Economic impact of the Irish Drinks Sector

Prepared by Indecon International
Economic and Strategic Consultants



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Economic Impact of the Irish Drinks sector

Final Report

Submitted to

Drinks Ireland (Ibec)

Prepared by

Indecon International Economic and Strategic Consultants

Indecon

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Executive Summary

Introduction

This report was completed by Indecon International Economic and Strategic Consultants ("Indecon") on behalf of Drinks Ireland (Ibec). It presents an independent, evidence-based assessment of the economic impact of the Irish Drinks sector on the Irish economy as of 2025, encompassing its direct production, supply chain linkages, exporting performance, tourism, and downstream activity across the Republic of Ireland and Northern Ireland.

Drinks Ireland is the Ibec sector organisation representing the alcohol drinks manufacturing and supply sector in Ireland. Drinks Ireland supports a broad and diverse mix of members, small, medium and large, including drink manufacturers, suppliers and brand owners spanning the entire island of Ireland. Their membership is involved in all drinks categories – spirits, beer, cider, wine and non-alcohol alternatives.

Overview of the Irish Drinks sector

The Irish Alcohol Drinks Sector ("Drinks Sector") is a diverse and regionally distributed industry, encompassing a mix of globally recognised producers and a growing number of craft and artisanal operators. Across the island, there are approximately 200 producers, including almost 50 active whiskey distilleries, over 100 beer and cider producers, nine well-established Irish Cream Liqueur facilities and approximately 45 gin producers, alongside a number of poitín and other spirit producers. Around 85% of producers are classified as craft or smaller operators.

The Irish Drinks sector is a core component of Ireland's regional economy, deeply embedded across local communities reinforced through strong domestic supply chain linkages, with an emphasis on "grain-to-glass" production models across producers. The industry sources a substantial share of its agricultural inputs locally (approximately 64%), supporting farm families, local enterprises and a wide range of ancillary services. While most of the activity is outside of the capital, Dublin nevertheless has an important mix of large-scale and smaller producers, supporting urban regeneration, tourism, and high-value employment, while also operating as a gateway for international visitors.

The sector has demonstrated very significant growth momentum over the past 15 years, with whiskey case sale volumes alone increasing from approximately five million in 2010 to approximately 16 million cases in 2025, and Irish Cream Liqueur exports reaching almost 10 million cases in recent years (up from 7 million in 2014), supporting substantial growth in Irish drinks exports over the period. Beer exports have also expanded significantly in recent years, though it is the brewing sector's domestic role that represents a central pillar of the Irish drinks industry, both in terms of its domestic demand and regional economic impact. Beer is Ireland's most popular alcohol beverage and plays a central role in the country's social and cultural life, particularly through its strong association with the on-trade sector, which accounts for approximately 64% of beer sales. Pubs, restaurants and hospitality venues remain key settings for beer consumption, acting as important spaces for social interaction, community life and cultural experience, and together sustain a network of pubs that extends across every town and village on the island.

The sector's growth has been underpinned by sustained investment across the drinks sector and reflects the industry's ambition to build further on this momentum over the next decade.

- Iconic Irish brands, including Guinness, Jameson Irish Whiskey, Baileys Irish Cream Liqueur, and Bushmills Irish Whiskey, are among Ireland's most recognised global ambassadors, frequently serving as the first point of engagement with Ireland for international consumers.
- 95% of Irish Whiskey production and a similar share of Irish Cream Liqueur is exported, reinforcing their roles as two of Ireland's leading internationally traded products and a key driver of 'Brand Ireland' in global markets.
- The sector supports economic activity and employment across every region of the island, with 4,726 people employed directly, a further 1,000 direct jobs in visitor experiences and approximately 12,802 jobs supported when supply chain and induced effects are included, spanning Leinster, Munster, Connacht, Ulster and Northern Ireland.

- The sector maintains strong 'grain-to-glass' linkages with Irish agriculture, purchasing €815.2 million in domestically sourced inputs annually, in particular supporting our 5,800 specialist tillage producers and 17,500 dairy farms across the island.
- Irish Whiskey, Irish Cream Liqueur and Poitín have protected Geographic Indication status under EU law, underpinning protection of their authenticity across international markets. An **EU Geographical Indication (GI)** is a distinctive status used on products that have a specific geographical origin and possess qualities, a reputation, or characteristics that are essentially attributable to that location.
- Output per worker of €809,325 is 22% higher than the equivalent figure for the food manufacturing sector (~€662,200), while Gross Value Added per employee of €452,800 is substantially higher than the food manufacturing sector (~€136,200), reflecting the sector's strong labour productivity.

Direct Economic Contribution of the Irish Drinks sector

The Irish Drinks sector is a true all-island economic sector as it makes a substantial direct economic contribution across both the Republic of Ireland (ROI) and Northern Ireland (NI). Key indicators of direct economic activity in 2025 are set out in the table below.

Irish Drinks Industry – Components of Economic Impact (2025)		
	Economic Impact (ROI)	**Economic Impact (All-Island)**
Total Irish Drink Producers	~160	~200
Direct Employment (e.g. Drink Producers)	4,222	4,726
Tourism-related Employment (e.g. visitor centre experiences)	948	1,005
Indirect Employment (e.g. Supply-Chain employment)	7,213	8,076
Downstream Employment (Hospitality and Retail Sector)	20,000-30,000	26,000-37,000
Exports of Irish Drinks	€2.1 billion	€2.7 billion
Revenue/Turnover[1]	€3.2 billion	€3.8 billion
Gross Value Added	€1.8 billion	€2.1 billion
Labour Spend	€249.2 million	€279.0 million
Excise Revenue	€1.2 billion	€1.5 billion
VAT Receipts	€1.4 billion	€1.7 billion
Purchases on Irish Materials	€691.0 million	€815.2 million
Source: Indecon analysis of various data sources including CSO and Revenue		

The sector supports**:**

- **Employment:** 4,726 employees across the island (4,222 in the ROI), with the sector providing a additional 1,000 in tourism (e.g., employees in visitor experiences). There are a further 8,000 employed indirectly through the supply-chain. An estimated 26,000–37,000 downstream jobs in hospitality and retail are also supported by the sector.

[1] Revenue/Turnover from goods produced by drink producers in Ireland (based on CSO data)

- **Exports:** €2.1 billion in exports from the ROI and €2.7 billion on an all-island basis, representing approximately 2.5% of global alcohol exports.
- **Turnover:** €3.8 billion in total all-island revenue, with output per worker of €809,325.
- **Gross Value Added:** €2.1 billion at all-island level with GVA per worker of €452,800.
- **Direct Exchequer Contribution:** €1.5 billion in excise revenue from alcohol beverages across the island, alongside €1.7 billion in VAT receipts across the island, generating substantial revenue for the Exchequer.
- **Agri-inputs:** The sector purchases €815.2 million in domestically sourced inputs annually, supporting our 5,800 specialist tillage producers and 17,500 dairy farms across the island, with strong 'grain-to-glass' linkages across grain, apples and milk supply chains. Over the past 15 years, the purchasing of domestic inputs has increased by over 40%. In 2025, this included nearly 273,000 tonnes of Irish barley, significant volumes of Irish apples and almost 354 million litres of Irish milk on an all-island basis.

Wider Economic Impacts of the Irish Drinks sector

When indirect and induced effects are taken into account, the economic footprint of the sector expands considerably beyond its direct contribution. The impact of the sector on the republic alone is shown in the table below.

Irish Drinks Industry – Components of Wider Economic Impact (2025) – ROI		
	Direct Impact (ROI)	**Wider Impact (ROI)**
Employment (e.g., Supply Chain etc.)	4,222	11,435
Tourism Employment	948	1,219
Gross Value Added	€1.8 billion	€3.5 billion
Source: Indecon		

However, an all-island approach is particularly relevant for the sector given the strong economic linkages that exist across Ireland and Northern Ireland. Production, supply chains, tourism activity, and consumer markets often operate on a cross-border basis, meaning that analysing the sector within a single jurisdiction may understate its overall contribution. An all-island assessment provides a more complete picture of the sector's economic footprint and reflects the increasing policy and stakeholder interest in understanding the scale and impact of key industries across the island of Ireland.

Irish Drinks Industry – Components of Wider Economic Impact (2025) – All-Island		
	Direct Impact (All Island)	**Wider Impact (All-Island)**
Employment (e.g., Supply Chain etc.)	4,726	12,802
Tourism Employment	1,005	1,293
Gross Value Added	€2.1 billion	€4.1 billion
Source: Indecon		

The sector directly and indirectly supports**:**

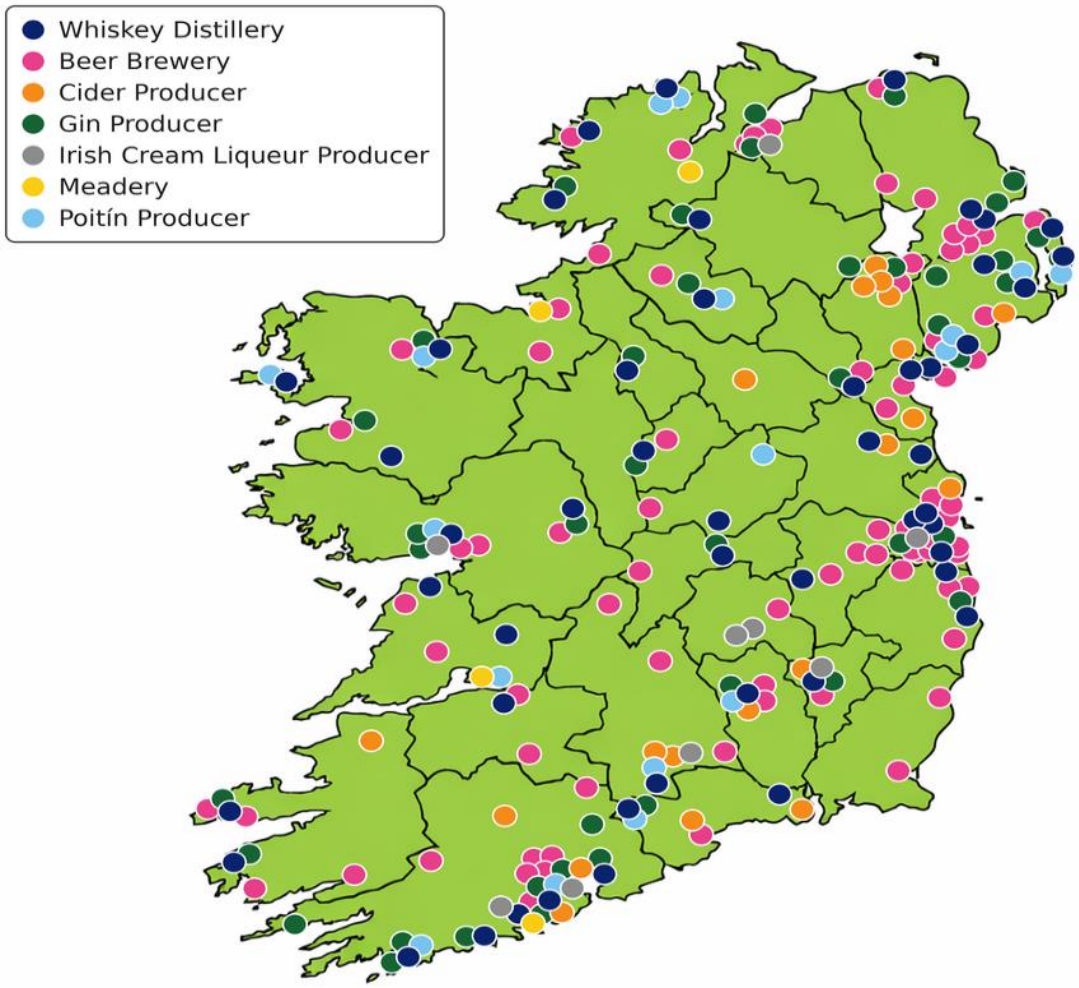
- **Total employment:** Approximately 12,802 across the island when supply chain and induced effects are included.

- **Tourism:** The sector attracts over 2.7 million visitors annually to distilleries and breweries. Direct tourism employment of approximately 1,005 rises to an estimated 1,293 when wider spillover effects are included.
- **Economy-wide GVA:** Approximately €4.1 billion, comprising €2.1 billion direct, €1.5 billion indirect and €0.4 billion induced.

Regional Spread of the Irish Drinks sector

A defining feature of the Irish Drinks sector is its significant regional footprint as shown in the graphic below.

Distribution of Irish Drink Producers (2025)



Source: Indecon analysis
Note 1: Producers making more than one type of drink are counted once per drink type.
Note 2: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.

While Dublin represents a strong footprint and employment centre for drinks manufacturing and related visitor experiences, the Irish Drinks sector displays a very balanced regional spread of economic activity and employment. The vast majority of producers and associated employment are located outside Dublin, reinforcing the sector's role as a critical driver of rural and regional economic activity.

- **Producer distribution:** 92% of whiskey distilleries and 85% of breweries and cider producers are located outside Dublin. Activity is distributed across all provinces, with notable concentrations in Ulster (including Northern Ireland), Munster (particularly Cork), and Leinster outside Dublin.
- **Regional employment:** Munster accounts for the largest share of direct manufacturing and distribution employment as well as of wider employment (e.g., logistics, packaging), while Dublin reports most of the direct tourism employment. Leinster (including Dublin) and Northern Ireland play important roles across downstream employment channels (e.g., hospitality).
- **Tourism routes:** A significant proportion of distilleries and breweries are co-located along Ireland's major tourism corridors, including the Wild Atlantic Way, Ireland's Ancient East and the Causeway Coastal Route, reinforcing linkages between production, visitor experiences and regional economic activity. This is reflected in initiatives such as the Irish Whiskey Way, a dedicated distillery trail spanning across Ireland.[2]

  Community anchors: Nearly three-quarters of respondents to independent research conducted on behalf of Drinks Ireland agree that local breweries and distilleries make a positive contribution to their local communities; 80% indicate they provide important employment at a local or regional level.[3] The pub network also performs a comparable function, and in many rural areas represents one of the few remaining shared social spaces within a town or village. Pubs continue to host a broad range of community activity, including everyday social interaction as well as local and sporting events, and their continued viability is closely linked to the maintenance of social infrastructure and community cohesion in rural Ireland.

Global Trends and Future Growth Potential

The global drinks sector is evolving rapidly, shaped by innovation, changing consumer preferences, and premiumisation. While per capita alcohol consumption in Ireland has declined by approximately 36% over the past two decades, Ireland's excise rates remain among the top three highest in the EU for beer, wine and spirits, representing a burden on producers, hospitality and consumers. Geopolitical and trade tensions have led to some concerns for the industry in more recent times. However, the recent EU trade agreements with India and Mercosur (The South American Trade Bloc) offer meaningful diversification potential. Looking ahead, various factors such as international expansion and diversification, premiumisation, product innovation and continued investment in sustainability provide a strong foundation for future growth, provided a supportive policy and trading environment is maintained.

Overall Conclusions

Indecon's analysis indicates that the sector has experienced a period of substantial growth over the past 15 years, underpinned by sustained investment in production capacity and innovation across product formats and routes to market. Irish Whiskey has been a particular driver of this trajectory, with volume sales increasing threefold since 2010, supporting a near doubling of overall Irish drinks exports. Irish Cream Liqueur has followed a similar pattern, while beer exports have also expanded significantly, even as the category's principal contribution to the sector remains domestic, through its central role in the on-trade and the wider pub network. The sector's growth has been achieved without compromising the industry's foundations in tradition and quality, with heritage categories such as Irish Whiskey, Irish Cream Liqueur and Poitín continuing to benefit from Geographic Indication status and long-established production methods.

It must be noted that this growth trajectory has not been without challenge. The sector operates within one of the most highly regulated regimes in the EU across production, marketing and sale of alcohol. Recent geopolitical and trade-related uncertainty in international export markets and a rising cost base have tested the sector's resilience, while changing consumer preferences are reshaping demand across categories. The sector's continued growth in the face of these pressures reflects the strength of its underlying fundamentals and its capacity to adapt, positioning it well to navigate a similarly dynamic operating environment in the years

[2] https://irishwhiskeyway.ie/

[3] Source: Opinions Tracker Research February 2026 (nationally representative online survey of 1,112 adults in Ireland, 1,008 of which drink alcohol)

ahead. Ensuring growth and development also requires ongoing support of Government and agencies supporting market access and diversification, tackling cost competitiveness and ensuring balanced evidence-based policies and regulation.

Overall, Indecon's assessment indicates that the Irish Drinks sector is a strategically important and an economically significant industry with significant potential for further growth. The sector's productivity and growth over the past 15 years reflects the strength of its underlying fundamentals, with its contribution extending beyond direct production, underpinning rural livelihoods, cultural heritage, regional tourism, agricultural supply chains and Ireland's international reputation.

1 Introduction

1.1 Introduction

This report was completed by Indecon International Economic and Strategic Consultants ('Indecon') on behalf of Drinks Ireland (Ibec). The report represents an independent assessment of the economic impact of the Alcohol Irish Drinks industry ("Drinks Sector") on the Irish economy. The study includes an evidence-based assessment of the profile and economic footprint of the Drinks industry across the Republic of Ireland and Northern Ireland, as well as its contribution to the Irish and All-island economy as of 2025. Drinks Ireland is the Ibec sector organisation representing the alcohol drinks manufacturing and supply sector in Ireland.[4]

1.2 Methodological Approach

The method applied includes conducting a comprehensive economic analysis using the latest data, engagement with industry stakeholders, an analysis of global alcohol trends, an assessment of the sector's role in rural development, tourism and cultural heritage, and a review of policy frameworks. ROI and All-Island figures were established using CSO, NISRA, Revenue, OECD, Eurostat and Drinks Ireland member data, and allocated spatially using CSO-published indicators of employment, enterprise location, population and tourism activity. Indirect and induced impacts were then estimated using Indecon's input-output model of the Irish economy, with the sum of direct, indirect and induced impacts providing a complete picture of the sector's overall economic contribution, consistent with national accounting frameworks and avoiding double-counting.

1.3 Structure of Report

The report follows:

- Section 2 assesses the direct impacts of the Irish Drinks industry.
- Section 3 looks at the wider economic impacts of the Irish Drinks industry.
- Section 4 examines the regional spread of the Irish Drinks industry across the island.
- Section 5 summarises the trends in the sector as well as potential growth opportunities.
- Section 6 outlines the key conclusions in relation to the economic impact of the sector.

1.4 Acknowledgements and Disclaimer

Indecon would like to acknowledge the inputs of a wide range of organisations to this assessment. First and foremost, we would like to express our gratitude to Drinks Ireland members, as well as other stakeholders, for their co-operation and valuable inputs provided as part of the primary research process. We would also particularly like to thank senior staff within the Drinks Ireland team as well as members of the wider drinks industry for their inputs and guidance throughout the assessment. Appreciation is also due to a wide range of other organisations for their responses to our queries.

The usual disclaimer applies, and the analyses and conclusions contained in this document are the sole responsibility of Indecon.

[4] https://www.ibec.ie/drinksireland/your-association/our-members

2 Direct Impacts on the Irish Economy

2.1 Introduction

This table below sets out the core components of the Irish Drinks Industry's direct economic impact in 2025 and provides the basis for the analysis presented in this economic impact report.

It highlights the scale, structure, and economic footprint of the sector across both the Republic of Ireland (ROI) and the wider all-island economy. The report will build on these metrics to examine the industry's contribution in more detail, including its role in employment, exports, public finances, and its linkages with agriculture and the wider domestic economy. In doing so, this report aims to provide an evidence-based assessment of the sector's economic significance and its broader contribution to Ireland's regional and national development, as well as to its international reputation. It must be noted that many of the sector's largest benefits to Ireland may be somewhat intangible as global brands within the sector are often the first interaction individuals or organisations have with Ireland.

Table 2.1: Irish Drinks Industry – Components of Direct Economic Impact (2025)

	Direct Impact (ROI)	Direct Impact (All-Island)
Total Irish Drink Producers	~160	~200
Direct Employment	4,222	4,726
Exports of Irish Drinks	€2.1 billion	€2.7 billion
Revenue/Turnover[5]	€3.2 billion	€3.8 billion
Gross Value Added	€1.8 billion	€2.1 billion
Labour Spend	€249.2 million	€279.0 million
Excise Revenue	€1.2 billion	€1.5 billion
VAT Receipts	€1.4 billion	€1.7 billion
Purchases on Irish Materials	€691.0 million	€815.2 million
Tourism-related Employment	948	1,005
Downstream Employment Supported (Hospitality and Retail Sector)	20,000-30,000	26,000-37,000

Source: Indecon analysis of various data sources including CSO, NISRA, Eurostat, Failte Ireland, and Revenue
Note: Due to data gaps for Northern Ireland, 2025 figures can be estimates using past growth rates and shares

An all-island approach is particularly relevant for the drinks sector given the strong economic and supply-chain linkages that exist across Ireland and Northern Ireland. Production, supply chains, tourism activity, and consumer markets often operate on a cross-border basis, meaning that analysing the sector within a single jurisdiction may understate its overall contribution. An all-island assessment provides a more complete picture of the sector's economic footprint and reflects the increasing policy and stakeholder interest in understanding the scale and impact of key industries across the island of Ireland.

[5] Revenue/Turnover from goods produced by drink producers in Ireland, calculated using CSO's Industrial Production Data

2.2 Profile of Irish Drinks sector

The Irish Drinks sector is a diverse and dynamic industry, comprising a mix of large-scale, globally recognised producers and a growing number of smaller, craft and artisanal operators distributed across the island. The Drinks Industry represents some of Ireland's best-known brands such as Guinness, Jameson Irish Whiskey, Baileys Irish Cream Liqueur, and Bushmills Irish Whiskey. These brands are known globally and can be some of the first touch points international consumers have with Ireland before even arriving here.

Overall, across the island, Indecon estimates that there are approximately 100 beer and cider producers, almost 50 active whiskey distilleries, nine Irish Cream Liqueur facilities and 45 gin producers, as well as small but notable numbers of poitín and other spirit producers.[6] This reflects both the scale and breadth of the sector, which spans traditional heritage categories and newer, innovation-led segments.

The sector's structure reflects a combination of established large-scale and small-scale producers, with activities spread regionally across both urban and rural areas. Irish Whiskey remains a flagship category, underpinning Ireland's global reputation for quality and export performance, alongside Irish Cream Liqueur, two of Ireland's leading internationally traded products and often a key entry point to "Brand Ireland" in global markets, while beer continues to represent the largest category in terms of domestic consumption.

The sector has demonstrated very significant growth momentum over the past 15 years, with whiskey case sale volumes alone increasing from just under five million in 2010 to approximately 16 million cases in 2025, supporting substantial growth in Irish drinks exports over the period.[7] In addition, Irish Cream exports have reached almost 10 million cases in recent years (up from 7 million cases in 2014).[8]

Beer production and export also expanded significantly in recent years, including a marked development of, and growth in, the non-alcohol (0.0%) beer category, reflecting the sector's capacity to innovate. This growth has been underpinned by sustained investment and reflects the sector's ambition to build further on this momentum over the next decade.

However, it is the brewing sector's domestic role that represents a central pillar of the Irish drinks industry, both in terms of consumption and regional economic impact. Beer is Ireland's most widely consumed alcohol beverage and its significance extends well beyond volume: the category plays a central role in the country's social and cultural life, particularly through its strong association with the on-trade sector, which accounts for approximately 64% of beer sales.[9] Pubs, restaurants and hospitality venues remain key settings for beer consumption, acting as important spaces for social interaction, community life and cultural experience, and together sustain a network of pubs that extends across every town and village on the island.

Notwithstanding its success, the sector has not been without its challenges. Alongside recent geopolitical and trade-related uncertainty in international export markets, the Irish Drinks sector also operates within one of the most highly regulated environments in Europe. In recent years, Ireland has introduced a regulatory framework, most notably through the Public Health (Alcohol) Act 2018, which introduced a range of measures governing pricing, marketing, availability and consumer

[6] This list covers the large majority of Ireland's drinks producers but not all of them, as a small number make products outside the categories used here. It must also be noted this is a point in time estimates (October 2026).
[7] Source: Irish Whiskey 2010-2020 Report (Ibec) & Irish Whiskey International Trade Report 2025 (Irish Whiskey Association)
[8] Irish Spirit Market Report 2019, Drinks Ireland. https://www.ibec.ie/drinksireland/spirits/your-association/drinks-ireland-spirits-publications
[9] Source: Irish Beer Report 2024, Ibec. Link: https://www.ibec.ie/drinksireland/news-insights-and-events/news/2025/09/15/beer-remains-irelands-favourite-alcohol-beverage

information.[10] This has translated into a substantial additional compliance burden for operators across the sector.

Alongside these measures, the sector is also shaped by a complex system of excise duties. Ireland has among the highest rates for beer, wine and spirits in the European Union, resulting in alcohol products carrying a relatively high tax burden compared to other European markets. This can represent a significant component of the cost base for producers, distributors and hospitality businesses, which are a cornerstone of Ireland's economy and social fabric.

This excise burden is compounded by a VAT rate on alcohol sales.[11] The standard VAT rates on alcohol in the Republic of Ireland and Northern Ireland are 23% and 20%, respectively.[12] While the Exchequer benefits from this "double taxation", VAT ultimately increases the final consumer price.[13]

2.3 Exports

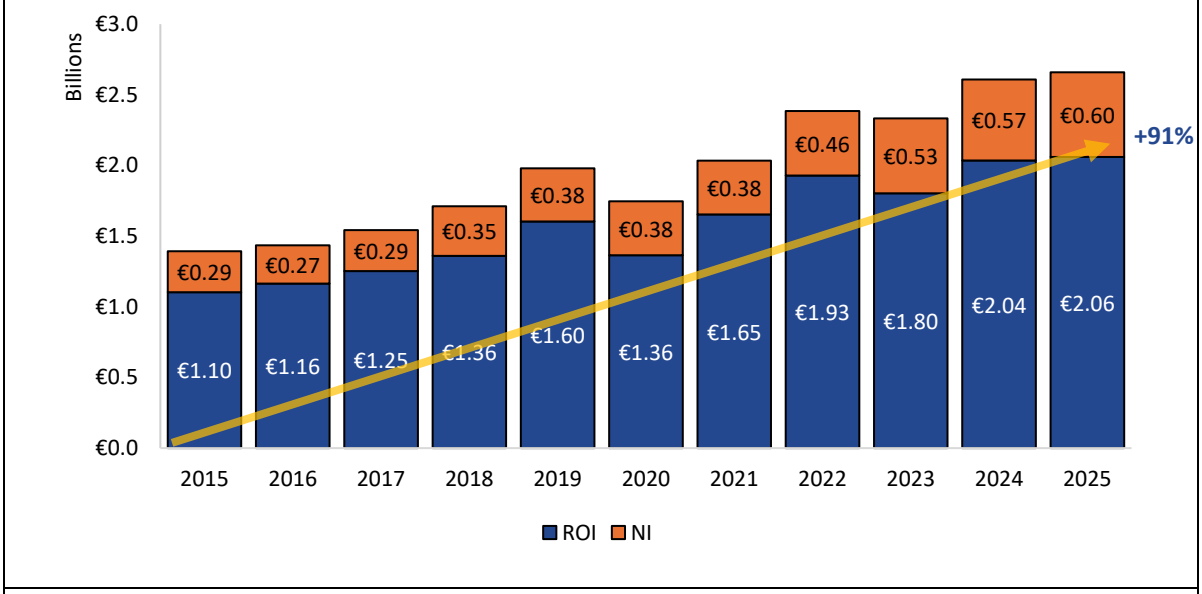
Ireland's Drinks Sector performs strongly in international markets, accounting for approximately 2.5% of global alcohol exports, significantly exceeding Ireland's share of overall world exports (approximately 1%).[14]

Irish Drinks, as defined in this report, account for the vast majority of the Ireland's total beverage exports, representing approximately 91% of total beverage export value and 78% of total beverage export volume, with the balance comprising the non-alcohol beverage sector (e.g., soft drinks).

Export performance has strengthened substantially over the past decade, with the value of drinks exports from Ireland increasing by 87% since 2015. When Northern Ireland is included, the estimated all-island value of **drinks exports rises to €2.7 billion in 2025**, highlighting the scale of the sector's export contribution across the island.[15] Overall, all-island drinks exports have increased by 91% since 2015, reflecting strong growth in both jurisdictions. Northern Ireland has recorded particularly strong export growth over the period, with export values doubling since 2015. Overall, this sector exported to approximately 120 international markets in 2025.

[10] https://www.irishstatutebook.ie/eli/2018/act/24/enacted/en/html
[11] https://www.drinksindustry.ie/assets/documents/3664-FINN-DIGI-Alchol-excise-report-v3-edits-1.pdf
[12] https://www.citizensinformation.ie/en/money-and-tax/tax/duties-and-vat/value-added-tax/#f04cad & https://www.gov.uk/vat-rates
[13] DIGI Report: https://www.drinksindustry.ie/assets/documents/3664-FINN-DIGI-Alchol-excise-report-v3-edits-1.pdf
[14] Indecon analysis of world alcohol trade using UN Com Trade 2024. Link - https://comtradeplus.un.org/
[15] NISRA data for 2025 was not available at the time of this study, so this is an estimate using past growth rates

Figure 2.1: Irish Drink Export Value (€'billions) over Time

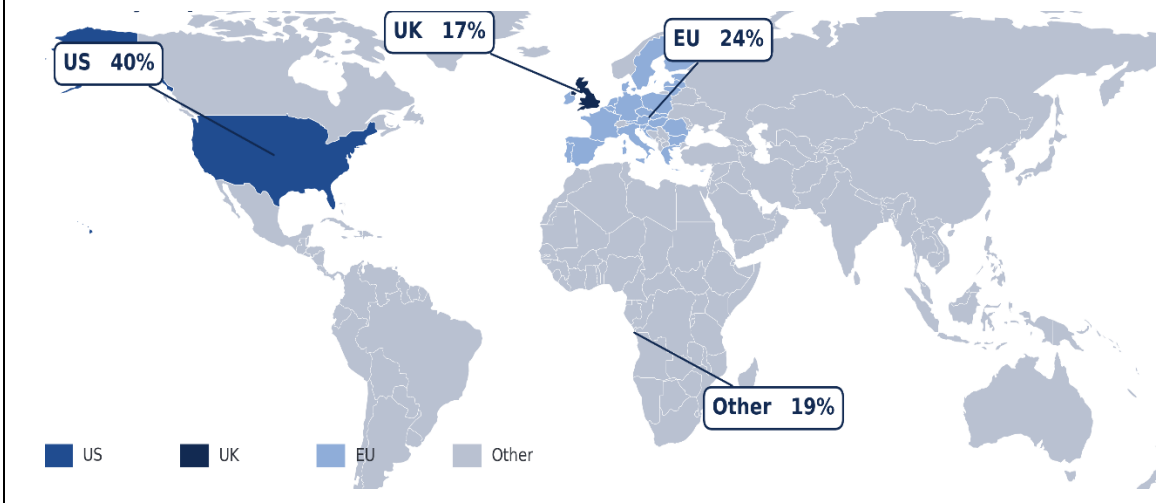


Source: Indecon analysis of CSO and NISRA Trade Data

While parts of the following sub-section discuss exports from the Republic of Ireland only, the same trends are found across Northern Ireland.

Irish Drinks export value has expanded across all regions in recent years, with the United States remaining the largest export market, accounting for approximately 40% of total export value in 2025.

Figure 2.2: Share of Irish Drink Exports (Value) – Destinations, 2025



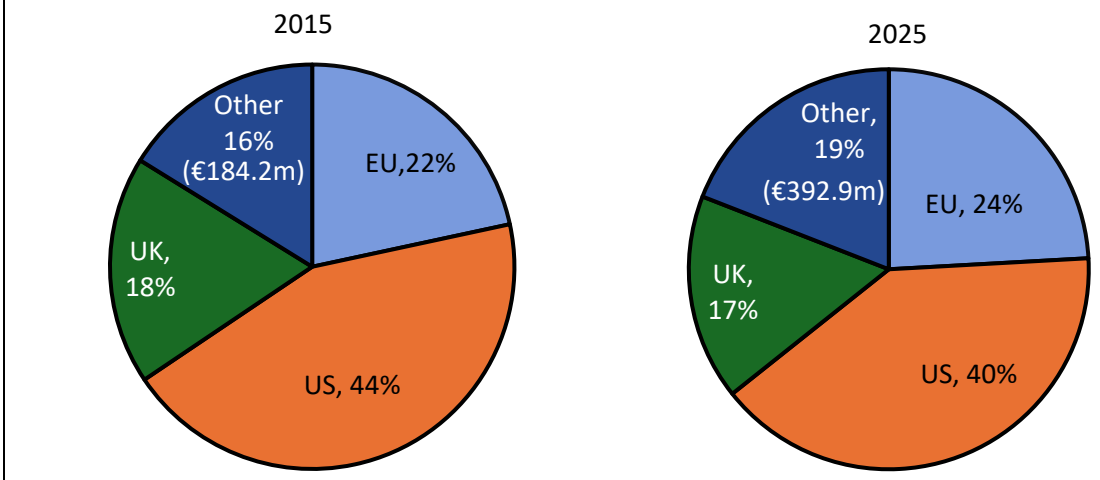
Source: Indecon analysis of CSO Trade Data

Diversification

Over a decade in which the value of Irish drinks exports increased by 91%, the share of Irish drinks exports destined for a broader range of international markets has increased over time, rising from 16% (€184.2 million) in 2015 to 19% (€392.9 million) in 2025, reflecting successful diversification away

from reliance on a small number of markets. Specifically, over the same period, the relative share of exports accounted for by the United States moderated from 44% in 2015 to 40% in 2025, indicating a gradual shift in the sector's export base towards a wider spread of international markets.

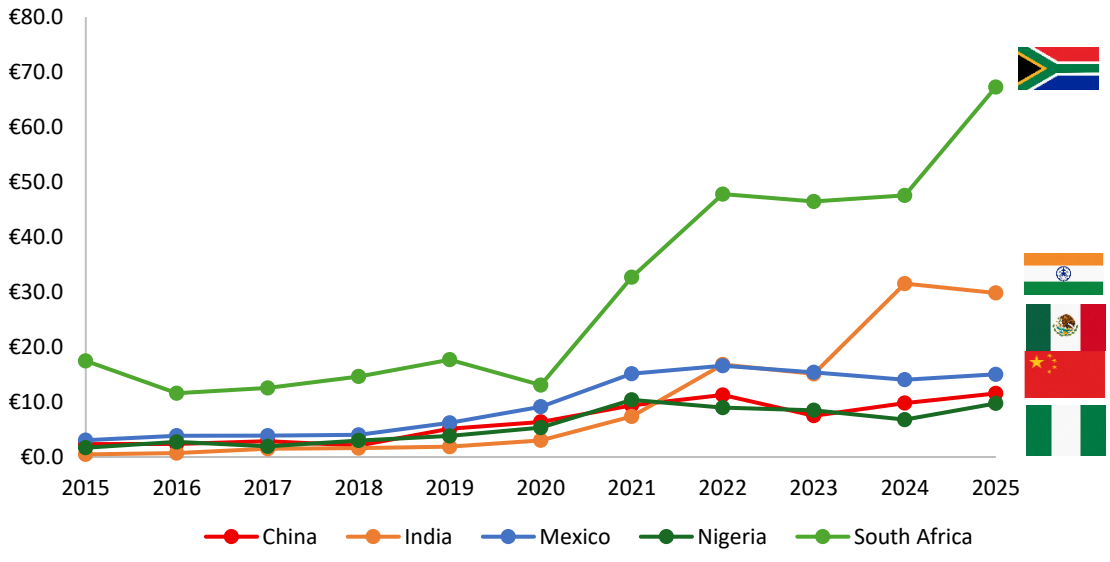
Figure 2.3: Share of Irish Drink Exports (Value) – 2015 vs 2025



Source: Indecon analysis of CSO Trade Data

Ireland has more than doubled the value of its drink exports across 40+ countries since 2015. The largest of these exporting destinations include emerging economies such as China, India, Mexico, Nigeria, and South Africa, as depicted in the figure below.

Figure 2.4: Value of Exports of Irish Drinks to Emerging Countries (€'million) over Time

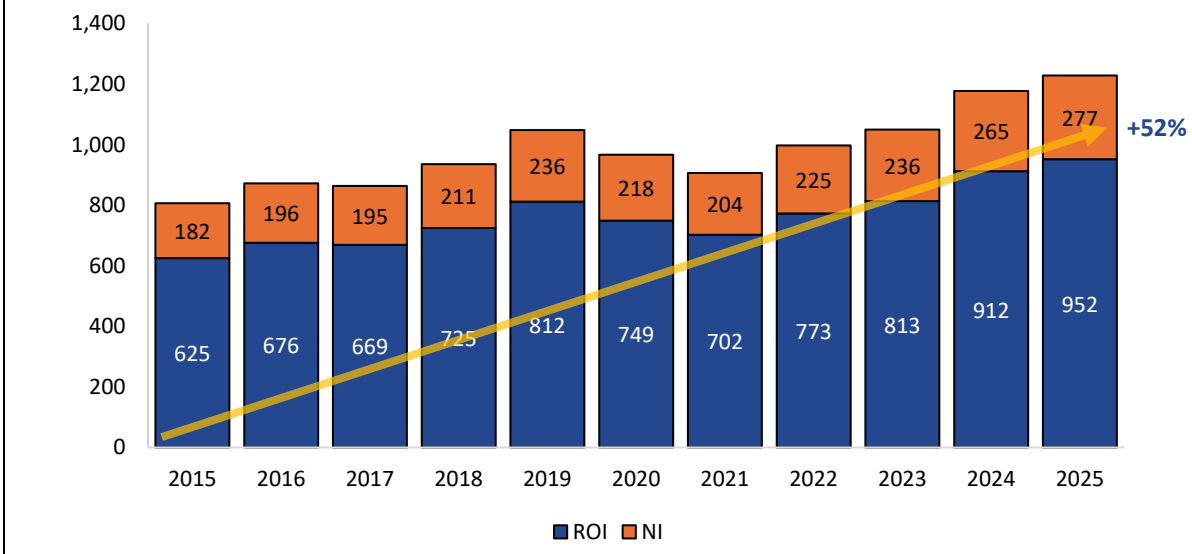


Source: Indecon analysis of CSO Trade Data

While export value is a more important measure of economic impact, as it reflects revenue generation and value added, export volumes remain a useful indicator of market development, highlighting the expansion and penetration of new and emerging export destinations. In terms of export volumes, Ireland exported nearly 952,000 tonnes (1,229,000 tonnes across an all-island) in 2025, the highest volume recorded.[16] This is depicted in the figure below.

Using export volume data, Indecon identified a number of markets that previously recorded low or negligible export volumes but have since experienced substantial growth, including at least ten markets that have developed from a negligible level of exports over the past decade. This growing global footprint builds on the sector's already-established strength in markets such as India, South Africa, Nigeria and Australia, which are likely to represent key growth markets for the sector in the future. India is a particularly important growth market for Irish exports, and the recent Free Trade Agreement (FTA) between the European Union (EU) and India, which will reduce Indian import tariffs on spirits from 150% to 40% over a number of years, is expected to improve the competitiveness of Irish Whiskey in this market.[17]

Figure 2.5: Irish Drink Exports Volumes ('000s Tonnes) over Time



Source: Indecon analysis of CSO and NISRA Trade Data

Overall, the data points to a broad-based expansion of Ireland's drinks export footprint, particularly across emerging and previously underdeveloped markets. While many of these destinations still account for relatively small shares of total exports, the pace of growth reflects increasing diversification. This expansion also underscores the strong international appeal and recognition of key Irish brands, which are often the first touch points international consumers have with Ireland before even arriving here.

Premiumisation

For most of the 2015-2025 period, Irish drinks exports gained value faster than volume (overall growth of 91% vs 52%). This trend varied across categories; while all categories delivered significant

[16] Northern Ireland figures are estimates based on the value of exports provided by NISRA data.
[17] https://www.ibec.ie/connect-and-learn/media/2026/01/27/irish-whiskey-association-welcomes-announcement-of-eu-india-free-trade-agreement

value growth above volume gains, Irish Whiskey recorded the strongest export value growth of any category.

According to CSO data, Irish Whiskey exports increased by 155% in value between 2015 and 2025. This reflects the growing premiumisation of Irish drinks, which has been an important driver of export value growth over the past decade, particularly for Irish Whiskey, as producers have increasingly focused on higher-value, aged and craft products in international markets. Spirit exports, including Irish Cream Liqueur, also grew strongly over the period in both value and volume, however its growth was driven primarily by higher sales volumes. Beer exports increased steadily on both measures.

However, while premiumisation remains an important pursuit of the sector, it has been challenged in more recent years given evolving market dynamics, in particular cost competitiveness and consumer spending power. CSO data reflects this shift: between 2022 and 2025, total export volumes rose by 23%, while export values increased by only 11%.

Overall, Ireland's drinks export market has grown substantially over the past decade, with total export value increasing by 91% and export volume increasing by 52% between 2015 and 2025. Across the decade, value growth has outpaced volume growth, reflecting the sector's success in premiumising its offering internationally, most notably within Irish Whiskey. These gains have been sustained despite recent geopolitical and trade-related uncertainty in key markets, discussed further in Section 5.2, as well as broader cost pressures and more cautious consumer spending, underscoring the sector's position as a significant and increasingly global contributor to the Irish economy.

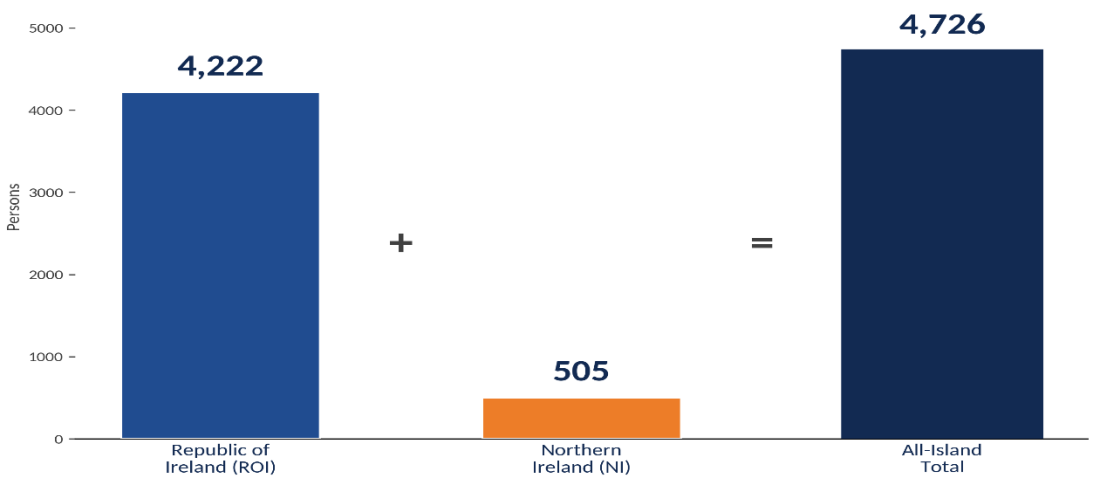
2.4 Employment

The drinks industry directly employs people in producing, brewing and distilling (manufacturing) and wholesale distribution and associated retail distribution. In addition to this employment, the sector also has deep linkages with tourism-related employment (e.g., workers in visitor experiences, brewery tours, etc.) and downstream employment (e.g., hospitality and retail).

The Irish Drinks sector provides an estimated **4,726 people directly** in manufacturing, distribution, and supply chain in 2025 across the island.[18]

[18] Direct employment in the Drinks industry's production is estimated in the Republic of Ireland based on CSO Census of Industrial Production. The CSO Labour Force Survey (LFS) estimates 7,800 employed in total beverage manufacturing in the Republic, but as a sample survey (rather than Census) it varies more across quarters and years. The Census based figure is therefore used here.

Figure 2.6: Number of Direct Employees (Manufacturing, Brewing and Distilling), 2025



Source: Indecon analysis of CSO, Eurostat and NISRA Data
Note: Figures can be rounded

The number of drinks producers has increased from approximately 60 in 2010 to approximately 200 in 2025, an increase of nearly fourfold over the period.[19] This expansion reflects a broadening and diversification of the sector, alongside the presence of established producers, smaller entrants and a network of distribution companies operating nationwide.

Ireland's traditional position as a draught-led market further underpins employment, as the distribution of draught products remains labour-intensive, supporting jobs in local transport, technical services and the on-trade, including pubs and hospitality venues. Across the country, over 80% of drink businesses are active in production, 63% in exporting activities, 56% in distribution and 44% in bottling and packaging.

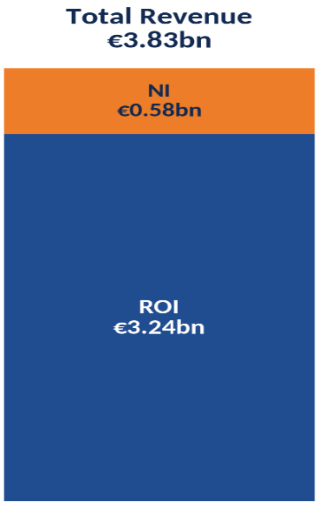
2.5 Revenue/Turnover, Gross Value Added and Labour Wages

This sub-section will illustrate the revenue generated, the Gross Value Added (GVA) gained and the labour spend in 2025 across both the Republic of Ireland and Northern Ireland from the drinks industry. Where not directly obtainable, Indecon has estimated Northern Ireland inputs.

The drinks industry created a total turnover **of €3.8 billion in 2025**, with 90% of turnover stemming from the goods produced. Output per worker employed is estimated to be €809,325, which is 22% higher than the equivalent figure for the food manufacturing sector (~€662,200), pointing to the sector's high productivity.[20]

[19] Indecon Analysis of CSO Industrial Enterprise Data and Indecon desk research
[20] Output per worker for food manufacturing sector is estimated using CSO Industrial Enterprise data and calculated on an All-Island basis using 2024 data.

Figure 2.7: Estimated Revenue and Output, 2025



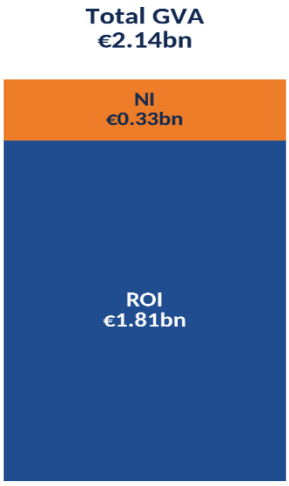
Source: Indecon analysis of CSO and Eurostat Data
Note: Revenue/Turnover from goods produced by drink producers in Ireland.

The Irish Drinks sector generates approximately **€2.1 billion in Gross Value Added (GVA) on an all-island level,** representing a significant contribution to Ireland's overall economic output. This value is generated across a diverse base of approximately 200 producers, the majority of which are medium, small and micro-scale enterprises, highlighting both the scale and breadth of the sector and its capacity to support economic activity across a wide range of business sizes.

The Drinks Sector is also characterised by exceptionally high labour productivity. Estimated GVA per employee of approximately €452,800 is significantly higher than the equivalent figure for the food manufacturing sector (~€136,200).[21] This gap reflects the lower labour intensity of drinks production relative to food manufacturing, and its overall high productivity as a sector. **Overall, the sector supports productive employment that makes a considerable contribution to economic output relative to its workforce size**.

[21] GVA per worker for food manufacturing sector is estimated using CSO Industrial Enterprise data and calculated on an All-Island basis using 2024 data.

Figure 2.8: Gross Value Added – Manufacture of Alcohol Beverages, 2025



Source: Indecon analysis of CSO, NISRA and Eurostat Data

The labour spend on wages and salaries in 2025 was estimated at **€279.0 million**, suggesting an average salary of €59,000 per worker.

Figure 2.9: Labour Spend and Salary – Manufacture of Alcohol Beverages, 2025



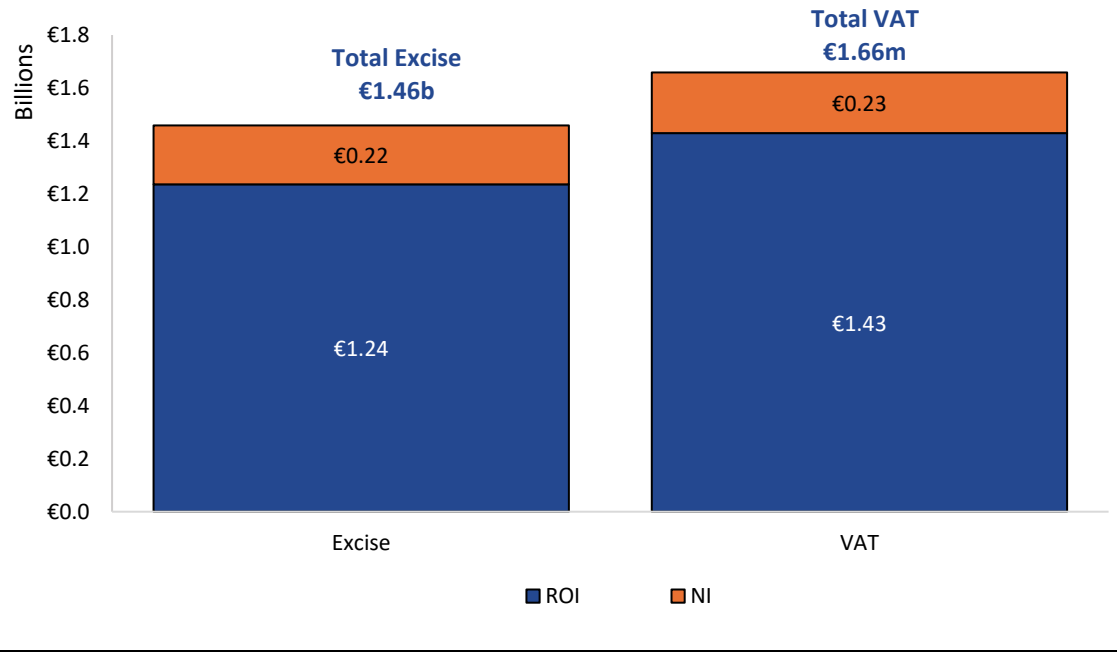
Source: Indecon analysis of CSO, NISRA and Eurostat Data

It must also be noted that the Drinks Sector is also responsible for significant levels of capital investment in the Irish economy. Such capital investments are made by both large and smaller operators in the sector. These investments support innovation in the sector and the move towards more sustainable production.

2.6 Direct Exchequer Contribution

Across the island of Ireland, alcohol excise receipts of nearly €1.5 billion in 2025 represent a substantial contribution to Exchequer revenues, supporting public expenditure and wider economic activity.[22] In addition to excise duties, the sector generates substantial revenues for the Exchequer through VAT, reflecting the industry's contribution to economic activity and consumer spending. The sector generates approximately €1.7 billion in VAT receipts across the island of Ireland.

Figure 2.10: Exchequer Contribution of Irish Drinks sector, 2025



Source: Indecon analysis of Revenue and CSO Data
Note 1: These estimates to not include corporation tax receipts or income taxes paid by those employed in the sector.
Note 2: The figures reflect a VAT rate of 23% in the Republic of Ireland and 20% in Northern Ireland on off-trade and on-trade activity.

The Direct Exchequer Contribution figures set out above do not capture corporate or income tax receipts attributable to the sector. Accordingly, these figures represent a conservative estimate of the sector's overall fiscal contribution, and the true Exchequer impact is likely to be significantly greater than the figures presented.

2.7 Agri-Inputs Linkages

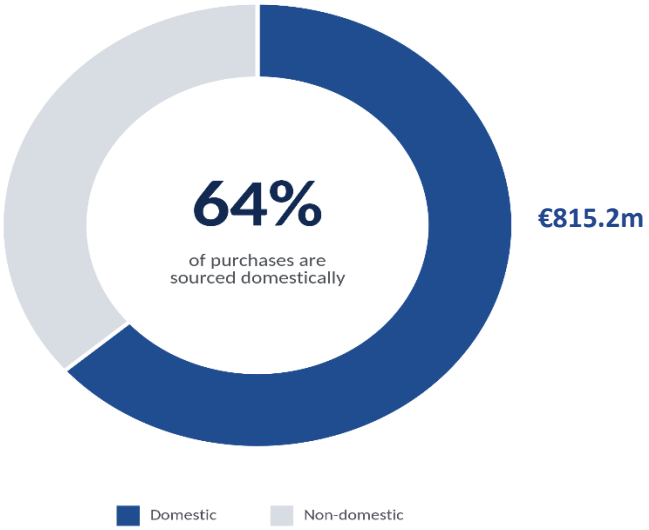
The Irish Drinks sector is deeply integrated with domestic agriculture and local supply chains, sourcing a significant share of its inputs within Ireland. According to Indecon's analysis of the sector, the vast majority of the main inputs are locally sourced, supporting our 5,800 specialist tillage producers and 17,500 dairy farms across the island. The research highlights that input sourcing varies across ingredients, with higher levels of local sourcing observed for certain inputs; for example, 100% of milk inputs are domestically sourced for certain cream-based drinks.

According to CSO data, Irish drink producers purchase approximately €1.3 billion in materials each year across Ireland, spanning agricultural inputs such as barley, apples and milk and other production

[22] Indecon analysis of excise receipts data for ROI and NI from Revenue

materials sourced both domestically and internationally. According to Indecon analysis of the sector, approximately 64% of all inputs are domestically sourced, thus the Drinks Sector purchases the value of €815.2 million each year.

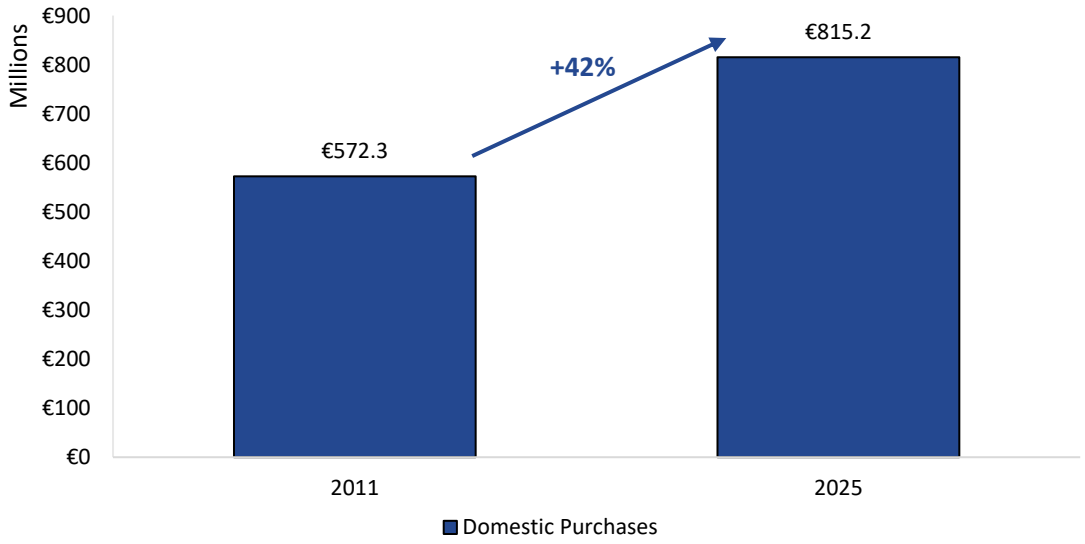
Figure 2.11: Purchases by Drinks Sector from Irish Economy (All Island, 2025)



Source: Indecon analysis of CSO Industrial Enterprise Data and Eurostat Data

The volume of locally sourced inputs has increased steadily over time, in line with the overall growth in input usage driven by the higher production volumes of alcohol products. This represents a sizable amount of the overall demand for these home-produced commodities. Over the past 15 years, Indecon estimates that the purchasing of domestic inputs has increased by approximately 42% (see Figure 2.12), with the remaining, non-domestic share of inputs likely sourced largely from the EU.

Figure 2.12: Domestic Purchases over Time (All-Island)



Source: Indecon analysis of CSO and NISRA Industrial Enterprise Data
Note: Growth in domestic purchases is shown as an average over the period and has been smoothed to remove year-to-year fluctuations.

In 2025, Indecon estimated that the industry purchased nearly 273,000 tonnes of Irish barley annually. This is broadly consistent with research by University College Dublin (UCD), which found that approximately 250,000 tonnes of Irish barley was used each year by the brewing and distilling industries.[23] Indecon also estimates that the Irish Drinks sector consumes around 20% of the total barley produced in Ireland, again consistent with the earlier research by UCD, which estimated the share at 17% over the period 2014–2018.[24]

In addition, Indecon estimates that the industry used a significant volume of Irish apples in cider production and required around 354 million litres of Irish milk on an all-island basis.

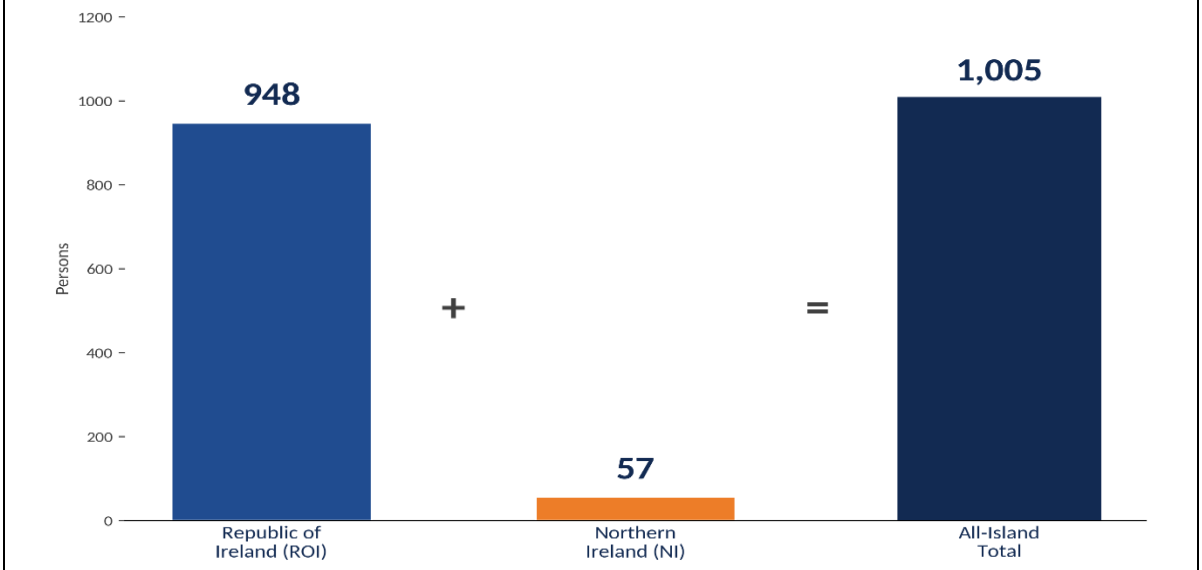
Taken together, a large share of spending remains within the Irish economy, generating wider multiplier effects and supporting primary producers, local suppliers and rural communities across the island. These wider impacts are estimated in Section 3.

2.8 Tourism-Related Employment

As noted previously, the Irish Drinks sector also has deep linkages with to the tourist industry in Ireland. In the island of Ireland, approximately **1,005 people** are employed under tourism-related activities directly in the drinks industry (e.g., visitor experiences, brewery tours, cideries, etc.).

[23] Economic Impact Assessment of the Tillage Sector in Ireland 2020, Prof. Michael Wallace, UCD.
[24] Figure is subject to rounding. Calculated using CSO Crop Yield and Production Data: https://data.cso.ie/table/AQA04

Figure 2.13: Tourism-Related Direct Employment, 2025



Source: Indecon analysis of Failte Ireland and CSO data, as well as Desk Research

Beyond their direct economic contribution, drinks visitor centres and distillery experiences play an important role in bringing visitors to areas of the country that might not otherwise feature on a typical tourist itinerary, extending the reach of tourism activity into regional and rural communities. Indecon estimates that just under 40% of overseas tourists visiting Ireland visit at least one drinks-related experience, underlining the sector's role as a gateway to wider engagement with Irish tourism.[25]

These visitor centres also function as brand houses in their own right: visitors who engage directly with the production process and heritage of Irish drinks often become informal brand ambassadors internationally. Beyond direct employment, many of these centres serve as a shop window for other local producers, including food, craft and design businesses, providing them with a route to visibility and sales they might not otherwise access.

2.9 Hospitality and Retail Sectors

The Irish Drinks sector supports significant economic activity through the downstream sale and consumption of its products. This includes activity in on-trade sectors such as pubs, restaurants, and hotels. Similar activities occur in the off-trade sectors such as off-licences and retail outlets. These channels represent an important component of the wider economic ecosystem associated with the sector, particularly given Ireland's strong hospitality and tourism base.

However, unlike direct and supply-chain impacts, downstream effects are not solely attributable to the Drinks Sector. Economic activity in hospitality and retail reflects a combination of factors, including food services, labour inputs, venue-related services, and broader consumer expenditure. Accordingly, the estimates presented in this section should be interpreted as indicative of activity supported by the presence of the sector, rather than fully attributable impacts.

Detailed quantitative economic modelling by Indecon suggests that the range of jobs supported by the Irish Drinks sector is between 18,000-28,000 in the Republic alone. When including Northern Ireland, these estimates vary between 24,000-35,000 employees. On top of this, the Irish Drinks

[25] Indecon analysis using Failte Ireland data

sector also supports approximately 2,000 jobs in the off-licence sector.[26] Therefore, Indecon estimates that the Irish Drinks sector potentially supports between **26,000-37,000 employees** under hospitality and retail per year.

Figure 2.14: Downstream Employment, 2025 (Island of Ireland)



Source: Indecon analysis of Failte Ireland and CSO data, as well as Desk Research

However, it is difficult to establish direct links to this downstream employment, and it must be noted that these estimates account for the impact of imports. They also account for the complementary nature of other hospitality offerings such as food, non-alcoholic beverages and accommodation.

Similarly, the hospitality sector accounts for over €10.3 billion in Gross Value Added in 2025 across the island of Ireland. Applying a similar approach as used above, Indecon estimates that the Irish Drinks sector supports around €1.0-1.5 billion in downstream GVA impacts.

2.10 Summary of Direct Impacts

The Irish drinks industry (mainly the manufacture, supply and export of alcohol beverages) makes a significant direct economic contribution across both the Republic of Ireland and the wider all-island economy. In 2025, the sector comprises approximately 160 producers in the Republic of Ireland (rising to approximately 200 on an all-island basis) and provides over 4,200 direct jobs domestically, increasing to 4,700 across the island.

The industry directly generates substantial economic activity, including €3.2 billion in turnover in Ireland (and €3.8 billion all-island), alongside €1.8 billion (€2.1 billion all-island) in Gross Value Added. Export performance is particularly strong, with Irish drinks exports valued at €2.1 billion in Ireland and €2.7 billion on an all-island basis. The sector also contributes significantly to the public finances, with excise revenue being €1.2 billion in the Republic of Ireland, rising to €1.5 billion across the island. Alongside excise revenue, the Republic of Ireland generates over €1.4 billion in VAT receipts (€1.7 billion across the Island).

In addition, it drives extensive linkages with the wider economy, including €691.0 million spending on Irish materials (€815.2 million all-island) and supporting a significant number of farmers, underlining its importance to rural and agricultural livelihoods. It is also likely to support the overall hospitality and retail sectors where its products are consumed and purchased.

[26] Indecon's analysis of the direct impact of the Irish drink sector on the off-license sector, only accounting for drinks produced in Ireland. Source: https://www.noffla.ie/About_Us/Default.76.html.

The sector also directly supports approximately 1,005 tourism-related jobs and is estimated to support between 26,000 and 37,000 further jobs in the hospitality and retail sectors, underlining the scale of its downstream economic footprint.

Figure 2.15: Summary of Direct Key Impact Measures – Irish Drinks sector (All-Island, 2025)



Source: Indecon analysis of CSO, Revenue, Eurostat, and NISRA data

3 Wider Impacts of the Irish Drinks sector

3.1 Introduction

The table below sets out the wider economic impacts associated with the Irish drinks industry, illustrating how the sector's contribution extends beyond its direct economic footprint. While the direct impacts capture activity within the industry itself, the wider impacts reflect additional employment and value generated through supply chains, tourism activity, and induced spending across the economy. These broader effects highlight the role of the Drinks Sector as an important economic enabler, supporting jobs, generating additional output, and sustaining activity across a wide range of connected sectors. The analysis presented in this report builds on these estimates to provide a more comprehensive understanding of the full economic contribution of the industry on an all-island basis.

Table 3.1: Irish Drinks Industry – Components of Wider Economic Impact (2025, All-Island)

	Direct Impact (All Island)	Wider Impact (All-Island)	Total Impact (Direct + Wider)
Employment	4,726	8,076	12,802
Tourism Employment	1,005	288	1,293
Gross Value Added	€2.1 billion	€2.0 billion	€4.1 billion

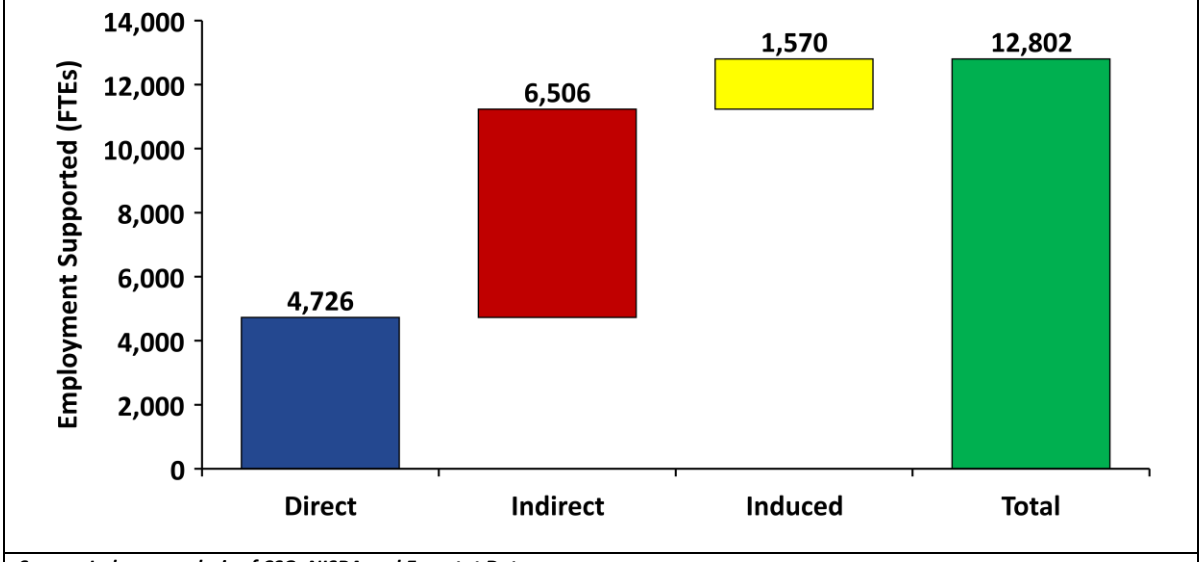
Source: Indecon
Note: Figures are rounded

3.2 Wider Employment

The indirect employment generated by the purchases of the drinks industry includes agricultural inputs along with other materials, inputs and services. The Drinks Sector supports significant employment across Ireland, with an estimated 4,700 people directly employed and just **under 13,000 jobs supported when wider employment impacts are included**, based on CSO and NISRA data.

The sector is characterised by a strong employment multiplier effect, reflecting extensive supply chain linkages across the economy. In addition to direct roles, the sector plays an important distribution function, supporting indirect employment in areas such as logistics, agriculture and packaging. It must be noted that these wider employment impacts do not include the "downstream" consumer impacts relating to the overall hospitality and retail sectors.

Figure 3.1: Direct, Indirect and Induced Employment - Irish Drinks sector (All-Island, 2025)



Source: Indecon analysis of CSO, NISRA and Eurostat Data

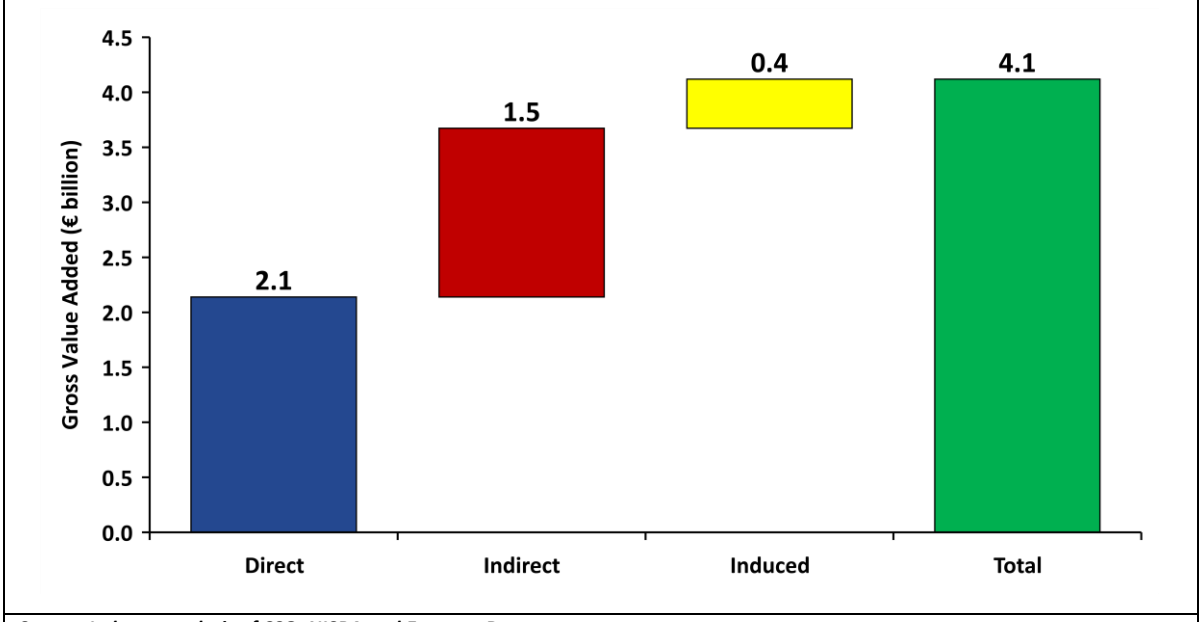
3.3 Wider Revenue/Expenditure and Gross Value Added

Beyond its core production impacts, the Irish Drinks sector also generates significant wider economic activity through tourism and hospitality. The Drinks Sector is a central component of Ireland's "experience economy", where consumer's demand for cultural experiences drives substantial expenditure. Indecon estimates that in 2025, €1 in every €4.1 of Irish household consumer spending is directed towards this experience-based economy, which in turn spends approximately €5.5 billion annually on goods and services.[27] This highlights the strong multiplier effects of the Drinks Sector, with its role extending well beyond direct production to underpin wider economic activity, support indigenous supply chains, and contribute to local economic activity across Ireland.

The Irish Drinks sector also makes a substantial contribution to national Gross Value Added (GVA), reflecting its significant direct, indirect and induced economic impacts. Across the island of Ireland, direct GVA arising from sector activities is estimated at around €2.1 billion. This is complemented by a strong indirect contribution of €1.5 billion, reflecting the sector's extensive linkages across domestic supply chains and supporting industries. In addition, induced impacts, arising from the expenditure of those employed directly and indirectly in the sector, are estimated at approximately €0.4 billion. In total, the combined GVA contribution of the sector is therefore estimated at approximately €4.1 billion, underlining its important role not only as a manufacturing base but also as a key driver of wider economic activity across Ireland.

[27] Source: https://www.ibec.ie/influencing-for-business/ibec-campaigns/experience-economy

Figure 3.2: Direct, Indirect and Induced GVA - Irish Drinks sector (€ billion, All-Island, 2025)



Source: Indecon analysis of CSO, NISRA and Eurostat Data

3.4 Wider Tourism Impacts

The Irish Drinks sector plays a central role within Ireland's tourism offering, acting as both a key attraction in its own right and a broader gateway to the country's cultural and hospitality experience. Tourism is one of Ireland's most important indigenous industries, generating almost €12 billion annually, including €6.6 billion from overseas visitors and €3.6 billion from domestic tourism in 2024.[28]

Ireland's drinks industry is deeply embedded within this tourism ecosystem. Drinks brands such as Guinness, Jameson Irish Whiskey, Baileys Irish Cream Liqueur, and Bushmills Irish Whiskey act as global ambassadors for Ireland, and can be some of the first touch points international consumers have with Ireland before even arriving here. This is particularly important in key source markets such as the United States, which remains the largest contributor to overseas tourism revenue, with visitors spending approximately €2 billion in 2024 and allocating over one-third of this expenditure to food and drink experiences.[29]

The tourism sector also supports significant employment, accounting for approximately 9% of total employment in the Republic of Ireland in 2025, with almost 70% of these jobs located outside Dublin, reinforcing its importance for regional and rural economies.[30] Approximately one-in-four overseas tourists to the island included an overnight in Northern Ireland.[31]

[28] Source: https://www.failteireland.ie/FailteIreland/media/WebsiteStructure/Documents/Research/Key%20Tourism%20Facts%20and%20Figures%202024/FI_Key-Tourism-Facts-2024_National-Summary_1.pdf?ext=.pdf

[29] Source: https://assets.tourismireland.com/data/docs/default-source/market-profiles/usa-market-profile-2024.pdf?sfvrsn=8380a6fd_1

[30] Source: https://www.failteireland.ie/FailteIreland/media/WebsiteStructure/Documents/Research/14708-Failte-Ireland-Economic-Report-V4.pdf?ext=.pdf

[31] Source: https://assets.tourismireland.com/data/docs/default-source/visitor-facts-and-figures/visitor-facts-and-figures-2024.pdf?sfvrsn=aeef4250_1

Distillery tourism has become an increasingly significant driver of visitor numbers to the sector, with the Irish Whiskey Association recording 1,010,261 visitors to Irish Whiskey distilleries in the 12 months to June 2025, an increase of 23% on the previous year.[32] This growth has been formalised through initiatives such as the Irish Whiskey Way, which connects distilleries across the island into a single national visitor trail.[33] This is discussed further in Section 4.4.

Figure 3.3: Irish Distillery Tourism – Irish Whiskey Way



Source: Indecon's analysis of the official Irish Whiskey Way

Importantly, drinks tourism is not a standalone activity but is closely integrated within Ireland's wider tourism offering. National tourism strategies such as the Wild Atlantic Way, Ireland's Ancient East, and the Hidden Heartlands highlight the importance of dispersed, experience-led tourism, combining natural landscapes, cultural heritage, hospitality, and local food and drink. The Wild Atlantic Way, for example, attracted over 2.4 million overseas visitors and 6.8 million domestic visitors in 2024, with visitors increasingly seeking authentic, locally grounded experiences.[34] This aligns closely with the Drinks Sector, where visitor centres, breweries, and pubs offer opportunities to engage with Irish culture, storytelling, and place-based identity.

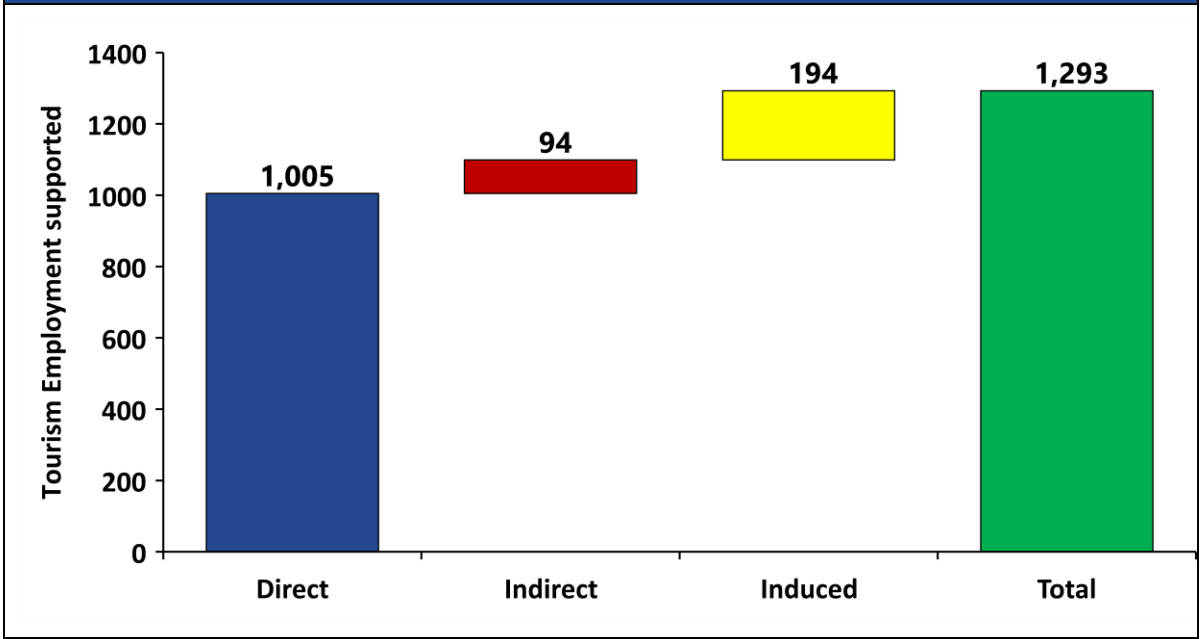
[32] https://www.ibec.ie/drinksireland/news-insights-and-events/news/2025/11/13/irish-whiskey-distilleries-welcome-more-than-1-million-visitors
[33] https://irishwhiskeyway.ie/
[34] Source: https://www.thewildatlanticway.com/#google_vignette

The sector attracts over 2.7 million visitors annually to breweries and distilleries, of which approximately 90% are from overseas (equivalent to 2.4 million oversea visitors).[35] This implies that approximately 37% of overseas tourists to Ireland visit at least one such experience.[36] These visitor centres generate direct economic benefits and act as anchors within local tourism ecosystems, supporting wider hospitality, retail and transport services.

For every euro spent by a tourist, it is estimated that 29c comes back to the Exchequer to pay for public services, once taxation from the wider impacts of tourism is taken into account. [37] As the Drinks Sector attracts over 2.4 million overseas visitors, of which each spends an average of €50 at a distillery (or other drink experiences like a brewery), resulting in these visitors generating over €35.5 million per annum in wider Exchequer contribution. It must be noted that this Exchequer contribution is solely related to the expenditure contribution made by visitors in distilleries or other drink experiences. It does not include the expenditure of these visitors on other activities in the Irish economy.

In Ireland, approximately 1,005 people are employed under tourism-related activities directly in the drinks industry. Combining induced and indirect employment result in **approximately 1,300 jobs employed in the drinks industry under direct and wider tourism-related activities**. Tourism generates lower supply chain impacts than the manufacturing sector.

Figure 3.4: Direct, Indirect and Induced Tourism Employed



Source: Indecon analysis of Failte Ireland and CSO data, as well as Desk Research

[35] Indecon estimate based on: https://www.thespiritsbusiness.com/2019/07/irish-distillery-and-brewery-visitor-numbers-near-2-8m/
[36] Indecon Analysis of Failte Ireland Data
[37] Source: https://www.failteireland.ie/FailteIreland/media/WebsiteStructure/Documents/Research/Key%20Tourism%20Facts%20and%20Figures%202024/FI_Key-Tourism-Facts-2024_National-Summary_1.pdf?ext=.pdf

3.5 Summary of Wider Impacts

The wider economic impact of the Irish drinks industry significantly exceeds its direct footprint, particularly in terms of employment effects. While the sector directly supports 4,726 jobs on an all-island basis, total employment rises to 14,000 when wider spillover effects across the economy are included. The industry also contributes €2.1 billion in gross value added, alongside a further €2.0 billion in additional economic activity through indirect and induced effects.

Overall, these figures highlight the strong multiplier effects of the drinks industry and its importance as a driver of broader economic activity across Ireland. Tourists to distilleries/breweries also generate a significant Exchequer contribution, without even considering the expenditure of these tourists on other activities in the Irish economy.

4 Regional Spread of Irish Drinks sector

4.1 Introduction

The Irish Drinks sector is a core component of Ireland's regional economy, deeply embedded across local communities and closely linked to the wider experience economy, which generates approximately €5.5 billion annually. The sector supports significant employment across manufacturing, hospitality, tourism and agriculture. It also contributes significantly to the hospitality sector which itself employs over 183,000 in the Republic alone, and approximately 235,000 across the entire island by the end of 2025, with over 75% of hospitality jobs located outside Dublin (on an All-Island basis). This highlights the critical role of the hospitality sector (supported by the Irish Drinks sector) in sustaining regional and rural economies.[38] In addition, there were approximately 77,000 jobs in other tourism and culture-related activities.[39]

The economic impact of the Drinks Sector is reinforced through strong domestic supply chain linkages, with the industry sourcing a substantial share of its inputs locally (approximately 64%), supporting farm families, local enterprises and a wide range of ancillary services.[40] The sector's integration with Ireland's extensive network of pubs, restaurants, visitor attractions and tourism infrastructure further strengthens its contribution to both economic activity and social and cultural life across the country.

Beyond economic impacts, distilleries and breweries often function as community hubs, hosting events and activities that support local engagement, reinforce regional identity, and contribute to social cohesion. Nearly three-quarters of respondents to an independent survey conducted on behalf of Drinks Ireland agree that local breweries and distilleries make a positive contribution to their local communities, while 80% say these producers provide important employment at a local or regional level.[41]

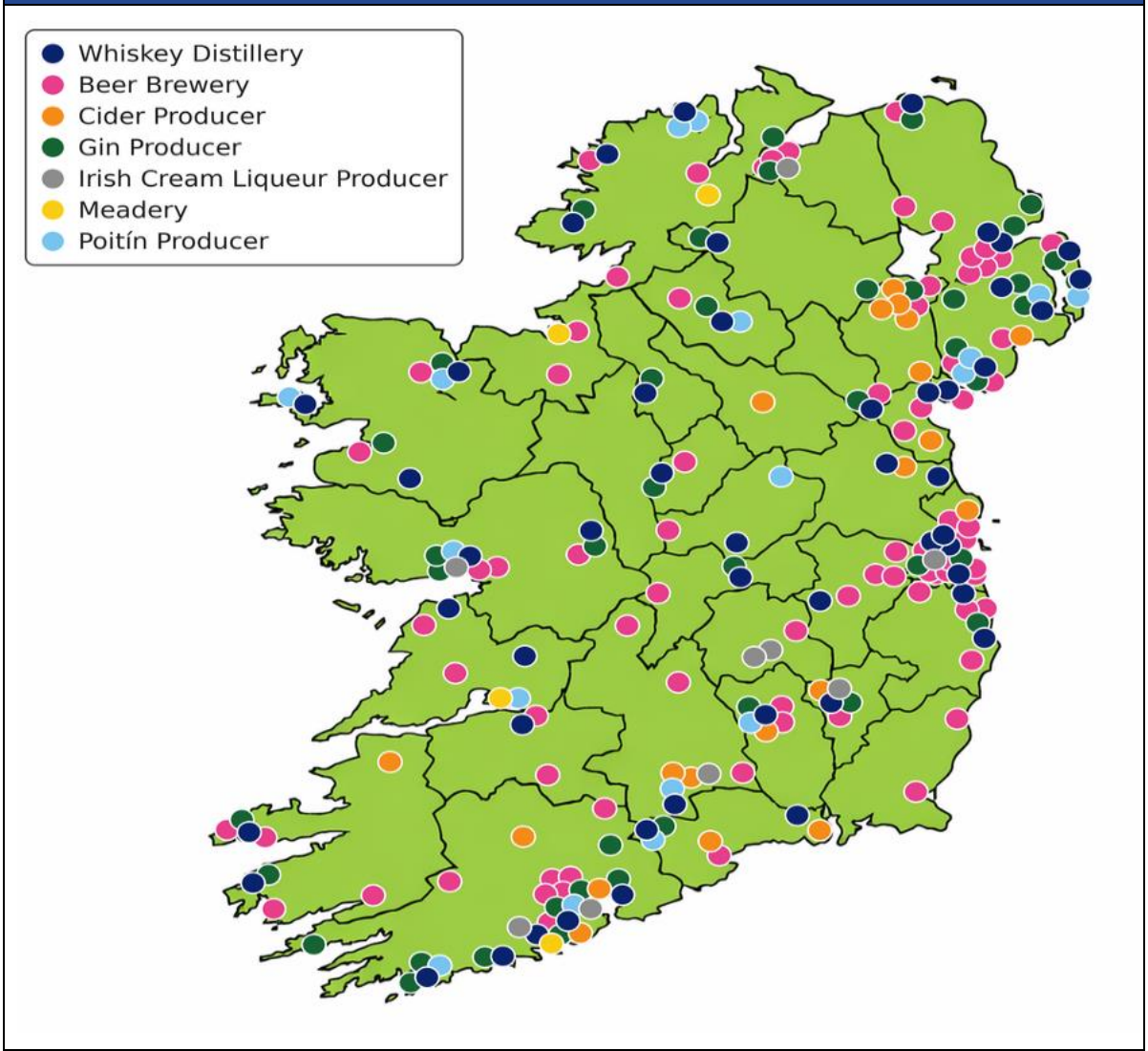
This section explores the regional spread of the Irish Drinks sector and assesses its contribution to Ireland's economy, including its role in supporting employment, tourism, local supply chains and community development across both urban and rural areas.

4.2 Regional Spread and Local Contribution of Irish Drinks Industry

This subsection is split by drink types, namely; a) whiskey distillers; b) beer and cider producers; and c) Irish Cream Liqueur, gin, and other spirit producers. The distribution of all categories is displayed in the figure below.

[38] Source: CSO Data from Q4 2025 of "Persons aged 15 years and over in Employment (ILO)". Link: https://data.cso.ie/table/QES01. Hospitality includes Accommodation and Food and Beverage Service Activities.
[39] Source: CSO Data from Q4 2025 of "Persons aged 15 years and over in Employment (ILO)". Link: https://data.cso.ie/table/QES01. Includes Travel Agency, Tour Operator and Other Reservation Service and Related Activities, Creative, Arts and Entertainment Activities, Libraries, Archives, Museums and Other Cultural Activities, and Sports Activities and Amusement and Recreation Activities
[40] Indecon desk research of Irish drink producers and an analysis of various data sources including previously published reports
[41] Source: Opinions Tracker Research February 2026 (Nationally representative online survey of 1,112 adults in Ireland: https://www.ibec.ie/drinksireland/news-insights-and-events/news/2025/12/new-consumer-research-from-drinks-ireland

Figure 4.1: Distribution of Irish Drink Producers



Source: Indecon analysis
Note 1: Producers making more than one type of drink are counted once per drink type.
Note 2: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.

Whiskey Distilleries

Ireland is the home of whiskey and was once a global leader in whiskey production, with over 100 distilleries supplying the world's most popular whiskey in the 19th century.[42] However, the sector experienced a sharp decline in the 20th century due to geopolitical and economic shocks, including wars, trade disruptions and prohibition. By the 1980s, the industry had contracted to just two operational distilleries.

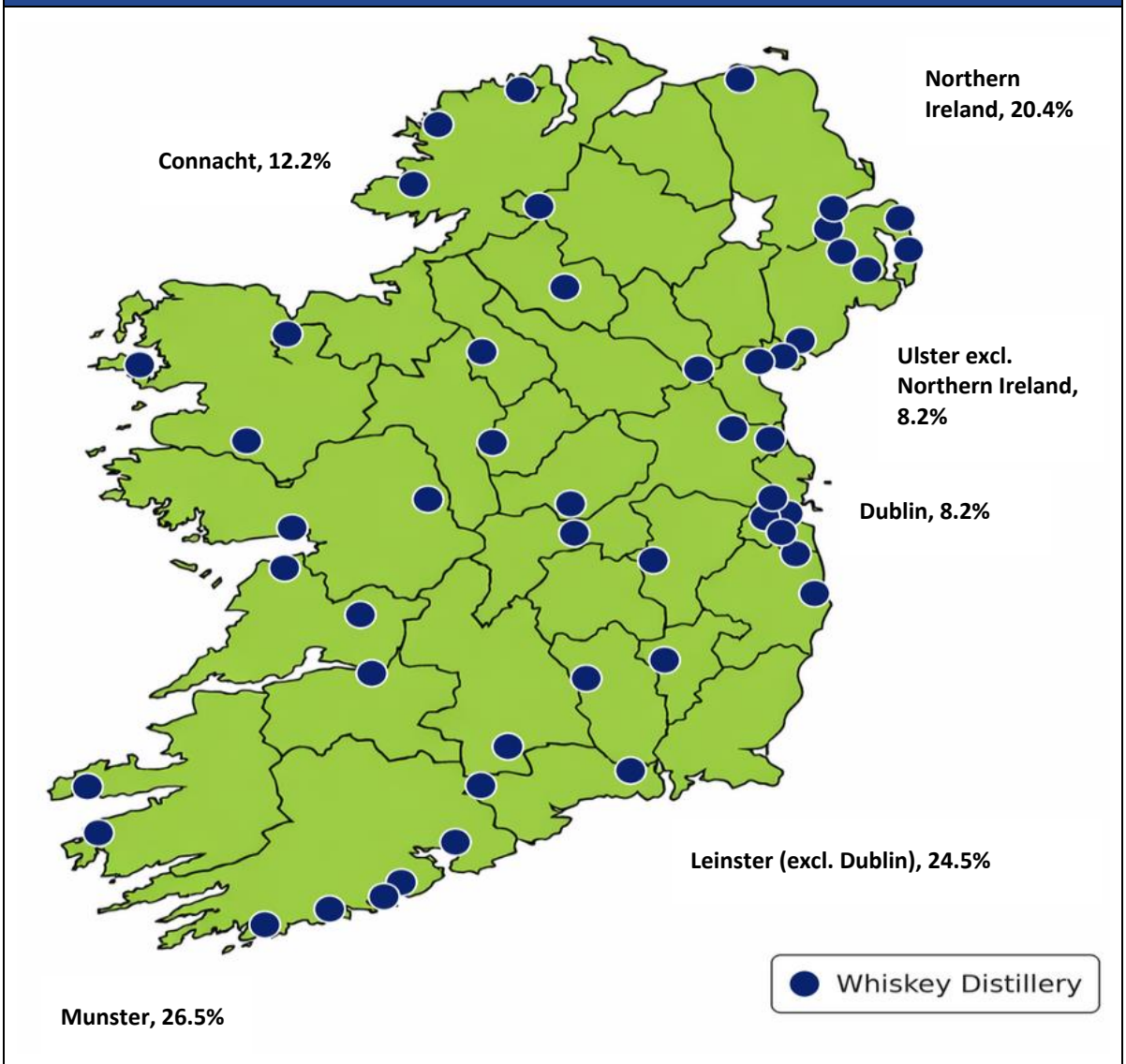
Over the last two decades, the whiskey distilling business in Ireland has seen a major resurgence. Today, Irish Whiskey is the world's fastest growing and most dynamic whiskey category. There are now approximately 50 operational whiskey distilleries across the island, up from just four in 2010.

[42] Source: Irish Whiskey On-Trade Handbook, Irish Whiskey Association. Link: https://www.ibec.ie/drinksireland/irish-whiskey

There has also been an expansion and continued innovation within existing operations, contributing to greater depth and diversity within the category. Irish Whiskey, alongside Irish Cream and Poitín, is also a protected geographic indication, guaranteeing authenticity and recognised in law across international markets.[43]

An **EU Geographical Indication (GI)** is a distinctive status used on products that have a specific geographical origin and possess qualities, a reputation, or characteristics that are essentially attributable to that location. Ireland is proud to hold three distinct spirit GIs: Irish Whiskey, Poitín, and Irish Cream Liqueur. It protects Irish producers against unfair competition in the marketplace and ensures consumers are safeguarded from misleading imitation products.

Figure 4.2: Map of Irish Whiskey Distilleries in Ireland



Source: Indecon analysis

[43] A product can only be labelled and sold as Irish Whiskey if it has been fully distilled and matured in wooden casks on the island of Ireland, with the maturation being for at least three years.

The spatial distribution of whiskey distillation highlights a number of distinct regional hubs, alongside a broad national footprint, with the vast majority located outside Dublin (91.8%). This reflects the sector's strong regional footprint, with activity distributed across all provinces, most notably in Munster (26.5%) particularly around Cork, reflecting established production bases, strong export connectivity, and access to tourism markets. Other clusters include Ulster including Leinster outside Dublin (24.5%) and Northern Ireland (20.4%).

The whiskey sector plays a particularly important role in supporting rural and regional economies across Ireland. The sector is predominantly rural (approximately 70%), with many distilleries located outside major urban centres. Distillery developments have contributed to the regeneration of towns and rural areas, restoring production to locations with historic links to whiskey and reinforcing local economic activity.[44] In contrast, urban distilleries, particularly in Dublin, are fewer in number but play a leading role in tourism, offering experience-led visitor attractions.

Importantly, the economic and regional impact of the sector extends beyond distillation itself. The presence of a broader ecosystem, including whiskey maturation, whiskey bonding and visitor experiences, amplifies the sector's contribution to employment, local economies, and Ireland's international tourism offering. In addition, many distillery operators are diversified into the production of gin or poitín, and recently, apple brandy, further reinforcing the role of whiskey distilleries as anchor assets within the wider drinks sector.

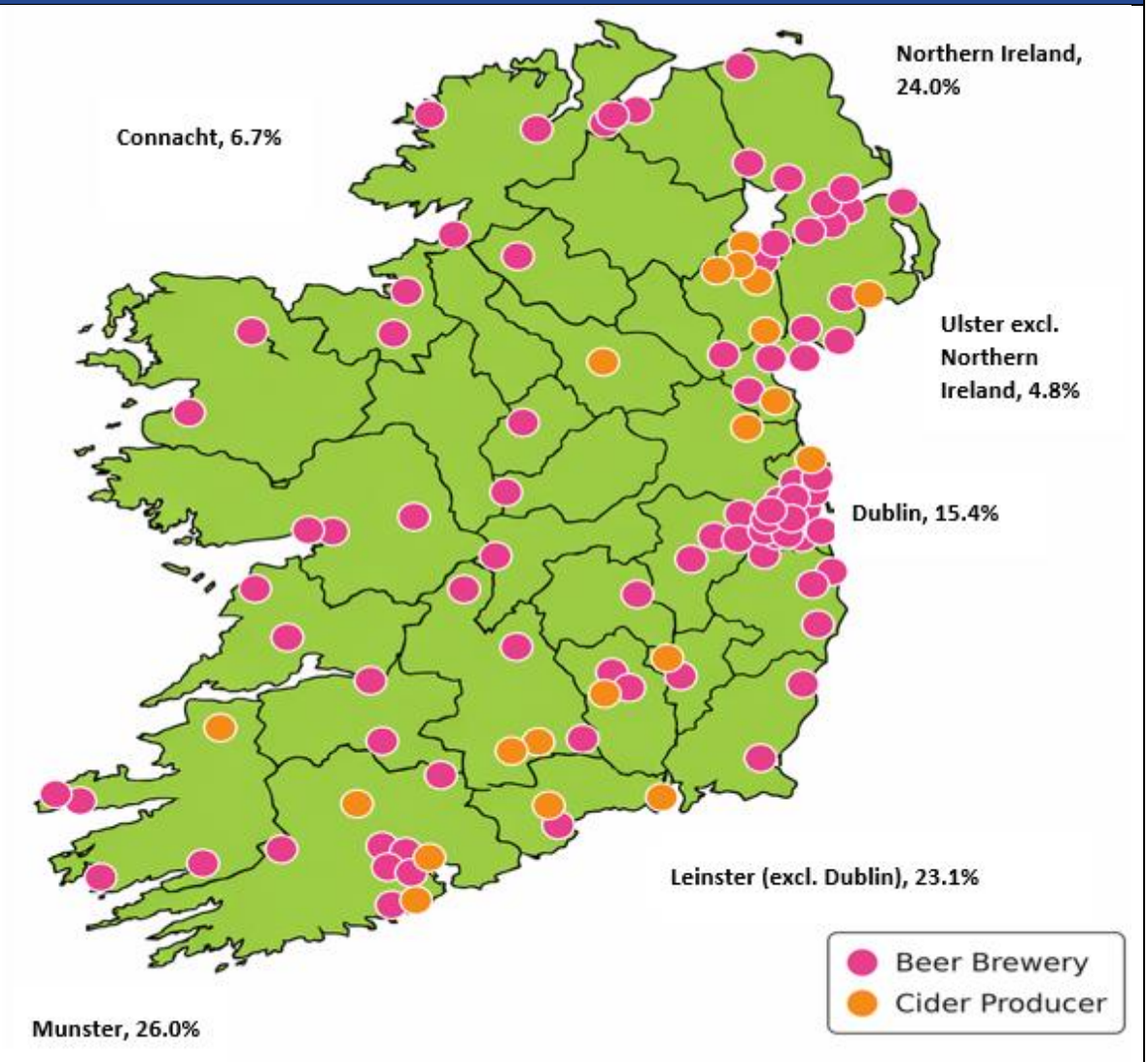
Indecon's analysis also indicates that over 60% of distilleries operate a visitor centre or another form of tourism or community-facing activity, reflecting the sector's broader integration within, and contribution to, local communities. The sector also reflects strong integration of the whiskey sector with domestic agriculture and the growing emphasis on "grain-to-glass" production models.

Beer and Cider

The spatial distribution of breweries and cider producers across the island highlights a number of distinct regional hubs, reflecting access to raw materials, tourism flows, heritage assets, and local entrepreneurship ecosystems. There are approximately 100 breweries and cider producers in Ireland.

[44] Source: https://www.ibec.ie/drinksireland/irish-whiskey/our-industry/economic-contribution

Figure 4.3: Map of Beer Brewers and Cider Producers in Ireland



Source: Indecon analysis
Note: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.

The Greater Dublin and East Coast, the North-East (including Belfast and Armagh), and the South-West (particularly Cork) emerge as key centres of activity. These areas support local supply chains, tourism, and employment, particularly in rural and regional areas, and underline the sector's role in broader regional economic vitality

Alongside established producers, there has been significant expansion in craft brewing, with the number of microbreweries increasing from approximately 15 in 2012 to approximately 75 in 2023, accounting for nearly 90% of all beer breweries in Ireland. However, more recent industry data point to some consolidation within the craft sector since 2023, with the number of independent production breweries declining to 61 in 2026, a reduction of approximately 23%, which may reflect the broader cost pressures facing drinks producers. Regardless of this decline, microbreweries continue to represent a substantial and dynamic share of Ireland's overall brewing landscape.[45] These

[45] Bord Bia's Independent Beer Report (May 2026)

microbreweries typically operate small-scale, innovation-led models which utilise local inputs, offer multiple product lines (seven product lines on average), and contribute to the diversity and resilience of the sector.[46]

While the majority of brewing and cider producers are located outside the capital, Dublin is home to some of the largest brewing operations in the country and so accounts for a significant share of the sector's overall production and activity. Dublin's mix of large-scale and independent producers also supports urban regeneration, tourism, and high-value employment, and acts as a gateway for international visitors.

In addition, beer's strong linkages to domestic agriculture and local supply chains underpin its contribution to rural economies, while exports (approximately 43% of production) reinforce its role within Ireland's international drinks offering. Based on an assessment of breweries in Ireland and research from Bord Bia, it is estimated that 72% of breweries' inputs are domestically sourced, with a significant subset operating farm-based or locally integrated production systems.[47]

The brewing sector represents a central pillar of the Irish drinks industry, both in terms of consumption and regional economic impact. Beer is Ireland's most popular alcohol beverage and plays a central role in the country's social and cultural life, particularly through its strong association with the on-trade sector (which accounts for ~64% of beer sales).[48] Pubs, restaurants and hospitality venues remain key settings for beer consumption, acting as important spaces for social interaction, community life and cultural experience. In 2025, there were approximately 6,400 pubs in Ireland, with the majority outside the capital. [49]

However, analysis by the Drinks Industry Group of Ireland (DIGI) indicates that, on average, around one-quarter of pubs have ceased trading over the past two decades, with closures most pronounced in rural counties. In addition, data from the Restaurant Association of Ireland indicates that more than 150 restaurants, cafés, and other food-serving hospitality businesses closed in the first quarter of 2025 alone, following several years of sustained hardship.[50] This trend has implications not only for the sustainability of local businesses but also for the social and economic vitality of communities where pubs and breweries play a central role.

In recent years, the cider segment has experienced a notable resurgence, with growth in premium, orchard-based and artisan production models alongside established large-scale producers.[51] This has been accompanied by an increased emphasis on provenance, natural production methods, and visitor experiences, reinforcing cider's role within both the agri-food and tourism ecosystems. While smaller and more spatially concentrated than brewing, cider production remains an important contributor to regional economies, particularly in areas where it is closely integrated with farming, local supply chains and rural enterprise, with the majority of producers operating orchard-based, farm-to-bottle models.

In addition, nearly 45% of breweries have a visitor centre or another form of tourism or community-facing activity, drawing visitors to areas that might otherwise see limited tourist footfall and supporting local economic activity in the process.

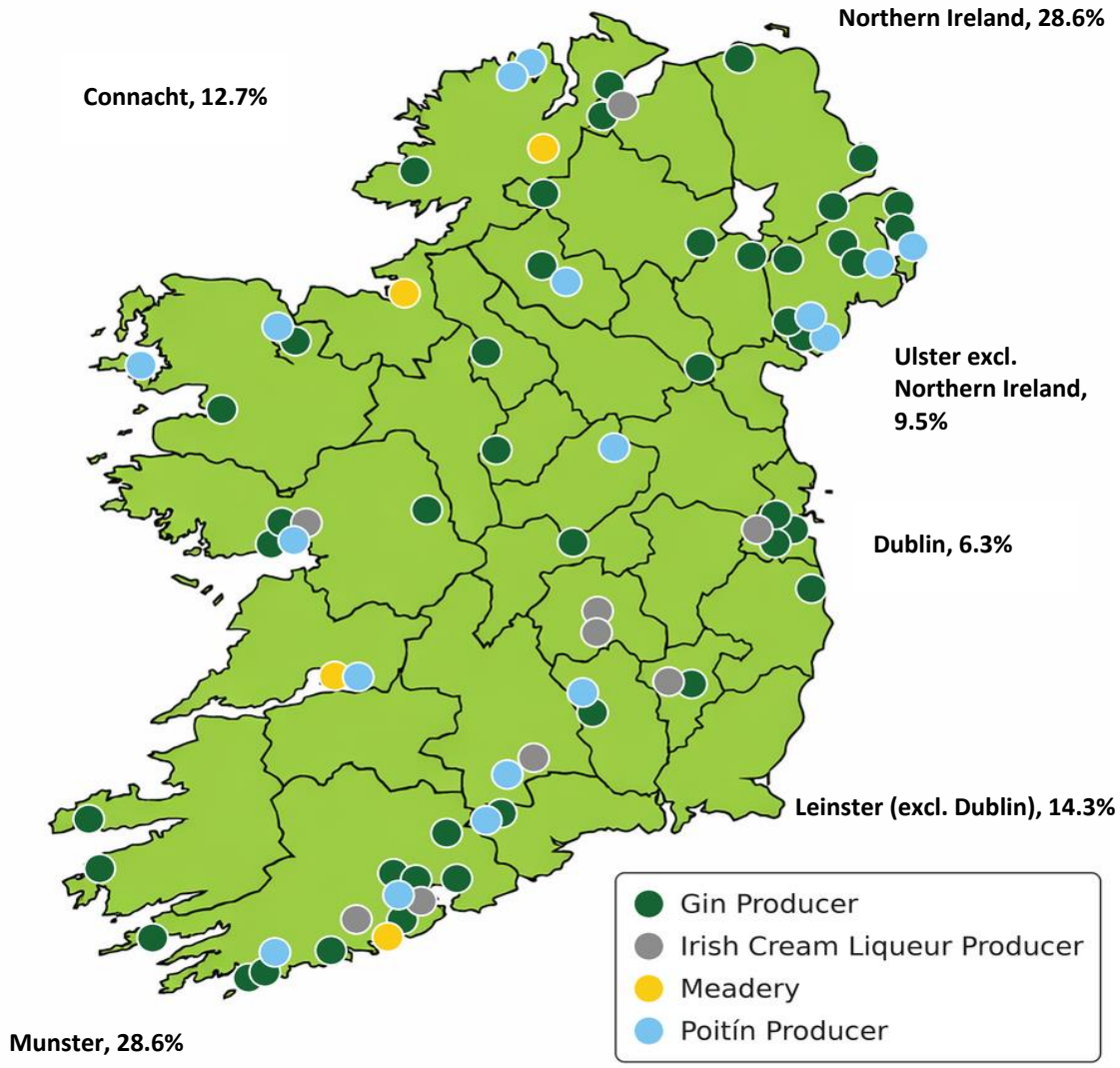
[46] Bord Bia's Craft Beer and Cider Report 2023
[47] Bord Bia's Craft Beer and Cider Report 2023
[48] Source: Irish Beer Report 2024, Ibec. Link: https://www.ibec.ie/drinksireland/news-insights-and-events/news/2025/09/15/beer-remains-irelands-favourite-alcohol-beverage
[49] Source: The Decline of the Number of Public Houses 2005-2025. Link: https://www.drinksindustry.ie/assets/documents/The-Decline-of-the-Number-of-Public-Houses-2005-2025.pdf
[50] Source: https://www.rai.ie/2025/05/150-restaurants-closed-in-first-quarter-of-2025-due-to-soaring-business-costs-restaurants-association-of-ireland-survey-warns-of-more-closures-ahead/
[51] Source: Bord Bias's Craft Beer and Cider Report 2023 and https://www.ibec.ie/drinksireland/news-insights-and-events/insights/2025/12/16/irish-cider-market-2024

Cider producers demonstrate a similar pattern, with nearly 30% offering a visitor centre or related tourism activity, such as orchard tours, further extending this contribution to communities in rural and agricultural areas.

Irish Cream Liqueur, Gin, and other Spirits

Irish Cream Liqueur, which is internationally well-recognised, is produced by a number of facilities across Ireland and the category is a major contributor to Ireland's overall drinks exports. Irish gin also represents a strategically important element of the Irish drinks industry, alongside spirits like Irish Poitín and mead, both of which are often characterised by more limited production footprints. Together, these drink producers play an important role in deepening the overall value and diversity of Ireland's drinks offering and contribute to heritage preservation and export diversification.

Figure 4.4: Map of Irish Cream, Gin and Other Spirit Producers in Ireland



Source: Indecon analysis
Note 1: Some sites also appear on the whiskey or beer/cider maps, as many of these producers share premises with existing distilleries or breweries.
Note 2: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.

Across Irish Cream Liqueur, gin, mead and poitín, activity is highly regional: Northern Ireland (28.6%) and Munster (28.6%) together account for over half of activity, with Leinster (excl. Dublin) and Dublin contributing a further 14.3% and 6.3%, respectively, reinforcing the sector's broad rural and regional footprint. Similarly, in Munster, and in particular, Cork, there is a strong clustering of boutique craft distilleries and flagship producers.

With the exception of Irish Cream, a key feature of these spirit categories is their strong integration with existing distilling and brewing infrastructure and production is often not reflected through standalone facilities, for example, a significant proportion of gin and poitín is produced within existing distilleries. The geographic footprint of these categories is also closely aligned to established whiskey hubs, particularly along the East Coast, in the South, and in the North-East. This reinforces the

importance of co-location and highlights the role of distilleries as anchor assets within the wider drinks' ecosystem.

Irish Cream Liqueur represents a significant export success, contributing to Ireland's global drinks reputation. Irish Cream Liqueur production is concentrated in the East, Midlands and South of the country. The category is closely linked to Irish dairy supply chains, reinforcing the sector's "farm-to-glass" narrative and its integration with domestic agriculture.

Gin production is the most widespread of these categories, with approximately 45 producers across the island, with over 80% craft. Many gin producers produce small batches of gin using locally sourced inputs and foraged botanicals, while offering a range of visitor experiences.

Poitín production, while considerably smaller in scale (approximately 17 producers, of which nearly all are craft), is more evenly distributed across regions and also closely linked to existing distilling operations. The category carries significant cultural and historical importance, representing a revival of traditional Irish spirits, while also demonstrating innovation through the development of new products, flavour profiles, and formats such as ready-to-drink (RTD) products.[52]

Mead production remains niche, with a small number of craft producers (approximately four). The category is typically artisanal in nature and closely aligned with tourism and local heritage, reinforcing the diversity of Ireland's drinks offering despite its limited scale. Apple brandy is also an emerging category that draws on expertise from both cider makers and distillers and is a further example of innovation and cooperation within the sector in bringing new products to consumers.

The presence of all these drink producers contributes to the diversification of regional economic activity and enhances the resilience of local economies. Research completed in 2025 shows that there is a desire from tourists for more authentic, cultural and community-based experiences in Ireland, of which these drink producers are particularly well placed to deliver.[53]

In line with this demand, over 60% of gin producers offer tours, visitor centres, or other community-facing activities, further evidencing the sector's capacity to deliver the authentic, culturally-rooted experiences sought by tourists. In this way, the sector delivers benefits that extend beyond direct economic output, supporting rural vitality, cultural identity, and the continued development of regional tourism clusters.

4.3 Direct Regional Employment

Direct employment supported by the Drinks Industry is broadly distributed across Ireland, with a clear concentration in Dublin and Leinster, Munster, and Northern Ireland. The regional pattern varies notably across the different channels of employment activity.

Approximately 38% of total direct employment is located in the capital, reflecting a significant clustering of distilleries, breweries, and visitor attractions. Tourism-related employment is particularly concentrated in Dublin, representing 67% of all direct tourism employment, substantially higher than any other region.

Outside of Dublin, Munster and Leinster (excluding Dublin) represent important bases of employment across the industry. Northern Ireland also represents a key regional hub, accounting for approximately 13% of total direct employment. While its tourism share is more limited relative to Dublin and Munster, it has a significant presence in downstream employment, accounting for 22% of employment in this segment.

[52] E.G., Little & Green. Link: https://littleandgreen.com/
[53] Source: https://www.etoa.org/wp-content/uploads/ETOA-Irish-Tourism-Survey-June-2025.pdf

Across manufacturing, distribution, and supply chain activities, employment is more evenly distributed geographically. Munster (31%) and both Dublin and Leinster (each 25%) account for the majority of employment in this category, reflecting the dispersed nature of production facilities across regions.

Downstream employment, including hospitality-and-retail-related roles, is more evenly spread, with Dublin, Leinster (excluding Dublin), and Northern Ireland each accounting for approximately 22–23% of employment. Munster also represents a significant share at 19%, highlighting the broad geographic footprint of hospitality activity linked to the Drinks Sector.

Table 4.1: Direct Employment Impact (%) - Regional

	Manufacture/ Distribution/Supply Chain	Direct Tourism	"Downstream"	Average by Region
Dublin	25%	67%	22%	38%
Leinster (Excl. Dublin)	25%	7%	23%	18%
Munster	31%	12%	19%	21%
Connacht/ Ulster (Excl. Northern Ireland)	9%	9%	13%	11%
Northern Ireland	10%	6%	22%	13%

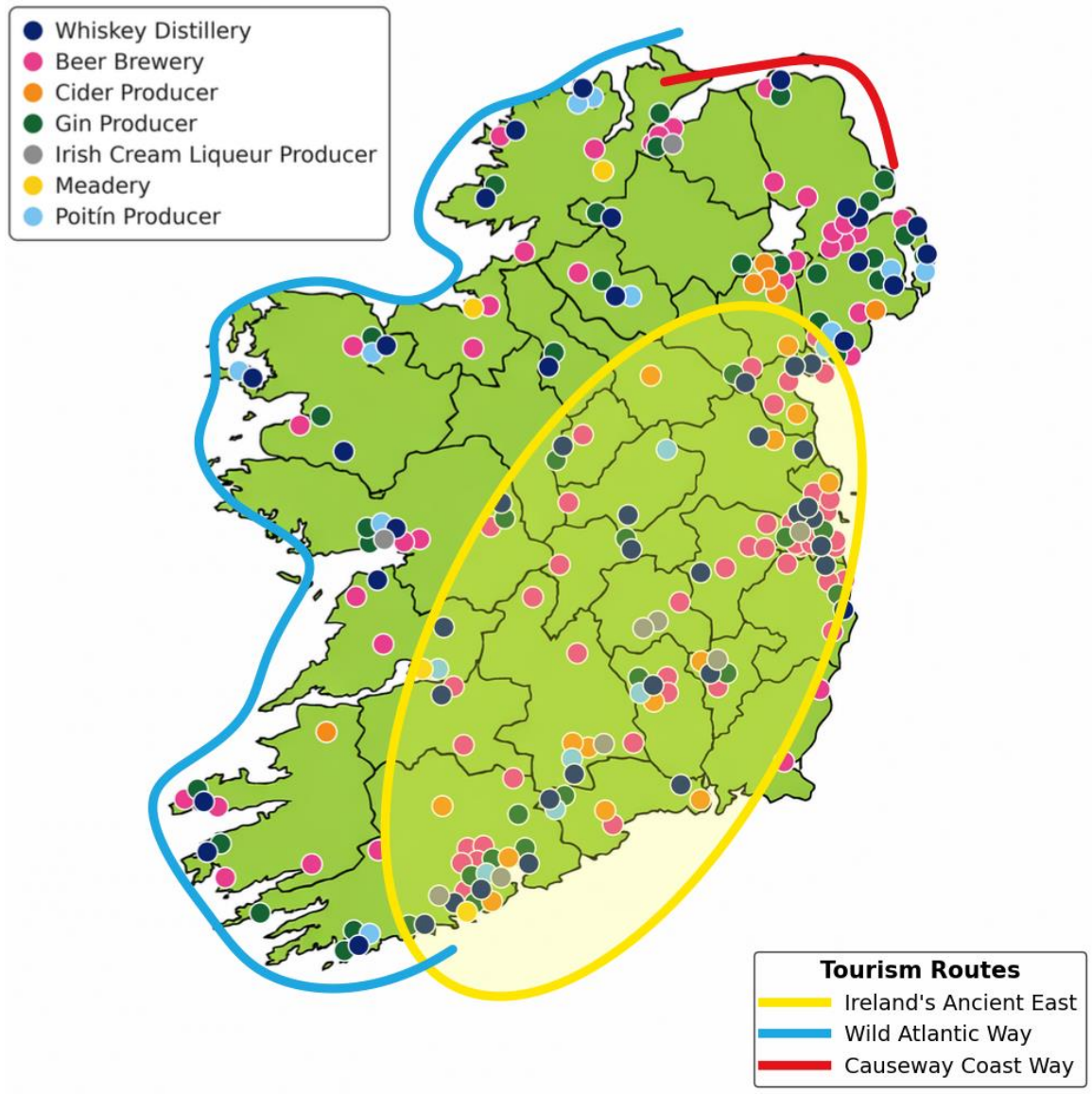
Source: Indecon analysis using CSO data for regional breakdown
Note: Impact of Rounding means totals may not sum exactly to 100.

4.4 Distribution of Drink Producers and Linked Tourism Activity

The spatial distribution of drinks production sites highlights a strong alignment with Ireland's key tourism corridors, as well as critical infrastructure locations. A significant proportion of distilleries, breweries and other drinks producers are located along major tourism routes, including the Wild Atlantic Way, the Causeway Coastal Route and Ireland's Ancient East.[54] These locations reflect the importance of tourism in shaping the sector's regional footprint, with producers rooted within established visitor ecosystems and contributing to destination experiences. At the same time, a notable concentration of activity is evident within the Greater Dublin Area and surrounding commuter belt, reflecting the role of transport infrastructure, logistics, and proximity to major population centres.

[54] https://www.causewaycoastalroute.com/ and https://heritageireland.ie/visit/irelands-ancient-east/

Figure 4.5: Distribution of Drink Producers Along Tourism Routes, 2025



Source: Indecon analysis
Note 1: Producers making more than one type of drink are counted once per drink type.
Note 2: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.
Note 3: Tourism route lines and areas are indicative only. Positions are estimated and approximate, not exact route alignments.

This pattern demonstrates that drinks producers are not only geographically widespread but strategically located to both support and benefit from Ireland's major tourism flows, reinforcing linkages between production, visitor experiences and regional economic activity.

In addition, the alignment between production and tourism infrastructure has been formalised through dedicated visitor initiatives, most notably the Irish Whiskey Way.[55] Developed by Drinks Ireland (Ibec) as a distillery trail spanning Dublin, the Wild Atlantic Way, Ireland's Ancient East, Ireland's Hidden Heartlands and Northern Ireland, the initiative connects Ireland's whiskey distilleries into a single national visitor journey encouraging cross-regional travel between production sites. By

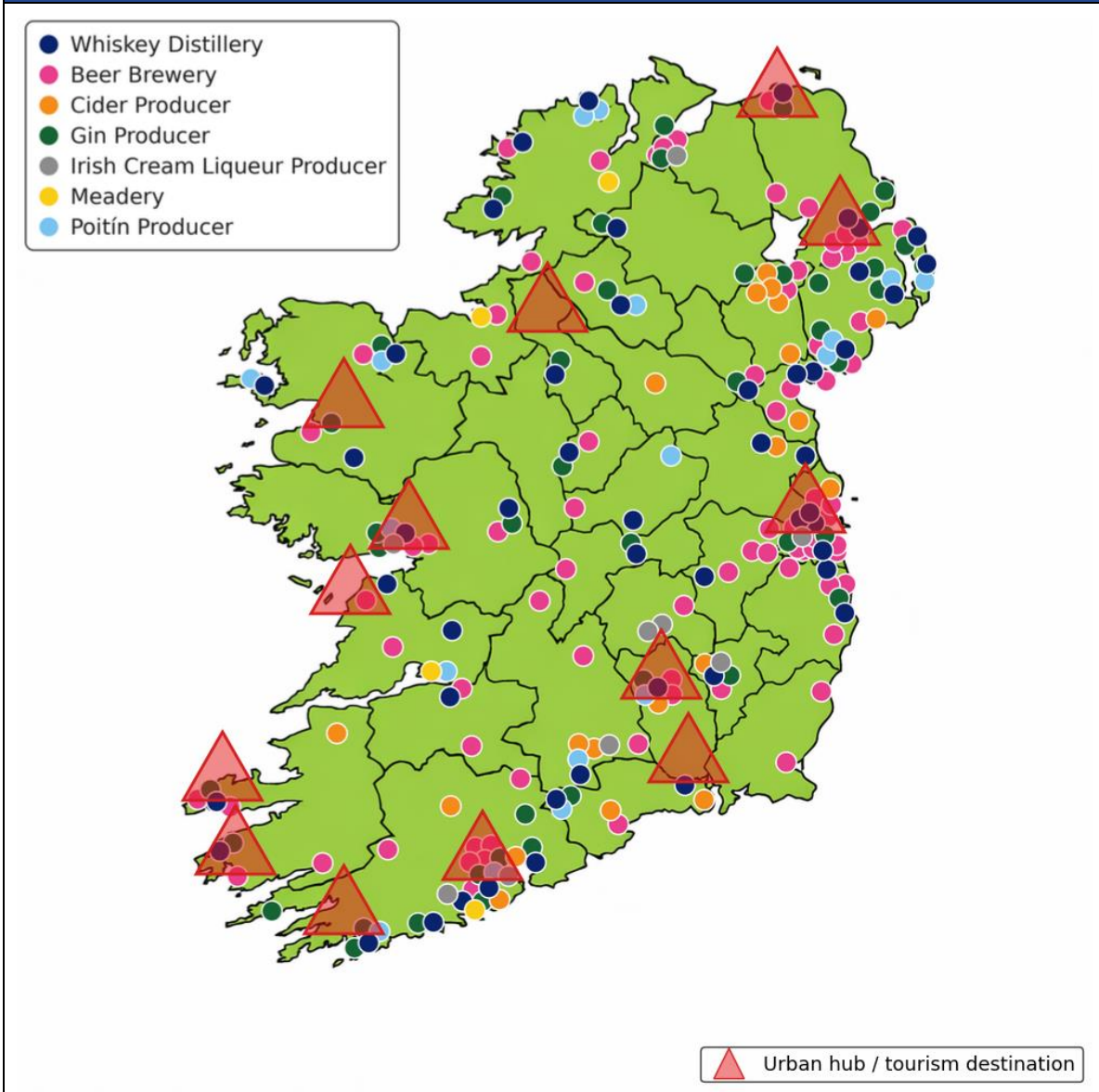
[55] https://irishwhiskeyway.ie/

packaging individual distillery visits into a coherent national trail, initiatives of this kind help extend visitor dwell time and spending beyond any single location, further reinforcing the sector's contribution to regional tourism economies across the island.

The map below further highlights the close alignment between the geographic distribution of drinks production sites and Ireland's principal tourism destinations. A significant proportion of distilleries, breweries and other drinks producers are located in close proximity to major urban hubs such as Dublin, Cork, Galway, Kilkenny and Belfast, as well as along internationally recognised tourism destinations including the Ring of Kerry, West Cork, the Cliffs of Moher and the Giant's Causeway. These are highlighted in the figure below.

This pattern reflects a positioning of the Drinks Sector to maximise accessibility for visitors, ensuring that production sites are embedded within established tourism flows and easily accessible as part of broader travel itineraries. These experiences also support visitor value by encouraging longer stays, additional spending, and engagement with local hospitality, retail and cultural offerings. These areas are also characterised by a high concentration of pubs, restaurants and hospitality venues, reinforcing their role as established tourism clusters and providing complementary settings through which visitors can experience Irish drinks culture.

Figure 4.6: Distribution of Drink Producers and Key Tourist Spots



Source: Indecon analysis
Note 1: Producers making more than one type of drink are counted once per drink type.
Note 2: Map locations are approximate and are intended to illustrate the overall geographic distribution of producers rather than precise site locations.
Note 3: Urban hub and tourism destination markers are indicative only. Positions are estimated and approximate, not exact locations.

By locating within or adjacent to these high-traffic visitor destinations, distilleries and breweries are well placed to capture tourist demand and contribute to the overall visitor experience. In many cases, major distillery and brewery experiences are significant visitor attractions in their own right, acting as motivators for travel and contributing directly to destination appeal. Notably, according to Failte Ireland, all major distillery attractions have recorded growth between 2022 and 2024, indicating sustained and broad-based demand for drinks-related experiences.

In urban areas, particularly in Dublin, the Drinks Sector benefits from high levels of international tourism and strong short-stay demand, including growing cruise tourism. According to data from

Dublin City Council, the top reason for tourists coming to Dublin was its pub scene.[56] Visitors to Dublin typically undertake multiple experiences each day, with flagship attractions forming a core part of the itinerary. In this context, the clustering of attractions and the accessibility of sites are important in influencing visitor choices and maximising tourism engagement.

In more rural and peripheral regions, where visitor footfall is lower outside peak periods and short-stay or weekend markets are less developed, collaboration between tourism and drinks sector stakeholders plays an especially important role. Distilleries, breweries, pubs and wider local attractions increasingly work together to create integrated visitor offerings, recognising that individual sites alone are unlikely to drive sufficient demand. This includes coordinated marketing, joint tourism initiatives, and the development of complementary experiences that encourage visitors to travel to and spend longer in these regions. Such collaboration is particularly important in locations within more remote areas, where clustering of experiences and strong local partnerships help to enhance destination appeal, support visitor numbers, and maximise economic benefits across communities.

As a result, the sector operates as both a high-impact urban tourism driver and a catalyst for regional development, reinforcing its role within the wider experience economy and enhancing the contribution of drinks-related activities to local economies across Ireland. In addition, visitor centres and on-site retail offerings support the sale of locally produced goods, reinforcing linkages with surrounding businesses and ensuring that visitor spending circulates within the local economy, supporting a broad range of ancillary enterprises.

As visitor preferences continue to evolve towards authentic, experience-led travel, the Drinks Sector is well positioned to play an even greater role in sustaining tourism growth and enhancing Ireland's cultural and economic offering.

4.5 Summary of Regional Spread

The Irish Drinks sector is a deeply rooted and highly regionalised industry, supporting employment, supply chains and economic activity across communities throughout the island. With the majority of jobs and production located outside Dublin, the sector plays a critical role in sustaining regional and rural economies, supported by strong local sourcing and "grain-to-glass" linkages.

The sector combines a broad national footprint with clear regional clustering. A defining feature of the sector is its strong alignment with tourism. Drinks production sites are located along major tourism routes and within key visitor destinations, enabling accessibility and integration into wider tourism experiences. Flagship attractions in urban centres drive high visitor volumes and international visibility, while growing regional destinations support the dispersion of tourism activity and extend visitor engagement across rural and coastal areas.

Employment supported by the drinks industry is spread across all regions of Ireland, reflecting the geographically dispersed nature of production, distribution, tourism activity, and downstream services. While activity is evident across the country, the scale and composition of employment varies by region.

[56] Source: https://www.dublincity.ie/sites/default/files/2025-07/your-dublin-your-voice-tourism-survey-q2-2025.pdf

Table 4.2: Regional Employment Impacts				
	Direct Manufacture/Distribution/ Supply Chain	**Direct Tourism**	**Wider Employment (e.g., Logistics, Packaging)**	**"Downstream" Linked Employment[57]**
Dublin	1,195	672	2,042	5,754-8,188
Leinster (Excl. Dublin)	1,165	66	1,990	6,097-8,676
Munster	1,461	123	2,497	5,057-7,196
Connacht/ Ulster (Excl. Northern Ireland)	421	87	720	3,408-4,849
Northern Ireland	483	57	825	5,684-8,089
Total	**4,726**	**1,005**	**8,075**	**26,000-37,000**
Source: Indecon analysis				

The drinks industry supports additional employment through extensive supply chain linkages and induced effects across agriculture, logistics, retail, and tourism. As a result, the overall employment footprint of the sector extends well beyond these direct roles, with a significant share of this wider impact located in rural and regional areas across Ireland. Beyond its economic contribution, the sector plays an important role in Ireland's social and cultural fabric. Pubs, visitor centres and drinks-related experiences act as community and tourism anchors, supporting social connection and enhancing local identity.

[57] It must be noted that it is difficult to directly link the activities of the manufacturing/distribution of the sector with the final downstream impacts. It is likely that a significant proportion of these downstream jobs would exist in the absence of the Irish Drinks sector. Our downstream estimates endeavour to account for this.

5 Global Trends, Growth Opportunities and Future Potential

5.1 Introduction

The global drinks sector is undergoing a period of evolution, shaped by innovation, changing consumer preferences, and shifting market dynamics. At the same time, premiumisation has remained an important global trend, with consumers increasingly favouring higher-quality, higher-value products, particularly within categories such as Irish Whiskey, beer, Irish Cream Liqueur and gin, reflecting the strength of the sector's positioning in premium global markets. These dynamics present significant opportunities for the Irish Drinks sector to build on its strong reputation for quality, authenticity, and heritage, particularly in international markets. In addition, the Drinks sector, specifically through the pub network, continues to play a central role in social connection, hospitality, and shared cultural experiences, reflecting the sector's deep integration within community life.

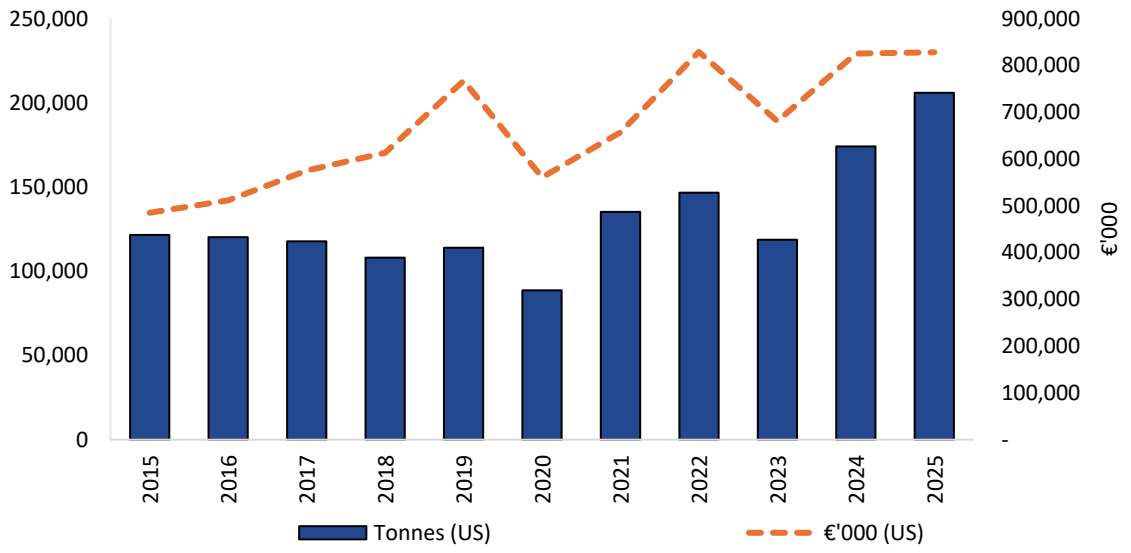
Simultaneously, the sector operates in a more complex global environment, characterised by cost pressures, regulation, and increased competition, reinforcing the importance of continued focus on innovation, sustainability, and competitiveness. This section examines the global industry developments, including the impact of geopolitical and trade-related tensions, and the implications these have for future growth.

5.2 Impact of Tariffs

Indecon would highlight that recent trade-related uncertainty in the sector's key export markets has represented a material challenge for drink producers in Ireland. The United States accounts for a significant share of Irish Drinks exports (around 40% in value terms in 2025), and the reintroduction of tariffs over the past 18 months led to significant levels of trade uncertainty across all drinks categories and ultimately the temporary suspension of some distilling capacity for a period in 2025. This experience underscores the sector's exposure to shifts in international trade policy and the continued importance of market diversification.

As shown below, the overall value of exports in 2025 to the United States were broadly similar to 2024 (see Figure 5.1), although the volume increased year-on-year. However, the overall annual figures mask the seasonality volatility that was apparent in all trade to the United States in 2025.

Figure 5.1: Analysis of Recent Exports Flows to the United States



Source: Indecon analysis of CSO Trade Data

Drinks Ireland and the Irish Whiskey Association have continued to call for a return to the zero-for-zero tariff trading arrangement between the EU and United States, which had been in place since 1997 and supported almost three decades of tariff-free transatlantic trade in spirits prior to recent disruption.[58] Announced in May 2026, and implemented by July 2026, the United States removed tariffs on Scotch Whiskey. In September 2026, President Trump announced that the US tariff on Irish Whiskey would be removed (as of October 2026, the tariff had not yet been removed). Also, tariffs continue to apply on other spirits (Irish Cream, gin, etc.) and beer exports to the US.

On the other hand, recent EU trade agreements offer meaningful diversification potential.[59] The EU-India Free Trade Agreement (FTA), concluded in January 2026, is expected to reduce Indian tariffs on EU spirits and beer substantially once it enters into force. For spirits, the current import tariff of 150% would fall to 75% immediately and then would be phased down to 40% over seven years. Gin would follow a slower trajectory, moving from 75% to 40% over ten years, in line with the UK-India arrangement. Tariffs on EU beer are set to be phased down from 110% to 50% over time, while non-alcoholic beer's tariffs will fall from 55% to 0% over five years. These reductions would address a barrier that had previously constrained Irish drinks exports to one of the world's largest and fastest-growing markets.[60]

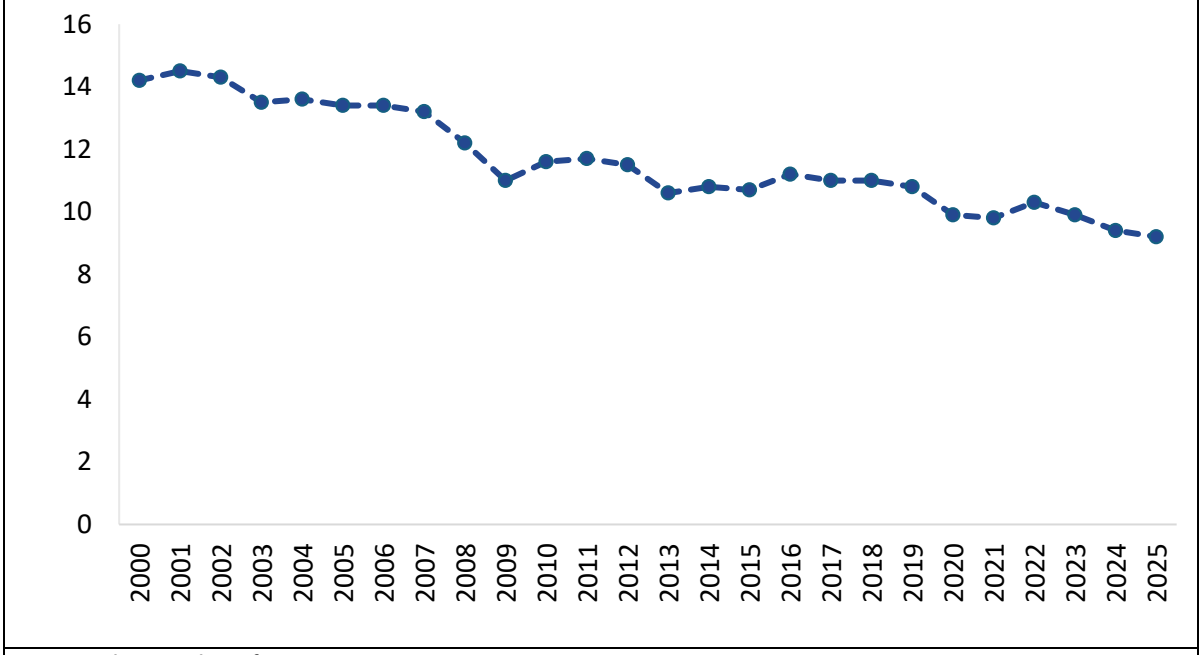
Separately, the EU-Mercosur Agreement, which has been provisionally applied from May 2026, is progressively reducing and eliminating tariffs on European wine and spirits over time exported to Argentina, Brazil, Paraguay and Uruguay.[61] Taken together, these agreements support the sector's ongoing diversification strategy and its reduced reliance on any single export market.

[58] https://www.thejournal.ie/drinks-industry-calls-for-return-to-zero-for-zero-arrangement-6796418-Aug2025/
[59] https://www.sullcrom.com/insights/memo/2026/January/EU-Strikes-Major-Trade-Deals-Mercosur-India
[60] https://finance.yahoo.com/news/eu-india-trade-deal-lower-120522107.html
[61] https://commission.europa.eu/topics/trade/eu-mercosur-trade-agreement_en

5.3 Global Trends

A key trend is the evolution of consumption behaviours. Per capita alcohol consumption in Ireland has fallen significantly over the past two decades, declining by approximately 36%, with consumption estimated at 9.24 litres per adult in 2025.[62]

Figure 5.2: LPA in Ireland over Time



Source: Indecon analysis of OECD Data

Ireland is now characterised as a mid-consumption country in a European context. This reflects changing societal preferences and increased health awareness.[63] Importantly, this transition has not diminished the relevance of the Drinks Sector; rather, it has driven a shift towards innovation, product diversification and greater alignment with consumer expectations, while reinforcing the sector's strong export focus and its ongoing drive to diversify across international markets.

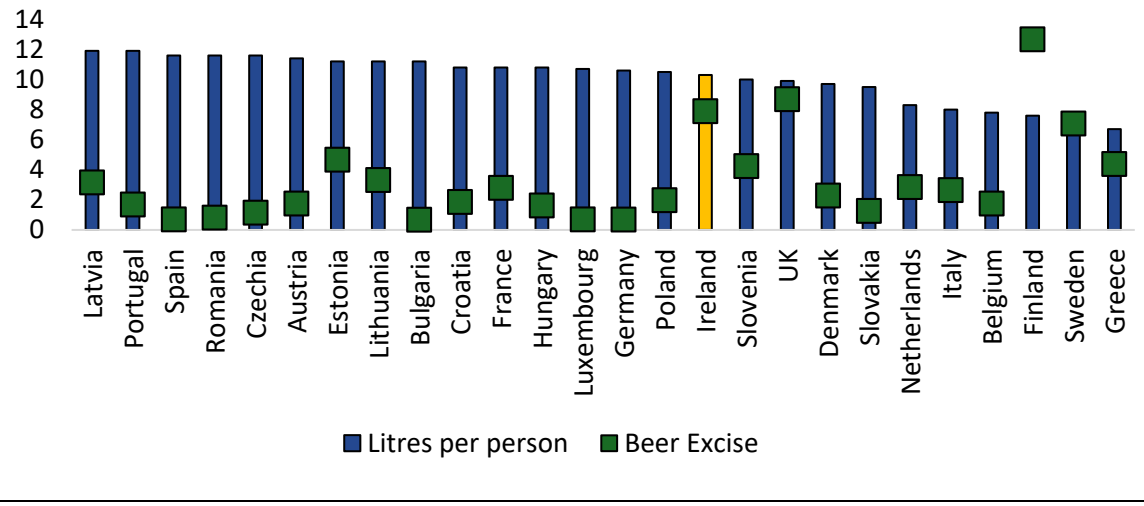
Although a mid-consumption country, excise in Ireland remains in the top three highest rates in the EU for Beer (third highest), Wine (second highest) and Spirits (third highest). This puts financial pressure on Irish drink producers, many of which are craft.[64] The recent closures of several breweries and distilleries reinforce the financial pressure many of these producers currently face.

Drinks Ireland, working as part of the Drinks Industry Group of Ireland (DIGI), continue to call on Government for a reduction in excise levels on alcohol and to begin a process of moving towards EU norms of taxation.

[62] DIGI: https://www.drinksindustry.ie/news/alcohol-consumption-in-ireland-continues-to-fall-with-36-reduction-over-25-years; OECD: https://www.oecd.org/en/data/indicators/alcohol-consumption.html
[63] Source: https://www.ibec.ie/drinksireland/news-insights-and-events/news/2025/12/new-consumer-research-from-drinks-ireland
[64] Source: DIGI International Comparison of Irish Alcohol excise Taxation. Source: https://www.drinksindustry.ie/assets/documents/International-Comparisons-of-Irish-Alcohol-Excise-Taxation-in-the-European-Union-and-the-UK-2025_FINAL.pdf

Positive moves have been made by Government to extend excise relief and thresholds for craft producers in the beer and cider categories, under the EU legislative framework. Drinks Ireland believe that this same EU framework needs to be reviewed to facilitate meaningful excise relief support for smaller distillers.

Figure 5.3: LPA and Beer excise in EU Countries (2025)



Source: Indecon analysis of OECD Data
Note: The same pattern is visible with Spirit and Wine excise rate.

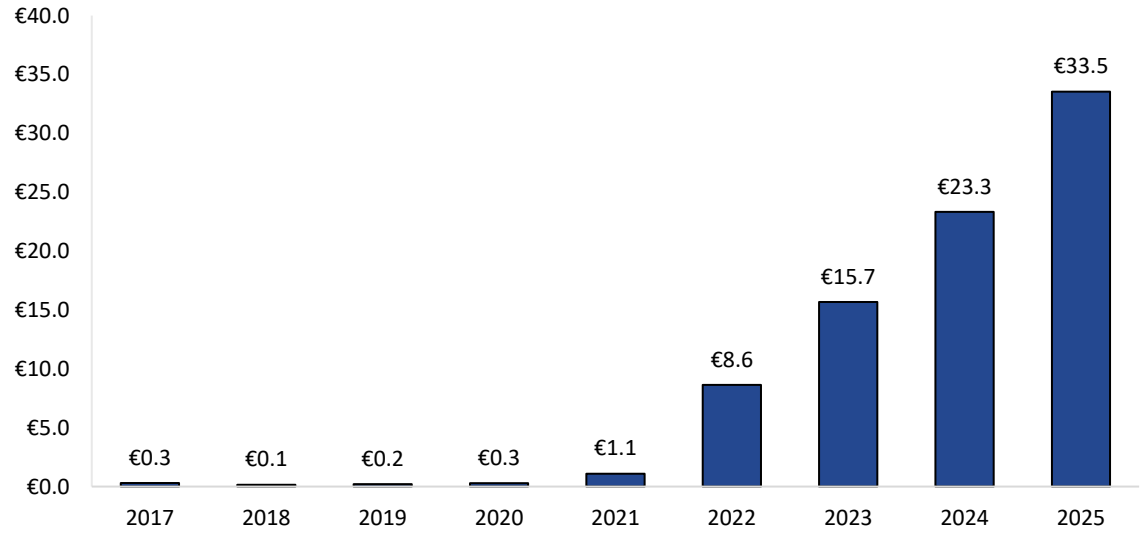
Innovation remains a defining feature of the global market. Growth in new products and formats, including but not exclusive to RTDs, new flavour profiles, and diversified product offerings is enabling producers to engage a wider consumer base and create new social occasions. For example, Irish RTD products grew at a more substantial rate than imported RTDs in 2024 (25% vs 15%) in Ireland.[65]

At a global level, non-alcoholic beer has been one of the strongest-performing segments of the drinks market. Preliminary data from IWSR indicate that global no-alcohol beer volumes grew by 8% in 2025, with value up 12%.[66]

In Ireland, sales of non-alcoholic beer have also grown significantly in recent years, and this growth continued in 2025, with sales estimated to have increased by 12.5%. Production more than doubled between 2023 and 2025 as producers responded to growing demand, and the category now accounts for approximately 3% of the Irish beer market, a 200% increase over the last five years. This highlights a significant shift in consumer behaviour over a relatively short period. The expansion of these products reflects increasing consumer demand for choice and balance, while still maintaining engagement with the category. This expansion can also be seen in Ireland's exports, illustrated in the table below.

[65] Source: Irish Spirits Market Report 2024
[66] https://www.theiwsr.com/insight/press-release/global-beverage-alcohol-declines-amid-volatile-economic-landscape/

Figure 5.4: Value of Non-Alcoholic Beer Exports over Time (€'millions)



Source: Indecon analysis of CSO Trade Data

The global operating environment is also being shaped by rising input costs, including energy, raw materials and labour, as well as ongoing geopolitical uncertainty. Eurostat data confirm that Ireland had the highest electricity prices of any EU member state in the second half of 2025, at 40.42 cent per kilowatt-hour, nearly 40% above the EU average of 28.96 cent.[67] Water charges have emerged as a particular pressure point for the sector: a 9.8% increase in non-domestic water charges has placed severe strain on smaller breweries and distillers in particular, with some producers reporting cost increases of between 50% and 100%, contributing to a number of closures.[68]

These factors are also contributing to margin pressures across the value chain and influencing both pricing strategies and consumer purchasing behaviour. In parallel, the regulatory and policy landscape continues to evolve. Sustainability has also become a core strategic priority for the sector, with greater emphasis on resource efficiency, circular packaging, and reducing environmental impact.

Finally, the global drinks sector remains highly competitive. Consolidation in the market and strong competition are increasing the challenges for producers in securing market access, visibility and pricing power.

5.4 Growth Opportunities and Future Potential

The global trends identified above have important implications for the Irish Drinks sector, shaping both the opportunities available and the challenges that must be addressed. Stakeholders highlighted a range of significant growth opportunities and areas of future potential.

At a strategic level, future growth in the Irish Drinks sector will be driven by a combination of international expansion, strong brand positioning, innovation, and continued investment in sustainability and regional development. Together, these factors provide a solid foundation for strengthening the sector's economic, cultural, and social contribution across Ireland.

[67] https://www.rte.ie/news/ireland/2026/0523/1574815-ireland-electricity-prices/
[68] https://www.irishtimes.com/business/2025/08/15/as-beer-is-90-water-hike-in-water-charges-means-many-small-breweries-are-going-to-go-out-of-business/

International Expansion and Market Diversification

There is significant potential to build on Ireland's global reputation for high-quality drinks products. A central opportunity lies in continued export expansion and market diversification. Strong demand in emerging markets, alongside opportunities in established markets provides a basis for sustained international growth. Rising incomes, expanding middle classes, and increasing demand for international brands are key drivers in these markets.

India represents a significant opportunity for Irish drinks producers to build on already-strong momentum, with the reduction in Indian tariffs likely to accelerate this trajectory further by lowering a longstanding barrier to entry in a market with a large and growing consumer base. Mercosur (the South American Trade Bloc) offers a similar opportunity, with the removal of tariffs on spirits providing a foundation for producers to build a presence across South America. Together, these developments reinforce the sector's strategy of reducing reliance on any single market by building depth across a broader base of export destinations.

Strengthening awareness of Irish drinks in newer markets will be particularly important in positioning the category against well-established international competitors. Achieving this will require a balanced and coordinated approach to market development, supported by investment in brand-building, market education, and the establishment of effective routes to market and local partnerships.

Maintaining stable trading relationships with current partners also remains important, as tariffs and broader trade policy developments can increase costs and create uncertainty for exporters. Continued engagement with Government will also be important in supporting market diversification, facilitating trade and promoting Irish drinks products in international markets.

Drawing on Irish Identity and Cultural Capital

A key competitive strength of the Irish Drinks sector is that it forms an integral part of Ireland's distinctive cultural identity and heritage. The global appeal of Irish culture, combined with strong links to tourism, sport, and the arts, provides a powerful platform to enhance brand recognition and support export growth.

This is reinforced by the sector's strong presence across both urban and rural Ireland, with distilleries, breweries and visitor centres contributing significantly to regional economies and local communities. In this context, "Irishness" remains a distinctive and valuable competitive advantage in global markets.

Drinks Tourism and Regional Development

Drinks tourism represents a further area of significant growth potential. The continued expansion of distillery and brewery visitor experiences, together with regional tourism trails, generates direct economic activity and strengthens Ireland's global drinks reputation. Visitor experiences can also support the viability of emerging producers by providing an additional source of revenue and cashflow.

The Drinks Sector plays a central role in Ireland's hospitality and tourism offering, underpinned by a strong pub culture and rich social traditions. Growth in food and drinks tourism delivers direct benefits to local economies, supports regional employment, and reinforces the link between Irish drinks and place-based experiences.

Premiumisation

Premiumisation remains an important driver of value growth within the sector. Opportunities exist to expand high-value product categories and segments of the market. Continued investment in product quality, brand development, and premium experiences will support the sector's international competitiveness.

There is also evidence of sustained demand at the top end of the market, including for super-premium products, even in the context of broader economic pressures. To fully realise this opportunity, there is a need to reinforce clear positioning around authenticity, provenance, and quality, and to further develop premium packaging, limited editions, and high-quality on-trade experiences.

Product Innovation and Consumer Engagement

Innovation will continue to play a critical role in future development. Growth in new products and formats, including RTDs, low- and no-alcohol offerings, gluten-free products and new flavour profiles, provide opportunities to broaden participation and respond to evolving consumer preferences. The development of smaller product formats can enhance accessibility and encourage consumer trial, while also supporting convenience and portability.

Sustainability

Sustainability is emerging as a key source of competitive advantage. Investment in sustainable production processes, circular packaging, and resource efficiency can enhance both cost competitiveness and market positioning, particularly as environmental considerations become increasingly important for consumers and regulators. Sustainability is now playing an increasingly important role in driving consumer purchasing decisions for food and drink products, with 45% of Irish consumers choosing to pay for more environmentally conscious options.[69]

The sector also benefits from a strong indigenous supply base, with close linkages to Irish agriculture and local suppliers. Approximately 64% of agricultural inputs are sourced from Irish farms, underpinning a “farm-to-glass” model that not only supports rural economies but also strengthens the sector’s sustainability credentials and authenticity.

Sustainability is also significant from a cost perspective. Recent increases in water and electricity prices have made resource efficiency a growing financial consideration, alongside its environmental benefits.

Operational and Capability Enhancements

At a structural level, the global marketplace is becoming increasingly competitive. There are also opportunities to enhance competitiveness through operational and capability improvements. The adoption of increased digitalisation across supply chains and innovation in distribution models can deliver efficiency gains and support cost management. These developments will be particularly important in maintaining competitiveness in a challenging global environment characterised by rising costs and increasing competition.

Regulatory Factors

While the sector recognises the value of appropriate regulation, increasing complexity in areas such as labelling, and compliance frameworks can create additional operational and administrative burdens, especially when not mirrored internationally. In recent years, Ireland has introduced a regulatory framework, most notably through the Public Health (Alcohol) Act 2018, which introduced a range of measures governing pricing, marketing, availability and consumer information. In addition, new unilateral alcohol health-labelling requirements, originally due to apply in May 2026 but paused until September 2028 go beyond current EU-wide standards, meaning exporters may need Ireland-specific labels, adding cost and complexity that could make exporting more difficult. Greater clarity and consistency in regulatory approaches, particularly at EU level, is seen as important in supporting sectoral growth.

[69] https://www.bordbia.ie/globalassets/irish-food-service-2021/2021_irish-foodservice-marketconsumer-insights-report.pdf

5.5 Summary of Global Trends and Opportunities

The Irish Drinks sector is well positioned for future growth, underpinned by its strong international reputation for quality, authenticity, and heritage. Opportunities exist across both established and emerging markets, particularly where demand for premium international brands is increasing. Ireland's distinctive cultural identity, combined with strong links to tourism and hospitality, provides a clear competitive advantage. The continued development of distilleries, breweries and visitor experiences further strengthens the sector's contribution to regional economies and Ireland's global brand.

Consumers are increasingly seeking greater flexibility and choice across different occasions, with growing emphasis on quality, balance and moderation. Importantly, these developments are complementary to, rather than a substitute for, traditional alcohol consumption. Future growth will be supported by innovation and evolving consumer offerings, alongside increasing focus on sustainability and operational efficiency.

This potential is contingent on the sector and wider government managing current challenges. Overall, the Irish Drinks sector retains significant potential to expand and continue delivering economic, social and cultural value across Ireland.

6 Conclusions and Summary of Key Findings

This report presents an evidence-based assessment of the economic contribution of the Irish Drinks sector to the Irish economy as of 2025. The findings demonstrate that the sector is a significant, productive and integrated component of Ireland's economy and social fabric. The sector delivers substantial value across production, exports, employment, tourism, agriculture and regional development, driven by strong growth, specifically in whiskey, cream liqueur, and beer exports over the past 15 years.

The direct economic footprint of the sector is substantial. Across the island of Ireland, the drinks industry supports approximately 4,726 jobs in manufacturing and distribution, generates €3.8 billion in turnover and €2.1 billion in Gross Value Added (GVA), and contributes €3.2 billion directly to Exchequer revenues. The sector is also characterised by exceptionally high labour productivity, with output per worker of €809,325 and GVA per employee of €452,800, both significantly higher than the equivalent estimates for the food manufacturing sector. Export performance is a particular strength, with Irish drinks exports valued at €2.7 billion on an all-island basis, accounting for approximately 2.5% of global alcohol exports. This figure significantly exceeds Ireland's overall share of world trade. The sector also maintains extensive linkages with domestic agriculture, purchasing €815.2 million in locally sourced inputs annually. The sector widely supports our 5,800 specialist tillage producers and 17,500 dairy farms across the island, with Irish farms supplying 64% of all agricultural inputs.

When wider supply chain, tourism and induced effects are taken into account, the sector's contribution expands considerably. Total economy-wide employment supported rises to approximately 12,800, while combined GVA reaches approximately €4.1 billion. The sector attracts over 2.7 million visitors annually to distilleries and breweries, reinforcing its role as an anchor of Ireland's experience economy and a key driver of hospitality and retail activity, estimated to support between 26,000 and 37,000 downstream jobs.

A defining characteristic of the sector is its regional depth. With approximately 92% of whiskey distilleries and 85% of breweries and cider producers located outside Dublin, the sector underpins economic activity and employment across all provinces. Munster, Ulster (including Northern Ireland), and Leinster outside Dublin each represent important production and employment hubs, while the sector's alignment with Ireland's major tourism routes reinforces its contribution to regional tourism and local economies.

Drinks producers are rooted in local communities and supply chains and closely integrated with the agri-food sector. In 2025, this included nearly 273,000 tonnes of Irish barley, significant volumes of Irish apples used in cider production, and around 354 million litres of Irish milk, underscoring the sector's deep integration with domestic agriculture and its 'grain-to-glass' ethos across the entire island.

The sector also demonstrates significant future potential. Irish drinks exports have expanded rapidly into emerging markets, with notable growth in India, China, Mexico, Nigeria, and South Africa since 2015. Innovation in drink formats and flavours, alongside premiumisation across categories, provides further opportunity to broaden the sector's consumer base and enhance export value. Ireland's distinctive cultural identity and the global recognition of its drinks brands position the sector well to capitalise on growing international demand for authentic, provenance-led products.

However, realising this potential will require supportive policy conditions. Ireland's excise rates remain among the highest in the EU for beer, wine and spirits, placing a burden on producers. Addressing this, alongside ensuring regulatory clarity and consistency at EU level, would strengthen the operating environment for Irish drinks producers and support long-term investment and

employment across the island. In addition, geopolitical and trade-related uncertainty reinforces the continued importance of a coordinated government response and market diversification.

Overall, Indecon's assessment confirms that the Irish Drinks sector is a strategically important and an economically significant industry. Its contribution extends beyond direct production, underpinning rural livelihoods, cultural heritage, regional tourism, agricultural supply chains and Ireland's international reputation. The sector is well positioned to sustain and extend this contribution in the years ahead.



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