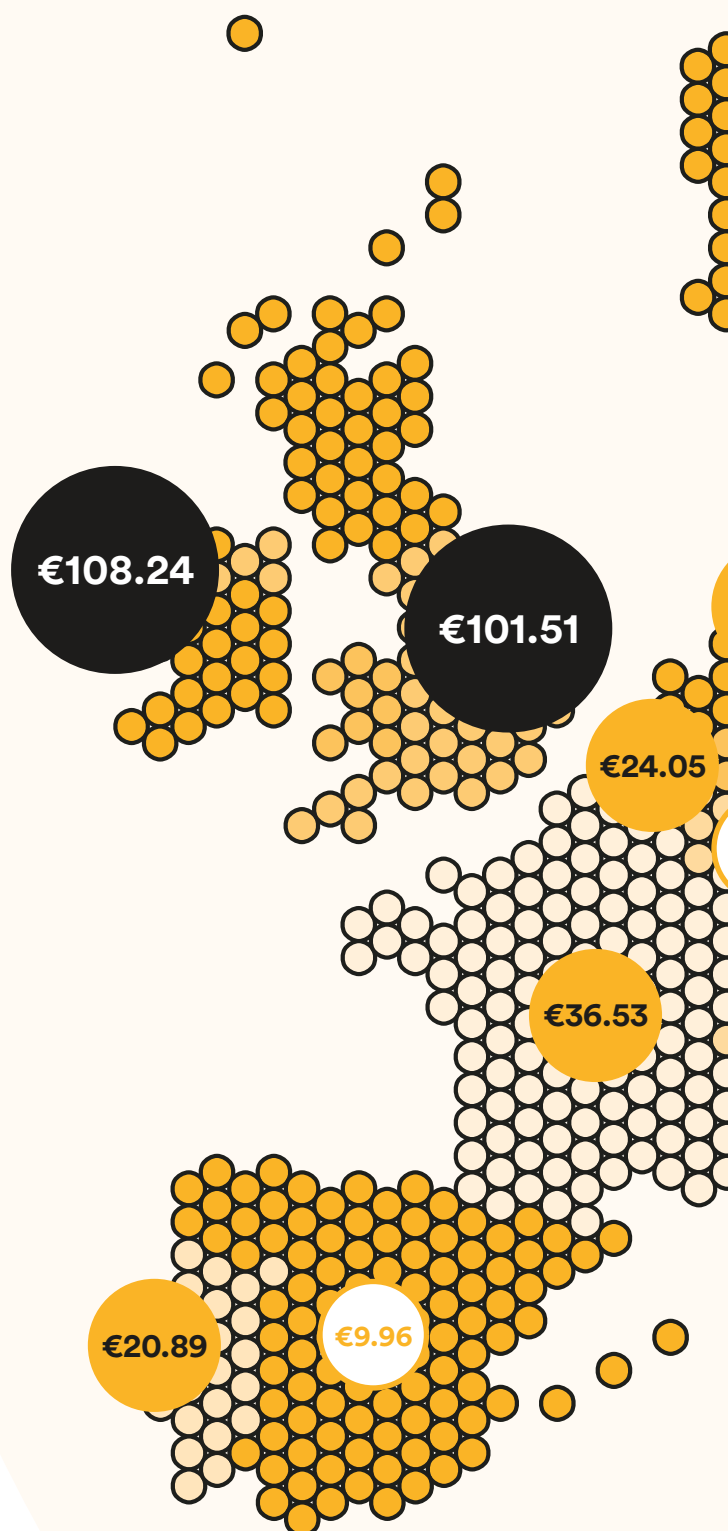
Rank	Country	Euro per HL
1	Finland	€175.20
<b>2</b>	<b>Ireland</b>	<b>€108.24</b>
3	United Kingdom	€101.51
4	Sweden	€92.66
5	Estonia	€60.96
6	Greece	€60.00
7	Slovenia	€58.08
8	Netherlands	€37.96
9	Latvia	€37.44
10	France	€36.53
11	Italy	€35.88
12	Lithuania	€34.40
13	Denmark	€31.40
14	Cyprus	€28.80
15	Croatia	€25.40
16	Belgium	€24.05
17	Austria	€24.00
18	Malta	€23.16
19	Poland	€22.99
20	Hungary	€22.12
21	Portugal	€20.89
22	Slovakia	€17.22
23	Czech Republic	€14.42
24	Spain	€9.96
25	Luxembourg	€9.52
26	Germany	€9.44
27	Bulgaria	€9.20
28	Romania	€8.76

Rates in 2020  
Source: Brewers of Europe

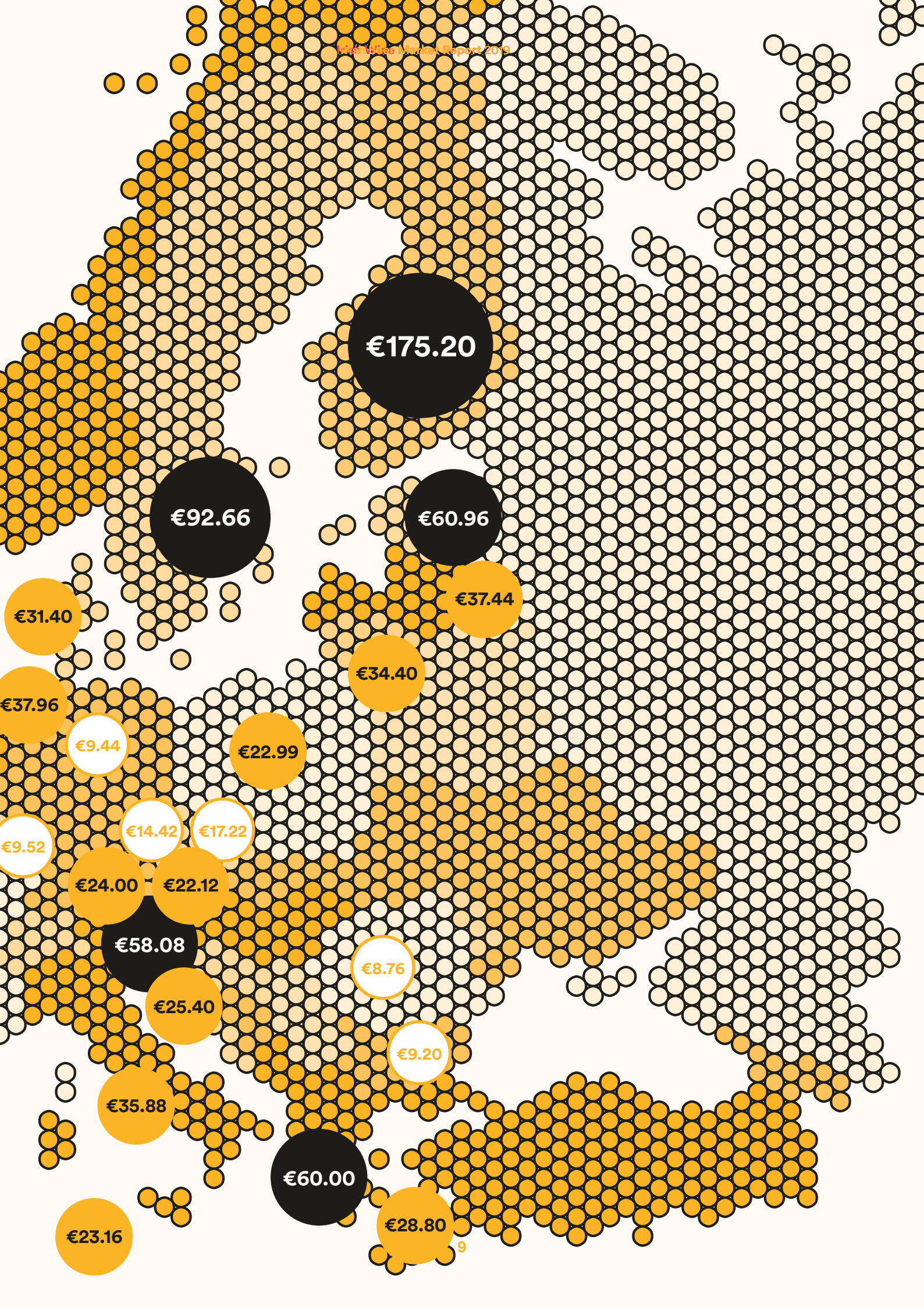
## Export destinations

Rank	Country	€ million
1	United Kingdom	<b>107</b>
2	France	<b>53</b>
3	USA	<b>27</b>
4	The Netherlands	<b>15</b>
5	Germany	<b>10</b>

Source: Eurostat









Established in 1904, **Drinks Ireland | Beer** is the representative voice for the brewing industry in Ireland. Today over 90% of all beer sold in Ireland is manufactured or distributed by members of the association. The success of the Irish brewing industry is demonstrated by the fact that premium Irish beers are now enjoyed the world over. The role of Drinks Ireland | Beer is to promote the beer category and highlight its huge contribution to Ireland economically, culturally and socially.

**Drinks Ireland | Beer 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.





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