



The Brewers of Europe

# 2007-2017

## *En Route towards Beer's Renaissance*

For the Attention of The Worshipful Company of Brewers

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BREWING AND BEER BRANDS FORUM, 17 May 2017, Brewers' Hall, London

Pierre-Olivier Bergeron, Secretary General, The Brewers of Europe



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*First **affected** by the economic downturn, Europe's brewing sector has shown **resilience** since the start of the decade and is heading towards a **Renaissance** on several grounds including in terms of numbers of **breweries**, growing **consumption**, increased **exports**, the **choice** of beers available to Europe's consumers and the general **perception** of the product*

## Europe's brewing sector today



7500 breweries in the EU and growing

38 billion litres of beer brewed in the EU annually

35 billion litres of beer consumed in EU annually

One third on-trade sales vs. Two thirds off-trade

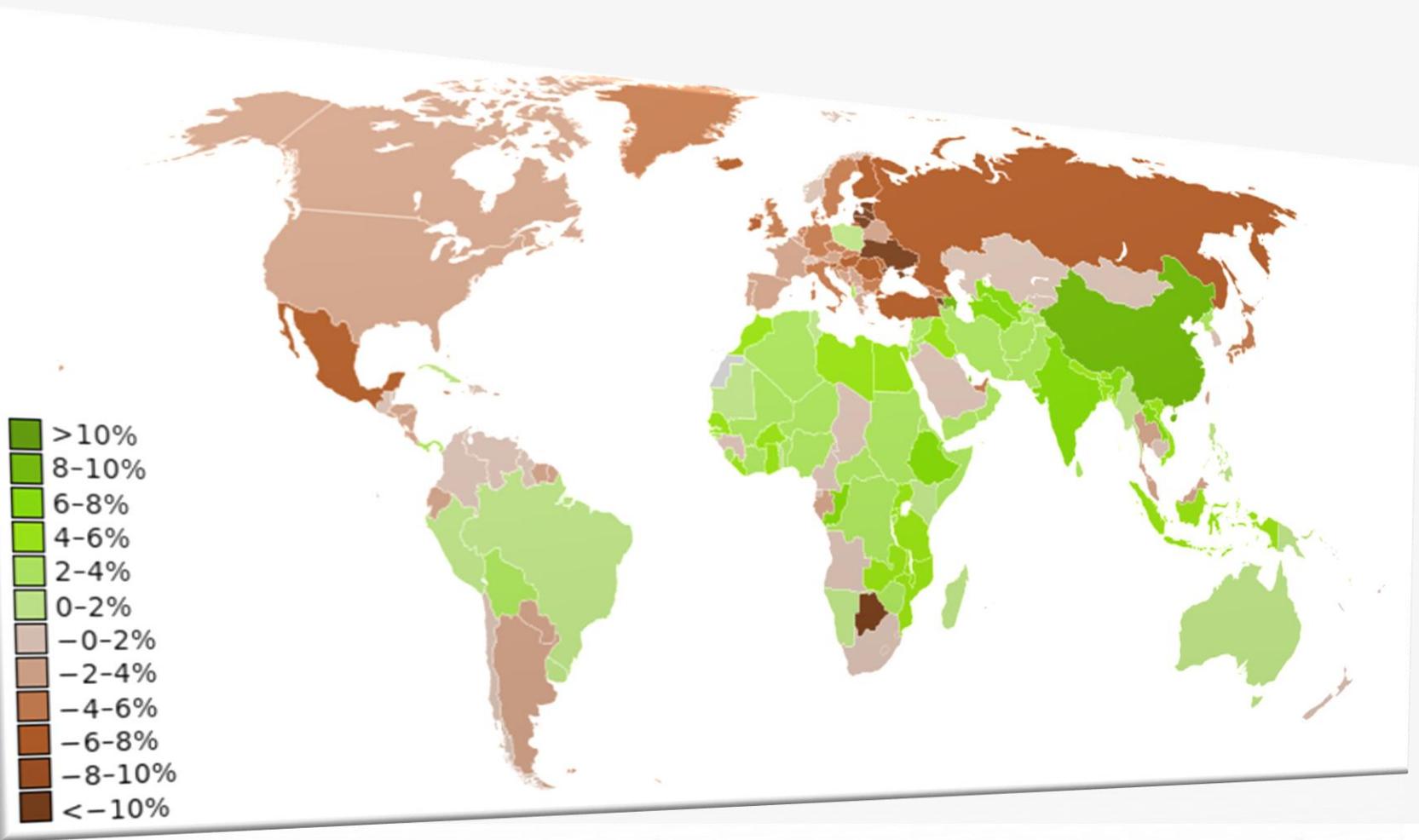
20% of EU beer production exported, of which  
3 billion litres (and growing) to outside the EU\*

2.3 million jobs generated across the EU\*

Over €40 billion in tax generated by beer annually\*

*\*Europe Economics 2016*

# 2007-2009 Growth Rates



Source: CIA

## 2008-2010

### Production and total consumption of beer in the European Union (2008-2010)

	2008	2009	2010
Production (million hectolitres)	407.6	386 (-5%)	382.6 (-1%)
Total consumption (million hectolitres)	374.3	358 (-4%)	342.6 (-4%)

Source: Regioplan calculations 2011.

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(million hectolitres)

2008-2012

## Economic impact of beer in the European Union (2008-2012)

	2008	2010	2012	Δ 2008-2012	Δ 2010-2012
Total employment (million jobs)	2.30	2.05	1.97	-14.4%	-4.1%
Value added (billion Euro)	55.17	50.24	51.45	-6.7%	+2.4%
Government revenues (billion Euro)	54.16	50.92	52.97	-2.2%	+4.0%

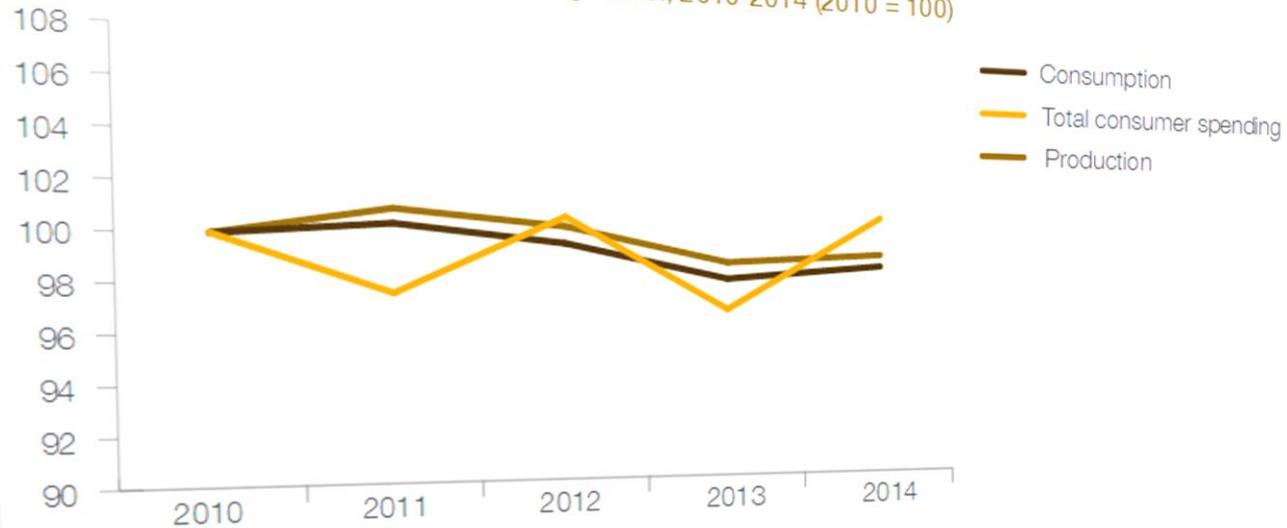
Source: Regioplan calculations 2013.

2010-2014

# Holding up well in difficult economic circumstances

Overall changes in the size of the beer market have been relatively modest. From 2010 to 2014, production and consumption have declined by less than 1% (with some recovery in the last year, from 2013 to 2014). Total consumer spending has increased by a little over 1% (Figure 3.5).

Figure 3.5: Development of the EU brewing sector, 2010-2014 (2010 = 100)



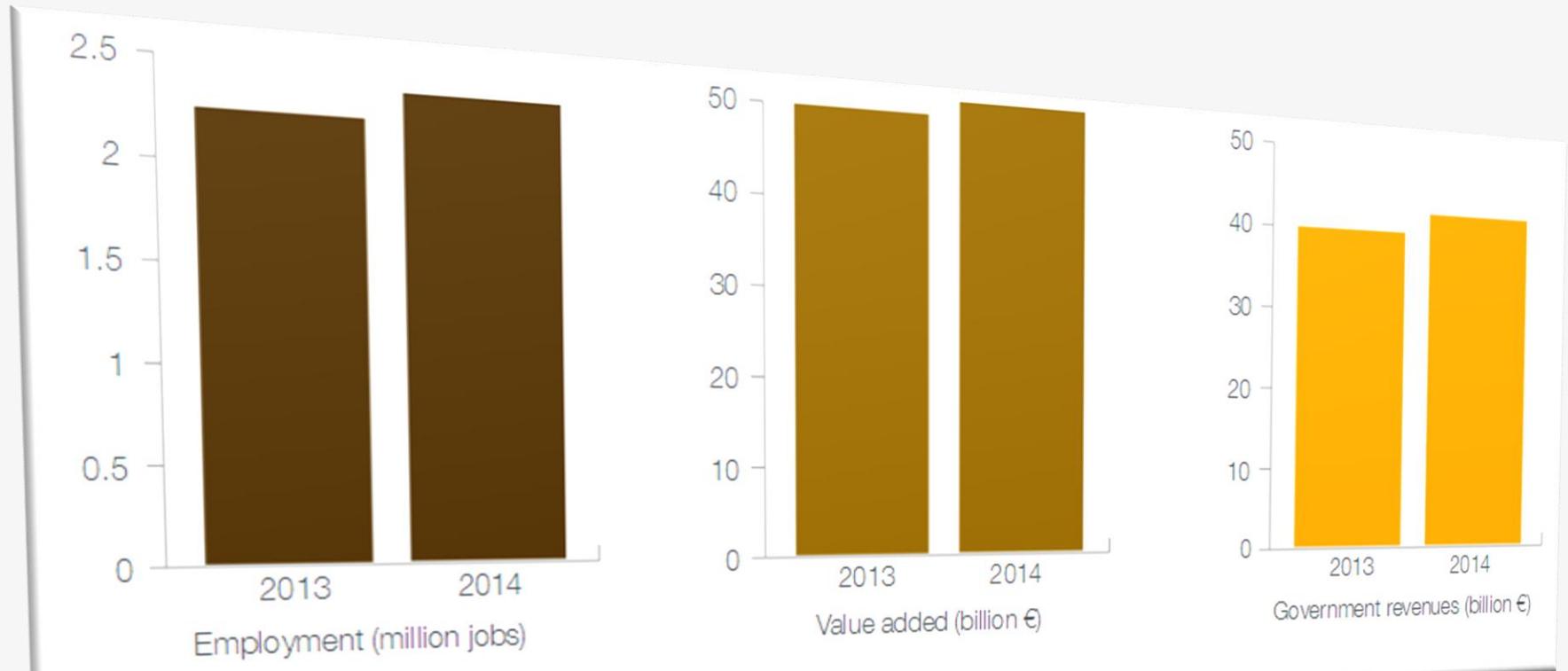
Source: Survey of National Associations.

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2010 2011 2012 2013 2014

2010-2014

## Development of EU beer impact, 2013-2014



Source: Calculations - different sources.

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Employment (million jobs)

Value added (billion €)

Government revenues (billion €)

## Ingredients of a *Renaissance*



- Number of breweries
- Production
- Consumption
- Exports
- Choice
- General perception

## Breweries

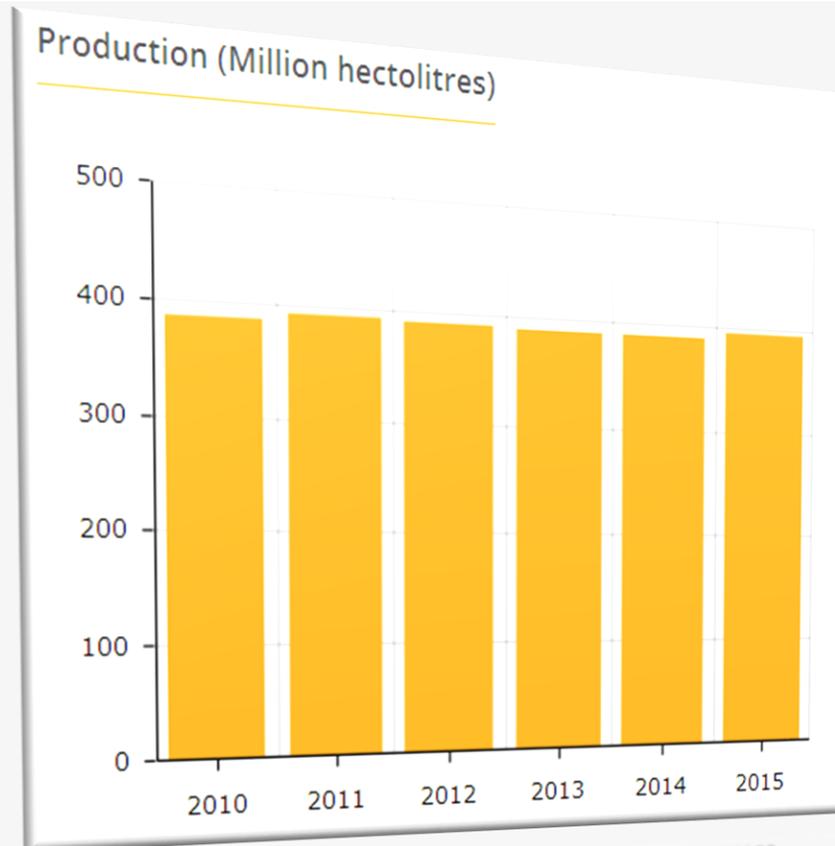
### Evolution of the number of breweries across Europe 2010-2017

	2010	2013	2017
Total Estimate	3,600	4,500	7,500
Percentage Evolution		+30%	+65%

Source: Regioplan, Europe Economics, The Brewers of Europe

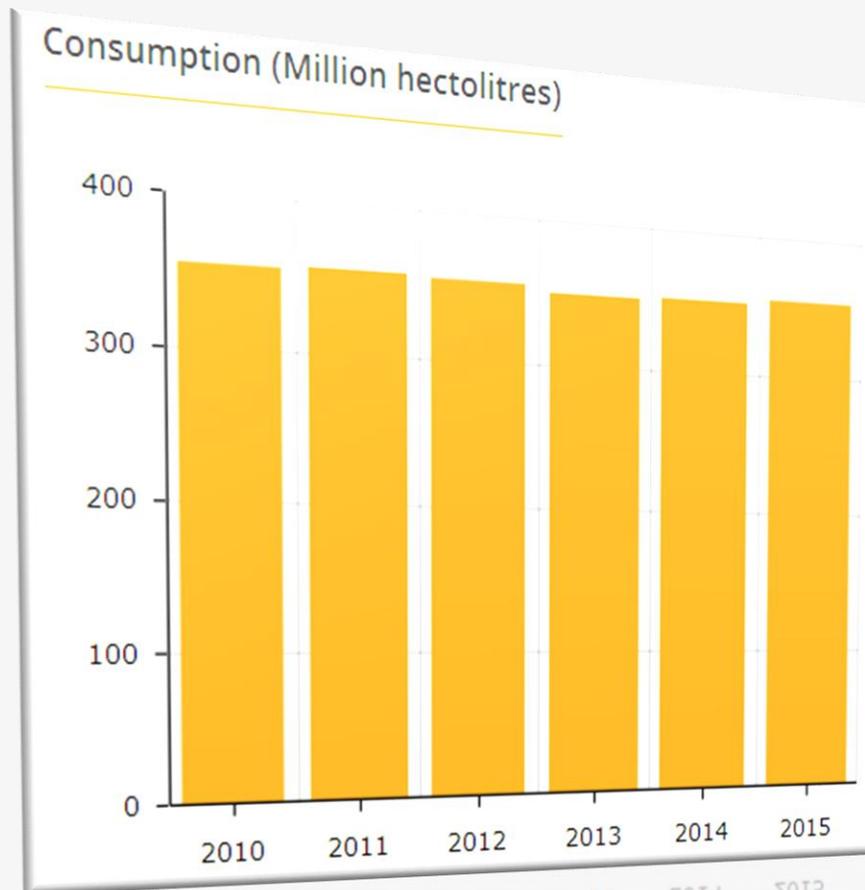
Source: Regioplan, Europe Economics, The Brewers of Europe

# Production



Source: Europe Economics, *The Brewers of Europe*

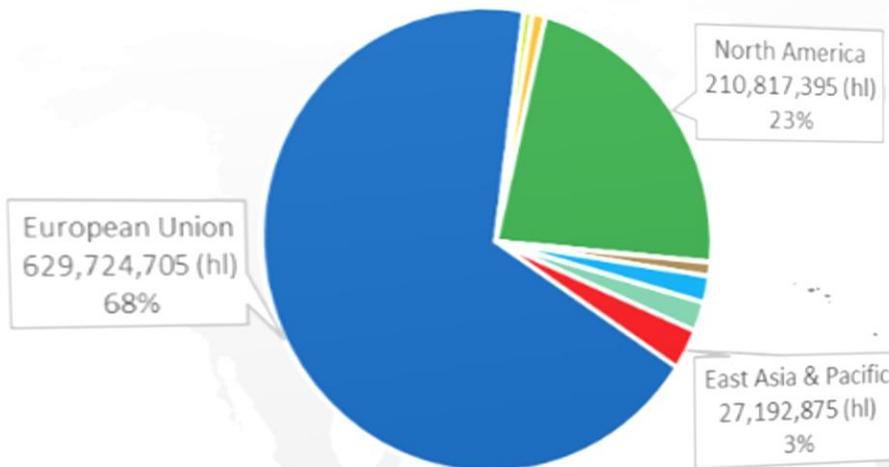
# Consumption



Source: Europe Economics, *The Brewers of Europe*

# Exports

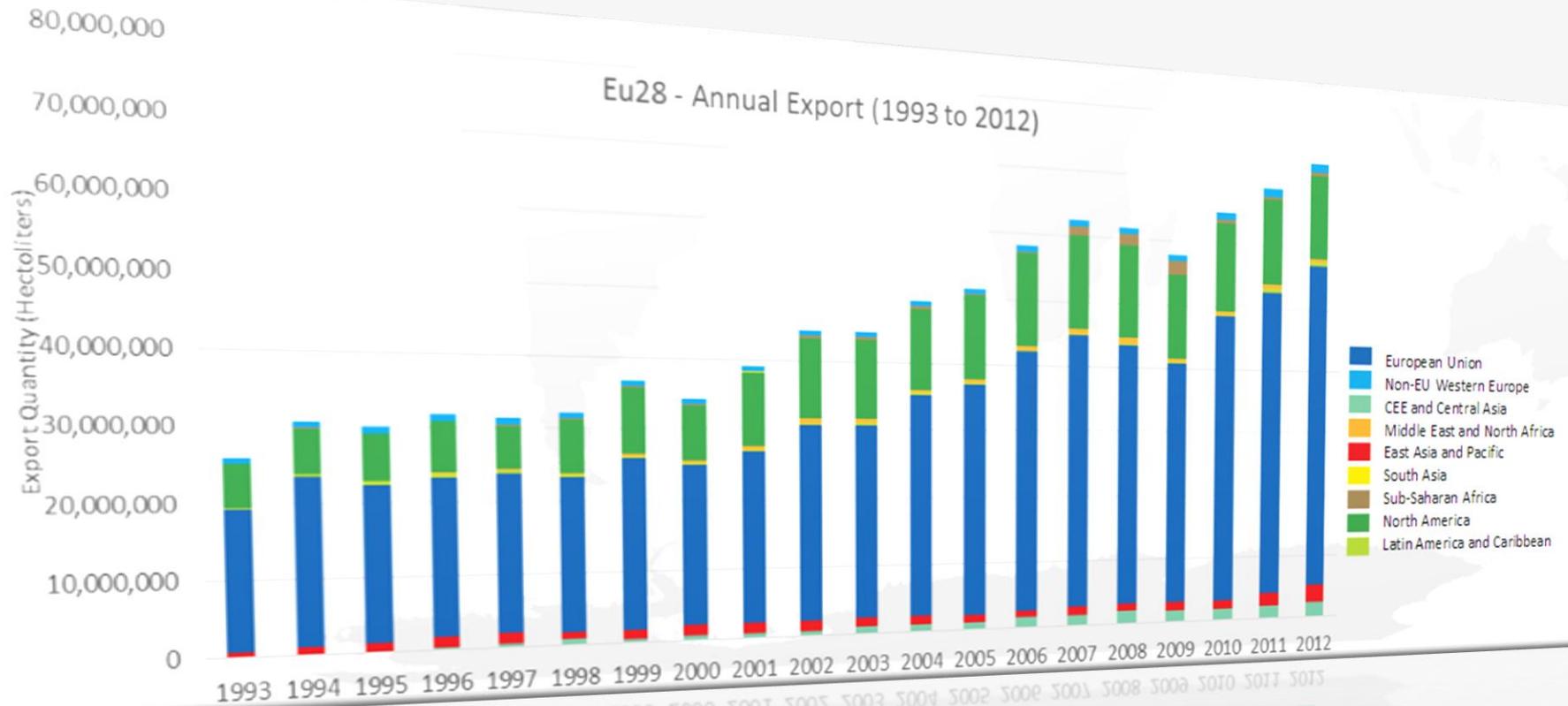
EU28 - Total Export (1993 to 2012)



About 30% of the total exported beer of EU28 countries between 1993 and 2012 was destined for third countries.

Source: Beer connects Europe to the World – Royal HaskoningDHV, The Brewers of Europe

# Exports



Source: Beer connects Europe to the World – Royal HaskoningDHV, The Brewers of Europe

## Exports

### Top 10 EU food and drink exports and imports by destination/origin (€ million)

Exports	2015	% change 2014-2015	Top 3 destinations
Spirits	10,275	+7	US, Singapore, China
Wine	9,823	+9	US, Switzerland, China
Infant food and other preparations	5,651	+4	China, Hong Kong, Saudi Arabia
Food preparations	5,101	+2	US, Russia, Switzerland
Pork meat fresh, chilled and frozen	3,957	+8	Japan, China, Korea
Chocolate	3,801	+4	US, Russia, Switzerland
Cheese	3,483	-3	US, Switzerland, Japan
Pet food	3,427	+11	Russian, US, Switzerland
Bread, pastries and biscuits	3,395	+0	US, Switzerland, Norway
Beer	3,371	+18	US, China, Canada

Source: FoodDrinkEurope 2016

## Choice



With around 80 styles and 40,000 brands, the diversity of flavours and richness of choice means there can be a beer for every occasion

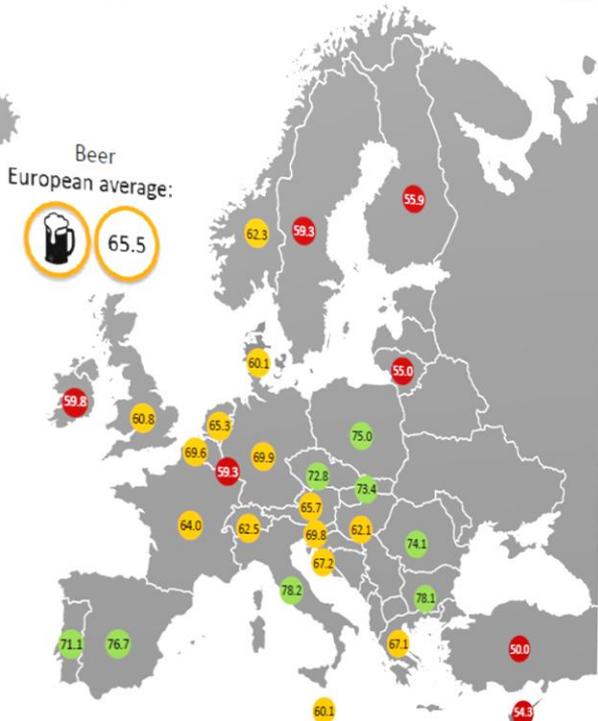
The market for non-alcoholic and low alcohol beers has doubled from 2000 to 2015. Below 3% ABV now represent around 6% of the overall European beer market

# Perception

## BEER PERCEPTION

- In **green 8** countries in which Beer is **highly appreciated**: Italy, Bulgaria, Spain, Poland, Portugal, Czech Republic, Romania and Slovakia.
- In fourteen countries, Beer is evaluated with an **average score** between 60.0 and 69.9.
- Countries in which Beer has **lower appreciation** are Ireland, Sweden, Luxembourg, Turkey, Cyprus, Lithuania and Finland.

Beer European average:



- Maintain ( $\geq 70$ )
- Improve (between 60-70)
- Immediate action ( $< 60$ )



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opposed to growth and



- Immediate action ( $< 60$ )
- Improve (between 60-70)
- Maintain ( $\geq 70$ )



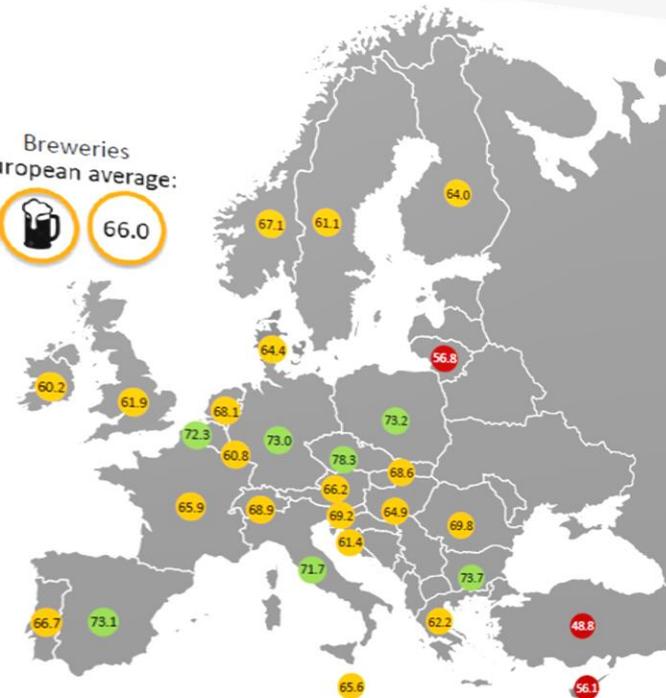
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# Perception

## SECTOR PERCEPTION

- In green 7 countries in which the Brewery sector is **highly appreciated**: Czech Republic, Bulgaria, Poland, Spain and Germany, Belgium, Italy
- In the majority of the countries, the sector is evaluated with **an average score** between 60.0 and 69.9
- Countries in which Beer has **lower appreciation** are Turkey, Cyprus, Lithuania.

Breweries  
European average:



- Maintain ( $\geq 70$ )
- Improve (between 60-70)
- Immediate action ( $< 60$ )



## Perception



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# #Beer Wisdom

**Taste our know-how wisely**

Europe's Brewers are keeping to their promise to support the responsible consumption of beer, increase consumer knowledge and strengthen responsible beer advertising.

Thank You



[www.brewersofeurope.org](http://www.brewersofeurope.org)