



Drinks Ireland
Beer

Irish Beer Market Report 2021

drinksireland.ie/beer

Introduction

2021 was another challenging year for Ireland's brewing sector. The first half of 2021 saw the continued lockdown of the hospitality sector which had a significant impact on sales and production. This market report will highlight the impact the pandemic continued to have on the sector last year. Total beer sales declined by 1.2% while per capita consumption fell by 2.3% compared to 2020. This followed a significant fall in sales in 2020 when the pandemic first hit. This report illustrates how sales were low in the first half of year, but that there was a significant recovery in H2.

In more encouraging news, beer's share of the alcohol market increased from 38% in 2020 to 40% and remains Ireland's favourite alcohol beverage. Beer's market share before the pandemic was steady at 45%. Prior to Covid-19, typically just over 60% of beer sales are in Ireland's pubs, restaurants, and hotels. In 2020, an estimated 29% of beer sales were from the hospitality sector. The on-trade market share went up to 46% in 2021, primarily driven by the easing of restrictions in the hospitality sector in H2.

The starkest figure is the fall in production. In 2020, production fell by 13% and fell by a further 46% in 2021. The value of beer exports also continued to fall, but only marginally by 3%. This reflects the lower demand for Irish beer from the domestic hospitality sector and international markets. The most popular destination for Irish beer continues to be Great Britain, with the United States in second place.

The prolonged closure of the hospitality sector had an impact on the types of beer that were sold in 2020. For example, stout sales typically make up around 30% of overall beer sales, but in 2020 stout made up just 25% of beer's market share. In 2021, stout's market share rose to 32%, reflecting a return to normality in the market share of the different beer variants. Lager's market share fell from 69.5% in 2020 to 61.2% in 2021. Ale's share recovered somewhat by going up from 4% in 2020 to 5% in 2021, while non-alcoholic beer's market share continues to rise, going from 1.1% in 2020 to 1.4% in 2021. In 2017, non-alcoholic beer's market share was 0.4%, which highlights its growing popularity.

For the second consecutive year, beer was not the biggest contributor of excise receipts to the exchequer within the alcohol market. In 2021, beer contributed €351 million to the exchequer in excise receipts, the same amount as the year before. In the past decade, the exchequer has received €3.9 billion in excise receipts from the brewing sector. Irish beer drinkers continue to pay the second highest rate of excise on beer in the EU with 55 cents worth going to the exchequer from each pint of lager.

Going forward, Drinks Ireland | Beer urges the government to reduce the rate of excise in this year's budget. Arising from the introduction of a minimum unit price on alcohol products, coupled with cost-of-living increases, an excise reduction would benefit hard pressed consumers. Following two of the most challenging years for the brewing sector and the ongoing issue of spiralling business costs, an excise reduction would enable more investment and innovation within the sector.

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

In 2020 an estimated 29% of beer sales were from the hospitality sector. The on-trade market share went up to 46% in 2021. This was primarily driven by the easing of restrictions in the hospitality sector in H2.



Headlines

	2020	2021	Difference
Total production (1,000HL)	7,100	3,828	-46%

Source: Drinks Ireland Beer Members

	2020	2021	Difference
Total employment	1,147	923	-19

Source: Drinks Ireland Beer Members

	2020	2021	Difference
Total consumption (1000HL)	3,748	3,703	-1.2%

Source: Revenue Commissioners

	2020	2021	Difference
Per capita consumption	62.1	60.7	-2.3%

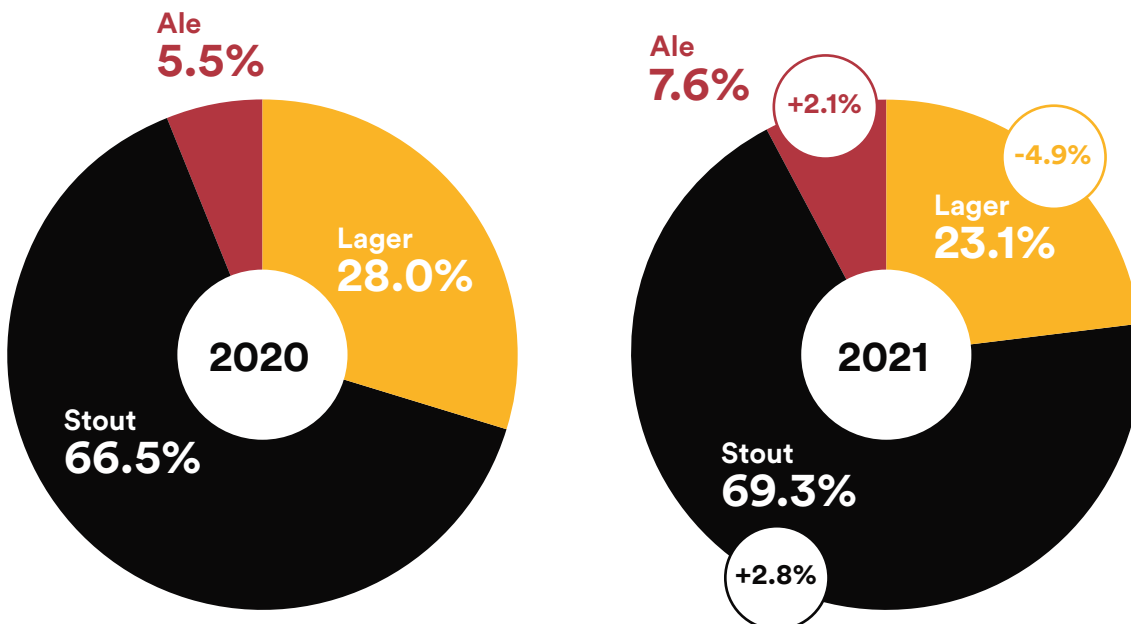
Source: Calculation based on consumption but as 5% ABV (pan-European benchmark) and CSO population estimated figure of 2021 Census of 5,010,000.

	2020	2021	Difference
Export value	€254m	€246m	-3%

Source: Eurostat



Variant share of production in 2020



Source: Drinks Ireland Beer Members

Sales channel

	2020	2021
On-Trade	29.7%	46.4%
Off-Trade	70.3%	53.6%

Source: Drinks Ireland Beer Members

Variant share of sales

	2020	2021	Difference
Lager	69.5%	61.2%	-8.3%
Stout	25.3%	32.2%	+6.9%
Ale	4.1%	5.1%	+1.0%
Non-alcohol	1.1%	1.5%	+0.4%

Source: Drinks Ireland Beer Members

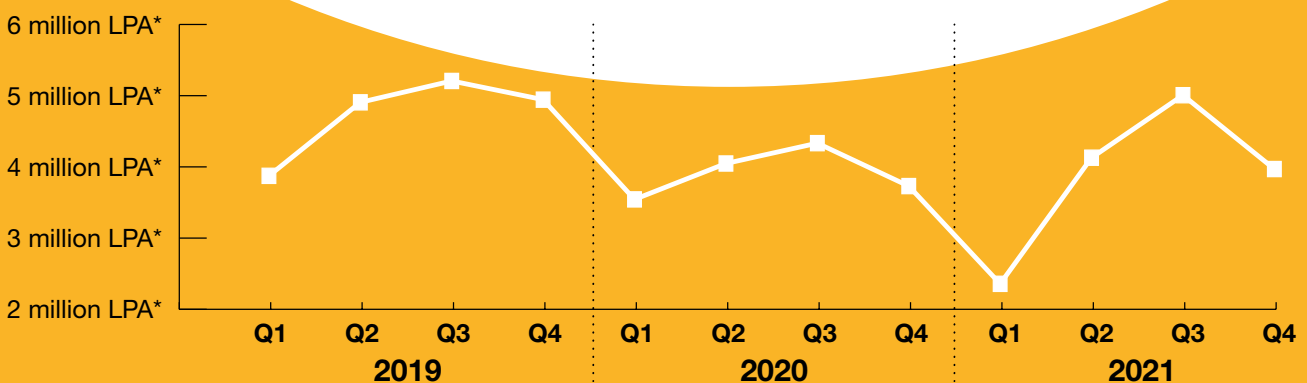
Variant	2020 on-trade	2020 off-trade
Lager	24.2%	76.8%
Stout	43.3%	56.7%
Ale	43.5%	56.5%
Non-alcohol	14.8%	85.2%

Source: Drinks Ireland Beer Members

Variant	2021 on-trade	2021 off-trade
Lager	37.9%	62.1%
Stout	38.6%	61.2%
Ale	64.0%	36.0%
Non-alcohol	14.9%	85.1%

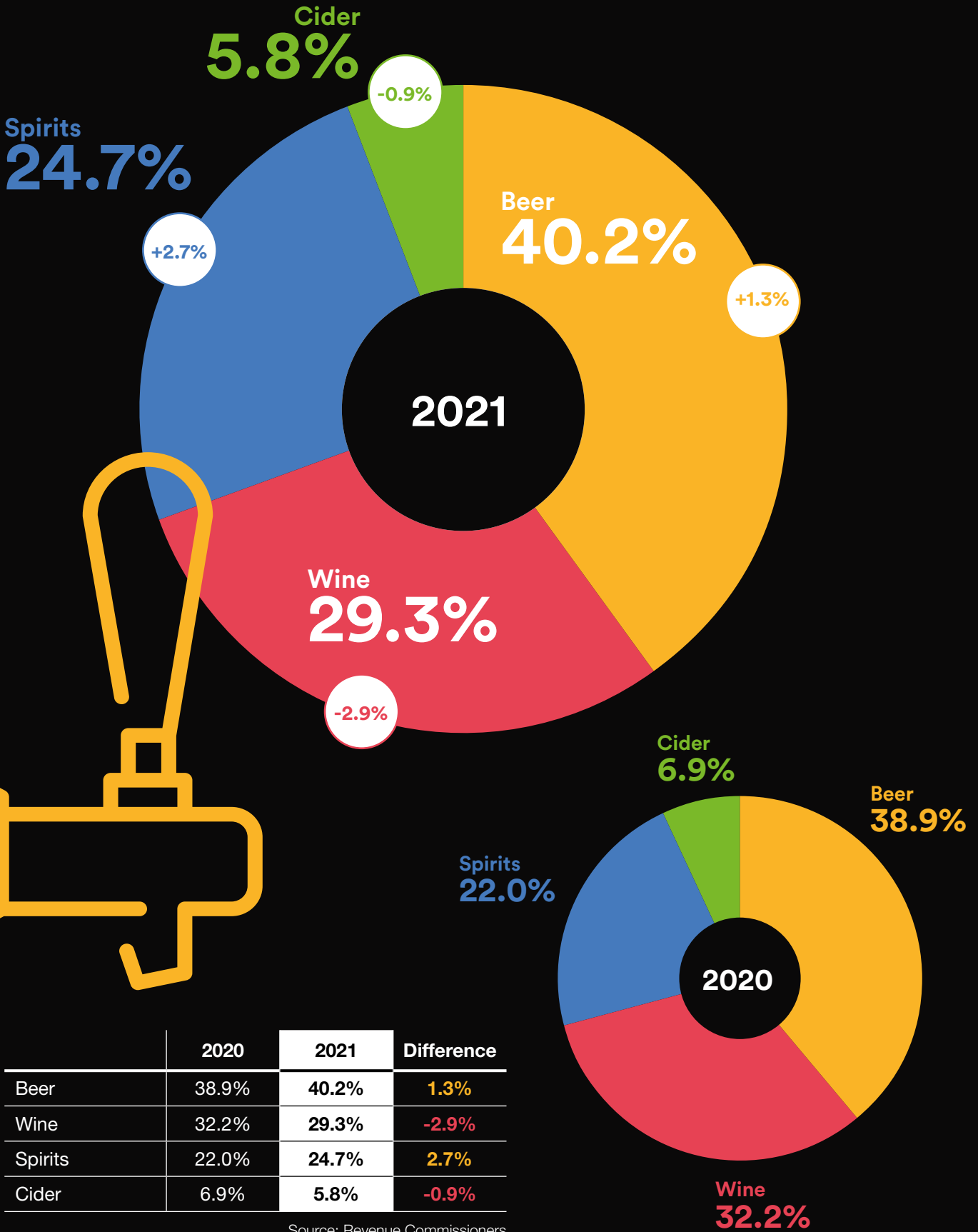
Source: Drinks Ireland Beer Members

Quarterly beer sales over the past 3 years



Source: Revenue Commissioners
*Litres of Pure Alcohol

Alcohol consumption by category mix



Source: Revenue Commissioners

Excise receipts (€ million)

Year	Beer	Wine	Spirits	Cider	Total	Beer as %
2012	€308	€231	€284	€43	€866	36%
2013	€358	€302	€290	€52	€1,002	36%
2014	€425	€355	€302	€59	€1,141	37%
2015	€417	€355	€311	€54	€1,137	37%
2016	€430	€380	€338	€59	€1,207	36%
2017	€424	€382	€353	€61	€1,220	35%
2018	€430	€376	€372	€61	€1,239	35%
2019	€421	€378	€373	€60	€1,233	34%
2020	€351	€425	€374	€53	€1,203	29%
2021	€351	€385	€389	€51	€1,176	30%

Source: Revenue Commissioners

Excise duty on a pint of lager

Excise contribution in decade
€3.915 billion

Excise duty on a pint of stout



Source: DIGI

EU (incl. UK) Beer Excise Rates in 2021

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

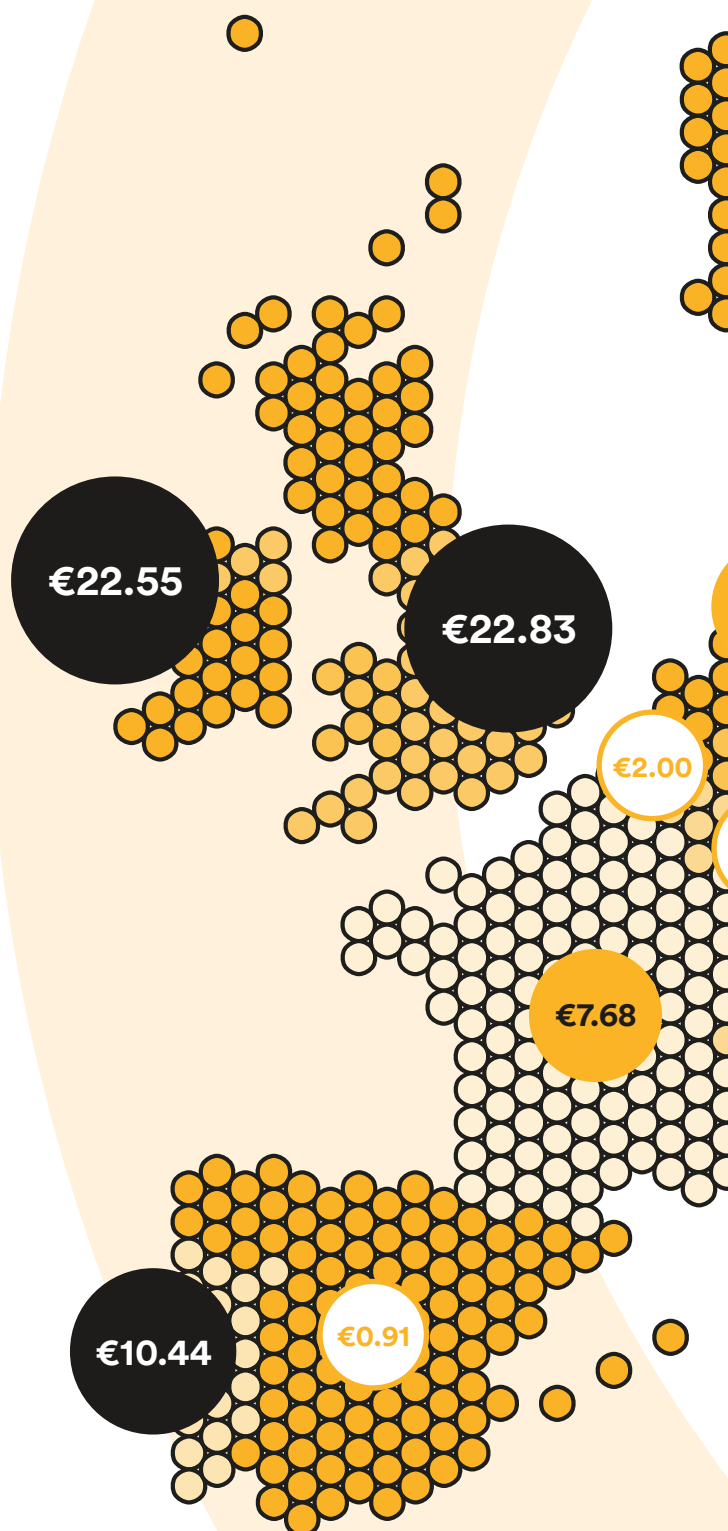
Rank	Country	Euro per HL
1	Finland	€38.05
2	United Kingdom	€22.83
3	Ireland	€22.55
4	Sweden	€19.26
5	Estonia	€12.70
6	Slovenia	€12.10
7	Portugal	€10.44
8	Netherlands	€8.83
9	Latvia	€8.20
10	France	€7.68
11	Lithuania	€7.11
12	Denmark	€6.54
13	Cyprus	€6.00
14	Croatia	€5.28
15	Greece	€5.00
16	Hungary	€4.50
17	Slovakia	€3.58
18	Italy	€2.99
19	Belgium	€2.00
20	Austria	€2.00
21	Malta	€1.93
22	Poland	€1.90
23	Czech Republic	€1.18
24	Spain	€0.91
25	Luxembourg	€0.79
26	Germany	€0.78
27	Bulgaria	€0.76
28	Romania	€0.74

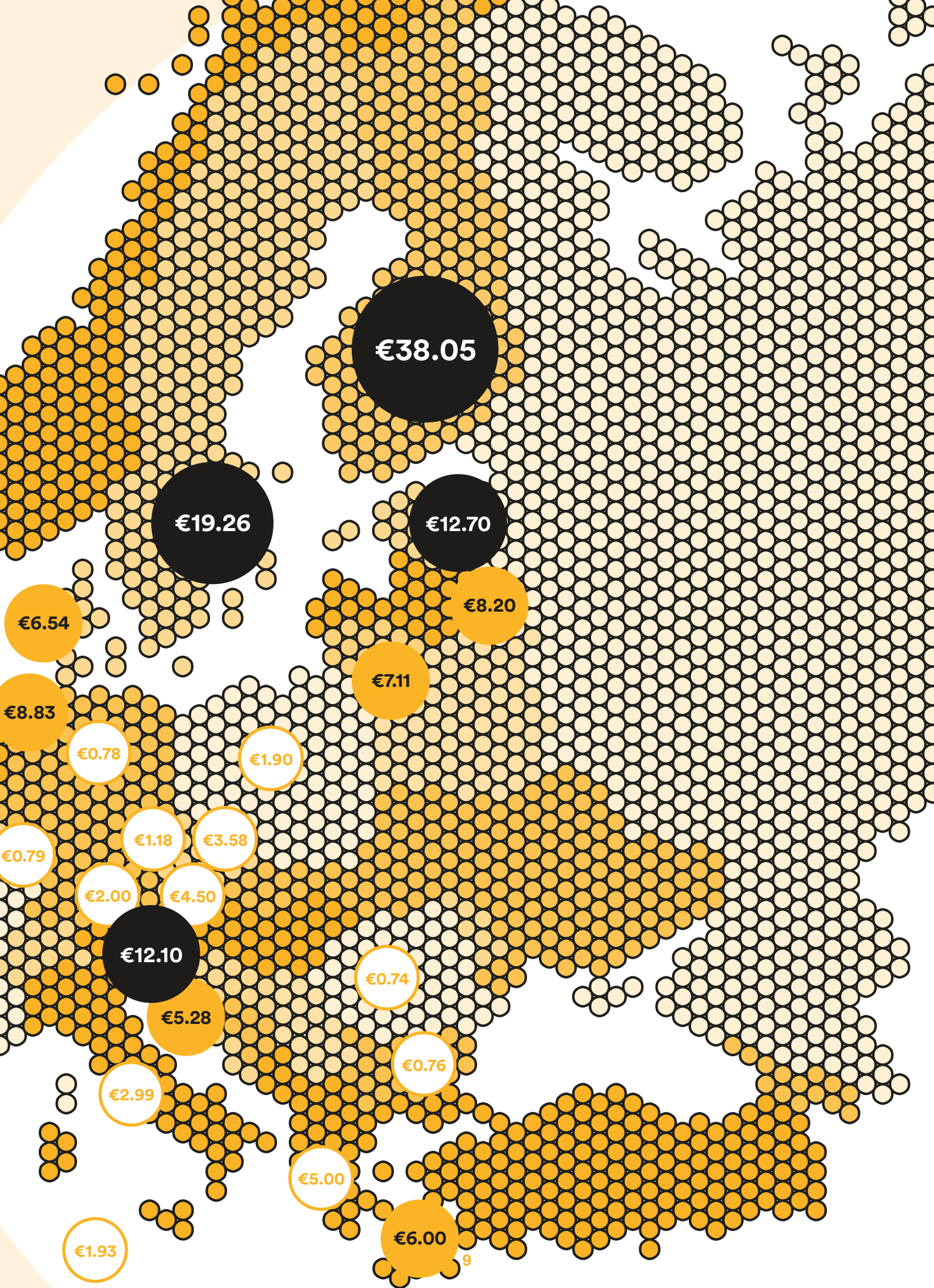
Rates in 2021
Source: European Commission

Export destinations

Rank	Country	€
1	United Kingdom	€91m
2	USA	€49m
3	France	€26m
4	The Netherlands	€15m
5	Germany	€9m

Source: Eurostat









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

Drinks Ireland | Beer is a part of Drinks Ireland



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



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