Poland

1 COUNTRY PROFILE

TABLE 1. COUNTRY PROFILE

	2020	2022
Population	37,958,138	36,889,761
Currency	Złoty	Złoty
GDP per capita in PPS (2012, EU28 = 100)	76	79

Source: Eurostat and National Statistical offices.

2 HIGHLIGHTS POLAND

TABLE 2. SUMMARY OF BEER SECTOR'S ECONOMIC IMPACT (AND % CHANGE OVER THE PERIOD 2016-2022)

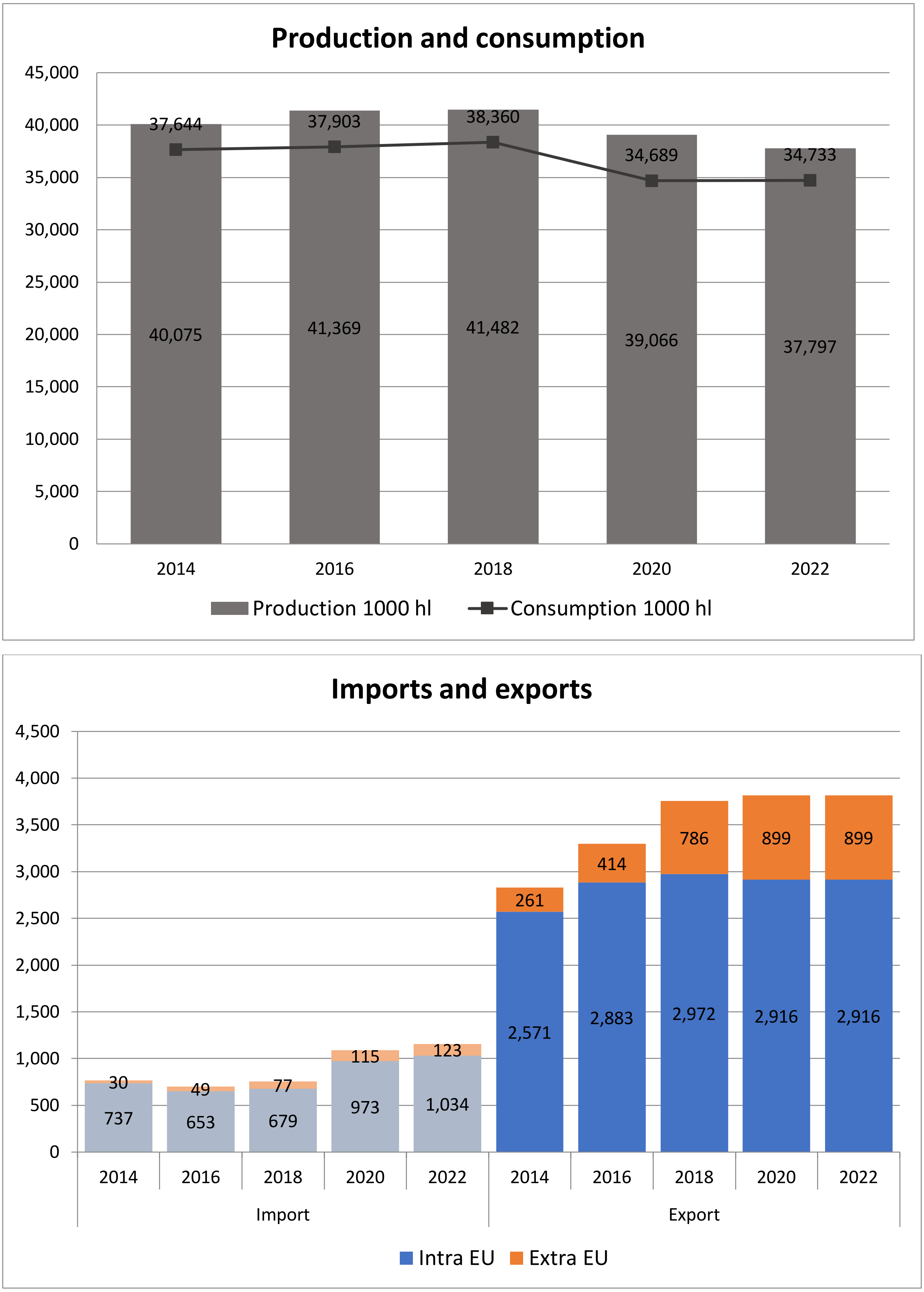
		2016	2018	2020	2022
Total number of jobs	[-38.1%]	146,703	111,624	90,886	90,860
Value-added (mEuro)	[27.9%]	1,605	1,959	2,074	2,053
Government revenues (mEuro)	[1.9%]	2,172	2,282	1,977	2,212

Source: Calculations - different sources.

In Poland, both production and consumption of beer are important, although the country produces slightly more beer than it consumes. In 2022, imports and exports accounted for 3.8 million hectolitres of beer. The destination of Poland's exports continues to be dominated by European countries, although exports outside the EU have increased significantly, from 261,000 hectolitres in 2014 to 899,000 hectolitres in 2022.

There has been a clear decline in employment attributable to the beer sector, with the number of jobs falling by 38 per cent from 2016 to 2022. However, despite this, the value added of the beer sector to the Polish economy has actually increased across this period, by 28 per cent.

Figure 1. Evolution of main indicators (2014-2022)



Source: National Associations.

3 A SNAPSHOT OF THE BREWING SECTOR

Overall, production was 37.8m hectolitres in 2022, down from earlier years, as shown in the table below. The number of breweries, including microbreweries, was 326, down from the 363 in 2020.

TABLE 3. BASIC CHARACTERISTICS OF THE BEER SECTOR (2016-2022)

	2016	2018	2020	2022
Total production (in hectolitres)	41,369,000	41,482,000	39,066,000	37,797,000
Brewing companies	N/A	N/A	N/A	N/A
Breweries (including microbreweries)	210	318	363	326
Microbreweries	N/A	N/A	N/A	N/A

Source: National Associations.

4 LOOKING AT THE BEER MARKET

The consumption of beer in Poland has followed a similar trend to production and has only slightly decreased from 2016 to 2022 (approximately eight per cent). Total spending has increased recently reflecting an increase in the price of beer in both the hospitality and the retail market. Poland is a country with a considerable amount of per capita consumption (among the highest in Europe). Off-trade beer consumption predominates in Poland, with people buying beer from supermarkets and stores and consuming it in the comfort of their home.

TABLE 4. BASIC CHARACTERISTICS OF THE BEER MARKET (2016-2022)

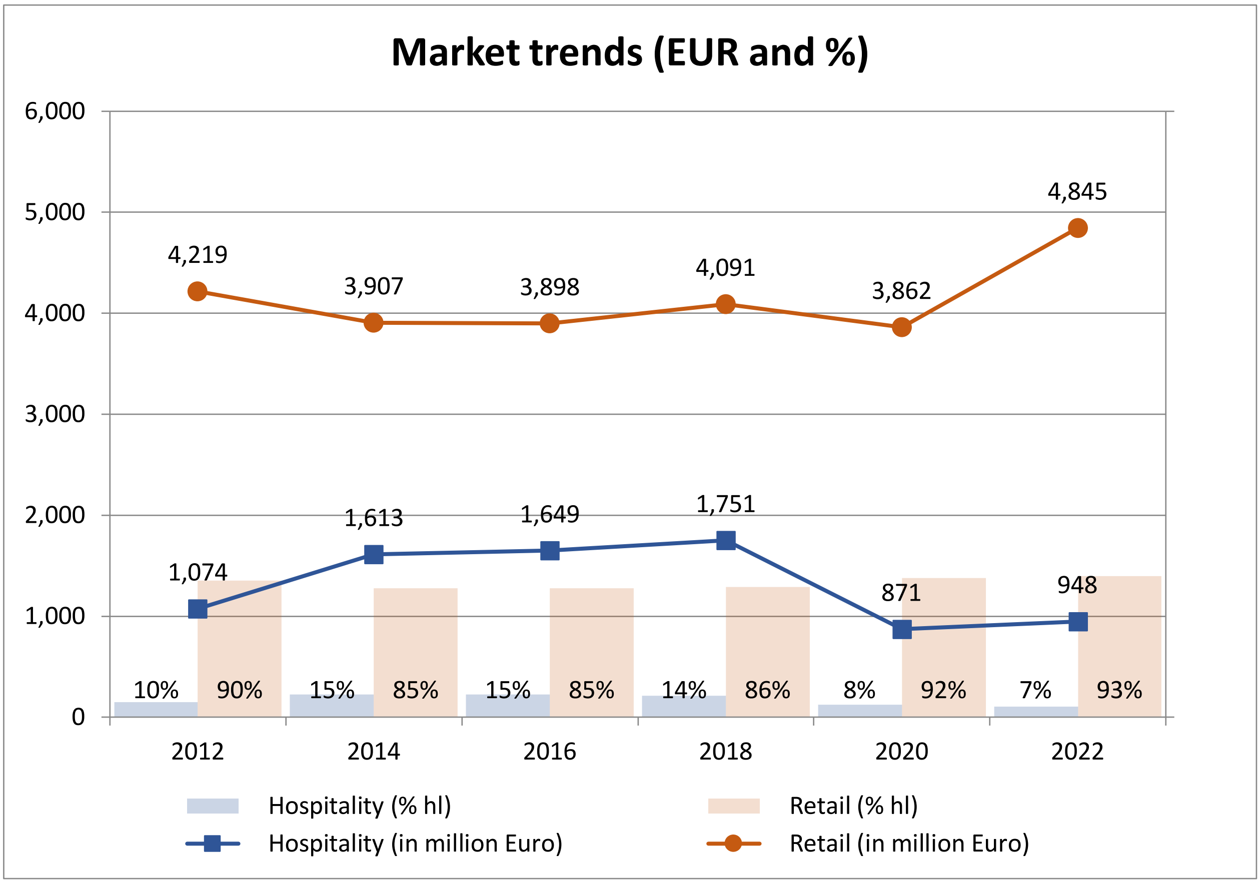
	2016	2018	2020	2022
Total consumption in hectolitres	37,903,000	38,360,000	34,689,000	34,733,000
Total consumer spending (in million Euro)	5,547	5,841	4,733	5,793
Consumption of beer per capita (in litres)	98	100	93	93
Beer consumption hospitality	15%	14%	8%	7%
Beer consumption retail	85%	86%	92%	93%
Consumer price hospitality (€ / litre)*	2.90	3.26	3.14	3.90
Consumer price retail (€ / litre)*	1.21	1.24	1.21	1.50

*Source: National Associations. Note: * Prices are averages inclusive of taxes and duties.*

5 TRENDS AND DEVELOPMENTS

The share of beer consumption in the hospitality sector has been low in Poland. It was just 7 per cent in 2022, down from the 14 per cent recorded in 2018. In terms of revenues, the retail sector more than five times larger than the hospitality sector, with €5 billion in retail sales in 2022. This is approximately 16 per cent higher than in 2018, in part due to the shift to off-trade consumption during this period. Beer consumption in the hospitality sector fell by 46 per cent over the same period to €950 million.

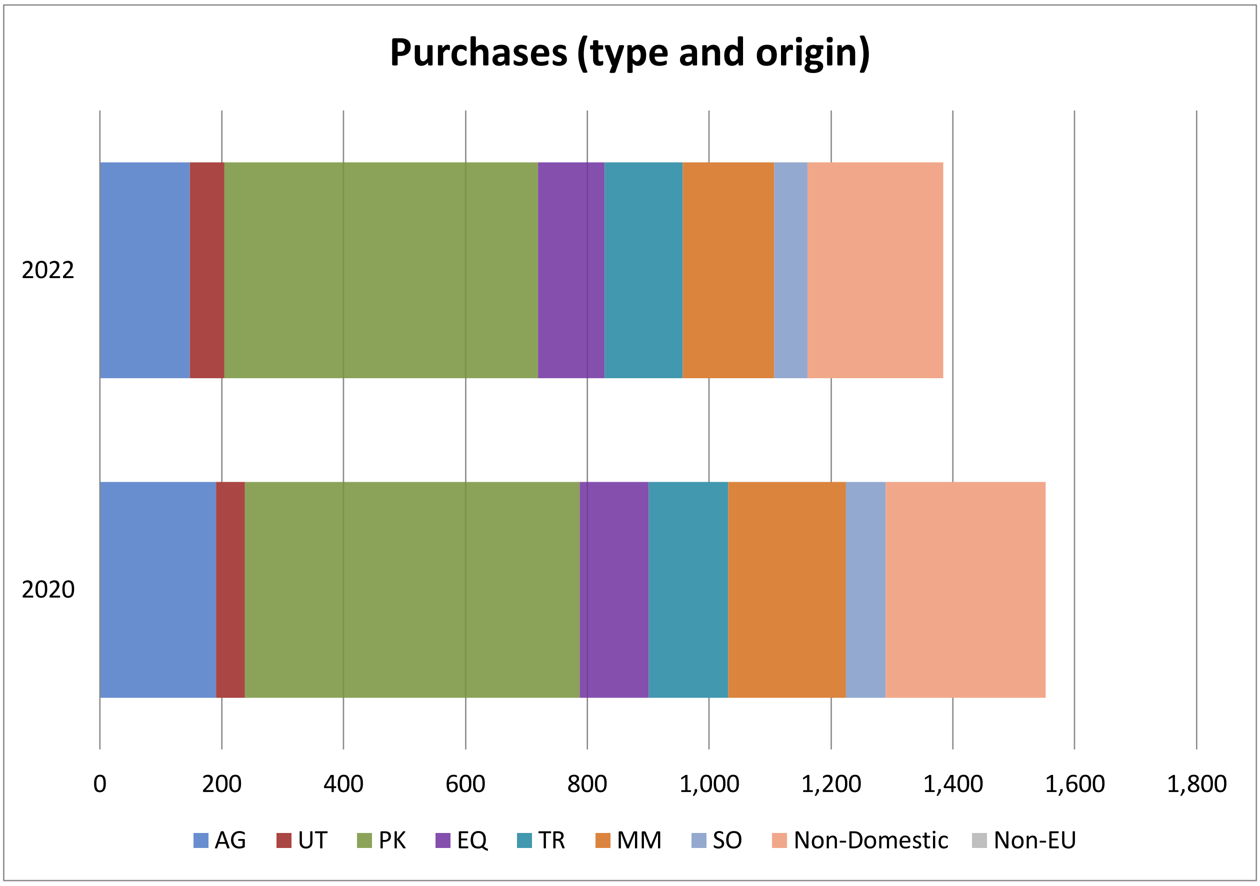
FIGURE 2: RECENT CONSUMPTION TRENDS (2012-2022)



Source: National Associations.

The Polish beer sector has an upstream supply chain that is largely Polish. Just 16 per cent of inputs are from abroad (including both EU and non-EU imports). This is low relative to other European countries. It means the sector has a relatively greater impact on the domestic economy than the brewing industry in other jurisdictions.

FIGURE 3: SPLIT OF BEER SECTOR'S SUPPLY CHAIN PURCHASES



Note: AG – Agriculture; UT – Utilities; PK – Packaging; EQ – Equipment; TR – Transport; MM – Media / marketing; SO – Other services.

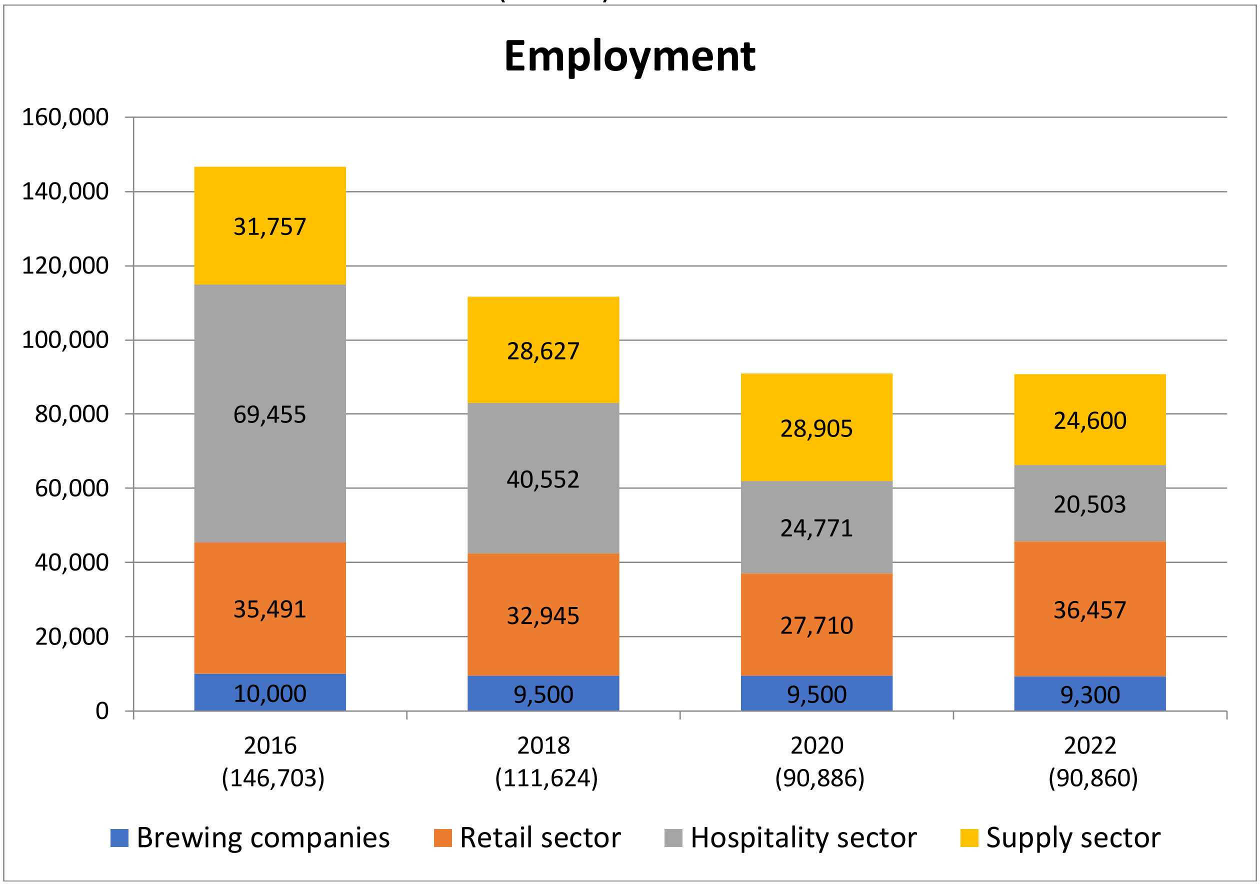
Source: Calculations based on data from Eurostat, and the Individual Brewers Questionnaire.

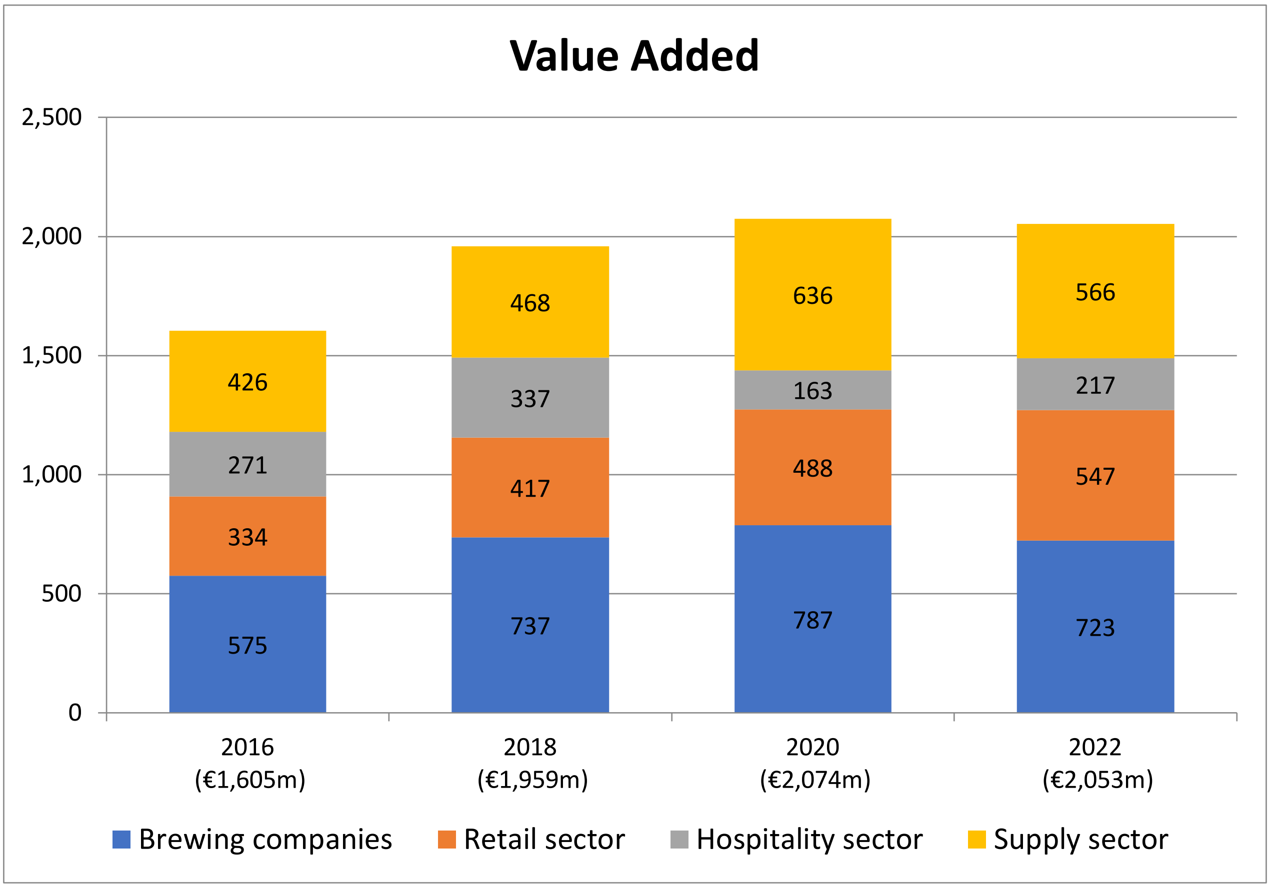
6 THE IMPACTS BEYOND THE SECTOR: RELATED JOBS AND VALUE ADDED

Employment attributable to beer in Poland is concentrated in the hospitality sector. This reflects both the high share employed in the hospitality sector (approximately half of the total employment) and its relative labour-intensity. It is worth noting that over the years both employment and the value added have decreased, with a significant drop in 2020 which is showing signs of recovery.

This decline in employment is not reflected by an equivalent fall in value added, which has grown since 2016. The brewing of beer is the most significant component of total value added from the industry.

FIGURE 4: CHANGE IN EMPLOYMENT AND VALUE ADDED (2016-2022).





Note: The figures in the employment chart are to be considered as estimates.

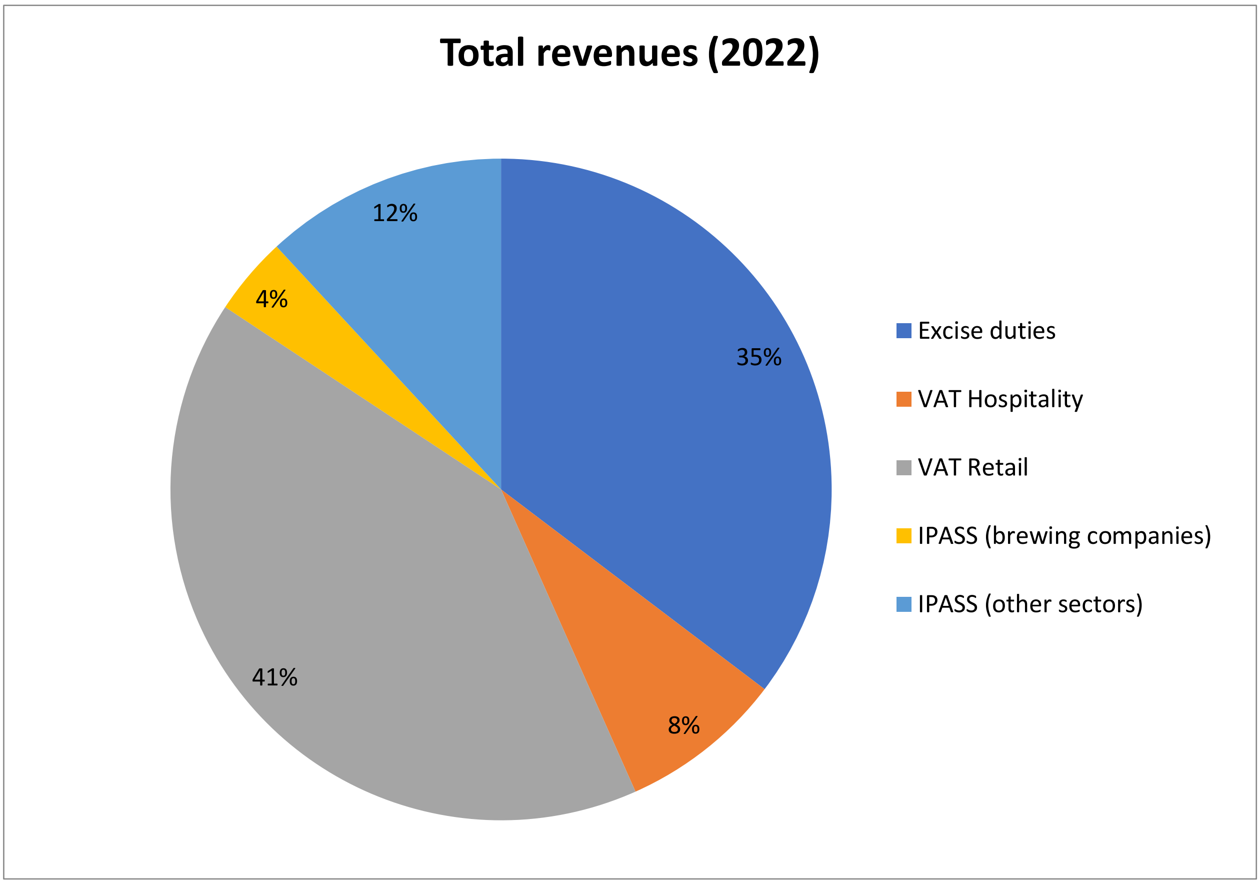
Source: Calculations based on data from Eurostat, National Associations, and the Individual Brewers Questionnaire.

The employment in the supply sector can be broken down using the estimates from the responses to the survey to brewers. These imply a job breakdown of: 10,041 jobs in agriculture, 6,361 jobs in packaging, 2,843 jobs in transport, 2,773 jobs in media and marketing (the remaining corresponding to utilities, equipment, other).

7 GOVERNMENT REVENUES RELATED TO BEER

The beer economy contributed €2,212m to government revenues in 2022. In contrast to many other countries in Europe, the contribution made by beer is relatively evenly split between excise duties and VAT in retail (35 and 41 per cent respectively). VAT in hospitality and IPASS (other sectors) are also adding a significant contribution to the overall revenues. The large proportion of VAT revenue collected from the retail sector reflects the continued importance of the sale of beer in supermarkets and other retail stores.

FIGURE 5: GOVERNMENT REVENUES RELATED TO THE PRODUCTION AND SALE OF BEER IN 2022: (BILLION EURO)



Note: IPASS - Income, payroll tax and social security

Source: Calculations based on data from Eurostat, and the National Associations.

Approximately 70 per cent of the total government revenues can be attributed to excise duties and VAT in retail. We note that government revenues have remained stable over the years (with a slight drop in 2020), reflecting the stable consumption and production of beer in Poland.

TABLE 5. GOVERNMENT REVENUES, €M (2016-2022)

	2016	2018	2020	2022
Excise duties	817	834	764	781
VAT Hospitality	308	327	163	177
VAT Retail	729	765	722	906
IPASS (brewing companies)	55	60	82	85
IPASS (other sectors)	262	297	246	263
Total government revenues	**2,172**	**2,282**	**1,977**	**2,212**

Note: IPASS - Income, payroll tax and social security

Source: Calculations - different sources.