



Drinks Ireland
Wine

Wine

**The Irish Wine
Market Report 2018**

drinksirelandwine.ie



It is a challenging time for Ireland's wine industry. In 2018, total wine consumption decreased by 2% compared to the previous year which reflects the general trend that (per capita) alcohol consumption in Ireland is declining. Added to this, the looming threat of an excise increase on wine in Budget 2020 and a 'no deal' Brexit presents a clear and present danger for Ireland's wine importers.

This market report also shows the performance of wine by country of production. For the fifth consecutive year, Chilean wine remains the nation's favourite, followed by Australian wine. Sparkling wine sales are up. The performance of off-trade wine sales has gained further ground on on-trade sales. Also, white wine remains the most popular wine variant with a 49% market share.

Irish consumers continue to pay more than their EU counterparts for alcohol. One of the reasons for this is because excise rates on alcohol are among the highest in Europe. For wine alone, Irish consumers pay €3.19 per standard bottle (13% ABV) which is the highest in the EU. Essentially for every €9 bottle of wine, 54% of it is taxed. Of the 28 EU Member States, 14 of them charge no duty on wine. Furthermore, sparkling wine gets an additional excise hit totalling to €6.37 on a standard bottle which is effectively a tax on celebrations.

In 2018, the sector paid €376 million in excise to the exchequer which was a marginal decrease of €6 million from the previous year. Over the past ten years wine excise has generated over €3.5 billion to the exchequer. While I commend the government for not increasing excise on wine since 2013, I would hope, that in the interest of acknowledging the important economic role of Ireland's drinks industry and protecting jobs, that the Government seriously consider an excise reduction on wine for Budget 2020.

The wine sector continues to employ over 1,100 people directly while supporting thousands of other jobs in Ireland's 13,000 restaurants, independent off licences, supermarkets and hotels that sell wine. In 2017, sales of 9 litre cases dipped just below 9 million following five consecutive years of growth. According to Revenue statistics, the market share for wine decreased by 0.7% from 27.7% in 2017 to 27.0% in 2018. Despite the marginal fall in wine's share of the alcohol market, it still remains, by some distance, Ireland's second most popular alcohol beverage.

Jim Bradley
Chair of Drinks Ireland Wine



The background of the slide features a blurred image of two wine glasses filled with red wine, with some flowers visible at the bottom. A solid red overlay covers the entire image, providing a high-contrast background for the white text.

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Wine sales

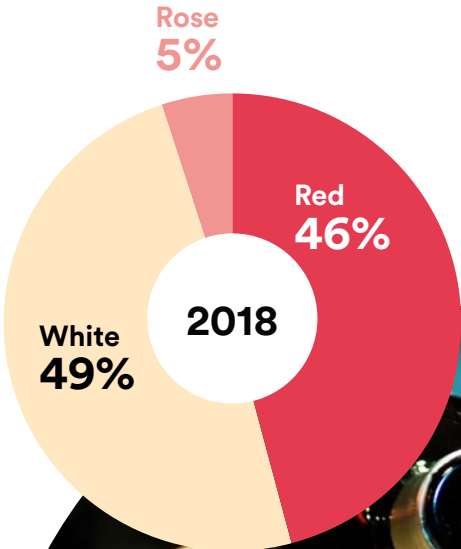
Year	1950	1960	1970	1980	1990	2000	2010	2011	2012	2013	2014	2015	2016	2017	2019
Sales, millions	0.2	0.3	0.6	1.3	1.7	4.8	0.2	8.7	9	8.9	8.5	8.5	9	9.1	8.9

Source: Revenue Commissioners

Wine consumption breakdown

Year	Red	White	Rose
2009	50%	45%	5%
2010	47%	49%	4%
2011	46%	50%	4%
2012	46%	50%	4%
2013	45%	51%	4%
2014	47%	50%	3%
2015	47%	50%	3%
2016	47%	50%	3%
2017	45%	50%	5%
2018	46%	49%	5%

Source: Drinks Ireland Wine members

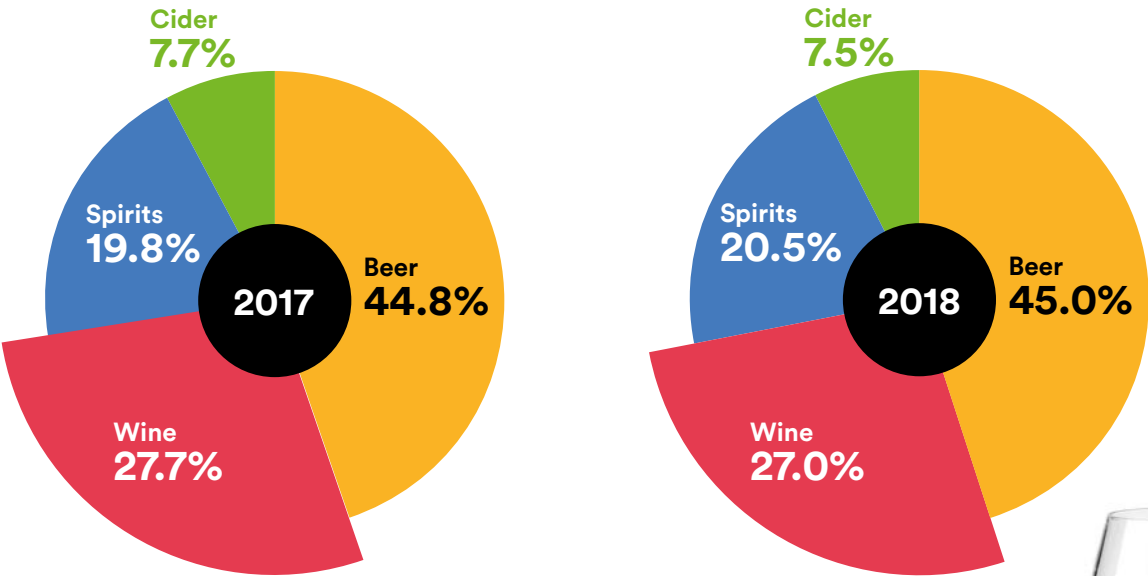


Wine consumption per capita

	2017	2018	% Difference
Consumption per adult (Litres of pure alcohol)	3.07 litres	2.96 litres	-3.6%

Source: Revenue Commissioners and CSO

Alcohol consumption by category mix



Source: Revenue Commissioners

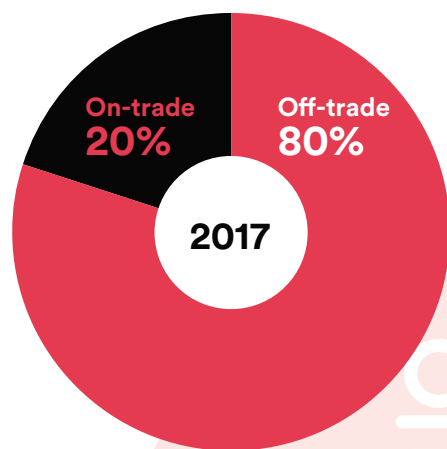
Excise receipts

Year	Beer	Wine	Spirits	Cider	Wine as %
2011	€307	€231	€247	€44	27.9%
2012	€308	€231	€284	€43	26.7%
2013	€358	€302	€290	€52	30.1%
2014	€425	€355	€302	€59	31.1%
2015	€417	€355	€311	€54	31.2%
2016	€430	€380	€338	€59	31.5%
2017	€424	€382	€353	€61	31.3%
2018	€430	€376	€372	€61	30.3%

Source: Revenue Commissioners

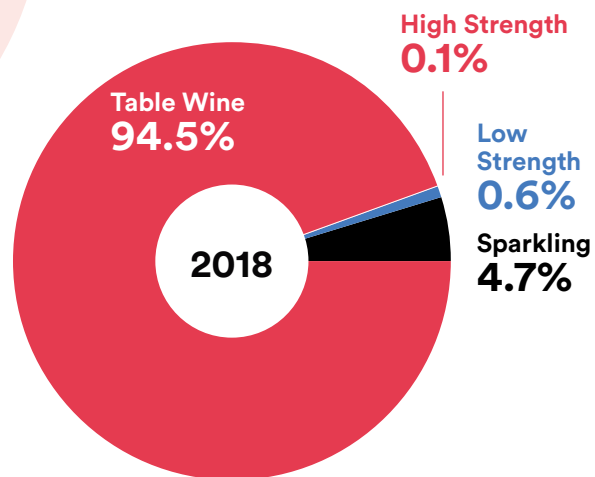
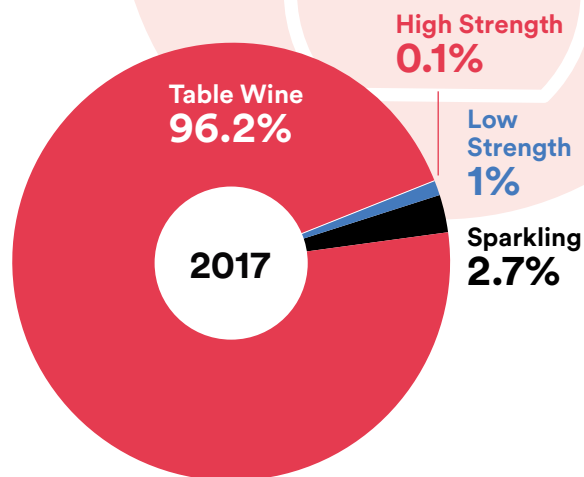


Share of total market



Source: Drinks Ireland Wine members

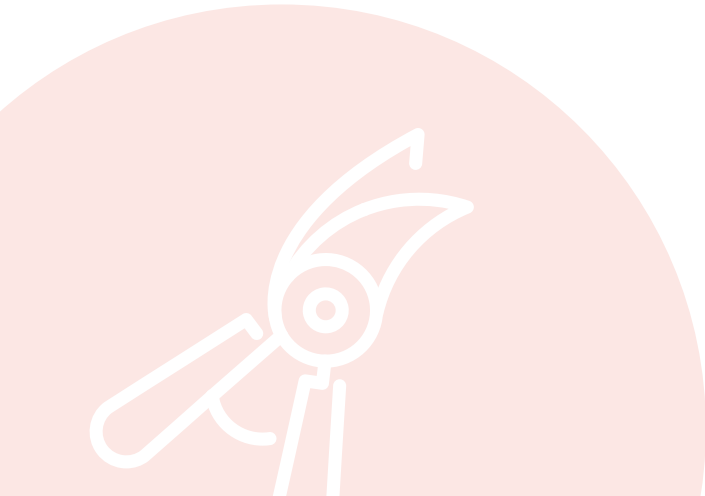
Wine Category



Source: Revenue Commissioners

Country of origin

	Cases 2000	Cases 2013	Cases 2014	Cases 2015	Cases 2016	Cases 2017	Cases 2017	Cases 2018
Chile	669,000	1,652,137	1,998,548	2,166,955	2,308,600	2,446,295	2,415,128	2,415,128
Australia	750,000	1,693,235	1,584,192	1,548,308	1,596,180	1,513,079	1,385,147	1,385,147
France	1,043,000	1,249,377	1,248,059	1,199,105	1,163,318	1,150,665	1,056,619	1,056,619
United States	632,000	715,104	672,061	616,683	631,258	597,983	621,540	621,540
Spain	257,000	920,594	1,005,655	1,012,877	1,109,210	1,141,605	1,154,289	1,154,289
Italy	386,000	937,033	869,657	813,679	874,743	851,673	834,640	834,640
New Zealand	41,000	320,564	338,314	425,913	505,006	543,621	568,265	568,265
South Africa	332,000	369,881	395,378	376,862	342,683	326,173	301,891	301,891
Argentina	96,000	172,611	192,796	196,308	252,403	271,811	284,132	284,132
Germany	118,000	98,635	95,090	77,085	72,864	72,483	62,154	62,154
All others	160,000	90,415	115,596	131,559	161,705	144,966	195,342	195,342
Total Table Wine	4,484,000	8,219,587	8,515,344	8,565,038	9,017,970	9,060,354	8,879,147	8,879,147
Europe	1,946,000	3,238,517	3,334,057	3,207,993	3,256,107	3,361,392	3,303,044	3,303,044
Rest of World	2,538,000	4,981,070	5,181,287	5,357,045	5,761,863	5,698,962	5,576,103	5,576,103



Percentage share

	Shares % 2000	Shares % 2013	Shares % 2014	Shares % 2015	Shares % 2016	Shares % 2017	Shares % 2018
Chile	14.9%	20.1%	23.5%	25.3%	25.6%	27.0%	27.2%
Australia	16.7%	20.6%	18.6%	18.1%	17.7%	16.7%	15.6%
France	23.0%	15.2%	14.7%	14.0%	12.9%	12.7%	11.9%
United States	14.1%	8.7%	7.9%	7.2%	7.0%	6.6%	7.0%
Spain	5.7%	11.2%	11.8%	11.8%	12.3%	12.6%	13.0%
Italy	8.9%	11.4%	10.2%	9.5%	9.7%	9.4%	9.4%
New Zealand	0.9%	3.9%	4.0%	5.0%	5.6%	6.0%	6.4%
South Africa	7.4%	4.5%	4.6%	4.4%	3.8%	3.6%	3.4%
Argentina	2.2%	2.1%	2.3%	2.3%	2.8%	3.0%	3.2%
Germany	2.6%	1.2%	1.1%	0.9%	0.8%	0.8%	0.7%
All others	2.9%	1.1%	1.4%	1.5%	1.6%	1.6%	2.2%
Total Table Wine	100%	100%	100%	100%	100%	100%	100%
Europe	43.40%	39%	39.2%	37.5%	36.2%	37.1%	37.8%
Rest of World	56.60%	61%	60.8%	62.5%	63.8%	62.9%	62.7%

Source: Member data, trade statistics and Revenue Commissioners



Excise: Tax on tourism

2017 Excise tax per 750ml bottle of
STILL WINE - 13% ABV

Rank	Country	HL Excise Rate
1	Ireland	€3.19
2	Finland	€2.83
3	UK	€2.43
4	Sweden	€1.83
5	Lithuania	€1.24
6	Denmark	€1.17
7	Estonia	€1.11
8	Latvia	€0.69
9	Netherlands	€0.66
10	Belgium	€0.51
11	Poland	€0.26
12	Malta	€0.15
13	Greece	€0.15
14	France	€0.03
15	Spain	€0.00
16	Slovenia	€0.00
17	Slovakia	€0.00
18	Romania	€0.00
19	Portugal	€0.00
20	Luxembourg	€0.00
21	Italy	€0.00
22	Hungary	€0.00
23	Germany	€0.00
24	Czech Republic	€0.00
25	Cyprus	€0.00
26	Croatia	€0.00
27	Bulgaria	€0.00
28	Austria	€0.00

Source: Eurostat, December 2018

Excise: Tax on celebrations

2017 Excise tax per 750ml bottle of
SPARKLING WINE - 13% ABV

Rank	Country	HL Excise Rate
1	Ireland	€6.37
2	UK	€3.11
3	Finland	€2.97
4	Belgium	€1.92
5	Sweden	€1.89
6	Denmark	€1.55
7	Lithuania	€1.24
8	Estonia	€1.11
9	Germany	€1.02
10	Austria	€0.75
11	Slovakia	€0.69
12	Latvia	€0.69
13	Czech Republic	€0.68
14	Netherlands	€0.66
15	Hungary	€0.38
16	Poland	€0.28
17	Malta	€0.15
18	Greece	€0.15
19	Romania	€0.08
20	France	€0.07
21	Spain	€0.00
22	Slovenia	€0.00
23	Portugal	€0.00
24	Luxembourg	€0.00
25	Italy	€0.00
26	Cyprus	€0.00
27	Croatia	€0.00
28	Bulgaria	€0.00

Source: Eurostat, December 2018

€3.19

€6.37



Excise due on importation of 1,000 cases of wine



Year	Rate per 9L	Excise per 1000 cases
2012	€23.60	€23,600
2013	€33.36	€33,360
2014	€38.24	€38,240
2015	€38.24	€38,240
2016	€38.24	€38,240
2017	€38.24	€38,240
2018	€38.24	€38,240
2019	€38.24	€38,240
Total increase since 2012	62%	€14,640

Source: Revenue Commissioners and Drinks Ireland Wine members



High excise Table wine €9 standard bottle

Year	% of tax per bottle	Tax charges in Budget	Tax amount per €9 bottle of wine
Budget 2011	39%	No change	€3.53
Budget 2012	41%	2% VAT increase	€3.65
Budget 2013	50%	€1 excise increase	€4.46
Budget 2014	54%	€0.50 excise increase	€4.87
Budget 2015	54%	No change	€4.87
Budget 2016	54%	No change	€4.87
Budget 2017	54%	No change	€4.87
Budget 2018	54%	No change	€4.87
Budget 2019	54%	No change	€4.87

Source: Revenue Commissioners and Drinks Ireland Wine members


High excise rate tables

Impact of taxes on different price points

Retail Price	Packing and Distribution	Tax (Excise & VAT)	Remaining amount	% of VAT and Excise
€9	€3.60	€4.87	€0.53	54%
€12	€4.80	€5.40	€1.80	45%
€18	€7.20	€6.48	€4.32	36%
€24	€9.60	€7.68	€6.72	32%

Source: Revenue Commissioners and Drinks Ireland Wine members





“Of the 28 EU Member States, 14 of them charge no duty on wine. Furthermore, sparkling wine gets an additional excise hit totalling to €6.37 on a standard bottle which is effectively a tax on celebrations.”

About Drinks Ireland Wine



Drinks Ireland Wine is the representative voice within Drinks Ireland for the wine importers and distributors of Ireland. The sector is an integral part of Ireland's tourism and hospitality offering. We liaise with relevant stake-holders to create a more sustainable business environment for our members, as well as providing members with access to industry information and an opportunity to share best practice.

Our members



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.

Ibec vision

Ibec – The most influential, dynamic business representative organisation in Ireland, driving our business agenda in Europe.

Ibec mission

Ibec – Leading, shaping and promoting business policy and conditions to drive economic success.



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