# The Contribution made by Beer to the European Economy

Greece - January 2016

Europe Economics

The Brewers of Europe

# GREECE

## 1. COUNTRY PROFILE

| | 2014 |
|---|---|
| Population | 11,028,135 |
| Currency | Euro |
| GDP per capita in PPS (2012, EU28 = 100) | 72 |

Source: Eurostat and National Statistical offices.

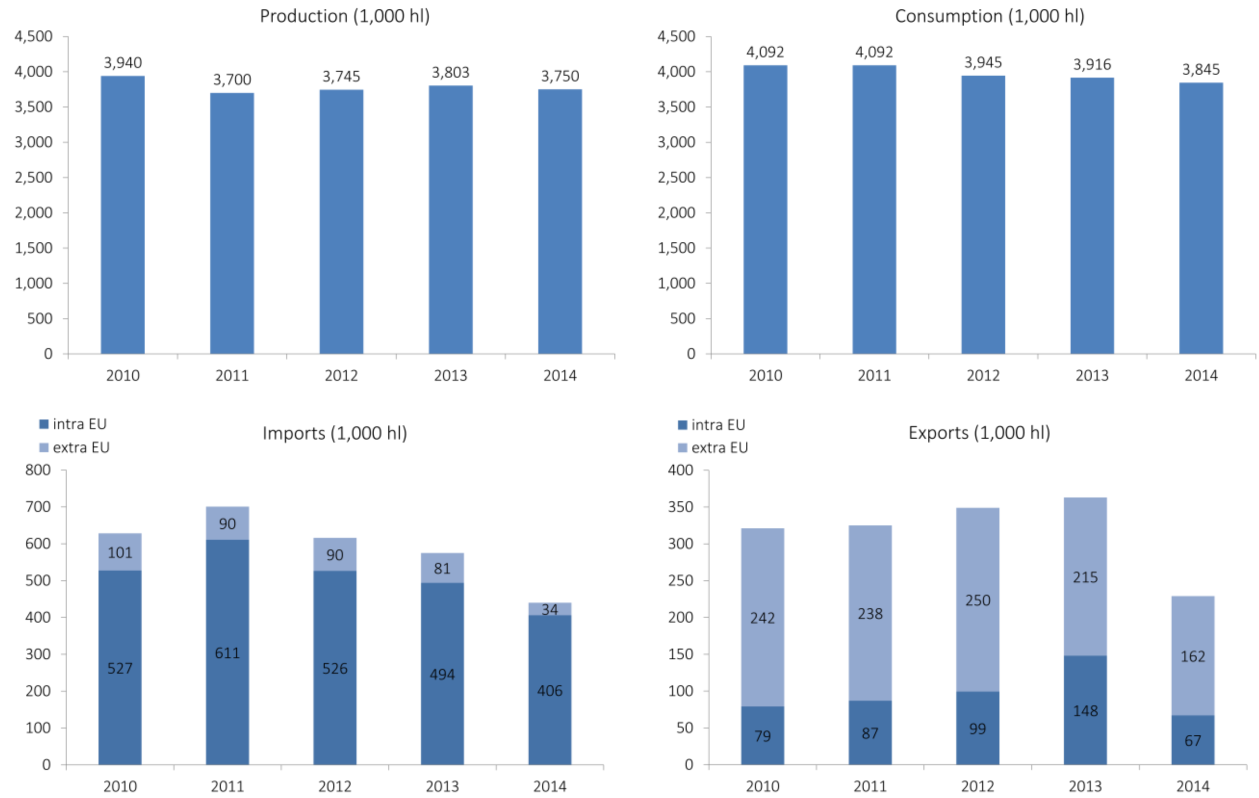
## 2. HIGHLIGHTS GREECE

Table 1: Economic impact of beer in Greece (2013-2014)

| | 2013 | 2014 | % Change |
|---|---|---|---|
| Total number of jobs | 65,134 | 60,965 | -6.4 % |
| Value-added (million Euro) | 532 | 494 | -7.1 % |
| Government revenues (million Euro) | 681 | 640 | -6.1 % |

Source: Calculations - different sources.

Figure 1: Development of production, consumption, imports and exports (2010-2014)




Source: National associations.

# 3. BREWING SECTOR

Table 2: Basic characteristics of the Greece brewing sector (2013-2014)

| | 2013 | 2014 |
|---|---|---|
| Total production (in hectolitres) | 3,803,000 | 3,750,000 |
| Brewing companies | 19 | 19 |
| Breweries (including microbreweries) | 20 | 20 |
| Microbreweries | N/A | N/A |

Source: National Associations.

Production declined in 2014, while the number of brewing companies and breweries remained stable.

# 4. BEER MARKET

Table 3: Basic characteristics beer market (2013-2014)

| | 2013 | 2014 |
|---|---|---|
| Total consumption in hectolitres | 3,916,000 | 3,845,000 |
| Total consumer spending (in million Euro) | 1,817 | 1,689 |
| Consumption of beer per capita (in litres) | 35.0 | 35.0 |
| Beer consumption on-trade (hospitality) | 56% | 55% |
| Beer consumption off-trade (retail) | 44% | 45% |
| Average consumer price in on-trade (1 litre, including taxes) (in Euro) | 6.74 | 6.41 |
| Average consumer price in off-trade (1 litre, including taxes) (in Euro) | 1.97 | 1.93 |

Source: National Associations.

Consumption, consumer spending and prices decreased somewhat in 2014 from 2013. The share of consumption accounted for by the on- and off-trades was broadly stable, but there was a slight decline in the on-trade.

# 5. TRENDS AND DEVELOPMENTS

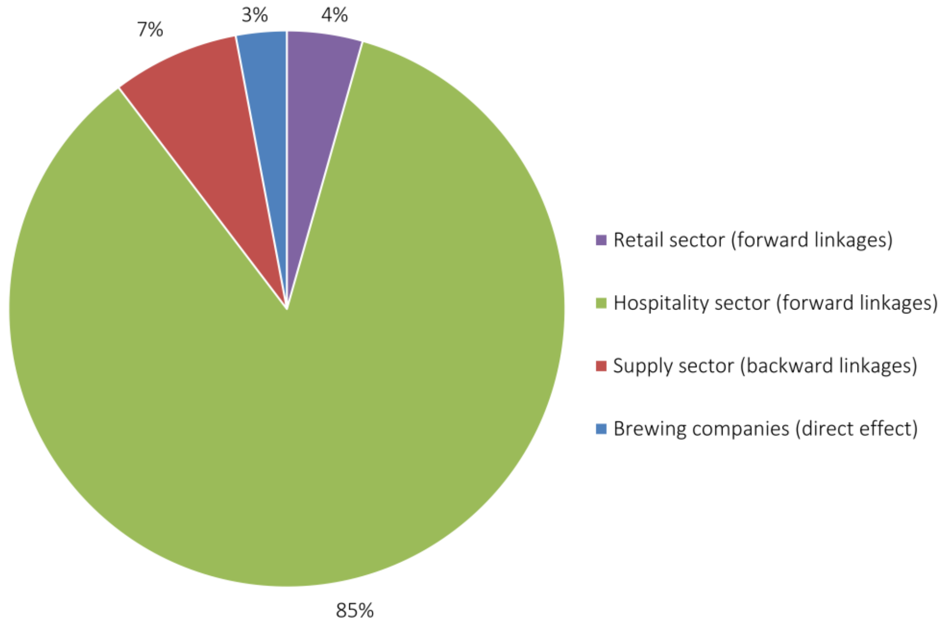
There has been a shift from consumption in the on-trade to consumption in the off-trade and a decline in overall beer consumption in line with wider European trends. Those trends have been exacerbated by the particularly severe financial crisis and the ensuing reductions in consumer incomes.

There has been an increase in production at microbreweries. Beer drinkers have become receptive to new brands, but there is also a preference for Greek brands and for affordability, including a willingness to shift brands in search of promotions. Firms have responded by offering new products and extending existing lines, for example entry into the Radler category. They have also sought to emphasise their contribution to the Greek economy, at a time of intense economic stress, by strengthening programmes buying local supplies (e.g. locally-sourced barley).

# 6. EMPLOYMENT GENERATED BY THE BEER SECTOR

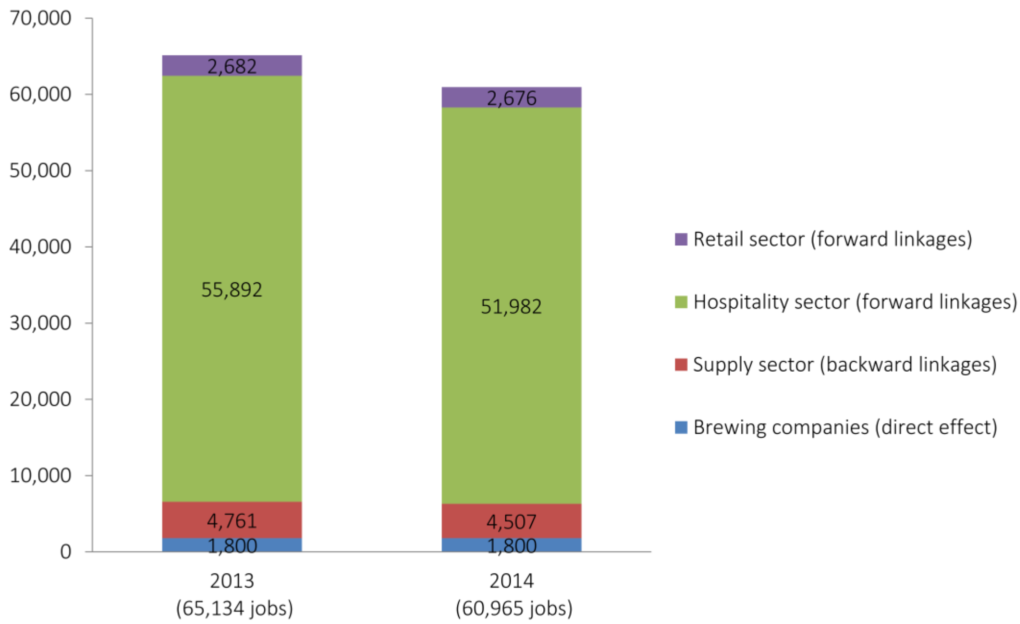
The beer-related contribution to employment declined by over 6 per cent from 2013. The hospitality sector dominated the overall contribution to employment, responsible for around 85 per cent of the total.

Figure 2: Total employment because of beer in 2014: 60,965 jobs




Source: Calculations - different sources.

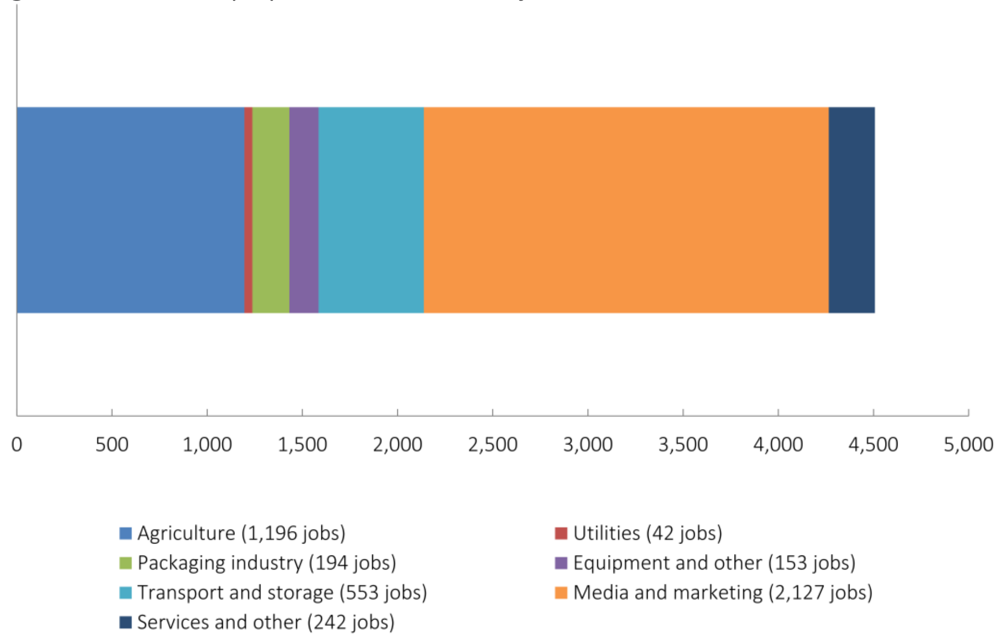
Figure 3: Change in employment (2013-2014): -6.4 %




Source: Calculations - different sources.

Of the supply sectors, the most important was media and marketing, which accounted for over 2,100 jobs.

Figure 4: Indirect employment in 2014: 4,507 jobs

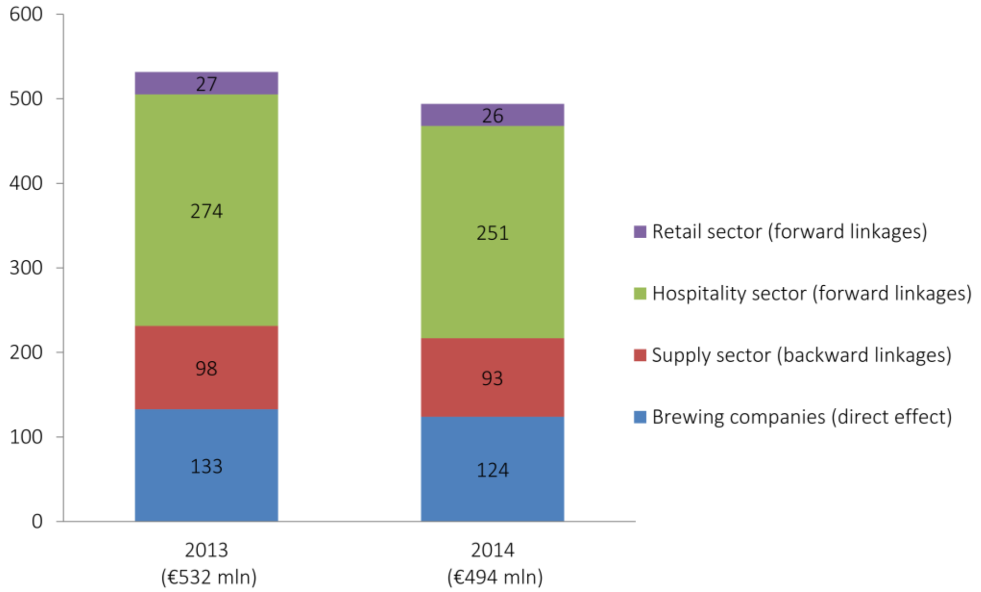



Source: Calculations - different sources.

# 7. VALUE ADDED GENERATED BY THE BEER SECTOR

The total beer-related contribution to value added fell by over 7 per cent from 2013 to 2014. The largest reduction was in the hospitality sector.

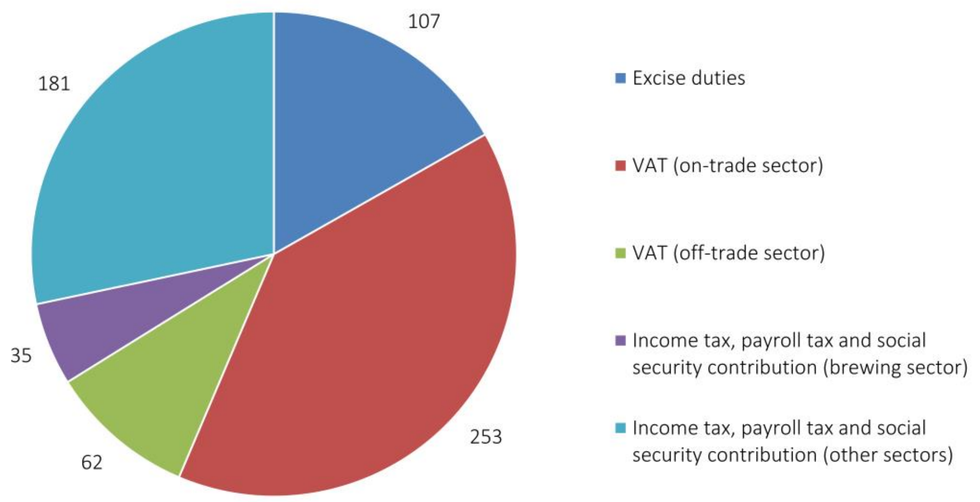
Figure 5: Change in value added (2013-2014): -7.1 %




Source: Calculations - different sources.

# 8. GOVERNMENT REVENUES RELATED TO BEER

Figure 6: Government revenues generated by beer in 2014: 640 million Euro




Source: Calculations - different sources.

Table 4: Government revenues (2013-2014)

| | 2013 | 2014 | % Change |
|---|---|---|---|
| Excise duties (million Euro) | 113 | 107 | -4.9 % |
| VAT (on-trade) (million Euro) | 276 | 253 | -8.3 % |
| VAT (off-trade) (million Euro) | 63 | 62 | -1.6 % |
| Income tax, payroll tax and social security revenues (brewing companies) (million Euro) | 32 | 35 | 10.4 % |
| Income tax, payroll tax and social security revenues (other sectors) (million Euro) | 196 | 181 | -7.7 % |
| Total government revenues (million Euro) | 681 | 640 | -6.1 % |

Source: Calculations - different sources.

The beer-related contribution to government revenues fell from 2013 to 2014, in line with the broader decline in the sector (and reflecting wider macro-economic pressures). This largely related to a decline in VAT in the on-trade, both the largest sector and the one where the percentage decline was the greatest.

The Brewers of Europe

Rue Caroly 23 - 25
1050 Brussels - Belgium

T + 32 (0)2 551 18 10
F + 32 (0)2 660 94 02

www.brewersofeurope.org
info@brewersofeurope.org



The Brewers of Europe