To:

Cc:

Subject: Report of the meeting with Heineken, 27 February 2017

FYI

On 27 February we met representatives of Heineken to discuss the situation in ASEAN and trade barriers in some of the ASEAN members.

DETAIL

Heineken produces primarily beer, with the exception of spirits in Mongolia (recent acquisition). Heineken mainly produces locally, including in Malaysia, Myanmar, New Zealand, the Philippines, China, Cambodia, Thailand, Vietnam. It has 269 brands. Heineken is increasingly developing also the segment of non-alcohol beer, launching now also 0% alcohol under its own brand. This plan provides good perspectives, even in Muslim-dominated countries like Malaysia and Indonesia. This segment is increasing worldwide.

With regard to Indonesia, due to the distribution ban in mini-markets, sales dropped by 60%. While the loss is gradually recovering, sales have not yet reached previous levels. Discussions are ongoing on whether the ban should be lifted in e.g. Bali and Jakarta, but they are not conclusive yet. Furthermore, Heineken is concerned about ongoing discussion on a Bill imposing a ban on alcoholic beverages across the board. It is key for Indonesia to tackle this issue, which has caused investments in Indonesia to be suspended.

Throughout the value chain Heineken claims to employ 130,000 people in Indonesia. However, Indonesia is a so-called "dark" market (no advertisement due to the sensitivity of alcohol). Heineken also carries out educational responsible consumers campaigns.

Regards,
European Commission
DG TRADE
Unit C2 “South and South East Asia, Australia, New Zealand”