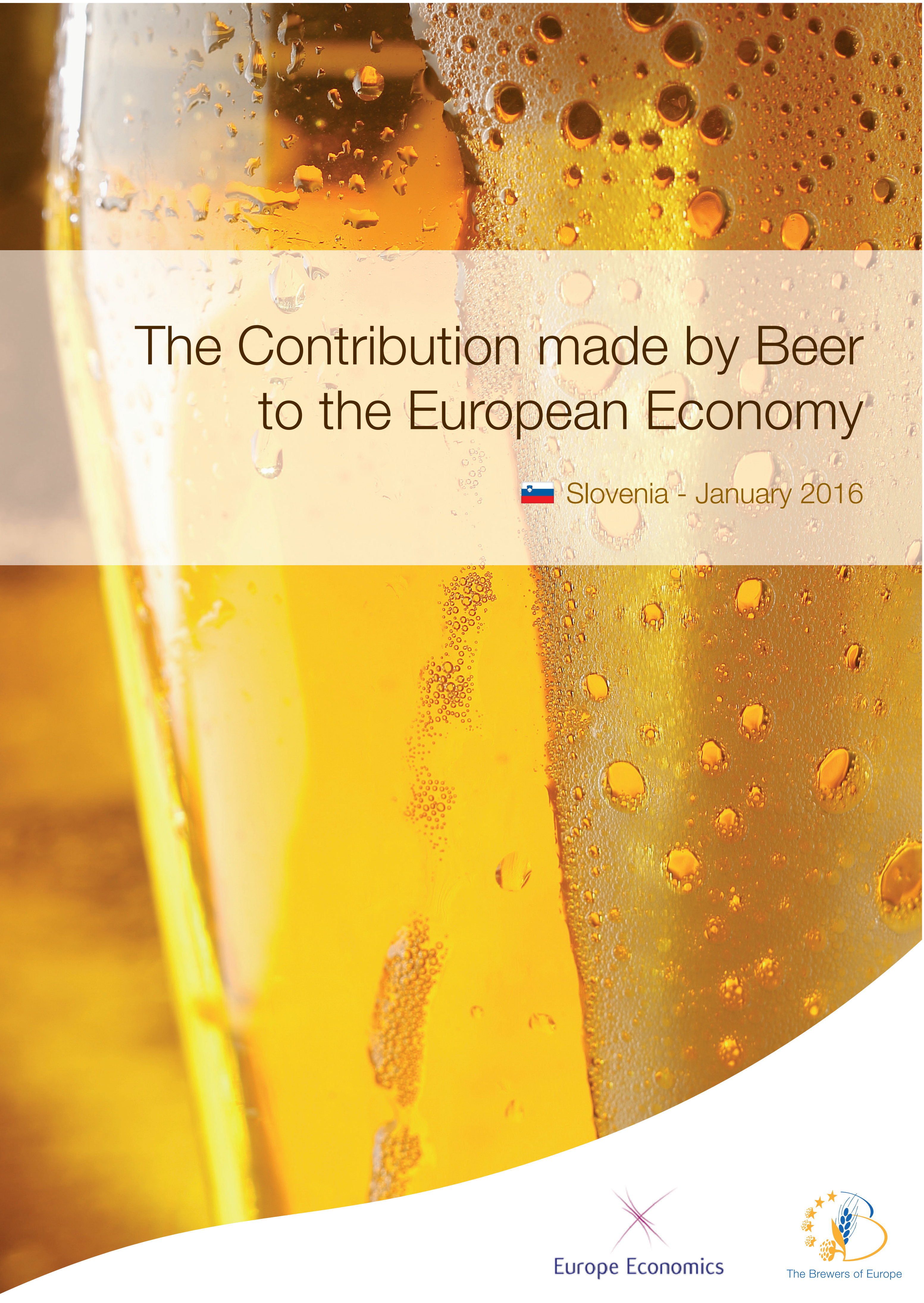


The Contribution made by Beer to the European Economy

Slovenia - January 2016

Europe Economics

The Brewers of Europe

SLOVENIA

1. COUNTRY PROFILE

	2014
Population	2,060,865
Currency	Euro
GDP per capita in PPS (2012, EU28 = 100)	83

Source: Eurostat and National Statistical offices.

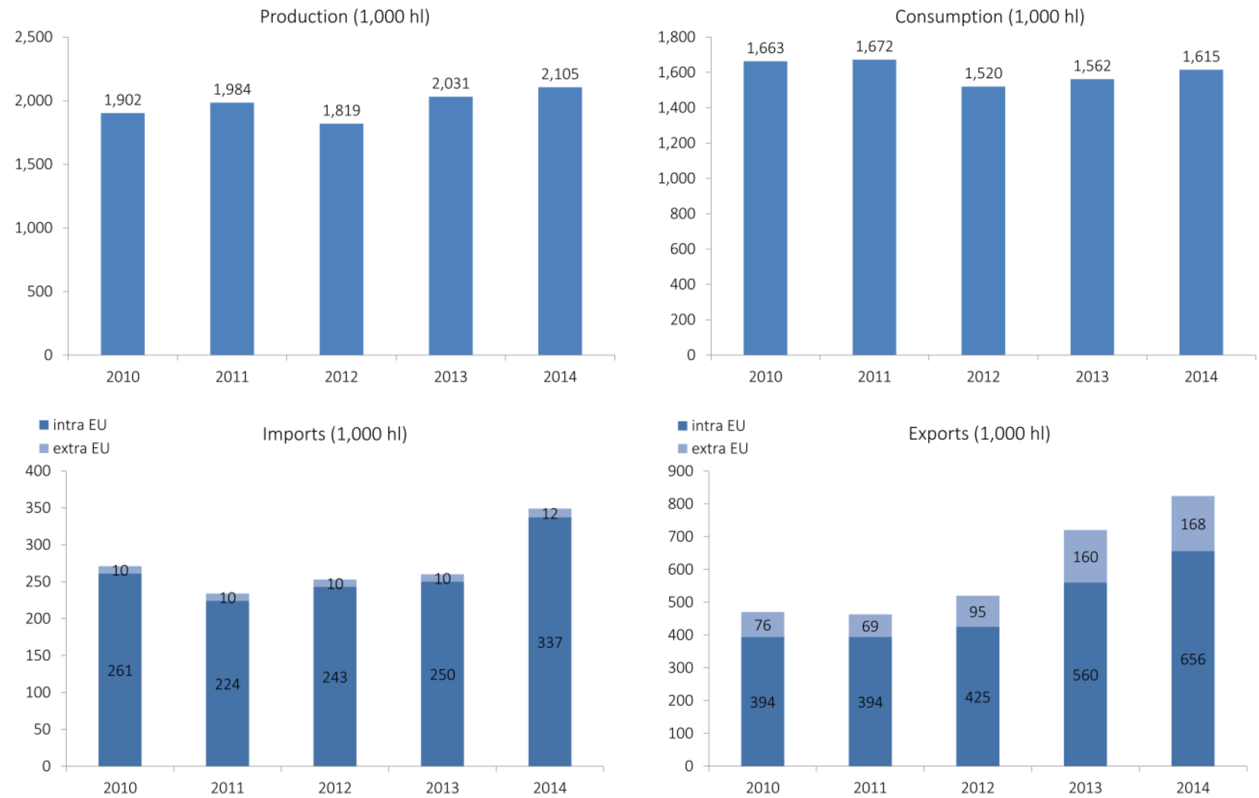
2. HIGHLIGHTS SLOVENIA

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

	2013	2014	% Change
Total number of jobs	10,123	10,409	2.8 %
Value-added (million Euro)	179	185	3.5 %
Government revenues (million Euro)	207	217	4.5 %

Source: Calculations - different sources.

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



Note: Figures do not include small brewers (1-2% of the Slovene market).
Source: National associations.

3. BREWING SECTOR

Total production has risen somewhat in Slovenia from 2013 to 2014 and the number of brewing companies and the number of breweries has risen considerably (over 50 per cent), reflecting a rise in the number of microbreweries. This suggests the sector is both growing and becoming considerably more diverse over time.

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

	2013	2014
Total production (in hectolitres)	2,031,000	2,105,000
Brewing companies	30	50
Breweries (including microbreweries)	30	51
Microbreweries	28	49

Note: Total production does not include the production of small brewers (1-2% of the Slovene market).
Source: National Associations.

4. BEER MARKET

Consumption in the beer sector rose from 2013 to 2014 along with total consumer spending, with prices stable. Within that market, the on- and off-trade shares also remained stable. The on-trade share is broadly in line with other European countries, but high relative to other Eastern European countries.

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

	2013	2014
Total consumption in hectolitres	1,562,000	1,615,000
Total consumer spending (in million Euro)	469	485
Consumption of beer per capita (in litres)	75	78
Beer consumption on-trade (hospitality)	40%	40%
Beer consumption off-trade (retail)	60%	60%
Average consumer price in on-trade (1 litre, including taxes) (in Euro)	4.50	4.50
Average consumer price in off-trade (1 litre, including taxes) (in Euro)	2.00	2.00

Note: Total consumption does not include small brewers (1-2% of the Slovene market).
Source: National Associations.

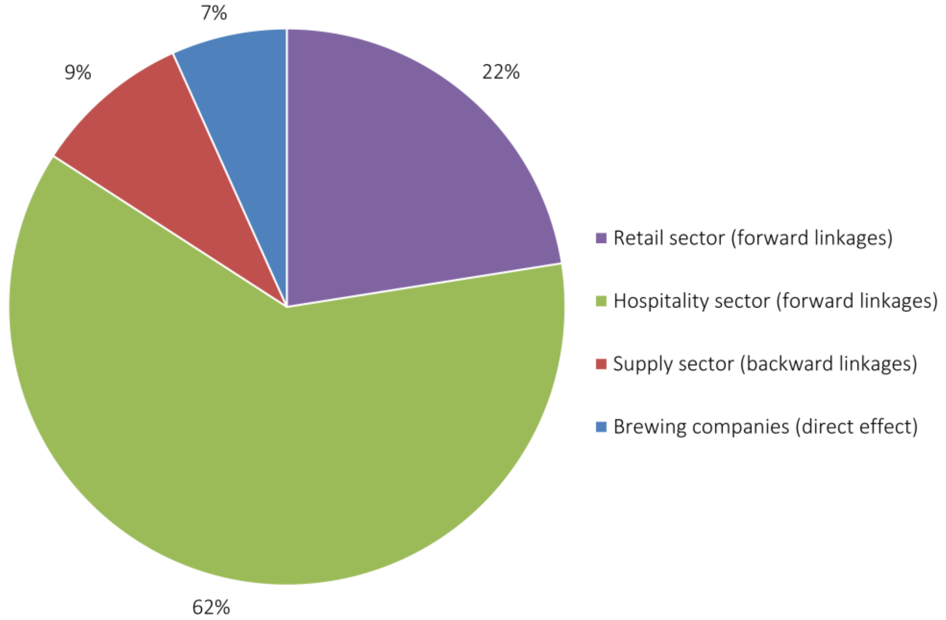
5. TRENDS AND DEVELOPMENTS

There has been a longer-term 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, though that appears to have changed this year. Within that market, there has been an increase in the consumption of craft beers, which in part explains the rising number of microbreweries.

6. EMPLOYMENT GENERATED BY THE BEER SECTOR

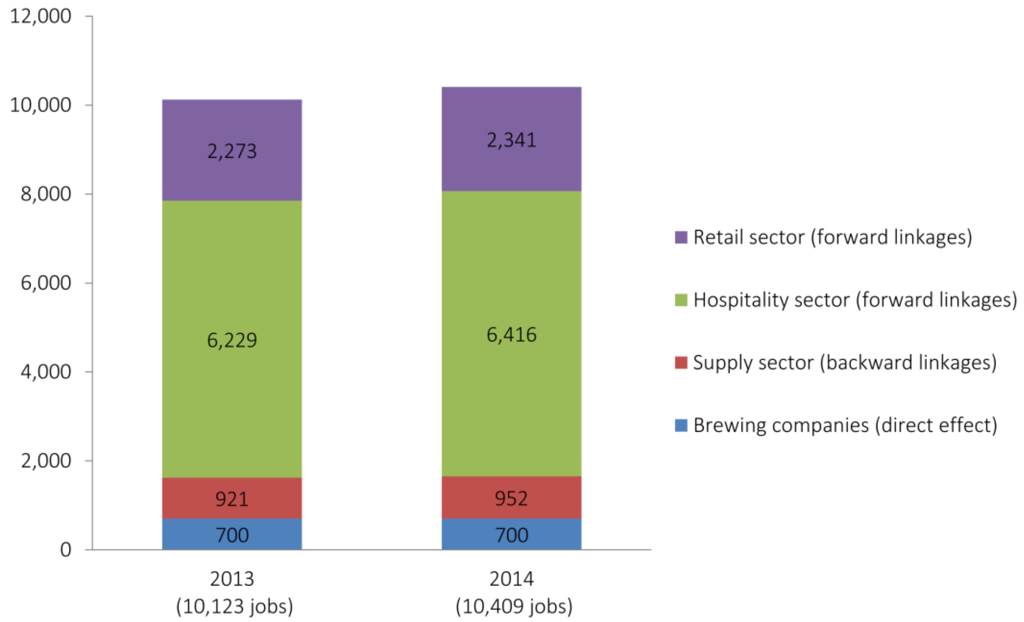
As in many other European countries, but unlike many other Eastern European countries, most of the beer-related contribution to employment occurs in the on-trade. The on-trade contribution to employment is also growing, which reflects increasing consumption overall.

Figure 2: Total employment because of beer in 2014: 10,409 jobs



Source: Calculations - different sources.

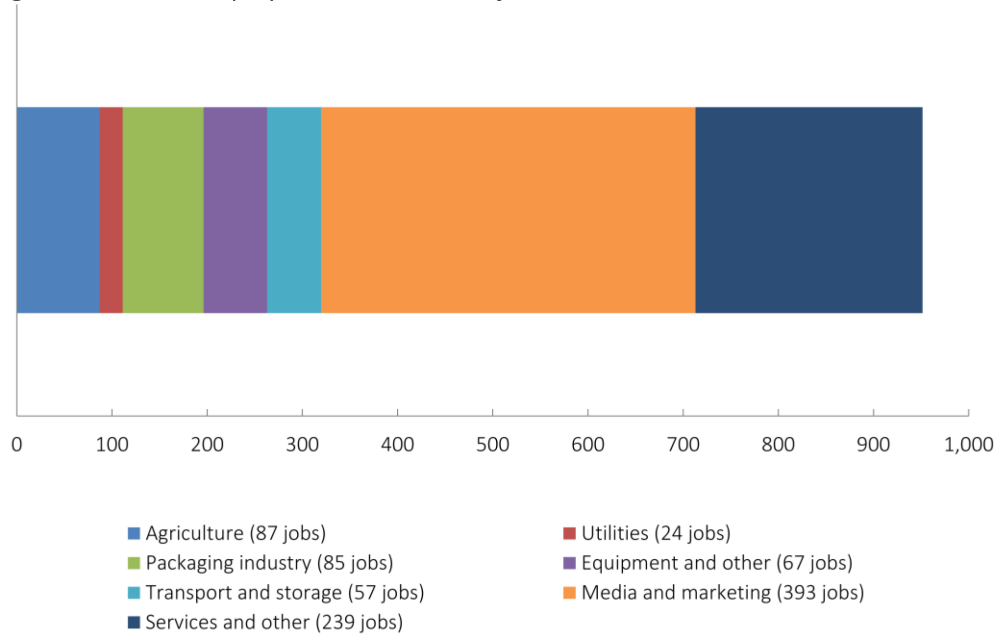
Figure 3: Change in employment (2013-2014): 2.8 %



Source: Calculations - different sources.

In the supply sectors, the largest contributions to employment occurred in media and marketing and other services. This is largely a result of labour-intensive agricultural supplies for the Slovenian beer sector coming from imports, while services are procured locally.

Figure 4: Indirect employment in 2014: 952 jobs

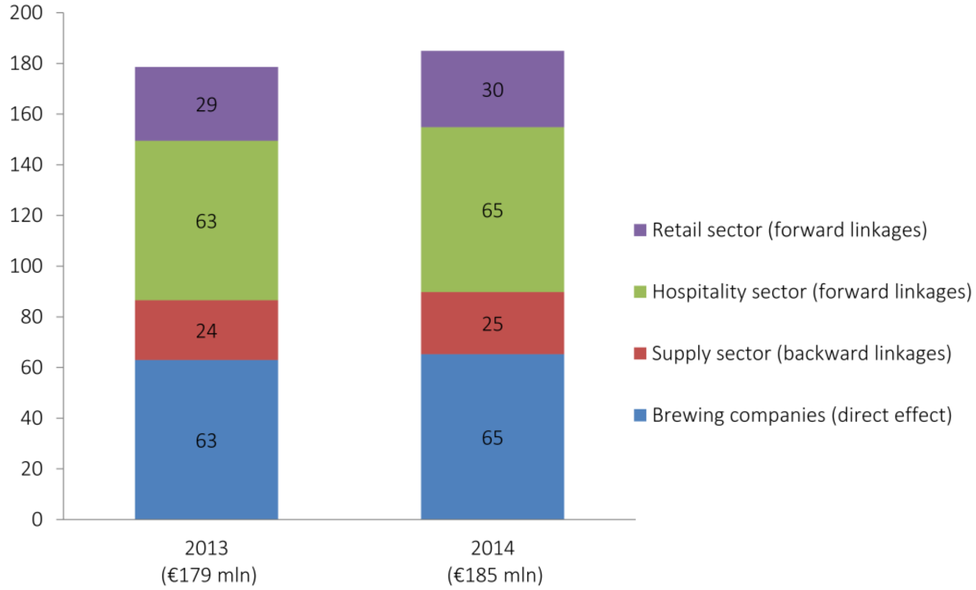


Source: Calculations - different sources.

7. VALUE ADDED GENERATED BY THE BEER SECTOR

The largest contributions to value added are associated with the brewing sector itself and sale in the on-trade. High value added in the on-trade reflects the large contribution to employment in that sector, while in the brewing sector it represents high value added per employee relative to the wider economy.

Figure 5: Change in value added (2013-2014): 3.5 %

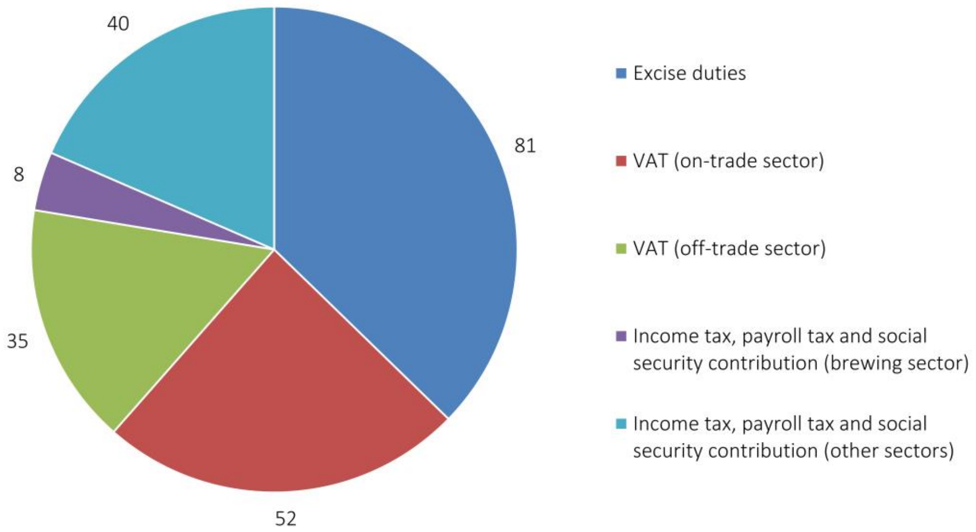


Source: Calculations - different sources.

8. GOVERNMENT REVENUES RELATED TO BEER

The largest contribution to government revenues relates to excise duties. There is also a large contribution to revenues associated with VAT in the on-trade.

Figure 6: Government revenues generated by beer in 2014: 217 million Euro



Source: Calculations - different sources.

Table 4: Government revenues (2013-2014)

	2013	2014	% Change
Excise duties (million Euro)	76	81	6.6 %
VAT (on-trade) (million Euro)	51	52	3.4 %
VAT (off-trade) (million Euro)	34	35	3.4 %
Income tax, payroll tax and social security revenues (brewing companies) (million Euro)	8	8	2 %
Income tax, payroll tax and social security revenues (other sectors) (million Euro)	39	40	3.4 %
Total government revenues (million Euro)	207	217	4.5 %

Source: Calculations - different sources.

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