




IRISH
CIDER
ASSOCIATION



Cider

The Irish Cider
Market Report
2018

abfi.ie/cider



The **Irish Cider Association has produced its first cider report since 2012. Given the growing number of cider producers in Ireland and the increased interest in the product from some of Ireland's established drinks companies, the Irish Cider Association has decided to reactivate in order to represent the interests of the sector. A key part of this reactivation is to produce a cider market report to illustrate the performance of this alcohol variant.**

Once the spirits category is split into different variants (such as whiskey, vodka and gin) cider is Ireland's third most popular alcoholic beverage with a market share of 7.5% in 2018, according to Revenue. Its market share that has decreased marginally from 7.7% the previous year. Cider consumers in Ireland are blessed with an unprecedented selection of cider brands from both craft cider producers and some well-established drinks manufacturers. It is estimated that over 50,000 tonnes of apples are used every year to manufacture cider in Ireland. In 2018 cider consumption rose marginally by 0.43% compared to the previous year.

While the increased selections of cider products for Irish consumers is encouraging, the performance of Irish cider exports in the last decade is a cause for concern. Today, about 85% of cider exports go to the UK. Uncertainty around Brexit and the looming threat of an excise increase in Budget 2020 could impact on investment within the sector.

Like other alcohol variants, cider makes a significant contribution to the exchequer to the tune of €61 million in 2018. Over the past decade it has contributed over half a billion Euro in excise alone to the exchequer. Irish cider consumers pay the third highest rate of excise on cider in the European Union. Considering the uncertainty around Brexit, the Irish Cider Association calls on the government to reduce the excise rate on cider in order to offer relief to the cider producers.

Jonathan McDade
Head of the Irish Cider Association



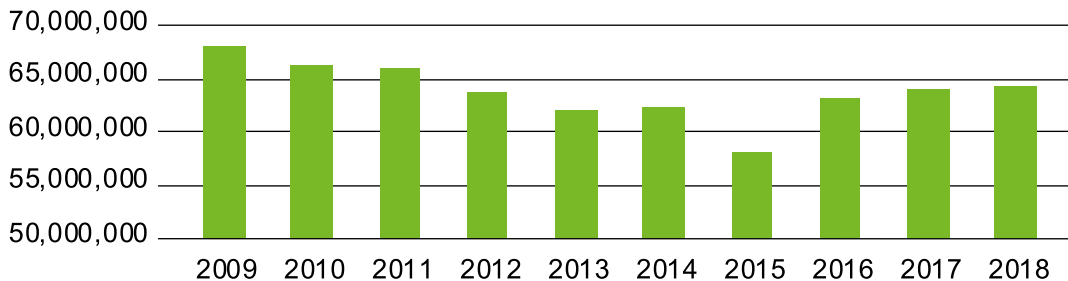
Total cider consumption (litres of cider)

| Year | Litres of Cider |
|------|-----------------|
| 2009 | 68,041,743 |
| 2010 | 66,361,233 |
| 2011 | 66,022,433 |
| 2012 | 63,763,095 |
| 2013 | 62,137,945 |
| 2014 | 62,410,778 |
| 2015 | 58,100,576 |
| 2016 | 63,068,636 |
| 2017 | 64,021,782 |
| 2018 | 64,299,656 |

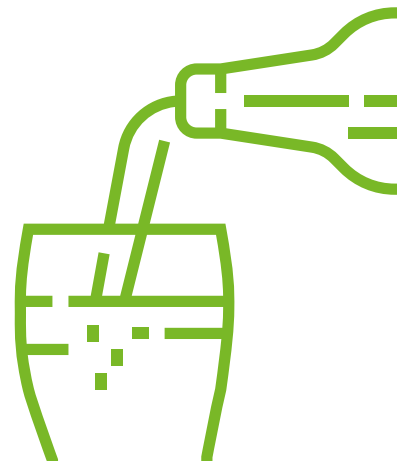
Source: Revenue




Cider consumption



Source: Revenue



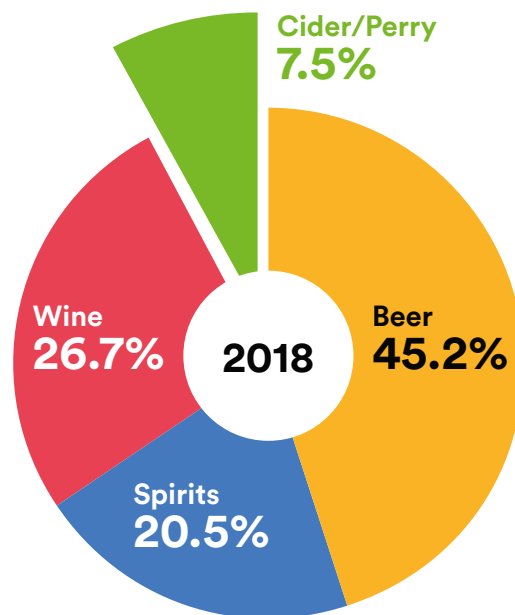


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cider exports go to
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an excise increase in
Budget 2020 could
impact on investment
within the sector.**

Consumption market share

| Year | Beer | Spirits | Wine | Cider/Perry |
|------|------|---------|------|-------------|
| 2009 | 50.7 | 17.5 | 23.3 | 8.5 |
| 2010 | 47.7 | 18.5 | 25.9 | 7.9 |
| 2011 | 46.5 | 19.2 | 26.5 | 7.8 |
| 2012 | 46.2 | 19.8 | 26.3 | 7.6 |
| 2013 | 47.0 | 18.9 | 26.0 | 8.1 |
| 2014 | 47.2 | 18.1 | 26.8 | 7.8 |
| 2015 | 47.0 | 18.7 | 27.7 | 6.6 |
| 2016 | 45.8 | 19.1 | 27.6 | 7.5 |
| 2017 | 44.8 | 19.8 | 27.7 | 7.7 |
| 2018 | 45.2 | 20.5 | 26.7 | 7.5 |

Source: Revenue



The cider industry has contributed over half a billion euro in excise in the last ten years.

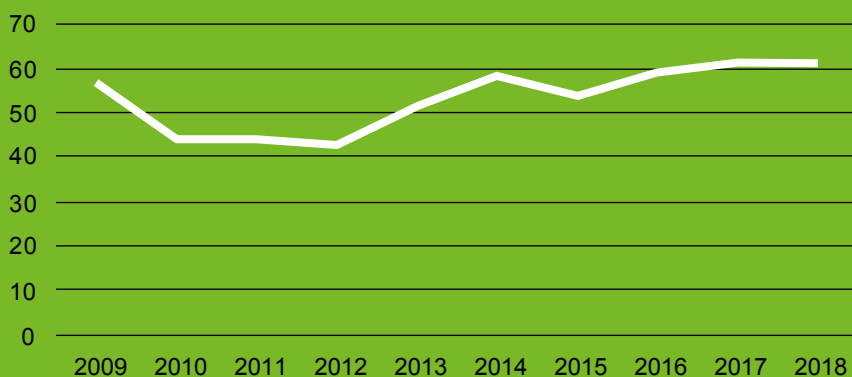
Excise receipts

| Year | Beer | Spirits | Wine | Cider/Perry | TOTAL | % |
|-------------|--------------|--------------|--------------|-------------|---------------|-------------|
| 2009 | 404.3 | 264.1 | 242.5 | 57.1 | 968.0 | 5.5% |
| 2010 | 320.1 | 243.5 | 218.8 | 44.0 | 862.0 | 5.1% |
| 2011 | 307.3 | 247.3 | 231.0 | 44.0 | 830.0 | 5.3% |
| 2012 | 308.0 | 263.9 | 231.4 | 42.8 | 846.0 | 5.0% |
| 2013 | 358.0 | 290.3 | 302.1 | 51.6 | 1002.0 | 5.1% |
| 2014 | 424.8 | 301.8 | 354.6 | 58.5 | 1139.8 | 5.1% |
| 2015 | 417.0 | 311.0 | 355.0 | 54.0 | 1137.0 | 4.7% |
| 2016 | 430.0 | 338.0 | 380.0 | 59.0 | 1207.0 | 4.8% |
| 2017 | 424.0 | 353.0 | 382.0 | 61.0 | 1220.0 | 5.0% |
| 2018 | 430.1 | 372.2 | 376.4 | 61.2 | 1239.9 | 4.9% |



Source: DIGI

Cider/Perry – €m / annum



Source: DIGI





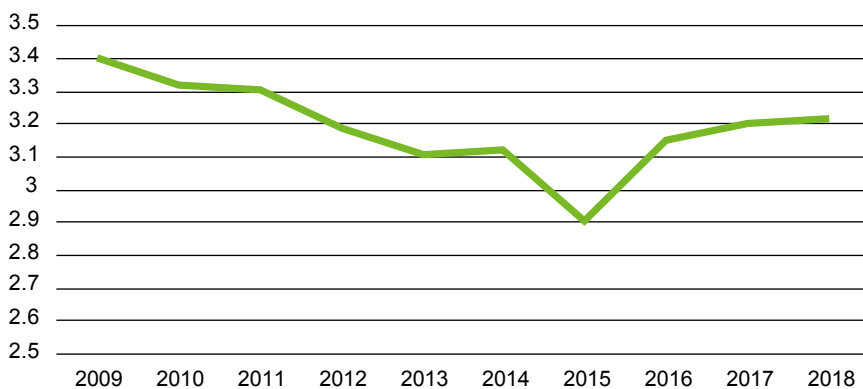
**It is estimated that
over 50,000 tonnes of
apples are used every
year to manufacture
cider in Ireland.**

Consumption per capita

| Year | Adult population – Millions (15 and over) | Million litres Alcohol content (5%) of cider | Average cider consumption per adult, litres of pure alcohol |
|------|---|--|---|
| 2009 | 3.5970 | 3.402 | 0.95 |
| 2010 | 3.5971 | 3.318 | 0.92 |
| 2011 | 3.5983 | 3.301 | 0.92 |
| 2012 | 3.6057 | 3.188 | 0.88 |
| 2013 | 3.6208 | 3.107 | 0.86 |
| 2014 | 3.6478 | 3.121 | 0.86 |
| 2015 | 3.6862 | 2.905 | 0.79 |
| 2016 | 3.7340 | 3.153 | 0.84 |
| 2017 | 3.7855 | 3.201 | 0.85 |
| 2018 | 3.8482 | 3.215 | 0.84 |

Source: CSO and Revenue

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



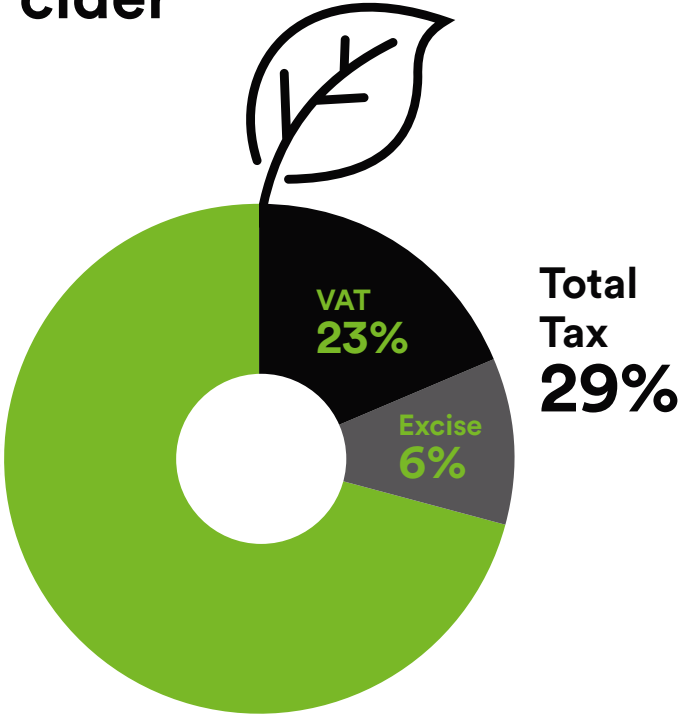
Source: CSO and Revenue



Excise & VAT on a pint of cider

| Year | Cider/Perry |
|--|--------------|
| On basis of CSO national average price of a pint of cider in a bar | €5.14 |
| VAT at 23% | €0.96 |
| Excise on cider of alcohol content of between 2.8% and 6% | €0.54 |
| Amount left over | €3.64 |
| Total Tax | €1.50 |
| % of price | 29.2% |

Source: CSO and Revenue



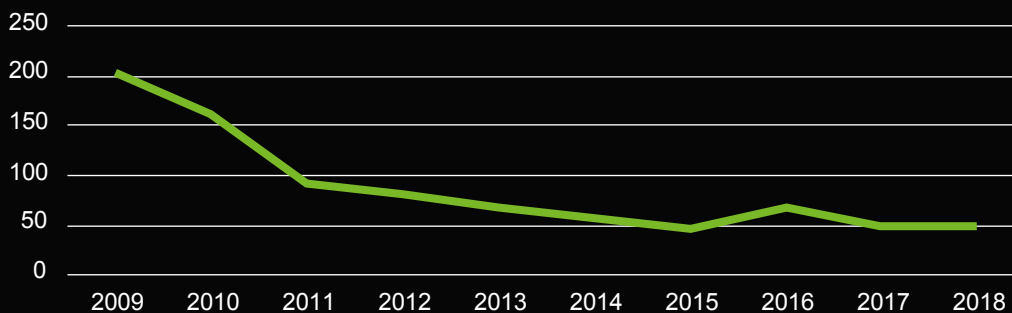
Export value

| Year | Export €m |
|------|-----------|
| 2009 | 202.9 |
| 2010 | 161.8 |
| 2011 | 92.1 |
| 2012 | 80.8 |
| 2013 | 67.8 |
| 2014 | 55.5 |
| 2015 | 46 |
| 2016 | 68.3 |
| 2017 | 49.9 |
| 2018 | 48.8 |

Source: CSO export stats



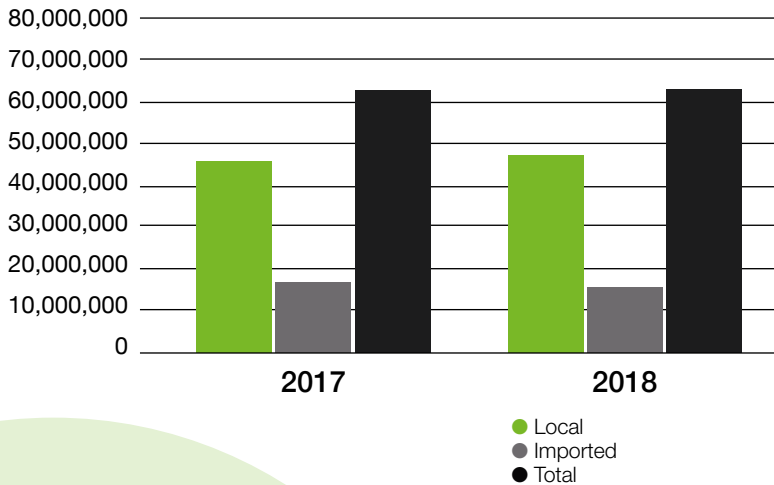
Export value €m



Source: CSO export stats

Cider: local v imported

Litres of cider sold per annum



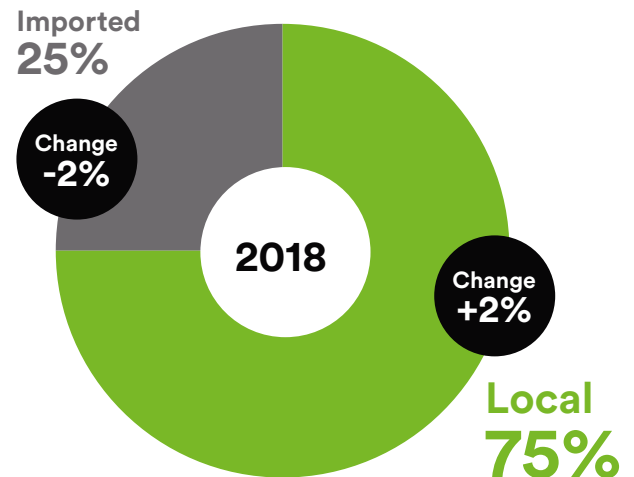
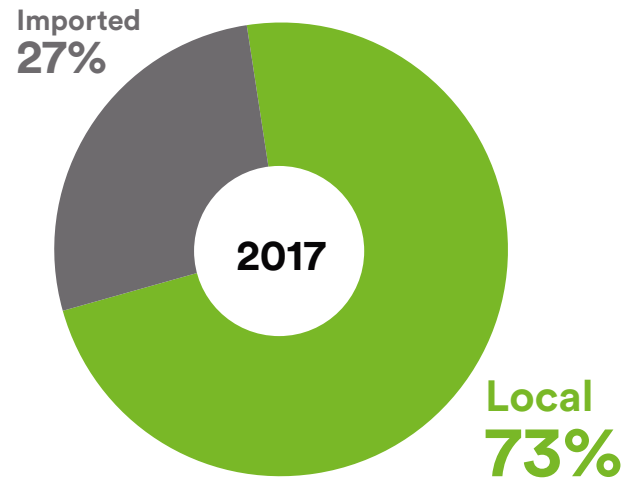
| Year | Local | Imported | Total |
|------|------------|------------|------------|
| 2017 | 46,735,901 | 17,285,881 | 64,021,782 |
| 2018 | 48,224,742 | 16,074,941 | 64,299,656 |

Change
+3.18%

Change
-7.00%

Change
+0.43%

Cider: local v imported - %



Cider: Share of On-vs-Off Premises 2018

On-trade
50.8%



Off-trade
49.2%

Source: Industry estimates

Quarterly breakdown

Litres of cider sold in Ireland

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------|------------|------------|------------|------------|------------|
| Quarter 1 | 11,978,788 | 9,231,827 | 12,038,062 | 11,027,219 | 11,231,904 |
| Quarter 2 | 19,347,749 | 21,789,059 | 18,402,898 | 15,823,958 | 17,541,697 |
| Quarter 3 | 16,926,229 | 17,031,489 | 13,744,708 | 15,771,367 | 18,082,425 |
| Quarter 4 | 16,046,890 | 15,969,407 | 18,882,968 | 15,478,032 | 15,554,752 |

Source: Revenue

Quarterly ranking performance of cider sales in Ireland

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------|------|------|------|------|------|
| Quarter 1 | 4th | 4th | 4th | 4th | 4th |
| Quarter 2 | 1st | 1st | 2nd | 1st | 2nd |
| Quarter 3 | 2nd | 2nd | 3rd | 2nd | 1st |
| Quarter 4 | 3rd | 3rd | 1st | 3rd | 3rd |

Source: Revenue



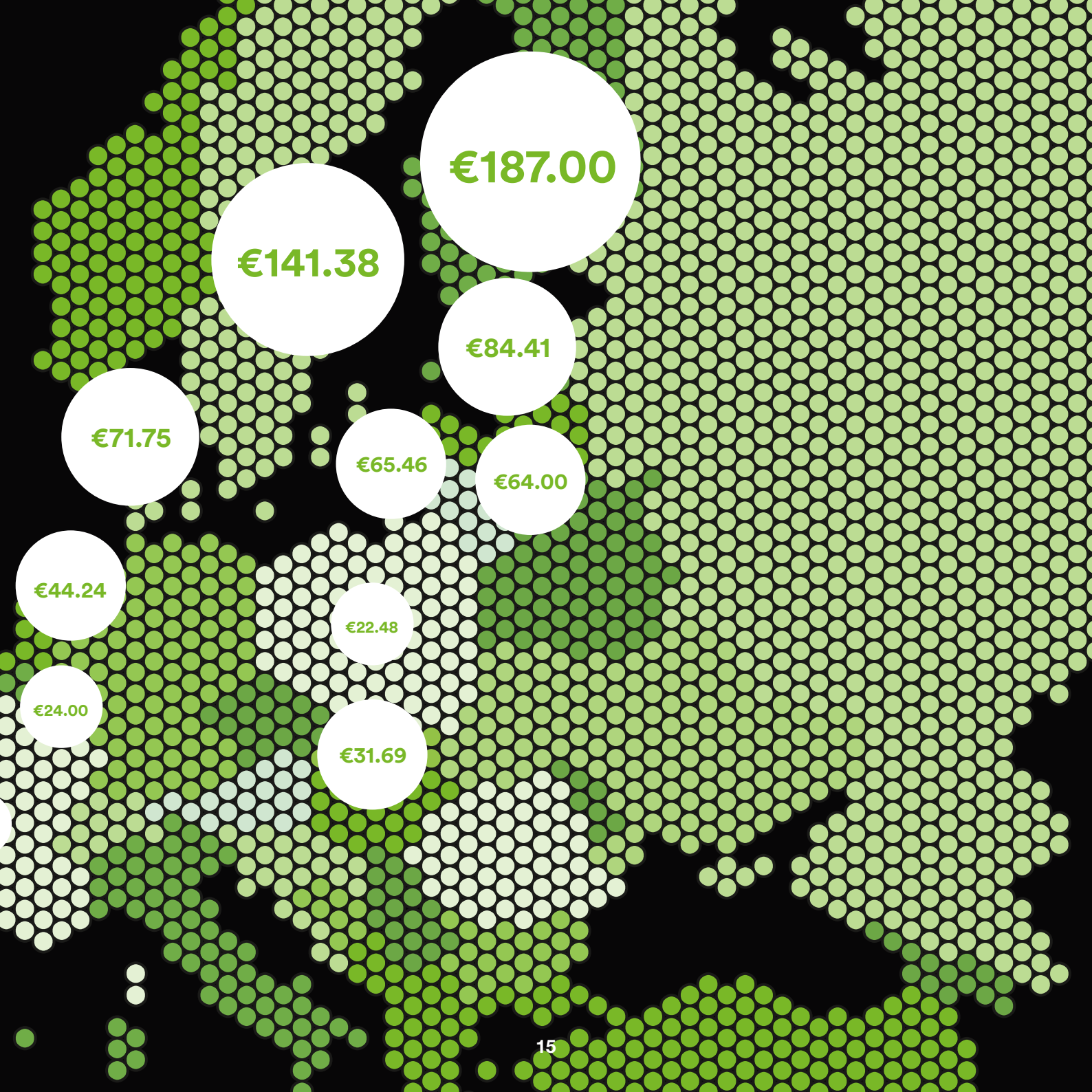
Cider excise rates in Europe

Excise duty € / per hectolitre for cider at 5% ABV

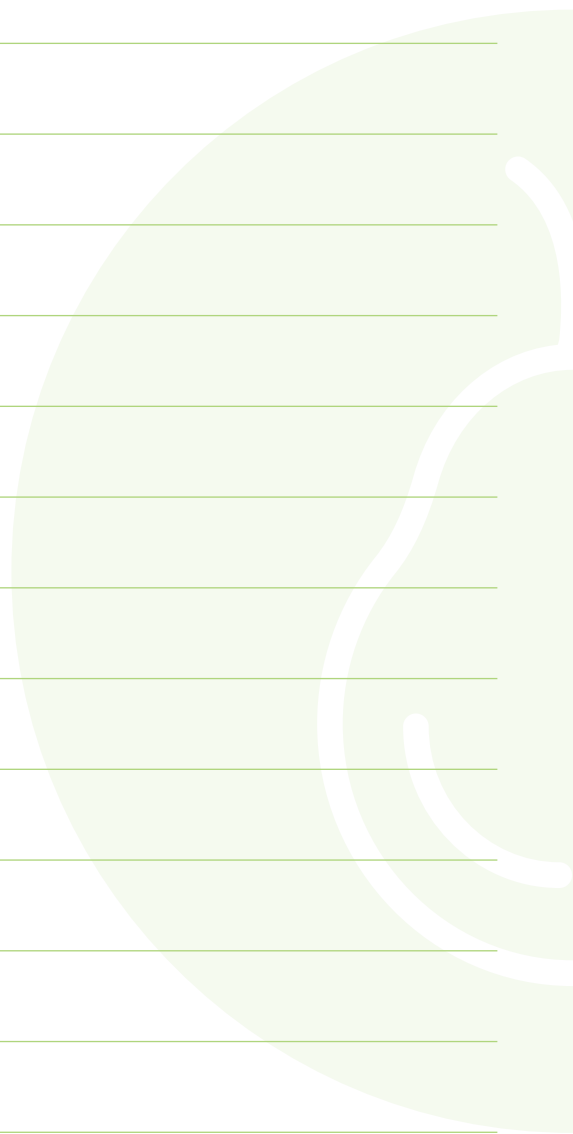
| Rank | Country | Rate |
|------|----------------|---------|
| 1 | Finland | €187.00 |
| 2 | Sweden | €141.38 |
| 3 | Ireland | €94.46 |
| 4 | Estonia | €84.41 |
| 5 | Denmark | €71.75 |
| 6 | Lithuania | €65.46 |
| 7 | Latvia | €64.00 |
| 8 | United Kingdom | €45.66 |
| 9 | Netherlands | €44.24 |
| 10 | Hungary | €31.69 |
| 11 | Belgium | €24.00 |
| 12 | Poland | €22.48 |
| 13 | Portugal | €10.44 |
| 14 | France | €1.33 |

Source: European Commission Excise Duty Tables revision - 2018

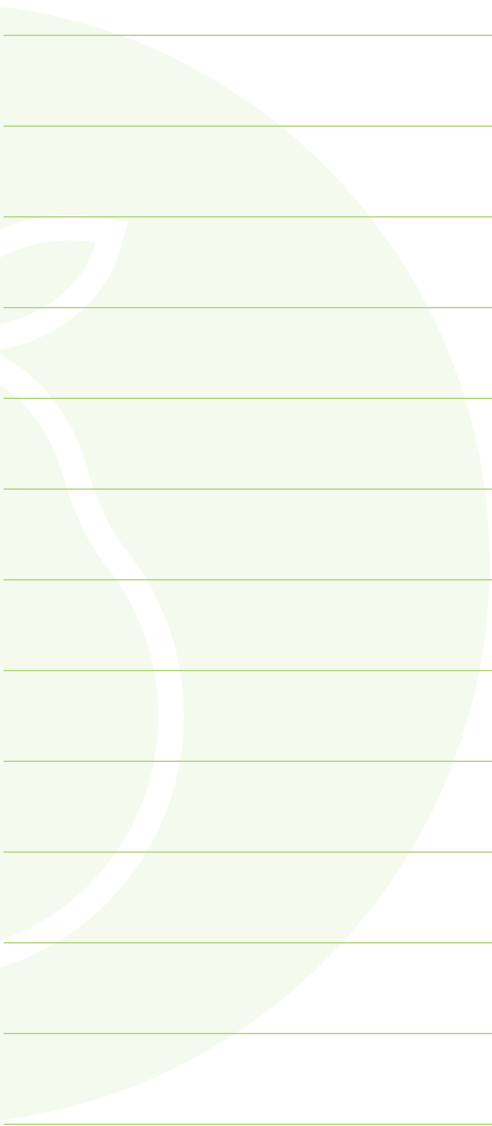




Notes



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Alcohol Beverage Federation of Ireland

84/86 Lower Baggot Street

Dublin 2

T: + 353 1 605 1500

E: info@abfi.ie

W: www.abfi.ie

[@abfi_ireland](#)