



# SWA MANIFESTO #GE2019



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#SUPPORTSCOTCH

[www.scotch-whisky.org.uk](http://www.scotch-whisky.org.uk)

1. Reform of UK excise duty structures and fair tax for Scotch
2. Government funded promotion campaign for Scotch Whisky in the United States
3. Provide effective infrastructure for business growth
4. Support action on sustainability, including increasing funding of low carbon projects through Growth Deals
5. Work in partnership to reduce alcohol misuse

The Scotch Whisky Association represents an iconic domestic manufacturing industry with global reach. With over 70 member companies representing over 95% of production – from small, family businesses to international companies – we are the voice of a strategically important sector for the Scottish and wider UK economies.

The Scotch Whisky industry:

- Exports 41 bottles of Scotch Whisky per second, worth £4.7bn in 2018
- Adds £5.5bn in Gross Value Added to the economy
- Supports over 40,000 jobs across the UK, including many in rural parts of the country
- Invests over £1.8bn in our UK-wide supply chain



With over three years of Brexit uncertainty costing the industry tens of millions of pounds, a high domestic tax burden stifling growth, and a 25% tariff levied on single malt Scotch Whisky and liqueurs in our largest global market, our industry now more than ever needs the support of candidates and political parties in the upcoming election.

We ask you to #SupportScotch in the 2019 UK General Election by signing up to five commitments which will boost the Scotch Whisky industry, our workforce and communities across the UK.

## Commitment 1: Reform of UK excise duty structures

The UK's system of alcohol duty needs urgent and fundamental reform. The differences in how excise tax is calculated for different categories of alcohol cause large inconsistencies in excise taxes on a per unit of alcohol basis.

In a modern economy which looks to promote responsible drinking and tackle alcohol harm, it cannot be right that consumers pay 16% more in tax on a unit of Scotch Whisky compared to a unit of wine, 51% more compared to beer and 256% more compared to cider.

A simplified alcohol duty regime in the UK – which better reflects alcohol content – would be fairer for consumers, increase competitiveness and, according to robust, independent economic research, remain an important driver of tax revenue to support public services.

**We ask you to: #SupportScotch and commit to reform of UK excise duty structures.**

## Commitment 2: Government funded promotion campaign for Scotch Whisky in the United States

In October 2019, the United States imposed a 25% tariff on imports of single malt Scotch Whisky and liqueurs. The industry has been drawn into a trade dispute over illegal subsidies to Airbus – and Scotch Whisky producers have been left to foot over 60% of the UK's tariff bill.

Scotch Whisky is paying the price for Airbus subsidies, and we expect sales of single malt to fall over 20% in the US in the first twelve months of tariffs.

A high profile promotion campaign, delivered through GREAT and Scotland is Now, specific to Scotch Whisky in the US, is one of a number of measures that could help mitigate the impact of the tariffs.

**We ask you to #SupportScotch and commit to a promotion campaign for Scotch Whisky in the US.**

## Commitment 3: Provide effective infrastructure for business growth

Efficient, well-functioning and resilient infrastructure is essential to the sustainability and growth of the Scotch Whisky industry.

Central to industry growth is the ability to move people and products efficiently through our supply chain. Securing vital resources for infrastructure will be key to future success.

- On roads, it is vital to improve safety and resilience and reduce journey times for the Scotch Whisky industry and other business and private users of these routes. Specific priorities include dualling of key routes: A96 (Aberdeen - Inverness) and improvements to key routes (A82/A83 (Argyle & Bute – Glasgow), A95/A941 (Aviemore – Keith/Elgin).
- Making further use of rail to better connect Scotland to its global markets via ports in England will require upgrades to Anglo/Scottish intermodal rail freight services and investment in Scotland's rail freight terminals ('inland ports').
- Investment in Scottish ports to improve and increase feeder services to the near continent to provide Scottish exporters with more direct links to European markets and deep sea ports for export to the rest of the world is crucial.
- Eight islands are home to Scotch Whisky distilleries. Scotland's ferry network provides the lifeline services for island communities. Investment is needed to improve service, capacity and resilience on key routes, such as to Islay, for example larger vessels, and port infrastructure.
- Improvements to mobile and digital connectivity throughout Scotland to enable businesses to operate modern IT systems regardless of where they are located. Mobile connectivity is also vital to grow Scotland's tourist economy.

**We ask you to #SupportScotch and commit to improve infrastructure to help businesses export, grow and invest.**

#### **Commitment 4: Support action on sustainability, including increasing funding of low carbon projects through Growth Deals**

The Scotch Whisky industry is an environmental leader. We are committed to continuing to develop innovative ways to minimise our environmental impact. Work is underway on how the industry can further deliver on our net-zero ambitions. To make additional emission reductions, having met earlier this year our 2020 target on reducing our dependence on fossil fuels, the industry asks for the urgent development of a supportive and enabling policy framework with appropriate financial incentives to drive investment in renewables.

We also ask you to support the industry by providing financial assistance to meet the net zero greenhouse targets, helping the industry to invest in low carbon technology.

Working with businesses to develop innovative technologies, creating levers through financial incentive schemes to drive the transition from fossil fuels to renewables, will help deliver the country's environmental ambitions.

**We ask you to #SupportScotch and create levers and drivers for businesses to deliver the country's climate change ambitions.**

#### **Commitment 5: Work in partnership to reduce alcohol misuse**

The alcohol industry is an important and equal partner in the fight to address alcohol related harm. We will only be successful in addressing alcohol related harm through a multi-stakeholder approach.

We are committed to partnership working. In recent years, the Scotch Whisky Association established a Scotch Whisky Action Fund to support local initiatives to tackle alcohol related harm and updated strict responsible marketing rules for its members. We are working with Government to communicate the new UK CMOs' guidelines and ensure consumers have the right information to make informed choices.

**We ask you to #SupportScotch and take targeted action to tackle harmful consumption, promote responsible consumption and recognise the important role industry can play in addressing alcohol misuse.**

We ask political parties and candidates standing in the 2019 UK General Election to #SupportScotch by signing up to these 5 commitments to boost the Scotch Whisky industry and its UK supply chain.

To show your support, please tweet #SupportScotch to @ScotchWhiskySWA.

More information is available at: [www.scotch-whisky.org.uk/insights/2019-election](http://www.scotch-whisky.org.uk/insights/2019-election)

#### **EDINBURGH**

1st Floor, QM Two, 2 Lister Square  
Edinburgh EH3 9GL  
t: 0131 222 9200

#### **THE SCOTCH WHISKY ASSOCIATION**

info@swa.org.uk  
www.scotch-whisky.org.uk



@ScotchWhiskySWA



@ScotchWhiskySWA

#### **LONDON**

1 Knightsbridge Green  
London SW1X 7QN  
t: 0207 073 0535