



A NEW COCKTAIL FOR EUROPE:

ACHIEVING THE RIGHT MIX FOR EU POLICIES



OUR PRIORITIES FOR THE EUROPEAN ELECTIONS & THE NEXT LEGISLATIVE TERM 2019-2024



spiritsEUROPE proudly represents:

- ◆ the interests of **31** associations & **9** leading international spirits producers
- ◆ **1** million direct jobs in production & sales
- ◆ a huge diversity of **different products & producers** large and small

“SPIRITS: A SECTOR DEEPLY ROOTED IN EUROPE’S REGIONS & TRADITIONS...”

The success of European spirits is based on centuries of skill, tradition, ingredients of agricultural origin only and secret recipes handed down through the generations. Scotch and Irish Whiskies, Cognac, Brandy de Jerez, Grappa, Polish Vodka, Deutscher Weinbrand, Ouzo or Genever are just a few of the 240+ spirits registered as Geographical Indications in Europe and recognised worldwide as high quality products.

We work closely with EU policy makers in order to promote the unique yet diverse European way of life. Above all, we strive to develop a global understanding of the EU spirits sector: its cultural heritage, its vital economic role, and its responsibility towards sustainable development.

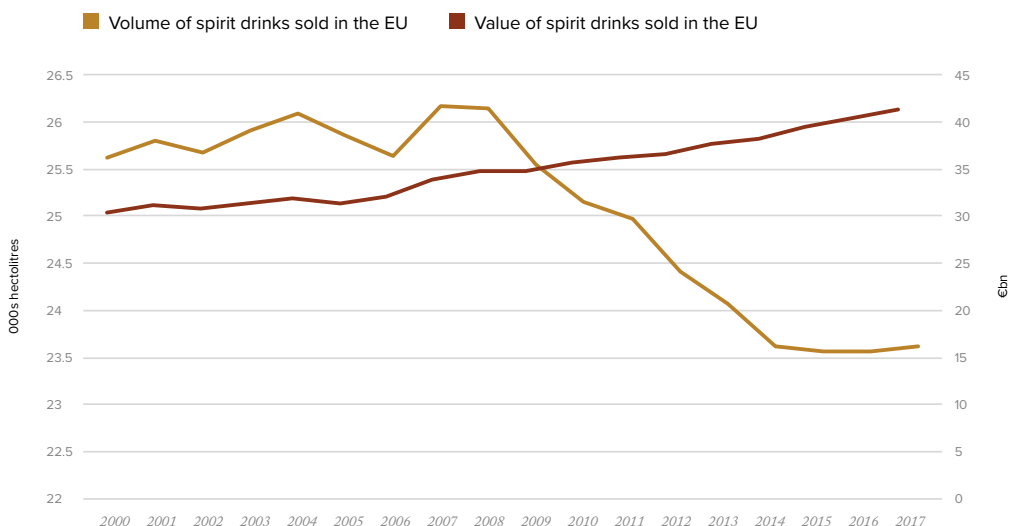


“UNRIVALLED COMMITMENT TO HIGH-QUALITY PRODUCTS OF GLOBAL ACCLAIM”

In recent years, European consumers tend to trade up when purchasing spirits, with a growing demand for distinct and premium products.

As a result, the average value of spirits sold in the EU (per l) has increased constantly since the year 2000.

Spirits sold in the EU: trend in volume & value*



Source: The IWSR - Drinks market analysis
* not inflation rate adjusted



...MAKING A POSITIVE CONTRIBUTION TO SOCIETY”

Spirits are among the most valuable agri-food exports with €11.3 billion export sales outside the EU in 2018, representing 10% of overall food and drinks exports. Spirits present a net trade balance of €9.6 billion to the EU's economy, 2/3 of which are on Geographical Indications (GIs), thus generating European jobs, sales and growth that will stay local.

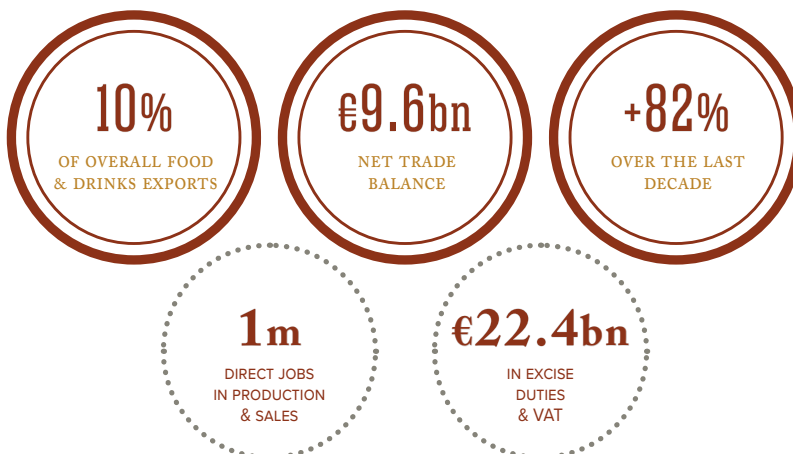
Each year, our sector generates €22.4 billion through excise duties & VAT for exchequers in EU Member States.

The positive economic footprint of our sector is firmly based in Europe's regions and is the result of the globally acclaimed fame and value of our products.



€11 337 754 347 bn

EXPORT SALES OUTSIDE THE EU IN 2018



WHAT WE NEED FROM EUROPE!

A SPIRIT OF INTEGRATION

Strengthening the EU's Single Market, Today & Tomorrow



A true Digital Single Market, including for spirits

The Digital Single Market must remain one of the EU's top priorities for the coming years. Online sales of spirits are growing and offer new and exciting opportunities for consumers and producers alike.

- ☛ The EU should elaborate a balanced and appropriate framework for e-commerce including a workable system for online cross-border sales of excisable goods like spirits.



A frictionless EU Single Market for food & drinks, including spirits

The Single Market remains the backbone of our sector. Consumers and producers benefit greatly from harmonised rules for the production, marketing, distribution, labelling, and sales of spirits. National initiatives in these areas must not undermine the existing harmonised EU framework.

- ☛ The EU must remain committed to fighting any emergence of technical barriers to intra-community trade (resulting from, for instance, national initiatives) and the unnecessary administrative burden and costs that could come with them.





Tax structures that are adequate, balanced & fair

Nearly half of all excise tax revenue from alcoholic beverages are raised from spirits, even though they only make up 1/4 of total consumption in the EU. Consumers pay more than half of the average EU price for a spirit (55.3%) as tax (VAT & excise). Reduced excise tax rates do not exist for small commercial (craft) distillers, while such provisions are in place for small breweries (and planned for small cider producers).

- ▶ EU tax structures for alcoholic beverages should be adequate, balanced and fair. The EU and Member States should create more of a level playing field, rather than devise new, sectoral privileges for those categories unduly favoured by the current rules (e.g. wine, beer, and cider).



Understanding and limiting the losses & damage done by illicit alcohol

Excessive tax hikes & high prices can act as drivers for consumers to turn towards illicit alcohol. Illicit alcohol presents a significant health risk for consumers (poisoning) and accounts for more than EUR 1bn in lost public revenues each year in the EU.

- ▶ The European Commission should conduct in-depth research into illicit alcohol to understand the scale of the problem and work with all interested parties to reduce the conditions that allow informal markets to flourish.



"I remember 25 years ago when my company had to invest in new bottling lines to comply with the EU legislation on fixed bottle sizes in Europe. The process was complicated but worthwhile.

We can now sell our Mascaró spirits (brandies, London gin, marc, orange liquor and cocoa distillate) to consumers in Italy, Germany, UK and Denmark without barriers. It is beneficial for all of us: consumers never face deception from misleading bottles; producers benefit from fair competition and the greater efficiency of bottling lines is good news for the environment".



MONTSERRAT MASCARÓ

CEO of Antonio Mascaró

A SPIRIT OF AMBITION

The EU as a Powerhouse of Global Trade

Achieving EU growth through new agreements

Growing exports of spirits have generated consistent growth and jobs in Europe. More can be achieved by securing free and fair access for our products in additional countries in the coming years.

- ☛ The EU should support its export champions and help producers seize opportunities abroad by concluding new trade agreements, in particular in high-growth emerging markets.



Policing trade deals & implementing agreements

Policing trade deals goes hand in hand with the means and resources to implement agreements fully in letter and spirit. The EU needs to invest more into economic diplomacy & trade promotion as well as in fights for market access.

- ☛ The EU Institutions need to be adequately resourced to meet the Union's trade ambition and ensure the adequate implementation of existing agreements.



Effective Intellectual Property Rights protection in EU Free Trade Agreements

The EU needs to ensure that traditional spirits that have been granted Geographical Indication status because of their special quality or features are effectively protected from imitations in overseas markets.

- ☛ EU trade agreements need to protect Intellectual Property rights to ensure consumers can enjoy authentic products worldwide.



The EU as a staunch defender of the rules-based international trading system

The role of the World Trade Organisation (WTO) is invaluable to our sector. By creating a global trading system, which is fair, predictable and based on common rules, it opens up long-term perspectives for companies, allowing them to put in place strategies that support growth, development and job creation.

- ☛ The EU should make sure that the essential role of the WTO be preserved based on a solid reform of the organisation.



"We always try to source new products that are not easily available and might be unique for many clients. I could not imagine working without the great variety of high-quality spirits coming from Europe. It is fascinating to see such a wave of creativity in production but also in cocktail making".



KEVIN DEMERS

Owner of the Coldroom/El Pequeño bars in Montreal

A SPIRIT OF COOPERATION

Working Together for Responsible, Inclusive & Sustainable Growth

Promoting Responsible Drinking in Europe

We want our products to be understood, consumed and enjoyed in moderation. We take our role in society seriously and make great efforts through targeted prevention campaigns to help reduce alcohol-related harm across the EU. To be successful and effective, we believe that cooperation and an evidence-based approach are key: all relevant actors should work in partnership and relevant strategies should be informed, and underpinned by, robust evidence.

☛ We invite the European Commission to re-launch the European Alcohol and Health Forum (EAHF) as an effective cooperation mechanism to promote responsible drinking and reduce alcohol-related harm.

☛ The EU should boost the collection of comparable cross-border data to better understand and monitor relevant trends on alcohol-related harm.



Contributing towards the Sustainable Developments Goals (SDGs)

As European spirits producers, we firmly believe that, in order to be sustainable, economic development must be conducted in socially responsible ways and with respect to the environment and our planet. We are actively committed to play our part and undertake a broad range of actions and initiatives to advance environmental sustainability along the entire value chain.

☛ We call for an environmental policy which promotes best practices, raises ambition, and can help producers make meaningful sustainability advancements across the entire value chain.



“Our objective is to have all the winegrowers for Cognac engaged in a sustainable viticulture approach by 2021. It all starts with an assessment of their daily practices followed by training and individual support to each of them to gradually reach the technical specification of the certification.

To-date, 1,900 out of 4,500 winegrowers have joined the programme”.



CATHERINE LE PAGE

Director of BNIC-Cognac, France

MORE ON OUR CONTRIBUTION TO SOCIETY...

drinksinitiatives.eu

Driving responsible & sustainable actions,
making a positive contribution to society.



responsibledrinking.eu

Consumer information on spirits drinks

 **TRADE NOW**

trade-now.eu



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