

AICV

The European
Cider & Fruit Wine
Association

European Cider Trends 2018



European Cider and Fruit Wine
Association, 2018

Introduction

European Cider Trends 2018 is a collaboration between Global Data and the European Cider and Fruit Wine Association (AICV) in producing a presentation that demonstrates the current:

- Key markets for cider (which includes perry, fruit flavoured cider and fruit wine)
- Tax rates in a number of consuming countries for cider
- The important contribution which cider production makes to EU Agriculture

Although considerably smaller than the wine, beer, or spirits industries, it is nevertheless a fact that in recent years in some EU countries cider and fruit wines have enjoyed one of the fastest growth rates of all alcoholic beverages, underlining the continuous popularity of fermented fruit drinks down the ages.

The purpose of the document is to increase the awareness of cider to stakeholders (principally lawmakers and those involved with policy formulation) who may not be familiar with cider and all its varieties.

What is Cider?

Cider¹ is an alcoholic beverage obtained only by the complete or partial fermentation of:

- the juice of fresh apples, or
- the reconstituted juice of concentrate made from the juice of apple, or
- the mixture of juice of fresh apples and of reconstituted juice of concentrate made from the juice of apple

The product will have in general an alcohol content within the range of 1,2 % to less than 8,5 % alcohol by volume (ABV), and should maintain the character of fermented apple juice. It is forbidden to add distilled alcohol to cider.

Reduced-alcohol ciders also exist on the market and these are classified as:

- **alcohol-free cider** (or non-alcoholic cider) when less than 0,5 % ABV
- **low-alcohol cider** when more than 0,5 % ABV and less than 1,2 % ABV

In the late 1980's modern ciders were born: ciders containing juice and flavourings began to be produced, alongside the traditional ciders. The industry calls these '**flavoured ciders**', and they can contain, in addition to the apple base, ingredients such as juice of other fruits, extracts, flavourings, etc.

Another innovation is the so-called 'cidre de glace' (or 'ice cider'), which is a cider made only from the fermentation of frozen juice, or frozen apples. There is no addition of water, sugar or alcohol, and alcohol content is above 7 %.

¹ For a more detailed definition consult the AICV Code of Practice (www.aicv.org)

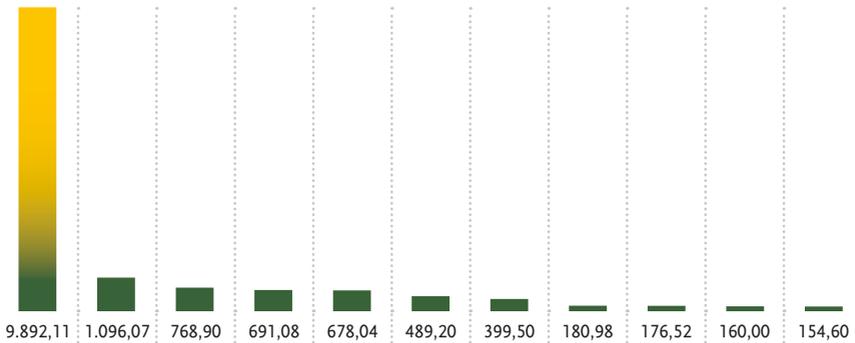
Cider – Leading Markets

UK	Spain	France	Ireland	Germany	Poland	Finland	Russia	Ukraine	Czech Rep.	Sweden
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5yr CAGR 2011 - 2016

0,51%	2,37%	-1,82%	1,62%	0,03%	37,37%	-2,16%	82,26%	30,22%	121,51%	-0,11%
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Volume in '000 HL



Per Capita 2013



* Includes flavoured ciders as AICV defined.

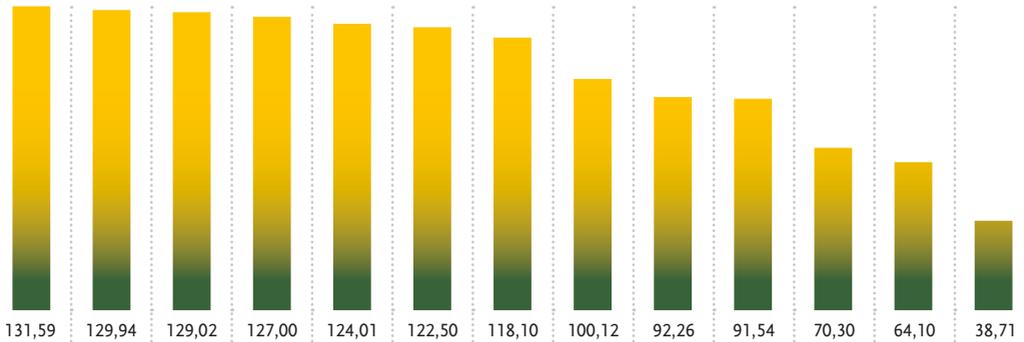
Cider* – Smaller Markets

Lithuania Bulgaria Romania Portugal Switzerland Netherlands Norway Austria Latvia Estonia Hungary Denmark Belgium

5yr CAGR 2011 - 2016

-8,12% 69,93% 112,18% 45,31% 2,52% 25,59% 6,89% 7,63% 14,49% -2,16% 15,70% -3,48% 8,84%

Volume in '000 HL



Per Capita 2013



* Includes flavoured ciders as AICV defined.

Europe: Fastest Growing Cider Markets

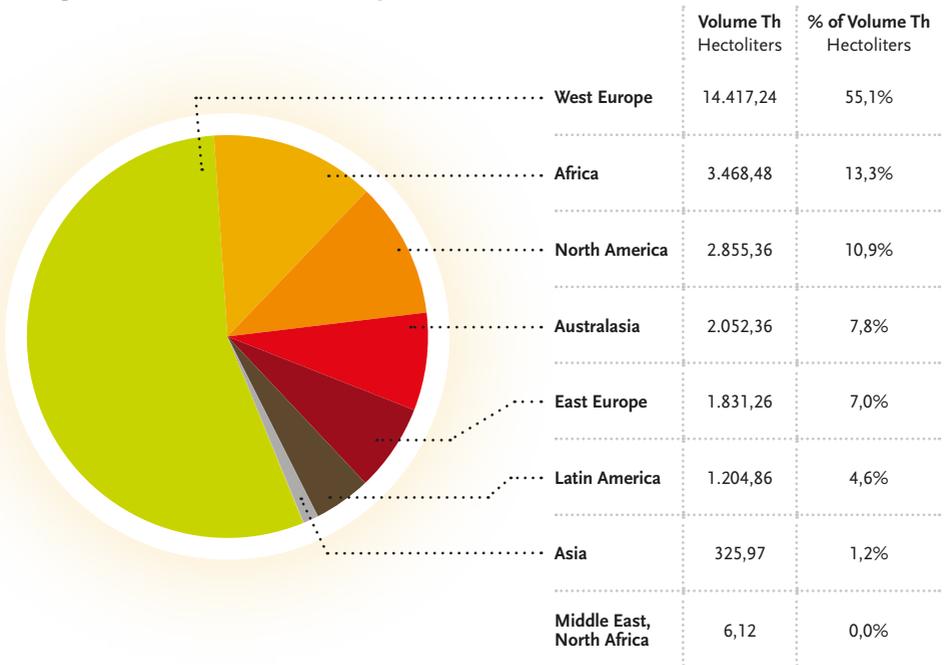
5yr CAGR 2011 - 2016

	Volume Th Hectoliters	5yr CAGR (%)	
Czech Republic	160,00	121,51	
Romania	129,02	112,18	
Russia	180,98	82,26	
Bulgaria	129,94	69,93	
Greece	29,36	56,88	
Portugal	127,00	45,31	
Poland	489,20	37,37	
Ukraine	176,52	30,22	
Slovenia	7,20	29,20	
Netherlands	122,50	25,59	

* Includes flavoured ciders as AICV defined.

Cider Is Still Predominantly European

Regional Share of Consumption, 2017



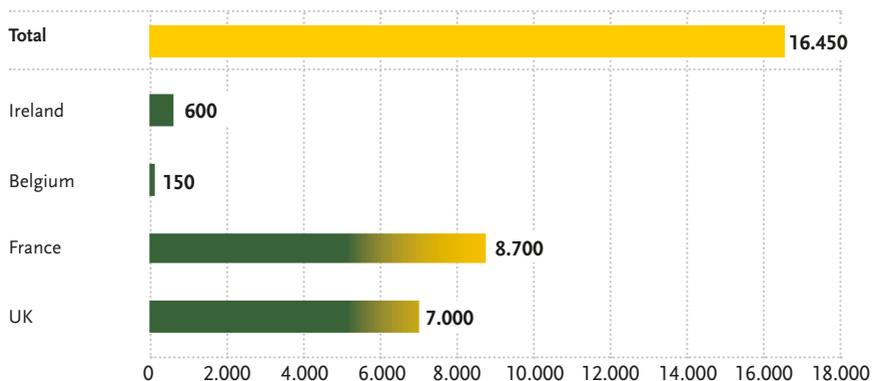
Global Cider Volumes, 2017

	2010	2011	2012	2013	2014	2015	2016	2017
Volume Th Hectoliters	18.573,56	19.289,49	20.223,95	21.801,66	23.030,52	24.211,09	24.805,65	26.161,65

Agriculture

More than 1.000.000 tons of apples were processed for the cider industry in 2017 from which around the half (485.000 tons) are specific cider apples. They are growing mainly in the UK, France, Ireland and Belgium. Most of these varieties are bittersweet.

Area of Cider Apples Orchards - bush orchards (in hectares)



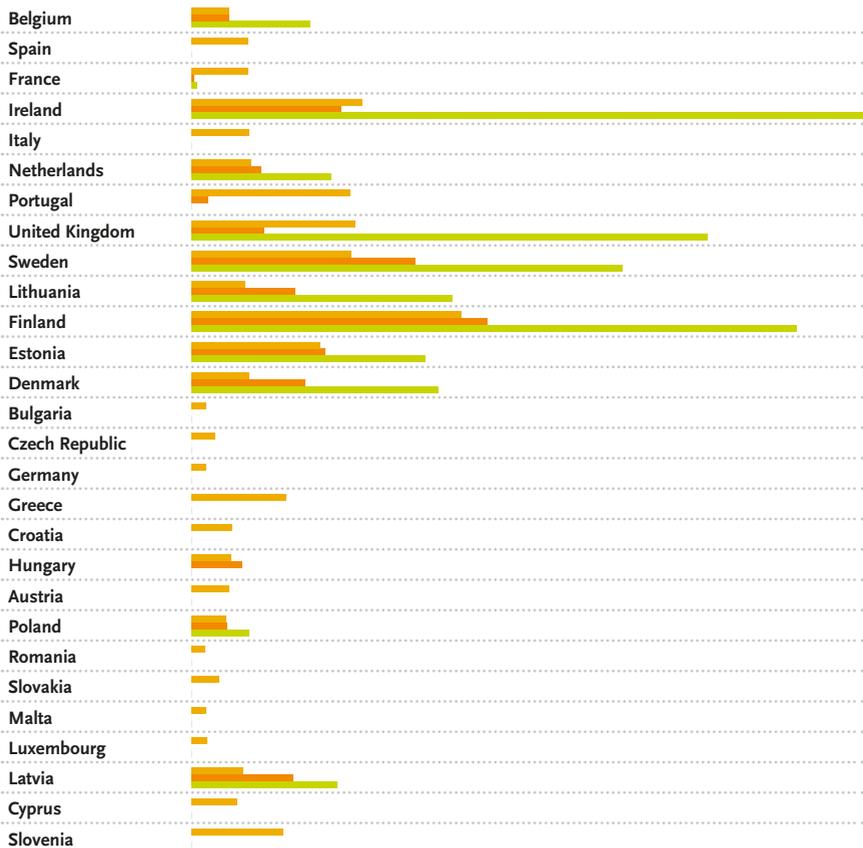
Excise Duty

Overview standard rates in € / hectolitre

	Beer 4,8 % ABV	Cider 5% ABV	Wine (still) 13% ABV
Belgium	24,00	24,00	74,91
Spain	9,96	0,00	0,00
France	37,10	1,33	3,78
Ireland	112,75	94,46	424,84
Italy	36,24	0,00	0,00
Netherlands	37,96	44,24	88,30
Portugal	20,89	10,44	0,00
United Kingdom	107,89	45,66	326,45
Sweden	105,15	141,38	272,55
Lithuania	35,55	65,46	164,67
Finland	177,75	187	383,00
Estonia	41,50	84,41	123,18
Denmark	37,64	71,75	156,01
Bulgaria	9,20	0,00	0,00
Czech Republic	14,77	0,00	0,00
Germany	9,44	0,00	0,00
Greece	60,00	0,00	20,00
Croatia	26,67	0,00	0,00
Hungary	26,01	31,69	0,00
Austria	24,00	0,00	0,00
Poland	21,67	22,48	36,63
Romania	8,63	0,00	0,00
Slovakia	17,94	0,00	0,00
Malta	23,16	0,00	20,50
Luxembourg	9,52	0,00	0,00
Latvia	22,50	64,00	78,00
Cyprus	30,00	0,00	0,00
Slovenia	60,50	0,00	0,00

Source: European Commission Excise Duty Tables revision 01.07.2018

Overview standard rates in € / hectolitre



* valid for standard rate for a 4.8% abv beer, and for a cider with 5% abv non-flavored, non-sparkling



European Cider Trends 2018



The richness of the European cider market

*Cider as
national pride*

French Cidres

Full bodied and fruity, robust ciders, with strong bittersweet cider apple characteristics.

Higher ABV ciders will be dry, whereas lower ABVs will be naturally sweeter. Tannic rather than acidic, medium carbonation or sparkling.

Flavoured variants exist.

Average ABV from 2 to 4%.

Production style:

Dominantly fresh juice processed from bitter-sweet cider apples. Arrested fermentation or the equivalent.



Cidre



Cidre (Bouché)

German Apfelwein

Classic wine-like cider – pale to light gold, dry, sharp to medium sharp, medium fruity, gently carbonated. Mainly drunk in traditional cider taverns, out from the barrel. Besides, a wide range of flavoured variants and new mixed cider drinks with a fruity and mild taste is available.

Average ABV 5 %

Production style:

Sharp & medium sharp apples fermented mostly to dryness.



Apfelwein

Draught Apfelwein



Spanish Sidra

Exists in 2 product variants:

‘Sidra’ - a sparkling wine-like cider, very fruity, half dry to sweet, pale to light gold, highly carbonated.

‘Sidra natural’ – a still cider with some acetic notes and a dry finish.

Must be served by an escanciador! Flavoured variants are not made. Average ABV 4-6%.

Production style:

Made from locally grown sweet apples and some imported bittersweet apples.

Sidra



Sidra Natural



Belgian Cidres

Sparkling wine-like & fruity, pale to light gold with pleasant taste of apples and a hint of pear, medium sweet, highly carbonated.

Mixed apples, some added pears.

Flavoured variants dominate the market.

Average ABV 4.5% - 5%.

Production style:

Fermentation to dryness, sugar permitted for sweetening.



Cidre



Flavoured Cidre

British & Irish Ciders

Typically medium bodied ciders and perries with strong cider characteristics and medium carbonation, though niche producers encompass styles across the spectrum.

Refreshing and widely appealing.

Flavoured variants exist.

The strength of cider and perry can be as high as 8.4% ABV but only occasionally; the typical strength range is from 4.5% to 5% ABV.

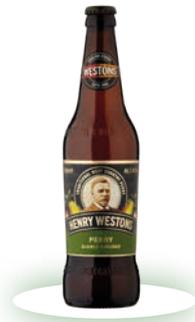
Production style:

Typically bitter-sweet cider apples fermented to dryness and sweetened after fermentation.

Cider



Pear Cider / Perry



Scandinavian Ciders

Ciders with pronounced fruit character. From dry to very sweet ciders, pale, widely appealing with medium carbonation.

A wide range of different products is available, including a large selection of flavoured ciders.

Average ABV 4.0 – 4.5% (max 8.5 %).

Production style:

Apple/pear juice is fermented to dryness and sweetened after fermentation. Juice from concentrate is allowed.



Cider or Perry



Flavoured cider or perry

Polish Cydr

Ciders and perries produced mainly from dessert/table varieties of apples and pears, which makes them delicate in taste. Mostly semi sweet, with medium carbonation.

Flavoured variants do not exist.

The alcohol strength of cider and perry can be as high as 8.5% ABV, but predominantly remains at 4,5 % ABV.

Production style:

Fermentation to dryness, sugar permitted for sweetening.



Cider



Pear Cider / Perry

AICV

The European Cider and Fruit Wine Association, formally set up in 1968, with a permanent secretariat in Brussels, represents producers of cider and fruit wine from the following EU member states: Belgium, Denmark, Finland, France, Germany, Ireland, Poland, Spain, Sweden and the UK. Representation to AICV is either via national trade associations or by direct company participation.

The Association has also set up an International Chapter to ensure that cider interests are appropriately represented in a number of global arenas.

The main objectives of AICV are:

- To represent the interests of its members among the EU authorities and institutions.
- To develop any initiative with a view to promoting its industries.
- To constitute a forum for the development of greater cooperation and solidarity among its members.

Members commit themselves to produce cider and fruit wines from fermented fruit juice. This is manifested in the AICV Code of Practice that stipulates:

- Cider and Perry are made from the fermentation of the juices of apples and pears, respectively, without the addition of distilled alcohol.
- Fruit wines are made from the fermentation of the juices of fruit, other than grapes.

The Code of Practice is the industry's response to ensuring that high quality, and innovation, in its products are the foundations for a long life cycle in the market. The AICV is also putting great effort into promoting its quality criteria among countries outside the EU.

Social Responsibility

The European Cider and Fruit Wine Association promotes responsible consumption and enjoyment as a cultural/social norm, with a view to preventing and reducing alcohol abuse and related harm. It supports the view that moderate consumption of alcohol is perfectly acceptable but that excessive consumption should be discouraged.

The AICV participates actively in the work of the overall European alcoholic drinks industry in developing best practice in this area.

World Cider Day

As of 2013 we celebrate the World Cider Day every 3rd of June. Since then, many campaigns have taken place in our factories and with our consumers that consume cider in moderation and responsibly.

AICV Members

Heineken International BV
Carlsberg Breweries A/S
C&C Group Plc

Belgium
Konings

Denmark
Danish Brewers Association

Finland
Finnish Federation of the Brewing
and Soft Drinks Industry

France
Syndicat National des Transformateurs
Cidricoles (SNTC)

Germany
Verband der Deutschen Fruchtwein- und
Frucht-schaumwein- Industrie e.V. (VdFw)

Ireland
Cider Ireland – The Independent Irish
Cider Makers’ Association

Poland
Polish Wine Council – Związek
Pracodawców Polska Rada Winiarstwa

Spain
Asociación Española de Sidras (AESI)

Sweden
Brannland Cider
Kopparberg Brewery
AB Åbro Bryggeri

United Kingdom
The National Association of Cider Makers
(NACM)

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Observer members

Bevisol, UK
Bucher Unipektin, Switzerland
Mosterei Möhl AG, Switzerland
Yablochny Spas, Russia.

