

Dear Committee Members,

REFERENCE: Proposed “Taproom Legislation” for Northern Ireland which would allow breweries to sell beer from their premises

The Independent Craft Brewers of Ireland (ICBI) is a small trade body representing independently owned microbreweries on the Island of Ireland.

The primary aims of the organisation are the promotion of craft beer, education of members, liaising with state bodies and government agencies.

We are the only official organisation in ROI representing microbreweries and represent approximately 60% of the microbreweries in operation in ROI. We also have members in NI and collaborate with SIBA our UK counterpart.

Membership is open to all breweries on the island of Ireland that can demonstrate their independence status.

We would like to send a brief update on our member’s experience on the equivalent ***Intoxicating Liquor (Breweries & Distilleries) Act 2018 (ROI)***

Whilst we very much appreciated the underlying intention of the proposers - The Intoxicating liquor act was not an adequate or meaningful solution to support independent breweries in the act of selling their own products at the manufacturing premises.

Restrictive opening hours, the specific tour requirements as well as the costly and complicated process of licensing application, legal representation and approval of same have led to extremely poor uptake in ROI.

It is our understanding from a parliamentary question in the Dáil earlier this year that whilst the license has been availed of by 12 establishments just 3 of these were breweries (with the remainder being distilleries or combined distilleries and breweries – businesses with significantly larger budgets). Of the 3 licences only 1 was for the On License aspect.

We believe that the restrictive nature of the licence does not make the cost of the application process for the on-license (or “taproom” aspect) economically viable. Architects fees, barrister and solicitor fees etc can be upwards of €12,000 and the proofs required are no different than from a full license as availed of by bars and pubs. A small brewery simply cannot justify these sorts of costs unless they have the potential to expand beyond small tours. Just some examples would be that they cannot then serve local customers on a regular basis without a tour or hold an event in the evening time or any number of further activities which might make the costs viable.

It is in fact the belief of the ICBI that the process of Off and On sales licensing should be entirely separated and that a more inclusive and simplified solution is needed for a “Taproom” License as a separate issue.

The function of this license is not to compete with other local businesses, instead it should be a method for breweries to allow visitors to legally taste beers on premises and allow breweries that wish to avail of same with a small extra revenue avenue.

Regarding Off Premises Sales, it should be the case that independent craft manufacturers be permitted to sell their own beers produced by them on the premises to any visitor under their regular manufacturers license so long as they abide by the same opening hours and restrictions as apply to any premises registered for off-license sales and with reference to same restrictions. Thus changes are needed to manufacturing license to allow for same, separately.

As a real time example, if I visit my local brewery, I should be allowed to purchase a case of beer produced on the premises by them, in the same way that if I visit a cheesemaker or jam maker that I can visit and make a purchase. The primary operation function of a brewery is to produce larger volumes and sell wholesale. This type of interaction is entirely ancillary to the business function and would likely not be encouraged by many breweries, however in the instances that the function is available, we see no reason why the manufacturers licence should not be amended to allow for same – most particularly for independent breweries who qualify for excise relief.

As mentioned the structure of the on-license aspect needs additional thought to be viable and work within the local community whilst respecting other local businesses. A small amount of consideration can certainly support this aim.

We are delighted to answer any questions on same if required and do hope that the NI committee take the time to support and work on a viable business proposition rather than a bill that only optically supports local and small businesses.

Best Regards

Elisabeth

Elisabeth Ryan, ICBI Coordinator

