Spain

1 COUNTRY PROFILE

TABLE 1. COUNTRY PROFILE

	2020	2022
Population	47,332,614	47,432,893
Currency	Euro	Euro
GDP per capita in PPS (2012, EU28 = 100)	83	86

Source: Eurostat and National Statistical offices.

2 HIGHLIGHTS SPAIN

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

		2016	2018	2020	2022
Total number of jobs	[10.6%]	370,736	387,552	359,883	410,112
Value-added (mEuro)	[26%]	6,619	7,768	5,402	8,340
Government revenues (mEuro)	[32.3%]	4,929	5,564	4,526	6,521

Source: Calculations - different sources.

The beer sector has had a growing impact on Spain's economy in recent years, with increases to the number of jobs, value added and government revenues attributable to the industry. There has been a general upward trend in both the production and consumption of beer in Spain; although both components saw temporary falls during the pandemic in 2020. Imports, primarily from other EU countries, saw a substantial increase, while exports also rose, with a notable portion going to both intra- and extra-EU markets. Spain remains a net importer of beer, with consistently higher levels of consumption than production.

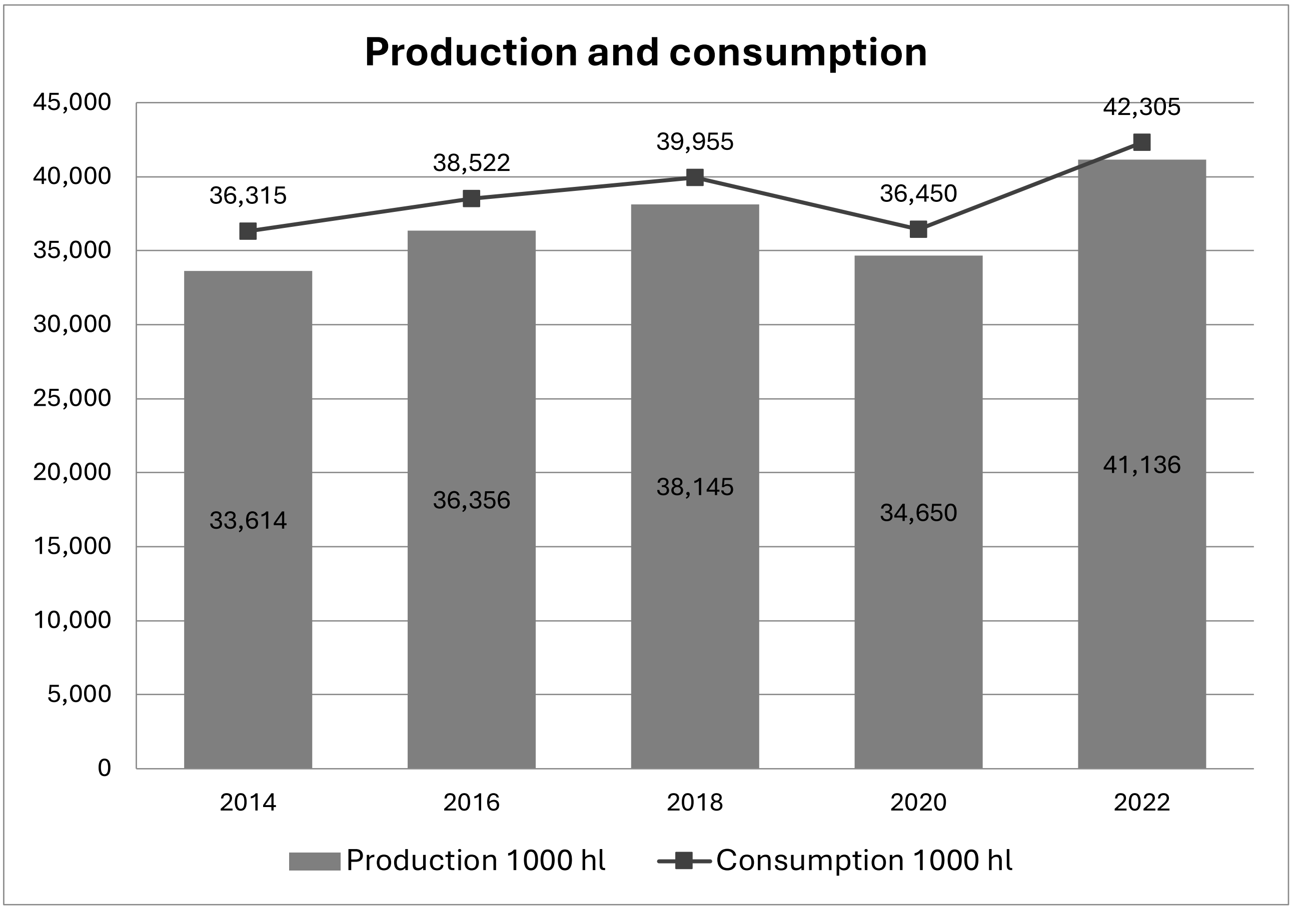
According to an independent report developed for Cerveceros de España also this year, different figures were obtained using a methodology that included induced and second-round impacts.

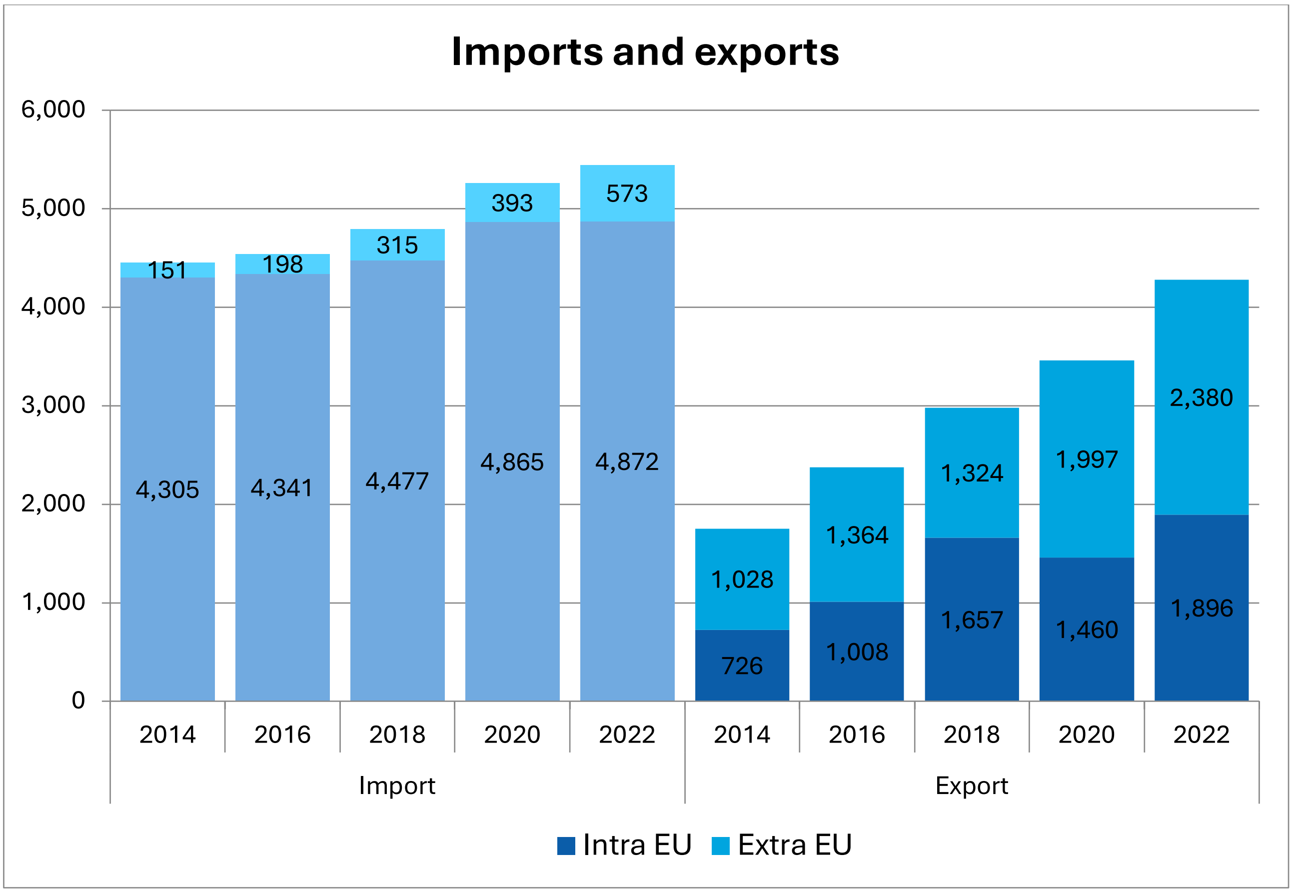
TABLE 3. ALTERNATIVE ESTIMATES OF BEER SECTOR´S ECONOMIC IMPACT IN 2022

	2022
Total number of jobs	540,386
Value-added (mEuro)	17,229
Government revenues (mEuro)	6,530

Source: PwC (2024) "Impacto socioeconómico y fiscal de la cerveza en España".

FIGURE 1. EVOLUTION OF MAIN INDICATORS (2014-2022)





Source: National Associations.

3 A SNAPSHOT OF THE BREWING SECTOR

Spain is one of the largest beer producers in Europe, with production figures reaching over 41 million hectolitres in 2022. The sector is diversified in terms of the number of companies and breweries, including microbreweries. Between 2016 and 2022, the total number of brewing companies decreased from 391 to 279, and the number of microbreweries decreased from 362 to 247. This reduction in the number of breweries can be attributed to market consolidation and competitive pressures. However, those that remain have increased their production capacity and efficiency, contributing to the overall increase in production volumes.

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

	2016	2018	2020	2022
Total production (in hectolitres)	36,356,000	38,145,000	34,650,000	41,136,000
Brewing companies	391	443	212	279
Breweries (including microbreweries)	405	456	225	293
Microbreweries	362	396	191	247

Source: National Associations.

4 LOOKING AT THE BEER MARKET

Total beer consumption in Spain has increased significantly, with per capita consumption rising to 58 litres in 2022. Fifty-nine per cent of beer is consumed in the hospitality sector by 2022. This marks a recovery from a dip in 2020 due to the pandemic. This may also reflect the importance of the tourism industry in Spain and specifically to its beer sector; in 2022 the tourism sector accounted for 11.6% of the Spanish economy.[1] Consumer spending on beer in hospitality venues rose to €19,789 million in 2022, indicating a strong out-of-home drinking culture. Prices have increased slightly in the retail sector, while the hospitality sector saw a more substantial price rise.

[1] National Statistics Institute's Tourism Satellite Account.

TABLE 5. BASIC CHARACTERISTICS OF THE BEER MARKET (2016-2022)

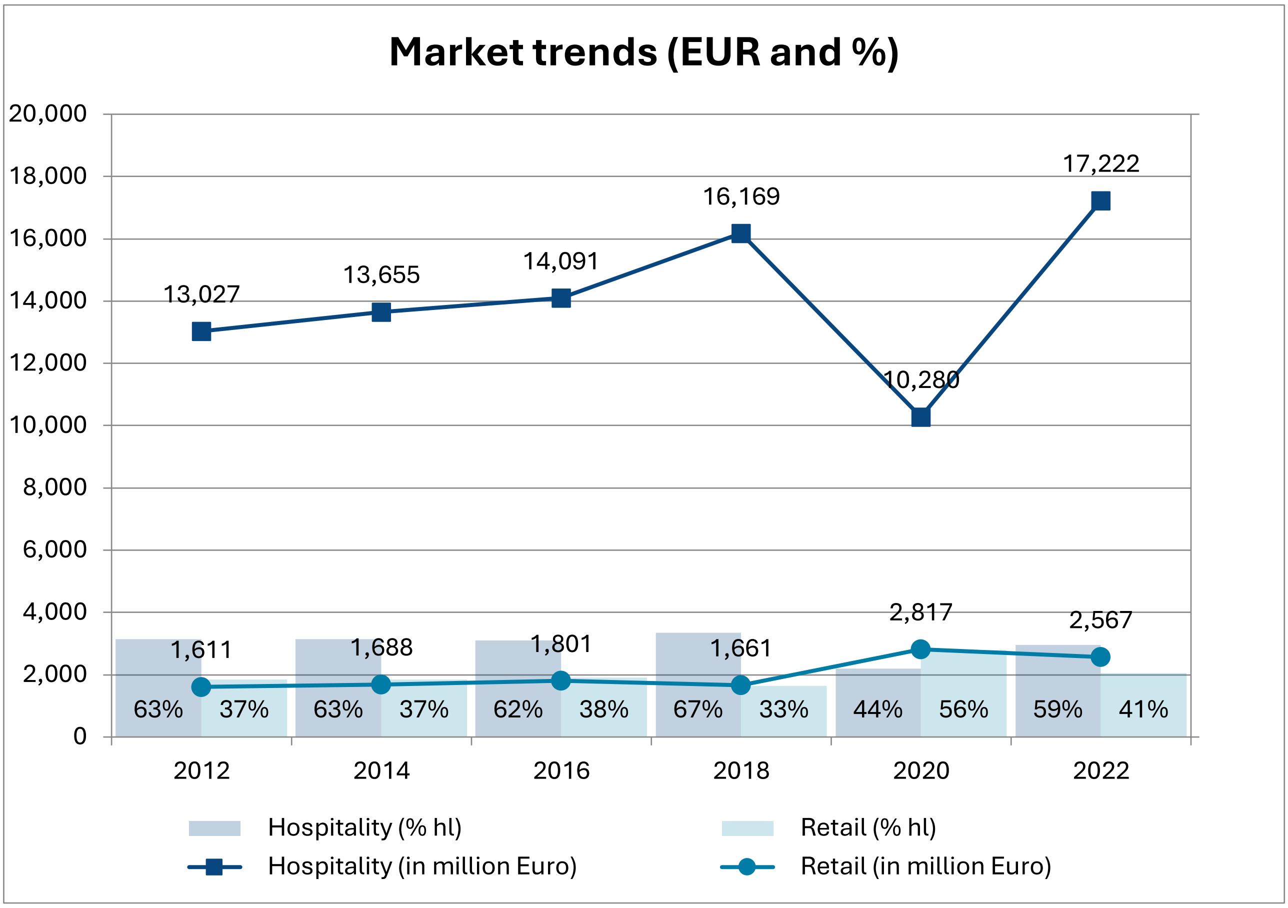
	2016	2018	2020	2022
Total consumption in hectolitres	38,522,000	39,955,000	36,450,000	42,305,000
Total consumer spending (in million Euro)	15,892	17,830	13,097	19,789
Consumption of beer per capita (in litres)	46	52	50	58
Beer consumption hospitality	62%	67%	44%	59%
Beer consumption retail	38%	33%	56%	41%
Consumer price hospitality (€ / litre)*	5.90	6.04	6.41	6.90
Consumer price retail (€ / litre)*	1.23	1.26	1.38	1.48

*Source: The Brewers of Europe. Note: * Prices are averages inclusive of taxes and duties.*

5 TRENDS AND DEVELOPMENTS

The market trends in Spain show a larger share of expenditure in the hospitality sector, driven by the volume of beer consumed on-premises. Beer consumption volumes have recovered strongly, reflecting positive recent signs for the sector. The sector's dynamism is evident from the supply side, with both traditional and new brewers launching specialty beers. The hospitality market saw a significant rise in value to €17,222 million in 2022, reflecting a strong recovery and consumer preference for social settings. The retail market remained steady at €2,567 million.

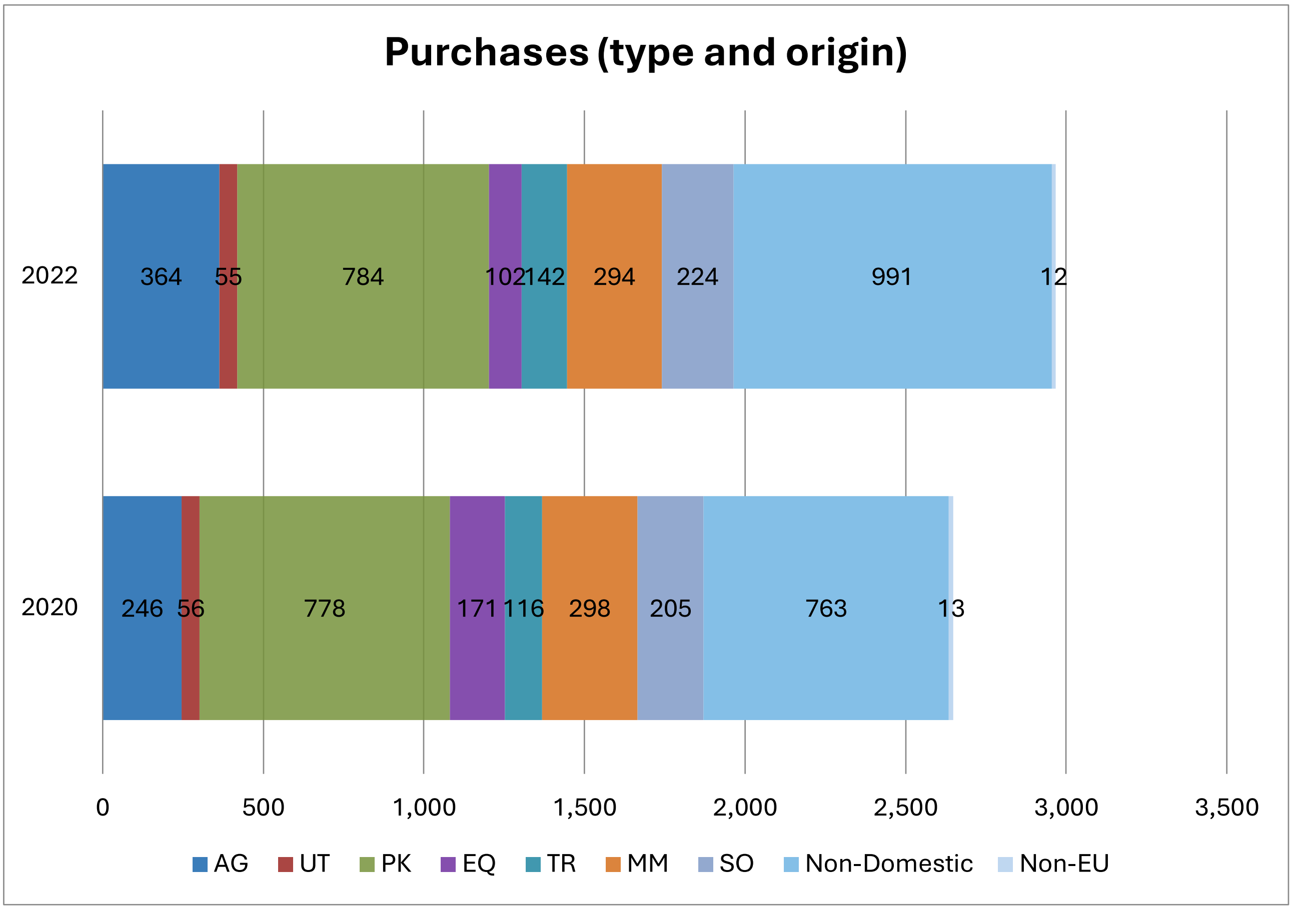
FIGURE 2: RECENT CONSUMPTION TRENDS (2012-2022)



Source: The Brewers of Europe

Beer contributes significantly to the upstream segment by purchasing inputs from various other sectors, mainly from packaging sector. By 2022, purchases have increased, an increase in total purchases has been driven by supply chain spending in the EU.

FIGURE 3: SPLIT OF BEER SECTOR'S SUPPLY CHAIN PURCHASES - (MILLION EURO)



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

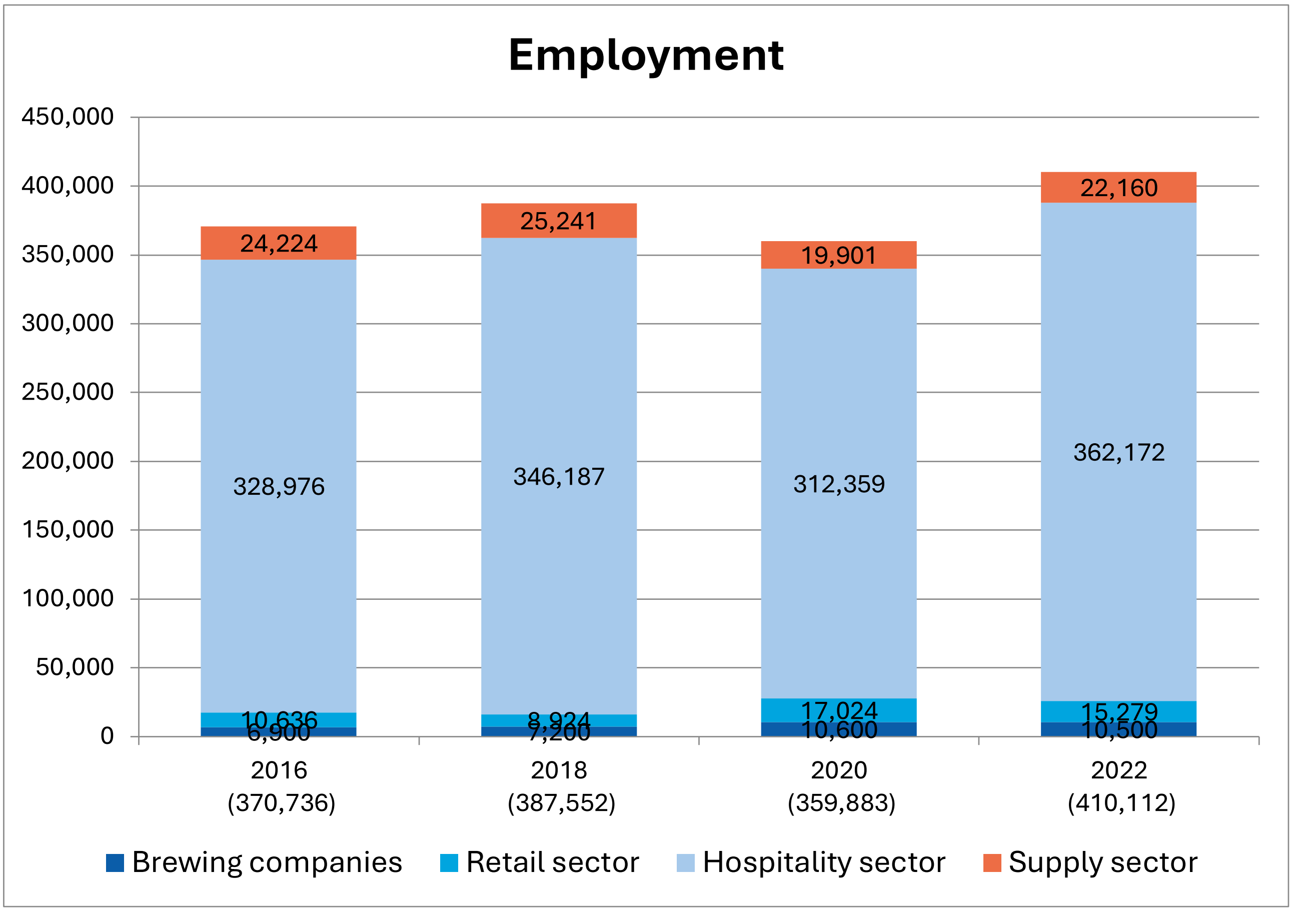
Source: Calculations based on data from Eurostat, and the Individual Brewers Questionnaire.

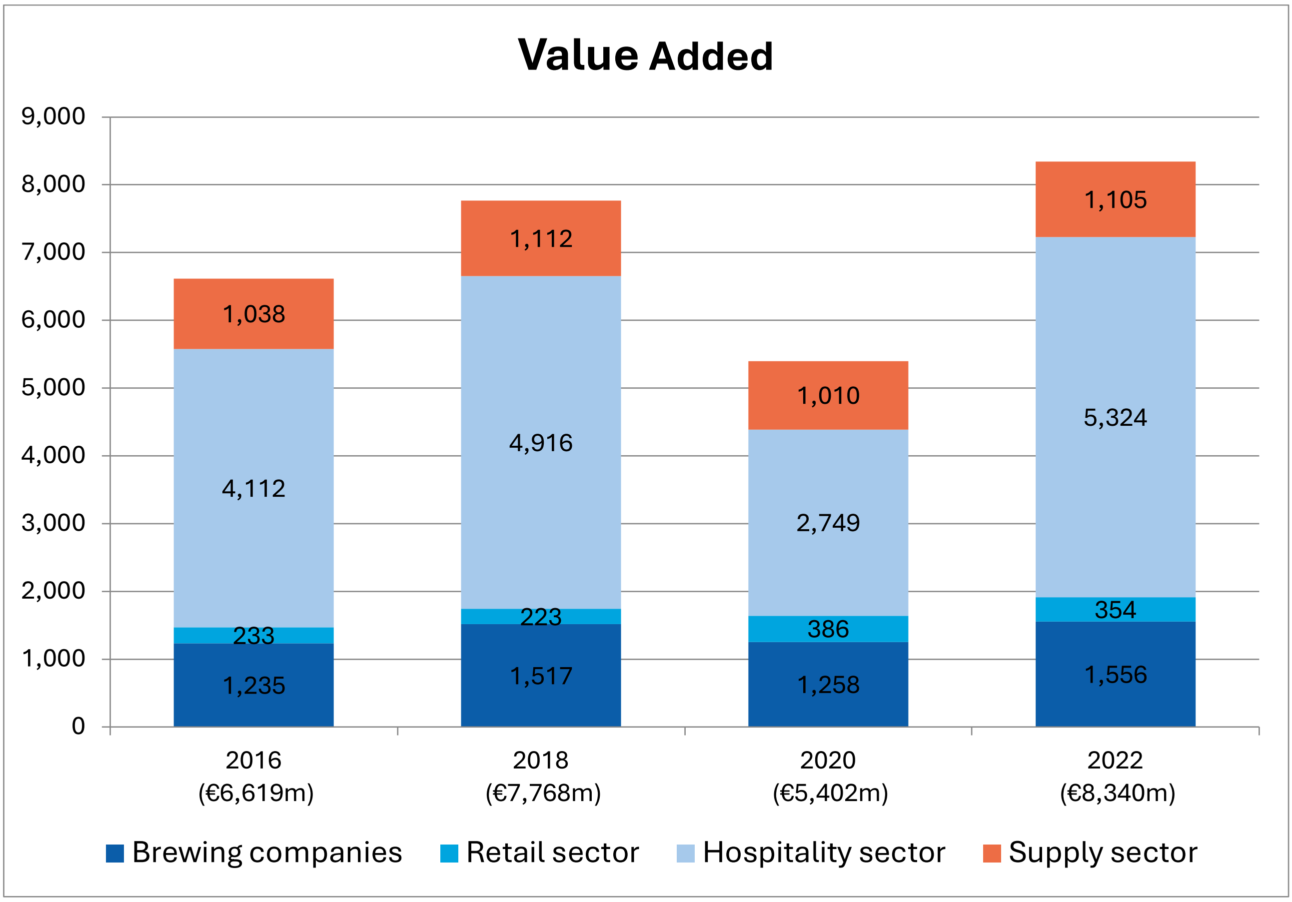
6 THE IMPACTS BEYOND THE SECTOR: RELATED JOBS AND VALUE ADDED

Due to its strong presence in the hospitality sector, jobs related to the beer industry are predominantly represented in this sector. The hospitality sector is a major employer, reflecting the significant role of on-premises beer consumption in Spain. In contrast, employment in other sectors, while still substantial, is comparatively lower.

The pattern in value added follows a similar trend to employment, with the on-trade sector dominating. A significant portion of value added is generated by the hospitality sector, given the high consumer spending on beer in bars and restaurants. However, breweries themselves also contribute notably to the overall value added, highlighting the importance of production activities alongside consumption. Both the employment and value added have seen positive overall trends other than a temporary decline during the pandemic.

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





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

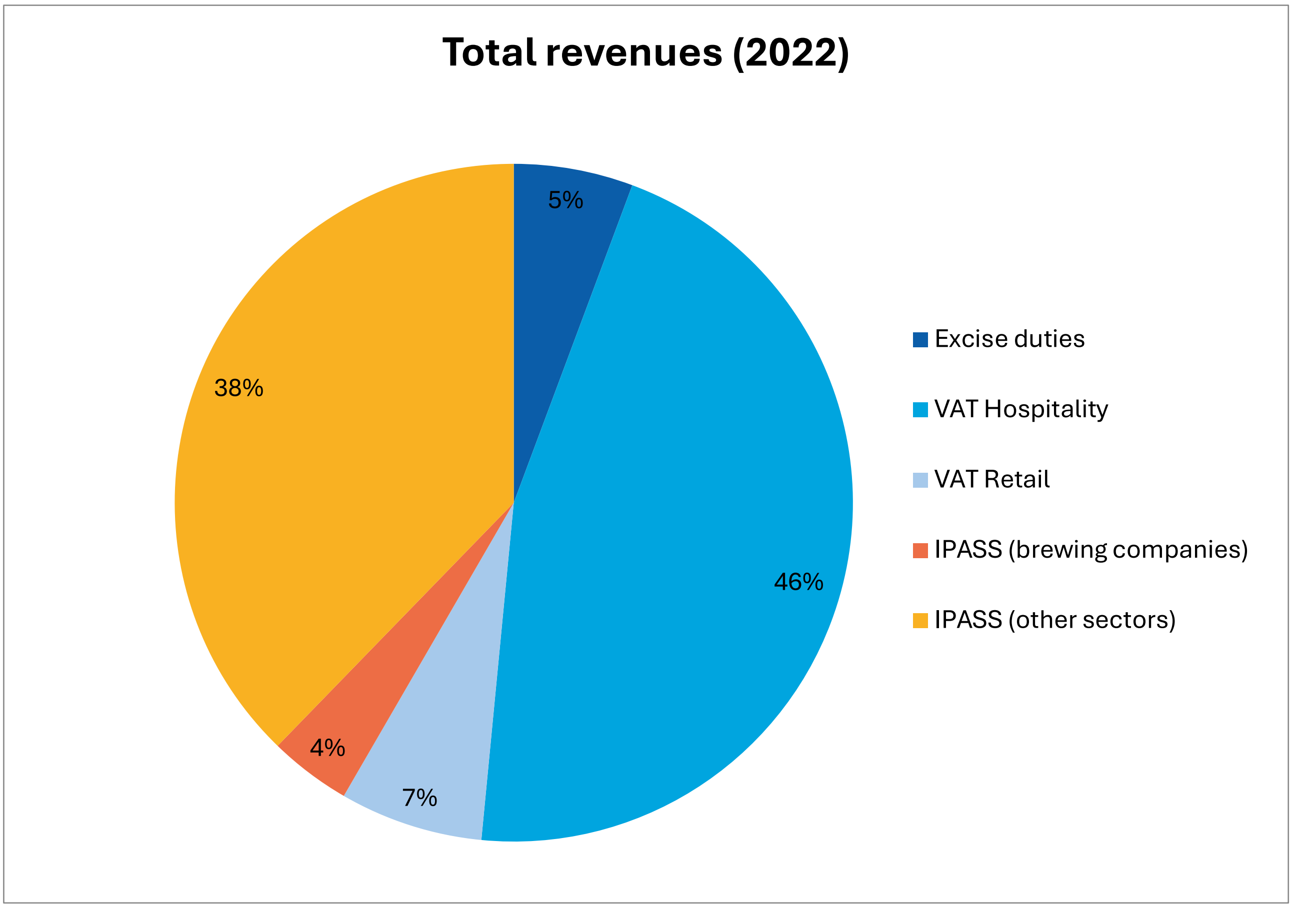
Source: Calculations based on data from Eurostat, National Associations, and the Individual Brewers Questionnaire.

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: 6838 jobs in agriculture, 4959 jobs in packaging, 2009 jobs in transport, 5498 jobs in media and marketing (the remaining corresponding to utilities, equipment, other).

7 GOVERNMENT REVENUES RELATED TO BEER

Government revenues from the beer sector are primarily derived from VAT charged in the hospitality sector and the IPASS from other sectors.

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.

The total taxes attributed to beer have experienced fluctuations over recent years, with an increasing trend. By 2022, the revenue from beer sector had recovered to 6.5 million Euros, surpassing pre-pandemic levels.

TABLE 6. GOVERNMENT REVENUES, €M (2016-2022)

	2016	2018	2020	2022
Excise duties	328	349	322	371
VAT Hospitality	2,446	2,806	1,784	2,989
VAT Retail	312	288	489	446
IPASS (brewing companies)	148	149	259	255
IPASS (other sectors)	1,696	1,972	1,672	2,461
Total government revenues	**4,929**	**5,564**	**4,526**	**6,521**

Note: IPASS - Income, payroll tax and social security

Source: Calculations - different sources.