



6 manifesto pledges to boost the Scotch Whisky industry



- Advocate for review of the excise duty system and fairer tax for Scotch
- Support Scotch exports by delivering on the industry's Brexit priorities, through ambitious trade deals, and robust IP protection
- Promote a competitive business environment for distillers
- Work in partnership to reduce alcohol misuse
- Target reform supporting investment in sustainability
- Support Scotch Whisky through the UK industrial strategy



The Scotch Whisky Association (SWA) represents an iconic industry around the world. Our nearly 70 members – from small, family businesses to companies operating globally – play a leading role in a strategically important sector for the Scottish and wider UK economies.

Scotch Whisky is the biggest net contributor to the UK's balance of trade in goods, supporting thousands of jobs across the UK.

Each year, the Scotch Whisky industry:

- Exports 39 bottles of Scotch Whisky per second, worth £4bn
- Adds nearly £5bn in value to the economy
- Supports over 40,000 jobs across the UK
- Spends £1.7bn on its supply chain, almost all in the UK

But that success must not be taken for granted.



We ask political parties and candidates standing in the 2017 General Election to #SupportScotch by signing up to six commitments to boost Scotch Whisky and its UK supply chain.

Commitment One: Advocate for review of the excise duty system and fairer tax for Scotch

The UK excise duty system for alcoholic drinks is broken and ripe for reform. There is no good reason that the alcohol in Scotch is taxed 51% higher than the same amount of alcohol in beer and 19% higher than wine.

The tax burden on an average priced bottle of Scotch Whisky is punitive at nearly 80%. The SWA believes that there is an urgent need for reform, introducing a fairer system that taxes all alcoholic drinks on the same basis, according to alcohol content.

Commitment Two: Support Scotch exports by delivering on the industry's Brexit priorities, through ambitious trade deals, and robust IP protection

With over £4bn of annual exports - more than 20% of UK food and drink exports - Scotch Whisky leads the way in overseas markets. However, government support for exporters is crucial. Scotch should form an integral part of food and drink promotion efforts.

The success of the Scotch Whisky industry will be a litmus test of the success of the UK's exit from the EU. Brexit creates challenges for the industry but, if our export priorities are delivered, there are also long term opportunities.

To support the industry, policy makers should advocate for open markets, secure existing EU trade deal benefits with third countries, and develop an ambitious agenda of new and refreshed Free Trade Agreements, for example with India.

Care should be taken to ensure Scotch Whisky has robust legal protection in the UK, EU and in global markets; the Great Repeal Bill should provide consistency and certainty by transposing relevant EU laws into UK law; and opportunities to take a new approach in support of domestic industries, like Scotch Whisky, should be explored.

Commitment Three: Promote a competitive business environment for distillers

The UK and Scottish Governments should work together to ensure that the industry and its supply chain can flourish. Under further powers devolved to the Scottish Parliament, Scotland will increasingly have its own policy mix and it is vital that Scotland is at least as competitive as the rest of the UK.

Scotch Whisky distilleries and its supply chain are often in rural areas where access to reliable 3G/4G connectivity is difficult and high-speed broadband is often unavailable. A 'rural first' policy should be implemented when digital infrastructure is upgraded to help address the historic infrastructure gap.



Commitment Four: Work in partnership to reduce alcohol misuse

Moderate and responsible alcohol consumption is compatible with a healthy lifestyle. The majority of those who choose to drink do so within the Chief Medical Officers' guidelines.

Tackling alcohol misuse is a complex issue. We will only be successful in addressing alcohol-related harm through a multi-stakeholder, partnership approach. Industry is committed to such work and an important partner, for example through the Scotch Whisky Action Fund supporting local community initiatives.

Commitment Five: Target reform supporting investment in sustainability

The industry is committed to protecting the natural environment. Distillers are investing in renewables, implementing energy efficiency projects, and embracing the circular economy.

To encourage sustainability, regulation needs to be balanced, consistent, and transparent. Reform is needed – for example the Climate Change Agreement scheme – to support the industry's ambitious environmental commitments, whilst also promoting competitiveness.

Commitment Six: Support Scotch Whisky through the UK Industrial Strategy

The proposed UK Industrial Strategy is an opportunity to create a supportive domestic business environment for the Scotch Whisky industry to grow as a flagship manufacturer and exporter.

The SWA has called for a sector deal so that action can be taken in a structured way, with collaboration and strategic thinking across government and industry, to secure Scotch Whisky's place as a world-leading sector.

