

RUM AND THE ACP CARIBBEAN

The Caribbean Sea covers over a million square miles and is home to a vast array of different cultures and languages representing all continents of the globe. Rum has played a significant role in the economic and social development of the Caribbean and Authentic Caribbean Rum is unique - no other spirit can boast such a rich and diverse heritage. Our rums are the product of a craft developed and refined over centuries and of a history entwined with trade and steeped with the spirit of discovery.

Fast Facts

Our industry...

...over 30 rum companies with many additional artisanal producers

...10 main brands, 15 niche brands and around 70 brand variants

...annual production of 31m cases

... export volume of 20m cases in a world spirits market of over 3 billion cases

...exports earn over US\$500m p.a. in foreign exchange

...annual taxes paid to govts in excess of USD250m

...direct employment c.10,000

...indirect employment estimated at 100,000 +



The ACR Marque

The Authentic Caribbean Rum (ACR) marque is a symbol of authenticity, provenance and quality for rums within the WIRSPA family. As usage of the marque grows it will act as a visual symbol to help trade and consumers identify ACR brands. It will promote the development of Authentic Caribbean Rum as a distinct sector within the drinks industry.



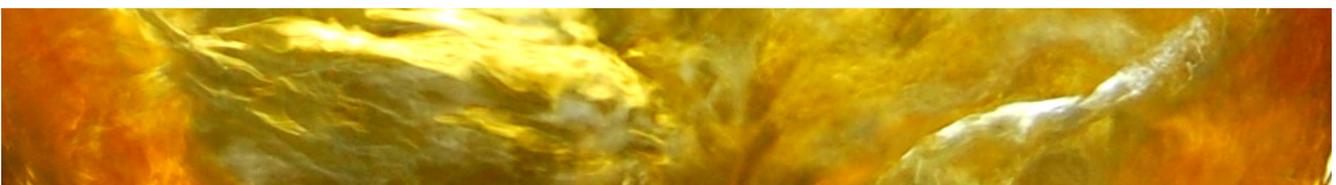
Employment

The industry has maintained employment numbers over the past decade despite investment in modernisation. Female employment has increased with higher skill levels also evident. Many of the producer distilleries are located in rural sugar cane producing areas which, due to a decline in sugar production now have high unemployment. They therefore provide a positive employment effect in low income communities.



Economic Contribution

With circa 30 exporting producers, rum is one of the remaining productive sectors which has potential for sustainable employment and income-generation in high added value products. Rum is the largest agricultural based export, with over 60% of its production exported, earning over US \$500m annually in foreign exchange. Taxes paid by WIRSPA producers to regional governments exceed US \$250 million per annum.





How We Compare

With under 1% of the total world market for branded spirits, the Caribbean rum industry is a relative minnow in a big pond. The annual sales of the largest two multinational spirits producers at circa \$27bn (combined marketing budgets of about \$5bn) would place them 2nd in the ranking of ACP Caribbean countries by GDP. Our companies operate in a liberalised market where competing producers receive substantial subsidies and where we are yet to gain a foothold in major non-traditional markets such as the BRICs and Japan.



Environment



WIRSPA actively encourages best practice in energy efficiency, waste treatment and environmental protection and over the past decade major investments have been made in these areas. Twenty waste treatment and eleven renewable & energy conservation projects were undertaken by 20 companies in 13 countries, thus having a positive impact on the environment, reducing the use of fossil fuels and the carbon footprint of producers. Further benefits derive from an estimated 11% increase in efficiency levels over the past decade.

Corporate Citizenship

WIRSPA encourages its members to be fully aware of their responsibilities to their wider communities and adopt both responsible and ethical business practices. Alcohol has long played an integral part in most societies as does rum in the social, cultural and historical make up of the Caribbean. However, WIRSPA is acutely aware of the potential impact, on both individuals and society, of inappropriate consumption. WIRSPA is committed to working to make responsible drinking a valued and enjoyable part of life in a modern, responsible society. In particular WIRSPA fully supports international initiatives and has developed its own Code of Practice for Responsible Advertising and Marketing of Spirit Drinks.



The CARIFORUM Rum Sector Support (CRSS) Project

With funding from the European Union, WIRSPA is implementing on behalf of CARIFORUM the CRSS Project. The overall objective of the project is to build the long-term viability of the CARIFORUM rum sector as a significant source of employment, tax revenues and foreign exchange. A key activity is a limited communications campaign to promote the Authentic Caribbean Rum Marque in European and North American markets and to educate ACP Caribbean producers on the scale, industry structure, consumer and competitive landscape of targeted markets. Additional funding will be required if the Marque is to become a truly international symbol. The project also aims to increase collaboration between producers and exposure to new production and waste treatment techniques & technologies through training, knowledge sharing, benchmarking and the spreading of best practice.

