

INFORMATION ON THE NORDIC ALCOHOL MARKET 2015



Alko Inc.

National Institute for Health and Welfare (THL)

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Introduction

The “**INFORMATION ON THE NORDIC ALCOHOL MARKET**” –report contains information on national economies and populations, Nordic alcohol systems, taxation of alcoholic beverages, alcohol consumption and travelers' imports of alcoholic beverages in the Nordic countries as well as selling and pricing of alcoholic beverages by the Nordic alcohol monopoly companies. The report also includes information about public opinion on alcohol policy and customer satisfaction rates of the alcohol monopoly companies. Information on the Nordic alcohol monopoly companies is also given with regard to personnel, beverage brands, packaging, sales, social control and Nordic CSR cooperation. The countries included in the review are Finland, Iceland, Norway and Sweden with state off-premise retail alcohol monopoly companies, as well as Denmark which has no tradition of state alcohol monopolies. The off-premise alcohol retail monopoly company in the Faroe Islands (an autonomous part of Denmark), Rúsdrekkasølu, is also included in this report.

THIS REPORT gathered by Alko Inc. is part of a series of reports, first gathered for Alko's own purposes in 1999. Alko has since then expanded the comparative statistics of the Nordic countries. However, statistics on alcohol-related harms are not included in this report as to avoid overlapping with other publications like the *Nordic Alcohol Statistics*. *Information on the Nordic Alcohol Market* has now for the eleventh time been published in English. This report will also be distributed outside Alko Inc. like to the other Nordic alcohol monopoly companies and alcohol monopolies in Canada and the United States as well as civil servants, alcohol researchers and other stakeholders.

THIS REPORT has been compiled by Johanna Hallberg (johanna.hallberg@alko.fi), Alko Inc., Finance and Esa Österberg (esa.osterberg@thl.fi) National Institute for Health and Welfare (THL), Department of Health, Alcohol and Drugs Unit.

Summary

Populations and national economies

By population the Nordic countries are small countries in the European scale. Sweden, with its 9.8 million inhabitants, is the largest Nordic country followed by Denmark with 5.6 million and Finland with 5.5 million inhabitants. The Norwegian population is 5.2 million, and that of Iceland is 0.3 million. The Faroe Islands, an autonomous region of Denmark, has 50 000 inhabitants.

The Nordic countries have stable national economies with similar economic developments. The gross domestic product (GDP) corrected according to purchasing power parity is EUR 49 600 per capita in Norway and between EUR 32 000 and EUR 33 870 per capita in all other Nordic countries.

Advertising of alcoholic beverages

All advertising of alcoholic beverages is prohibited by law in the Faroe Islands, Iceland and Norway. In Finland and Sweden, advertising of strong alcoholic beverages is prohibited by law. In Finland advertising of alcoholic beverages of at most 22 per cent ethyl alcohol by volume and in Sweden of at most 15 per cent ethyl alcohol by volume is allowed with certain restrictions concerning the content of advertising and the media used. In Denmark the advertising of alcoholic beverages is regulated by voluntary agreements.

The minimum legal age limits for purchasing alcoholic beverages

In Iceland, the minimum legal age for purchasing alcoholic beverages is 20 years, for both off-and on-premise retail sales. The same minimum age is also applied in Norway, for on-and off-premise purchases of strong alcoholic beverages, and in Sweden for off-premise purchase of all alcoholic beverages in Systembolaget. The same applies for Finland for off-premise purchases of strong alcoholic beverages. In Denmark, the minimum legal age for off-premise purchase of alcoholic beverages is 16 years for wine and beer and 18 for strong alcoholic beverages. In other instances, the age limit for purchasing alcoholic beverages off-and on-premise is 18 years in the Nordic countries.

The scope of the alcohol monopolies in the Nordic countries

With the exception of Denmark, all the Nordic countries have a state-owned off-premise retail alcohol monopoly. The extent of the monopoly rights, however, is different. The alcohol monopoly in Iceland, ATVR, has a monopoly

on the retail sale of all beverages over 2.25 per cent alcohol by volume; in Norway there is a monopoly of all alcoholic beverages over 4.7 per cent by volume. Consequently, alcoholic beverages up to 4.7 per cent alcohol by volume can be sold in ordinary grocery stores.

In Sweden the equivalent limit is 2.25 per cent alcohol by volume, except for beer up to 3.5 per cent alcohol by volume, which can also be sold in grocery stores, kiosks and petrol stations. In the Faroe Islands all alcoholic beverages over 2.8 per cent by volume are sold in monopoly stores with the exception of beer, which can also be sold by producers in the brewery outlets.

In Finland, all alcoholic beverages over 4.7 per cent alcohol by volume are sold in monopoly stores with two exceptions. First, Finnish farm wineries can sell their own berry-wines containing a maximum of 13 per cent alcohol by volume as off-premises sales. The same goes for Finnish sahti-producers, sahti being a traditional Finnish ale. Secondly, the off-premise retail sale of beverages containing distilled alcohol over 2.8 per is only permitted in the alcohol monopoly's stores. Besides ordinary grocery stores, fermented beverages (beer, cider or long drinks) up to 4.7 per cent alcohol by volume can also be sold in kiosks and petrol stations.

ATVR's, Rúsdrekkasölu's and Systembolaget's market shares of the recorded alcohol consumption are between 73 and 79 per cent. The corresponding shares for Vinmonopolet and Alko are 47 and 41 per cent respectively. To a large extent, the differences in market shares are explained by the fact that in Finland and Norway, medium strength beer is sold in grocery stores whereas in Iceland, the Faroe Islands and Sweden, medium strength beer is sold only through the alcohol monopoly companies. When compared to the total alcohol consumption, Systembolaget's market share is reduced to 61 per cent, Vinmonopolet's to 38 per cent and Alko's to 32 per cent due to the extent of unrecorded alcohol consumption, consisting mainly of travelers' alcohol imports. For ATVR the share of the total alcohol consumption is 67 per cent.

Sales networks of the alcohol monopoly companies

The number of off-premise retail sale stores of the alcohol monopoly companies in relation to the population is highest in Iceland and the Faroe Islands. In Finland, the number of stores per capita is higher than in Sweden, although there are notably more order points in Sweden than in Finland. In Norway, the number of alcohol

monopoly retail stores per capita is between that in Sweden and Finland. In Norway the alcohol monopoly company does not have any order points. Almost all off-premise retail sale stores of the Nordic alcohol monopoly companies are nowadays self-service stores.

The availability of alcoholic beverages in the Nordic countries is further endorsed by the postal deliveries of orders made to the monopolies. In Iceland and Norway it is also possible to order alcoholic beverages from the monopoly's websites, and in Sweden there is an ongoing experiment with internet sales in a limited number of municipalities.

The opening hours of alcohol monopoly stores are longest in Finland. Alko stores are open 64 hours per week. In Iceland the longest weekly total hours of service is 57 and in Sweden 55. The most typical weekly total hours of service are 50 and 46 in Sweden and Norway respectively, 43 in Iceland and 29.5 in the Faroe Islands. In all the Nordic countries, the alcohol monopoly stores are closed on Sundays.

Other sales networks of alcohol

In Finland, Norway and Sweden, some alcoholic beverages are also available in grocery stores. In Sweden, grocery stores can only sell beer containing at most 3.5 per cent of alcohol by volume. In Finland, grocery stores are allowed to sell fermented beverages containing at most 4.7 per cent of alcohol by volume, and in Norway all alcoholic beverages containing at most 4.7 per cent of alcohol by volume. In Finland and Sweden, those alcoholic beverages sold in grocery stores are also allowed to be sold in kiosks and gasoline stations. Furthermore, in Finland, wine farms located outside densely populated areas have the right to sell their own wine products up to 13 per cent alcohol by volume directly to consumers off-the premise. Similarly, in the Faroe Islands breweries are allowed to sell their own beer products off-the premise to consumers. In Finland, Iceland, Norway and Sweden citizens can legally acquire alcoholic beverages also via internet from abroad but according to the law they should pay domestic excise duties on them.

Iceland has the largest number of restaurants per capita, 224 restaurants per 100 000 inhabitants. Sweden has the smallest number, 125 restaurants per 100 000 inhabitants. Norway has 143 restaurants and Finland has 150 restaurants per 100 000 inhabitants. A majority of restaurants are licensed to serve all alcoholic beverages. In Finland, however, approximately one fifth of all restaurants are allowed to serve only beer and other fermented alcoholic beverages up to 4,7 per cent ethyl alcohol by volume.

Taxation of alcohol

On a European level the Nordic countries stand out as countries with high alcohol taxation. In a Nordic comparison, taxation is lowest in Denmark and highest in Norway. In all the Nordic countries, except Iceland, the tax on strong alcoholic beverages is heavier than the tax on other alcoholic beverages. The taxation of intermediate products is also heavier than that on wine and beer in all Nordic countries except Norway and Denmark. In Norway the tax per centiliter of ethyl alcohol is the same for intermediate products, wine and beer. In Finland the taxation of spirits is notably lower than in Sweden, but the taxation of all other alcoholic beverages is higher in Finland than in Sweden. In Finland the tax on beer is higher than that on wine. In Denmark, the Faroe Islands and Sweden the tax on beer is slightly lower than that on wine.

Pricing in alcohol monopolies

The Nordic alcohol monopoly companies follow the principles of impartiality and transparency in pricing. The suppliers are informed in advance of the rules applied to the pricing of retail sale products. The retail price of an alcoholic beverage is composed of the beverage's purchase price, the alcohol monopoly sales margin and potential deposit, excise duty on alcohol, any potential environmental or beverage package tax, and value added tax.

The prevailing pricing practice in the Nordic alcohol monopolies uses a coefficient principle. The sales margin is included in the prices by the so-called pricing coefficient. The coefficient is directed to the purchase price of the beverage, though in Finland, Norway and Sweden, it excludes the beverage package tax. In Iceland and the Faroe Islands the coefficient is directed to the purchase price and includes the beverage package tax. The sales margin consists of ordinary selling costs in addition to the required management expenses and business profit.

Prices of alcoholic beverages

Each of the monopolies have fixed prices for all alcoholic beverage brands, meaning the prices do not vary between the national monopoly stores in different parts of the country in question. Of all Nordic countries, Denmark has the lowest prices of alcoholic beverages. However, the pricing information for Denmark is not presented in this report, as the prices vary from store to store. In addition to the fluctuations in the currency values, the high and varying excise duty on alcohol in the Nordic countries indicates that the prices of alcoholic beverages varies according by countries in compliance with the alcohol tax rates. This explains the relatively low prices in Denmark.

Travelers' imports of alcoholic beverages

In the beginning of 2004, the possibilities for Finnish, Swedish and Danish travelers to import alcoholic beverages tax-free from other EU countries increased considerably when quotas for travelers tax free alcohol imports were abandoned. Tax-free import of alcoholic beverages from countries outside the EU is still regulated by quotas in all EU countries. In the Faroe Islands, Iceland and Norway these import quotas apply to all countries visited.

The estimates and research results of alcoholic beverages imported by travelers differ considerably both by amounts and by the year the amounts have been estimated for. In Norway, the amount of travelers' tax-free imports of alcoholic beverages in 2007 was about 0.8 litres and in Denmark in 2010 about 1.1 litres of alcohol per population 15 years and older. In 2014 the equivalent amount was in Finland 1.8 litres and in Sweden 1.6 litres. In Iceland alcohol import figures per adult population are clearly lower than in the other Nordic countries.

Total consumption of alcoholic beverages

The Finnish total alcohol consumption in 2014 was 11.2 litres per population 15 years and older. In Denmark the corresponding figure was about 10.5 litres, followed by Sweden with a total alcohol consumption of 9.3 litres per adult population. In Iceland and Norway it was lower than in Sweden, 7.9 and 7.8 litres respectively and in the Faroe Islands 7.6 litres per adult population.

Recorded alcohol consumption has risen in all Nordic countries since the beginning of the 1960s. The increase in alcohol consumption was particularly strong in the 1960s and 1970s.

Consumption of alcoholic beverages by product groups

Among the Nordic countries per adult consumption of strong alcoholic beverages is highest in Finland. In all Nordic countries, the recorded consumption of strong alcoholic beverages was higher in the middle of the 1980s than at present.

During recent decades, the annual recorded consumption of wine has increased in all Nordic countries. The highest per adult figure is found in Denmark followed by Sweden. In Sweden recorded consumption of wine is higher than in Norway, Iceland and Finland.

In tandem with the overall consumption, beer consumption went up in all Nordic countries in the 1960s and 1970s. Since then it has come down in Denmark. In Norway it has slightly increased. In Finland the recorded consumption of beer did increase in the 1980s, but has then settled. Also in Sweden, recorded consumption of

beer increased in the 1980s, but has decreased since then. In the Faroe Islands and especially in Iceland, the recorded consumption of beer has increased since the 1970s.

Public opinion on alcohol policy and customer satisfaction rates

In all Nordic countries, public opinion surveys on alcohol policy show that the majority of the population is satisfied with the present alcohol restrictions. This applies in particular to the legal minimum age limits for alcohol purchase. A large part of the general public wants to limit the sale of wines to the monopoly outlets and do not wish to extend the sale to grocery stores.

The inhabitants of Finland, Iceland, Norway and Sweden have been asked about their attitude to the monopolies' sole right to sell alcoholic beverages with regard to restricting the harmful effects of alcohol. Roughly two-thirds of the respondents support the present monopolies' sole right to sell alcoholic beverages. The customer satisfaction for the alcohol monopoly companies has stayed on a high level during the last years.

Nordic partnership: A sustainable supply chain

The Nordic alcohol monopolies have worked, since 2008, in close partnership on the subject of corporate social responsibility (CSR) with the aim of developing a sustainable supply chain for alcoholic beverages. This has resulted that the Code of Conduct has been included in all supplier agreements as from the beginning of 2012. The Code of Conduct refers to international conventions.

The Code of Conduct is a set of principles and values that reflect the beliefs of Nordic alcohol monopoly companies and the expectations we have towards our business partners. The principles and values represent the aspirational goals and minimum expectations that Nordic alcohol monopoly companies have with regard to our supply chains social conduct.

Obeying domestic laws is the first obligation of business enterprises. In countries where domestic laws and regulations are in conflict with, or set a different standard of protection than the Code of Conduct, business enterprises should see ways to abide by the principles that provide the highest protection to the workers and environment. The Nordic alcohol monopoly companies value cooperation, constructive and open dialogue in order to strive continuous improvement in the supply chains.

Concepts

Alcoholic beverage: The concept of alcoholic beverage is defined differently in different countries and in different contexts. In general, alcoholic beverage is defined as a beverage containing ethyl alcohol intended for consumption by drinking. The minimum alcohol content for a beverage to be alcoholic beverage varies in the Nordic countries: in Sweden and Iceland it is 2.25 per cent of ethyl alcohol by volume, in Norway 2.5 per cent, in Finland and the Faroe Islands 2.8 per cent of ethyl alcohol by volume. The Danish legislation has no general definition for an alcoholic beverage.

Off-premise retail sale of alcoholic beverages:

Domestic sale of alcoholic beverages to consumers, when alcoholic beverages are not consumed in the place of sale. In practice this means selling alcoholic beverages in the alcohol monopoly stores, grocery stores, kiosks and gasoline stations or other similar shops.

On-premise retail sale of alcoholic beverages:

Domestic selling of alcoholic beverages to consumers, when alcoholic beverages are consumed in the place of sale. In practice these would include selling of alcoholic beverages in restaurants, bars, cafés and other similar places.

Alcohol monopoly: An alcohol monopoly has sole right for off premise retail selling of all alcoholic beverages or majority of alcoholic beverages prescribed by law.

Total consumption of alcoholic beverages: The sum of recorded and unrecorded consumption of alcoholic beverages.

Recorded consumption of alcoholic beverages: The sum of domestic off-premise retail sale and on-premise retail sale of alcoholic beverages.

Unrecorded alcohol consumption: Alcoholic beverages imported by travelers minus alcoholic beverages exported by foreign travelers, home brewed and fermented alcoholic beverages and illegal private distilling, smuggling and substitutes of alcohol. In Finland, alcohol consumed by Finnish tourists abroad is also included in unrecorded alcohol consumption. In other Nordic countries the amount of alcohol consumed by tourists abroad is not included in unrecorded consumption.

Purchasing power parity GDP: The value of the total production of national economy, taking into account the purchasing power of consumers.

Inflation: The change in consumer prices per year.

Unemployment rate: The percentage of unemployed labor force

Labor force: The number of employed and unemployed labor together

Exchange rates: The price comparisons on page 21 have been converted into euros according to the average exchange rates year 2014. According to these rates one euro equals SEK 9.0985, NOK 8.3544, ISK 150.38, DKK 7.4548. However, alcohol excise duty on pages 17-18 has been converted into euros according to exchange rates used in Spirits Europe statistics of SEK 9.0932, NOK 8.142, ISK 156.68 and DKK 7.4437. The exchange rate of one euro for USD is 1.3285.

Populations and national economies in 2014

	GDP, billion, €	GDP, Purchasing power parity, € per capita	GDP, Average growth in 2010–2014, %
Finland	208	30 486	1,0
Sweden	421	33 647	3,0
Norway	385	49 605	1,7
Denmark	261	33 346	0,8
Iceland	12,2	32 066	1,2
Faroe Islands	2,0 ¹⁾	22 941 ¹⁾	5,0 ²⁾

	Average inflation in 2010–2014, %	Labour force, million	Unemployment rate, %
Finland	2,3	2,67	8,6
Sweden	0,9	5,12	7,9
Norway	1,3	2,72	3,4
Denmark	1,8	2,77	5,2
Iceland	4,1	0,19	4,5
Faroe Islands	0,8	0,02	3,5

	Population, million	Population, 15 years and older, million	Age structure , percentage of age group		
			0–14	15–64	65 and over
Finland	5,47	4,61	16	64	20
Sweden	9,75	8,10	17	63	20
Norway	5,17	4,23	18	66	16
Denmark	5,63	4,67	17	65	18
Iceland	0,33	0,26	20	67	14
Faroe Islands	0,05	0,04	20	64	16

1) 2013

2) Average growth in 2010–2013

Sources: CIA World Fact Book, Eurostat, Statistics Denmark, Statistics Faroe Islands, Statistics Finland
Statistics Iceland, Statistics Norway, Statistics Sweden

Regulations on alcohol advertising

Situation as at 1st January 2015

Finland: Advertising of alcoholic beverages at most 22 per cent alcohol by volume is allowed. The content of the advertisements is restricted and restrictions apply to all beverages containing over 1.2 per cent alcohol by volume. Advertising in television is forbidden from 7 a.m. to 10 p.m.. Since June 2013 alcohol advertising in public places is prohibited with some exceptions. The ban would apply to alcohol advertisement based on content and games distributed by consumers as well as advertising based on lotteries or competitions. (Alcohol Act, Chapter 5, §33)

Sweden: Advertising of alcoholic beverages at most 15 per cent by volume is allowed. The content of the advertisements is restricted. It is forbidden by law to advertise alcohol in radio or television. (Alcohol Act, Chapter 4, §11)

Norway: Advertising of all alcoholic beverages over 2.5 percent alcohol by volume is prohibited by the Alcohol Act. (Alcohol Act, Chapter 9, §2)

Denmark: Advertising of alcoholic beverages is mostly regulated by voluntary agreements. It is, however, forbidden by law to advertise alcohol to the youth as well as place advertising in radio or tv-programs meant for young people.

Iceland: Advertising of all alcoholic beverages, i.e. beverages over 2.25 per cent alcohol by volume, is prohibited by the Alcohol Act.

Faroe Islands: Advertising of all alcoholic beverages, i.e. beverages over 2.8 per cent alcohol by volume, is prohibited by the Alcohol Act.

Sources: www.nosam.net, www.finlex.fi, www.rixtex.riksdgen.se, www.lovdato.no



Minimum legal age for purchasing alcoholic beverages

Situation as at 1st January 2015

Off-premise retail sale

	Mild alcoholic beverages	Strong alcoholic beverages
Finland	18	20
Sweden	20	20
Norway	18	20
Denmark	16	18
Iceland	20	20
Faroe Islands	18	18

On-premise retail sale

	Mild alcoholic beverages	Strong alcoholic beverages
Finland	18	18
Sweden	18	18
Norway	18	20
Denmark	18	18
Iceland	20	20
Faroe Islands	18	18

- Finland:** Alcohol content of mild alcoholic beverages is 22 % alcohol by volume at most. The age limit for purchasing mild alcoholic beverages applies to all beverages containing a minimum of 1.2 % of alcohol by volume.
- Sweden:** The age limit of purchasing light medium beer off the premise ("Folköl" in Swedish) with an alcohol content between 2.8 and 3.5 % alcohol by volume is 18 years.
- Norway:** The age limit of purchasing mild alcoholic beverages applies to all beverages containing a minimum of 1.2 % alcohol by volume. The limit of strong alcoholic beverages is 22 % or more alcohol by volume.
- Denmark:** The age limit of purchasing alcoholic beverages applies to all beverages containing a minimum of 1.2 % alcohol by volume. Minimum legal age for strong alcoholic beverages applies to all alcoholic beverages containing more than 16.5 % alcohol by volume.

Source: www.nosam.net

Scope of the Nordic alcohol monopoly companies

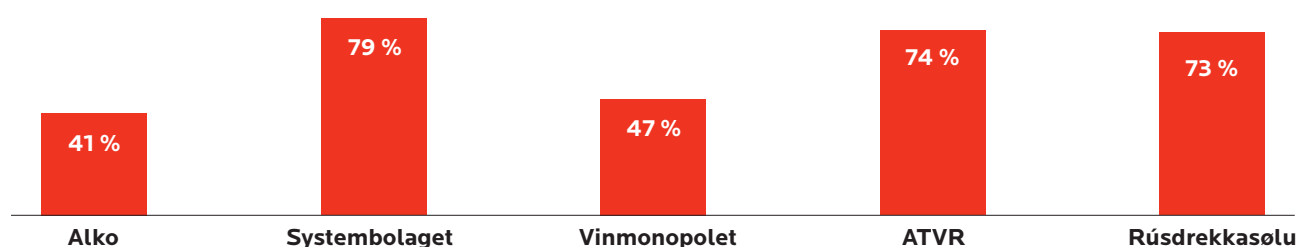
Situation as at 1st January 2015

The extent of the monopoly rights

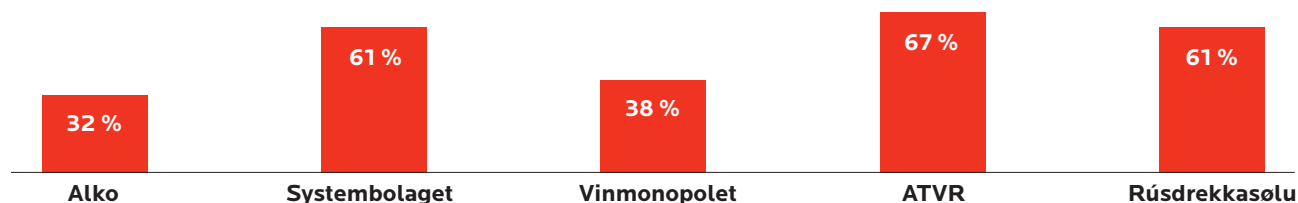
Alko (Finland)	Alcoholic beverages, beverages with an alcohol content over 2.8 % by volume with the exception of fermented alcoholic beverages with an alcohol content of 4.7 % by volume at most and Finnish farm winery products 13 % by volume at most.
Systembolaget (Sweden)	Alcoholic beverages, beverages with an alcohol content over 2.25 % by volume with the exception of beer with an alcohol content of 3.5 % by volume at most.
Vinmonopolet (Norway)	All alcoholic beverages with an alcohol content over 4.7 % by volume.
ATVR (Iceland)	All alcoholic beverages, beverages with an alcohol content over 2.25 % by volume.
Rúsdrekkasölu (Faroe Islands)	Alcoholic beverages, beverages with an alcohol content over 2.8 % by volume to an alcohol content not exceeding 60.0 % by volume with the exception of beer and ciders with an alcohol content 5.8 % by volume at most in beer producer's shops.

Market shares 2014

Monopoly's **share of recorded alcohol consumption**,
calculated in litres of 100 % alcohol



Monopoly's **share of total alcohol consumption**,
calculated in litres of 100 % alcohol



Sources: Nordic alcohol monopoly companies, SIRUS, SoRAD, THL, Valvira

Sales network of the Nordic alcohol monopoly companies

Situation as at 1st January 2015

Off-premise retail stores of the Nordic alcohol monopoly companies

	Number of stores	Stores per 100 000 inhabitants	Proportion of self-service stores %	Number of order points
Finland	351	6,4	100	97
Sweden	431	4,4	99	500
Norway	297	5,7	100	0
Iceland	49	14,9	98	0
Faroe Islands	6	12,4	100	2

Sales by mail and internet

	Sales by mail	Sales by Internet	Notes
Finland	yes	no	Sales by mail only in sparsely populated areas.
Sweden	yes	yes	The goods bought by internet are delivered to Systembolaget stores. There is also a trial of home delivery in selected areas.
Norway	yes	yes	The goods are mainly delivered by mail or to Vinmonopolet stores. Also home delivery in selected areas.
Iceland	yes	yes	The goods bought by internet are delivered to ATVR stores. Also home delivery to customers which have a distance of more than 25 km from ATVR store. The post office checks the age limit in those instances.
Faroe Islands	yes	no	By the post office where age verification control is made.

Sources: Nordic alcohol monopoly companies

Opening hours of the alcohol monopoly company stores

The most common opening hours 1st January 2015

	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total per week
Finland	9-20	9-20	9-20	9-20	9-20	9-18	closed	64
Sweden	10-19	10-19	10-19	10-19	10-19	10-15	closed	50
Norway	10-18	10-18	10-18	10-18	10-18	9-15	closed	46
Iceland	11-18	11-18	11-18	11-18	11-19	11-18	closed	43
Faroe Islands	13-17.30	13-17.30	13-17.30	13-17.30	10-17.30	10-14	closed	29.5

The longest opening hours 1st January 2015

	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total per week
Finland	9-20	9-20	9-20	9-20	9-20	9-18	closed	64
Sweden	10-20	10-20	10-20	10-20	10-20	10-15	closed	55
Norway	10-18	10-18	10-18	10-18	9-18	9-15	closed	47
Iceland	10-20	10-20	10-20	10-20	10-20	11-18	closed	57
Faroe Islands	10-17.30	10-17.30	10-17.30	10-17.30	10-19	10-14	closed	43

Sources: Nordic alcohol monopoly companies

Other off-premise retail sale outlets for alcoholic beverages

	Year	Other retail outlets	Producers shops ¹⁾	Other retail outlets per 100 000 inhabitants
Finland	2014	5 282 ²⁾	31	97
Sweden	2013	6 900 ³⁾	0	71
Norway	2013	4 460	0	86
Iceland	2014	0	0	0
Faroe Islands	2014	0	12	0

	Year	Kiosks may apply for a licence to sell alcohol	Gas stations may apply for a licence to sell alcohol	Possibility to legally buy on the internet from abroad
Finland	2014	yes ²⁾	yes ²⁾	yes
Sweden	2014	yes ³⁾	yes ³⁾	yes
Norway	2014	no	no	yes ⁴⁾
Iceland	2014	no	no	yes
Faroe Islands	2014	no	no	no

1) In Finland farm winery shops and in Faroe Islands brewery outlets.

2) Only fermented alcoholic beverages with an alcohol content at most 4.7 % alcohol by volume.

3) Only beer with an alcohol content at most 3.5 % alcohol by volume.

4) Norwegian custom declaration is needed.

Sources: Nordic alcohol monopoly companies, Statens folkhälsomyndighet, Valvira

On-premise retail sale networks for alcoholic beverages

	Year	All drinks	Wine and beer only	Beer only	Total	Total per 100 000 inhabitants
Finland	2014	5 935	395	1880 ¹⁾	8 210	150
Sweden	2013	11 199	632	18 ²⁾	12 153 ³⁾	125
Norway	2013	6 376	964	59	7 399	143
Iceland	2014	na	na	na	736	224
Faroe Islands	2014	73	3	na	80	166

- 1) Beer only restaurants are allowed to sell only fermented alcoholic beverages at most 4.7 % alcohol by volume.
- 2) Beer only restaurants are allowed to sell only strong beer (beer with an alcohol content over 3.5 % alcohol by volume). Selling lower alcohol content beer takes place without a licence.
- 3) Includes also 177 traffic restaurants and 127 other restaurants (e.g.. serving in theaters or operas between the acts).

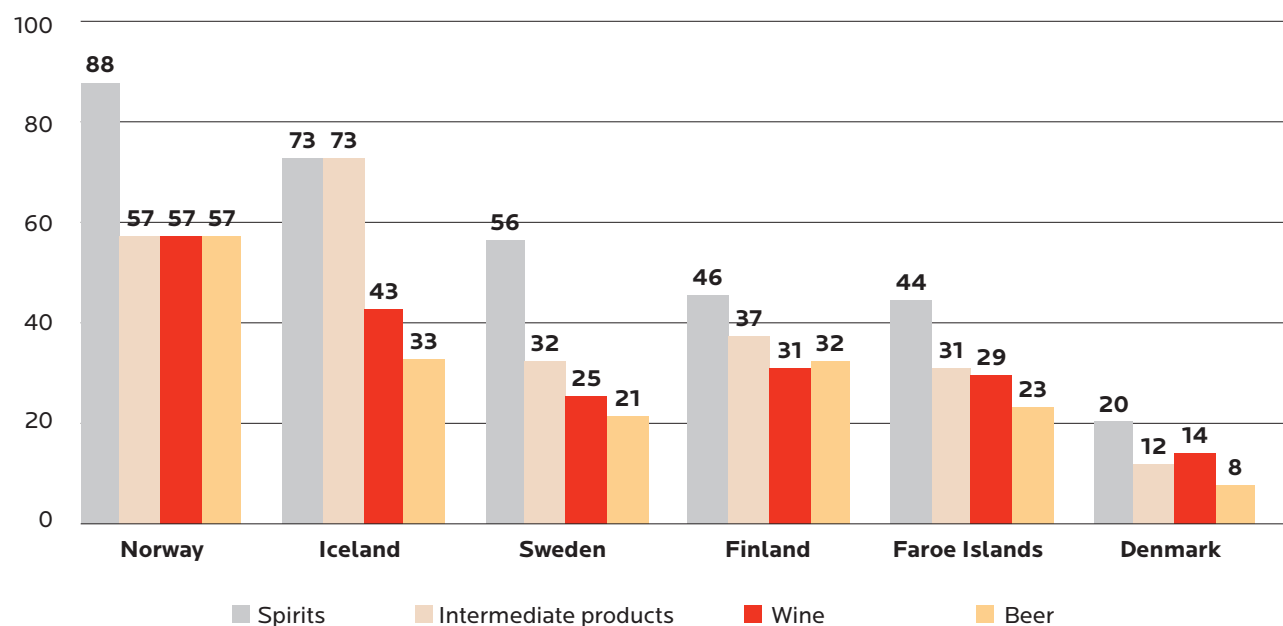
Sources: Nordic alcohol monopoly companies, Statens folkhälsomyndighet, Valvira



Alcohol excise duty rates and value-added tax rates in the Nordic countries

Euro per litre of 100 % alcohol

Situation as at 1st January 2015



	Spirits	Intermediate products ¹⁾	Wine ¹⁾	Beer	VAT, %	Surtax
Finland	45.5	37.2	30.8	32.0 ²⁾	24.0	yes
Sweden	56.3	32.2	25.2	21.3	25.0	no
Norway	79.8	57.0	52.0	52.0	25.0	yes
Denmark	20.1	11.6	14.2	7.5 ²⁾	25.0	yes
Iceland	72.8	72.8	42.5	32.7	24.0	yes
Faroe Islands	44.3	30.6	29.3	23.1 ³⁾	25.0	yes

1) Excise duty is calculated on the basis of a beverage containing 18 % ethyl alcohol by volume for intermediate products and on the basis of a beverage containing 11 % ethyl alcohol by volume for wines.

2) Finland and Denmark have tax relieves for small breweries.

3) Excise duty of beer in Faroe Islands is calculated on the beer containing more than 4.6 % but less than 5.8 % ethyl alcohol by volume.

Sources: *Spirits Europe*, *European commission*, *ATVR*, *Rúsdrekkasölu*

Alcohol excise duty rates in the EU member states and some other countries

Euro per litre of 100 % alcohol

Situation as at 1st January 2015

	Spirits	Intermediate products	Wine	Beer
EU's minimum tax	6	3	0	2
Bulgaria	6	3	0	2
Croatia	7	6	0	5
Spain	9	3	0	2
Cyprus	10	3	0	6
Italy	10	5	0	8
Czech Republic	10	5	0	3
Luxembourg	10	4	0	2
Hungary	11	5	0	5
Romania	11	10	0	2
Slovakia	11	5	0	4
Austria	12	4	0	5
Portugal	13	4	0	4
Lithuania	13	6	6	3
Germany	13	9	0	2
Slovenia	13	7	0	12
Latvia	13	6	6	3
Malta	14	8	0	4
Poland	14	4	3	5
The Netherlands	17	8	8	8
France	17	10	0	7
Estonia	19	12	9	7
Denmark	20	12	14	8
Belgium	21	7	5	5
Switzerland *	24	12	0	4
Greece	26	6	0	7
UK	36	26	32	24
Ireland	43	34	39	23
Turkey *	43	65	14	29
Finland	46	37	31	32
Sweden	56	32	25	21
Iceland *	73	73	43	33
Norway *	88	57	57	57

* Non EU-country

Sources: *Spirits Europe, European commission, ATVR, Rúsdrekkasölu*

Pricing principles of the Nordic alcohol monopoly companies

Price concept and pricing coefficient

Situation as at 1st January 2015

	The basic price	Pricing coefficient ²⁾	Exceptions of pricing coefficient
Alko	The back door price (BDP) ¹⁾ (without taxes)	Spirits: 1.56 Other strong beverages: 1.50 Mild and fortified wine: 1.54 Long drinks: 1.81 Beers: 1.67	Lower pricing coefficient for more expensive beverages
Systembolaget	Purchase price without taxes	1.19	-
Vinmonopolet	Purchase price without taxes	1.22 + a fixed margin of 8,90 NOK per liter	Coefficient decreases when margin goes over 80 NOK. Maximum margin is 110 NOK. Minimum margin is 4 NOK.
ATVR	Purchase price with taxes	Alcohol content: under 22 % by volume: 1.18 over 22 % by volume: 1.12	-
Rúsdrekkasölu	Purchase price with taxes	Distilled spirits: 1.46 (+20.00 DKK per liter) Wine: 1.17 (+14.00 DKK per liter) Fortified wine: 1.20 (+10.0 DKK per liter) Beers: 1.25	-

1) The price at the back door of the retail outlet (BDP): The purchasing price (excl. alcoholic beverage taxes) added to central warehouse and shop delivery costs.

2) The pricing coefficient is the coefficient that, adjusted to the original price, contributes to a part of the margin.

Sources: Nordic alcohol monopoly companies

Pricing principles of the Nordic alcohol monopoly companies

Minimum margin and rounding

Situation as at 1st January 2015

	Margins	Rounding in local currency
Alko	Minimum margin: General: 1.25 €/litre (minim. 0.64 €/sales unit) Beers and long drinks: 0.78 €/litre (minim. 0.29 €/sales unit)	If price is under 20 euro: to the nearest 1 cent If price is over 20 euro: to the nearest 10 cent
Systembolaget	Fixed margin: Distilled spirits: 2.70 SEK/bottle Wines: 3.50 SEK/bottle Beers: 0.85 SEK/bottle Other beverages: 2.70 SEK/bottle Small packaging: 1.75 SEK/unit Boxes and cardboard packaging 0.75 SEK/unit Multipack, small units 1.75 SEK Alcohol free 0.00 SEK / bottle Alcohol-free products have a fixed margin per bottle similar to what alcoholic products in the same group have	Wines and spirits: to the nearest 1 SEK Beer, cider and alcohol-free products: to the nearest 10 öre
Vinmonopolet	Fixed margin: General: 8.90 NOK/litre	to the nearest 10 öre
ATVR	No fixed margin, no minimum margin.	to the nearest 1 ISK
Rúsdrekkasölu	No fixed margin, no minimum margin.	to the nearest 0.50 DKK

Sources: Nordic alcohol monopoly companies

Price examples in the Nordic alcohol monopoly companies

Pricelists 2nd June 2015, price in euro

Product (0,7 / 0,75 l)	Alko	System-bolaget	Vinmono-polet	ATVR	Rúsdrek- kasölu
Spirits					
Koskenkorva Viina	17,99	22,09	32,54	33,23	-
Absolut Vodka	22,80	26,27	37,09	35,23	35,41
Smirnoff Vodka	21,90	24,07	34,70	34,25	32,33
Gordon's London Dry Gin	26,90	26,27	38,89	34,91	35,01
Other strong beverages					
Hennessy Very Special	39,90	40,56	49,06	58,78	55,33
Renault Carte Noire Extra	61,90	60,89	65,82	-	66,27
Ballantine's Finest	28,80	28,47	43,08	39,23	38,30
Jim Beam	28,90	27,37	41,88	43,88	38,90
Red wine					
Baron de Ley Reserva	16,60	11,98	19,33	17,94	15,83
Mouton Cadet Rouge	12,68	14,40	18,42	14,45	14,76
Gato Negro Cabernet Sauvignon ¹⁾	7,28	6,48	10,88	9,64	9,19
Gato Negro Cabernet Sauvignon BIB	27,90	20,77	38,89	35,90	-
White wine					
J. P. Chenet Colombard-Chardonnay ²⁾	7,98	7,58	11,96	11,30	9,59
Penfolds Koonunga Hill Chardonnay	10,98	9,78	15,55	15,29	-
Blue Nun	8,98	6,48	10,52	-	10,06
Viña Maipo Chardonnay, BIB ³⁾	26,80	19,67	37,09	37,22	-
Sparkling wine					
Carrington Vintage Brut	10,98	8,13	11,96	-	-
Veuve Clicquot Brut	49,90	43,85	47,87	49,87	51,51
Dom Perignon brut	156,00	142,77	138,84	-	138,03
Beer					
Medium beer, bottle 0,33 l	1,53	1,20	4,81	1,95	1,39
Strong beer, domestic product, bottle 0,33 l	1,81	1,06	4,67	2,21	1,64
Strong beer, domestic product, can 0,5 l	2,91	1,20	5,52	3,01	-
Imported beer, Leffe, bottle 0,33 l	3,73	2,30	5,37	3,12	2,68
RTD					
Bacardi Breezer Orange 0,275 l	3,44	2,19	-	2,85	3,86

1) Or Gato Negro Pinot Noir

2) Or J. P. Chenet Chardonnay or Medium Sweet

3) Or Vina Maipo Sauvignon Blanc BIB

Sources: www.alko.fi, www.systembolaget.se, www.vinmonopolet.no, www.vinbud.is, www.rusan.fo

Travelers' alcohol import quotas in litres

Situation as at 1st January 2015

Litres / Traveler	Spirits		Intermediate products and sparkling wines		Wines		Beer	
EU-MEMBERS								
Finland								
From EU countries	No quantitative quotas							
From non-EU countries	1	or	2	and	4	and	16	
Time limit from non-EU countries	Importing of alcoholic beverages is allowed with time limit of 20 hours when arriving from non-EU or EEA countries, excluding air traffic.							
Sweden								
From EU countries	No quantitative quotas							
From non-EU countries	1	or	2	and	4	or	16	
Time limit from non-EU countries	No time limits							
Denmark								
From EU countries	No quantitative quotas							
From non-EU countries	1	or	2	and	4	and	16	
Time limit from non-EU countries	No time limits							
NON-EU COUNTRIES								
Faroe Islands								
	1	and	1	and	0	and	0	
	or							
	1	and	0	and	2	and	2	
Time limits	No time limits							
Iceland								
	Alcohol content ≥ 22		Alcohol content < 22				Beer	
	1	and	1			and	0	
	or							
	1	and	0			and	6	
	or							
	0	and	3			and	0	
	or							
	0	and	1,5			and	6	
Time limits	No time limits							
Norway								
	Alcohol content 22< % ≤ 60		Alcohol content 2.5 < % ≤ 22				Beer or beverage with alcohol content 2.5 < % ≤ 4.7	
	1	and	1,5			and	2	
	or							
	0	and	3			and	2	
	or							
	0	and	1,5			and	3,5	
Time limits	Time limit of 24 hours for tax free import							

Sources: Nordic customs authorities

Travelers' alcohol imports

Alcoholic beverages imported by travelers, million litres

	Spirits	Wine ¹⁾	Beer	Cider and long drinks	Total in 100 % alcohol
Finland					
2010	8,9	9,1	24,4	19,7	7,9
2011	8,0	13,9	24,5	21,2	7,8
2012	8,2	13,1	28,5	15,2	7,7
2013	9,5	14,6	31,6	19,6	8,9
2014	8,0	14,9	34,8	20,3	8,4
Sweden					
2010	17,2	15,6	40,5	1,8	10,8
2011	16,2	19,2	42,2	4,2	11,1
2012	14,7	17,6	38,2	1,7	10,0
2013	18,2	18,6	46,8	2,4	12,0
2014	17,2	17,6	44,9	1,7	11,3
Norway					
2004	4,1	7,2	9,0	-	3,0
Denmark					
2005	5,0	9,0	90,0	-	6,0
2008	2,0	12,0	65,0	0,0	5,0
2009	2,0	14,0	70,0	0,0	5,0
2010	2,0	14,0	70,0	0,0	5,0

1) Wines include fortified wines.

Alcoholic beverages imported by travelers, in 100% alcohol

	Year	Total in million litres	Litres per capita	Litres per capita 15 years and over
Finland	2014	8,4	1,5	1,8
Sweden	2014	11,3	1,2	1,4
Norway	2007	3,2	0,7	0,8
Denmark	2010	5,0	0,9	1,1

Sources: THL, SoRAD, SIRUS, Statistics Denmark

Total alcohol consumption

Per capita aged 15 and over, 100 % alcohol

	Year	Recorded consumption, litres per capita aged 15 and over	Unrecorded consumption, litres per capita aged 15 and over	Total consumption, litres per capita aged 15 and over	Proportion of unrecorded consumption of total consumption, %
Finland	2014	8,8	2,4	11,2	21
Sweden	2014	7,2	2,1	9,3	23
Norway ²	2013	6,2	1,6	7,8	21
Denmark ^{1,2}	2013	9,4	1,1	10,5	10
Iceland	2014	7,2	0,7	7,9	9
Faroe Islands	2014	6,4	1,2	7,6	16

Per capita, 100 % alcohol

	Year	Recorded consumption, litres per capita	Unrecorded consumption, litres per capita	Total consumption, litres per capita	Proportion of unrecorded consumption of total consumption, %
Finland	2014	7,4	2,0	9,4	21
Sweden	2014	6,0	1,7	7,7	23
Norway ²	2013	5,1	1,3	6,4	21
Denmark ^{1,2}	2013	7,8	0,9	8,8	10
Iceland	2014	5,8	0,6	6,3	9
Faroe Islands	2014	5,1	1,0	6,1	16

1) Alcohol imported by Danes minus alcohol bought by foreigners in Denmark

2) Unrecorded consumption in 2013 is estimated on the basis of figures for earlier years

Recorded consumption of alcoholic beverages:

Off-premise retail sale of alcoholic beverages plus domestic serving of alcoholic beverages.

Unrecorded alcohol consumption:

Alcoholic beverages imported by travellers minus exported by foreign travellers, home brewed and fermented alcoholic beverages and illegal moonshining, smuggling, surrogates of alcoholic beverages. In Finland also alcohol consumed by Finnish tourists abroad is included in unrecorded alcohol consumption.

Total consumption of alcoholic beverages:

The sum of recorded and unrecorded alcohol consumption.

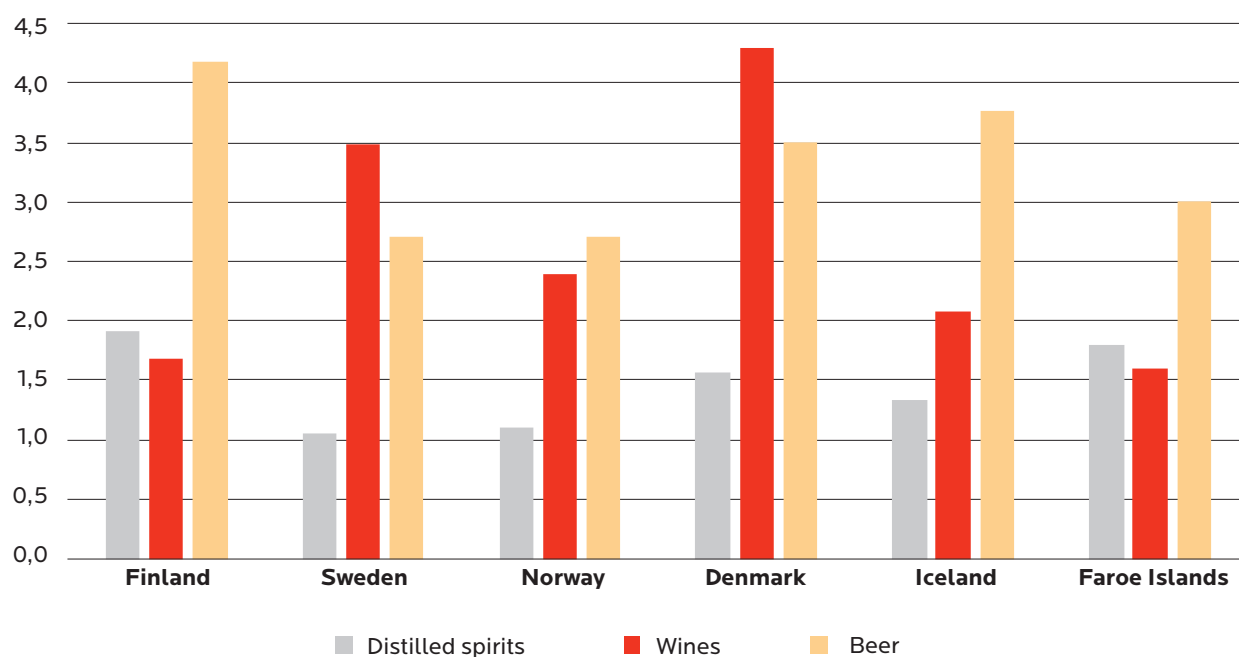
Sources: THL, Valvira, SoRAD, SIRUS, Statistics Denmark, ATVR, Statistics Faroe Islands

Recorded alcohol consumption in the Nordic countries by beverage categories

Litres of 100 % alcohol per capita aged 15 and over

	Year	Distilled spirits	Wines	Beer
Finland	2014	1,9	1,7	4,2
Sweden	2013	1,1	3,5	2,7
Norway	2013	1,1	2,4	2,7
Denmark	2013	1,6	4,3	3,5
Iceland	2014	1,3	2,1	3,8
Faroe Islands	2014	1,8	1,6	3,0

Litres per capita aged 15 and over



Sources: ATVR, Rúsdrékkasölu, SoRAD, Statistics Denmark, Statistics Iceland, Statistics Norway, THL, Valvira, World Drink Trends 2005

Public opinion on alcohol policy

Finland:

- According to a survey conducted by TNS Gallup in January 2015 with 1002 interviews

- 38 per cent of population supported prevailing alcohol policy and 14 per cent wanted stricter policies.
- 89 per cent of respondents agreed that strong alcohol beverages should be sold only in Alko. Corresponding figure for wine was 55 per cent and for strong beer 60 per cent. 85 per cent of respondents supported that beer at most 4.7 per cent alcohol by volume should be available also in grocery stores.
- 58 per cent of respondents agreed that Alko and its sole right to off-premise retail sale of alcoholic beverages is a good way of controlling the extent of the harmful effects of alcohol.

Sweden:

- According to monthly surveys conducted in January

- December 2014 by SIFO Research International
- 74 per cent of the respondents agreed that Systembolaget and its monopoly on the off-premise retail sale of strong beer, wines and spirits should be retained.

Norway:

- According to a survey conducted in 2014

- 59 per cent of respondents agreed that Vinmonopolet should have the exclusive rights for off-premise retail sale of wine and spirits.

Iceland:

- According to survey conducted in 2014

- 76 per cent of the respondents supported the present alcohol monopoly arrangement.

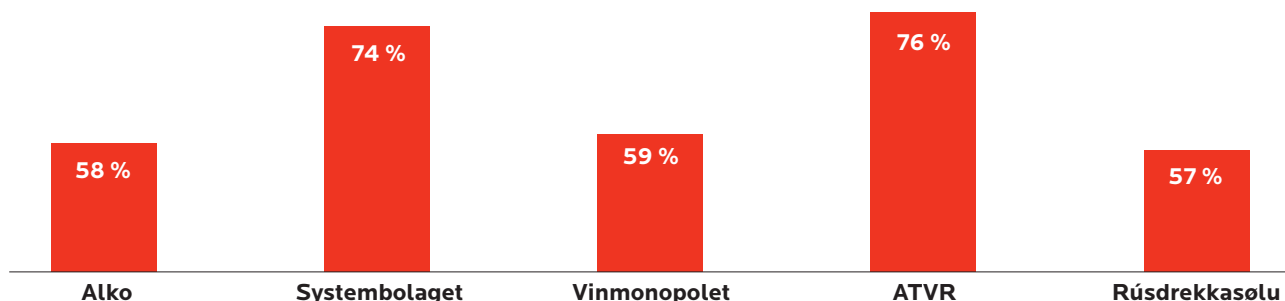
Faroe Islands:

- According to survey conducted in November 2013 by Gallup

- 57 per cent of respondents supported the present alcohol policy.

Monopoly support in 2014

Surveys not comparable between monopolies



Sources: Nordic alcohol monopoly companies

Customer satisfaction rates in the Nordic alcohol monopoly companies

Alko:

- Alko has a new customer satisfaction survey from 2014. In 2014 the satisfaction index for customer experience was 4.0 (scale 1.0-5.0).

Systembolaget:

- For the year 2014 customer satisfaction index for Systembolaget was 83 per cent (scale 1-100).

Vinmonopolet:

- According to Norwegian customer satisfaction survey 90 per cent of customers were satisfied or very satisfied with Vinmonopolet in 2014. Service, quality and availability are Vinmonopolet's most valued traits among the public.

ATVR:

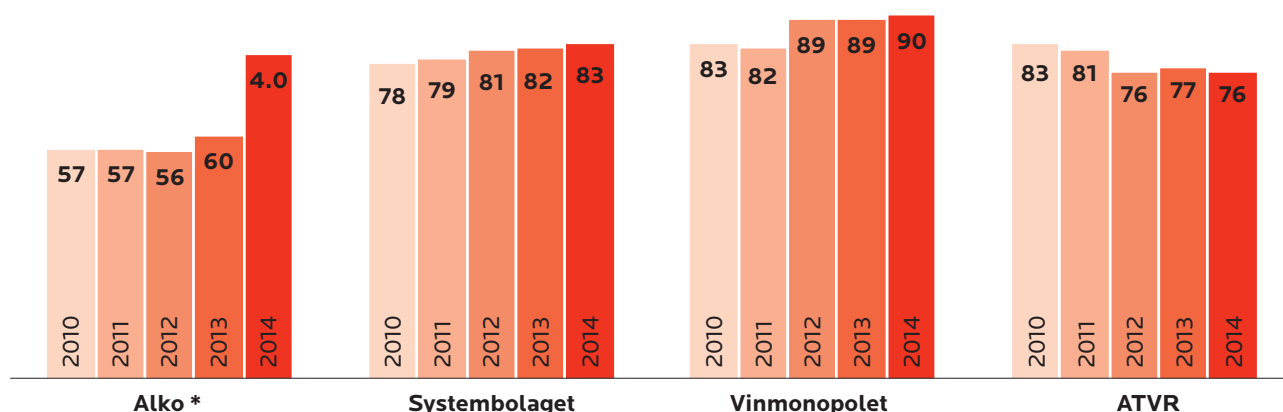
- In the latest public opinion poll conducted in 2014 answers to the question "are you satisfied or unsatisfied with the current system of alcohol monopoly in Iceland" was satisfied by 76 per cent of the respondents.

Rúsdrekkasölu:

- In November 2013 49 per cent of the respondents supported the alcohol monopoly arrangement. They were either very satisfied or satisfied with the Faroese alcohol monopoly Rúsdrekkasölu Landsins.

Development in customer satisfaction rates 2010–2014

Surveys not totally comparable between monopolies



* New survey from 2014

Sources: Nordic alcohol monopoly companies

Personnel and beverage brands

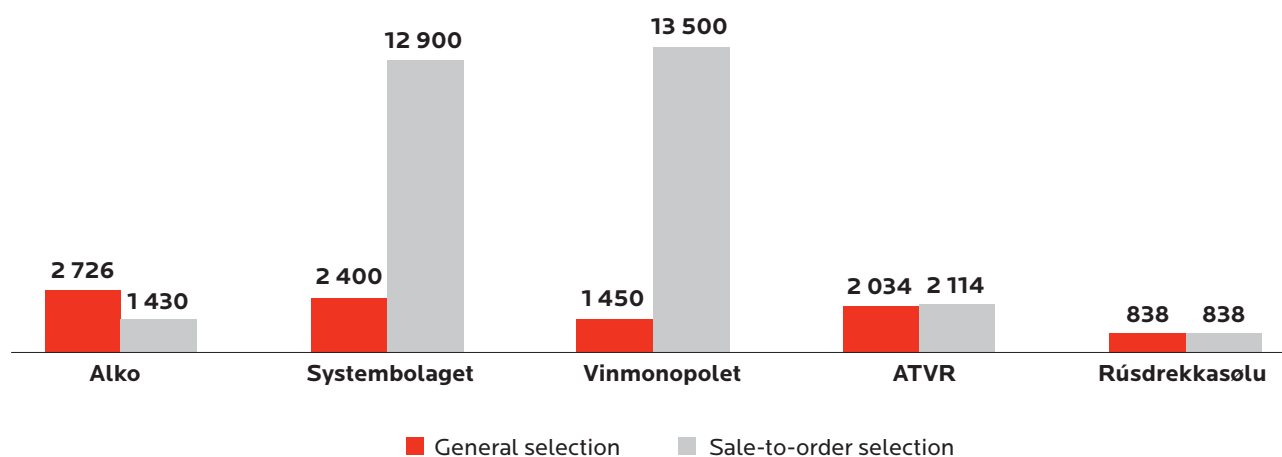
Situation as at 1st January 2015

Personnel

Alko	2 611
Systembolaget	5 234
Vinmonopolet	1 825
ATVR	428
Rúsdrekkasölu	36

Beverage brands

	General selection	Sale-to-order selection
Alko	2 726	1 430
Systembolaget	2 400	12 900
Vinmonopolet	1 450	13 800
ATVR	2 034	2 114
Rúsdrekkasölu	838	838



Sources: Nordic alcohol monopoly companies

Packaging 2014

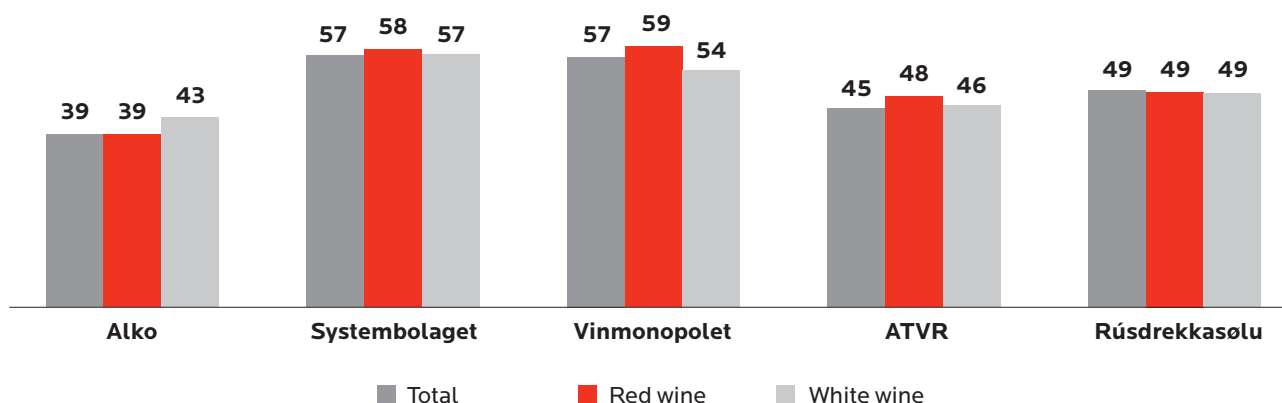
Wine

	Share of BIB of total wine sales, %	Share of red wine sold in BIB, %	Share of white wine sold in BIB, %	Share of wine sold in PET-bottles, %	Share of wine sold in tetra packs, %
Alko	39	39	43	3,7	5,9
Systembolaget	57	58	57	1,4	6,8
Vinmonopolet	53	59	54	0,5	0,3
ATVR	45	48	46	-	1,7
Rúsdrekkasölu	49	49	49	-	3,6

Beer

	Beer sold in cans, %	Beer sold in multipacks, %
Alko	60	42
Systembolaget	74	0
Vinmonopolet	10	-
ATVR	88	-
Rúsdrekkasölu	55	80

Share of bag-in-box wines in different wine groups, %



Sources: Nordic alcohol monopoly companies

Total sales in 2014

Litres

	Million litres	Million litres excl. beer	Million litres of 100 % alcohol
Alko	96,7	87,9	16,3
Systembolaget	470,4	236,3	46,3
Vinmonopolet	81,2	79,0	12,6
ATVR	19,2	4,2	1,4
Rúsdrekkasölu ¹⁾	2,9	0,7	0,2

Change from previous year, %

	Litres	Litres excl. beer	Litres of 100 % alcohol
Alko	-2,6	-2,5	-3,2
Systembolaget	0,6	-0,2	-0,2
Vinmonopolet	0,6	0,2	-0,5
ATVR	3,0	1,7	2,4
Rúsdrekkasölu ¹⁾	1,9	1,4	0,6

Litres per capita

	Litres	Litres excl. beer	Litres of 100 % alcohol
Alko	17,7	16,1	3,0
Systembolaget	48,4	24,3	4,8
Vinmonopolet	15,8	15,3	2,4
ATVR	60,6	13,4	4,4
Rúsdrekkasölu ¹⁾	58,4	14,8	4,8

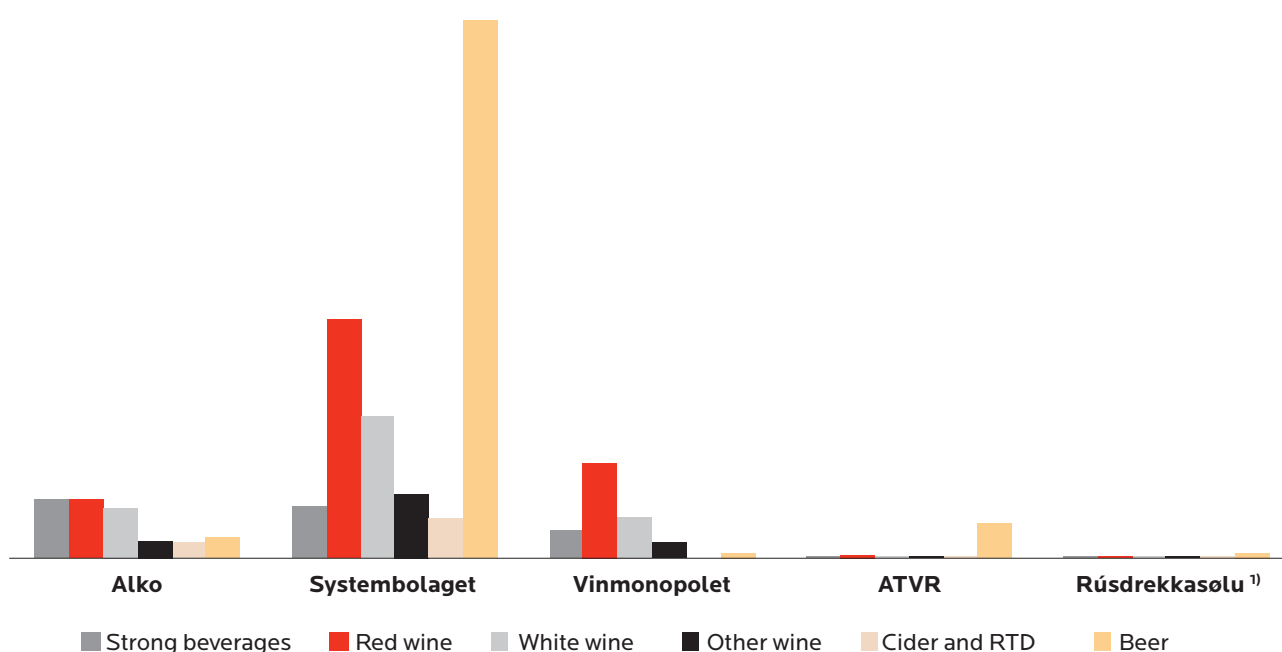
1) Sales figures of Rúsdrekkasölu include sales of brewery outlets.

Sources: Nordic alcohol monopoly companies

Sales by product groups in 2014

Million litres

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu ¹⁾
Spirits	14,6	5,8	11,3	0,5	0,2
Other strong alcoholic beverages	7,8	12,5	0,0	0,0	0,0
Fortified wines	3,3	4,2	0,6	0,0	0,0
Red wines	25,7	103,7	41,7	1,8	0,2
White wines	21,7	61,7	18,3	1,2	0,1
Sparkling wines	4,9	11,1	4,2	0,1	0,0
Rosé wines	0,8	15,4	2,2	0,1	0,0
Other wines	2,0	1,6	0,1	0,1	0,0
Ciders	0,8	11,3	0,0	0,3	0,2
RTD (Long drinks)	6,1	6,1	0,0	0,2	0,0
Beers	8,8	234,1	2,2	15,0	2,2
Non-alcoholic products	0,2	2,8	0,3	0,0	0,0
Total	96,7	470,4	81,2	19,2	2,9



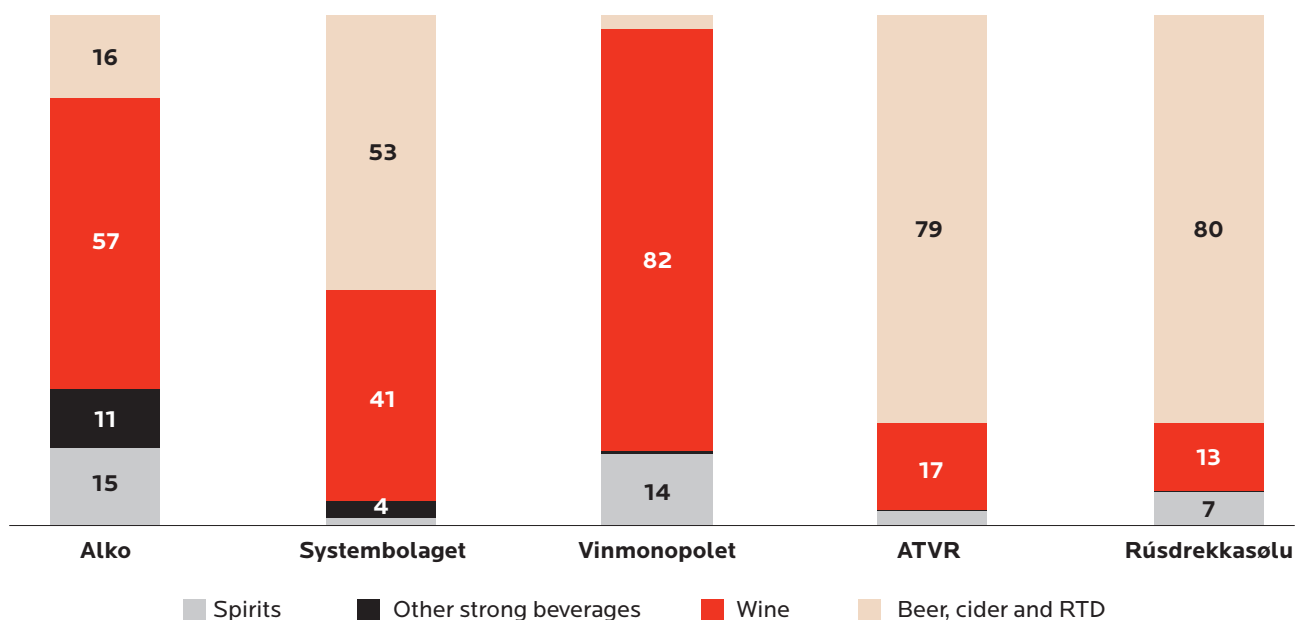
1) Rúsdrekkasölu sales include sales by brewery outlets.

Sources: Nordic alcohol monopoly companies

Sales by product groups in 2014 (cont.)

Share of sales in litres as percentages

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu ¹⁾
Spirits	15,1	1,2	13,9	2,7	6,6
Other strong alcoholic beverages	8,1	2,7	0,0	0,3	0,0
Fortified wines	3,4	0,9	0,7	0,2	0,3
Red wines	26,5	22,0	51,4	9,5	8,0
White wines	22,4	13,1	22,5	6,0	4,6
Sparkling wines	5,1	2,4	5,1	0,6	0,4
Rosé wines	0,9	3,3	2,7	0,3	0,4
Other wines	2,1	0,3	0,2	0,3	0,0
Ciders	0,8	2,4	0,0	0,0	5,2
RTD (Long drinks)	6,3	1,3	0,0	0,8	0,0
Beers	9,1	49,8	2,7	77,9	74,6
Non-alcoholic products	0,2	0,6	0,4	0,0	0,0
Total	100,0	100,0	100,0	100,0	100,0



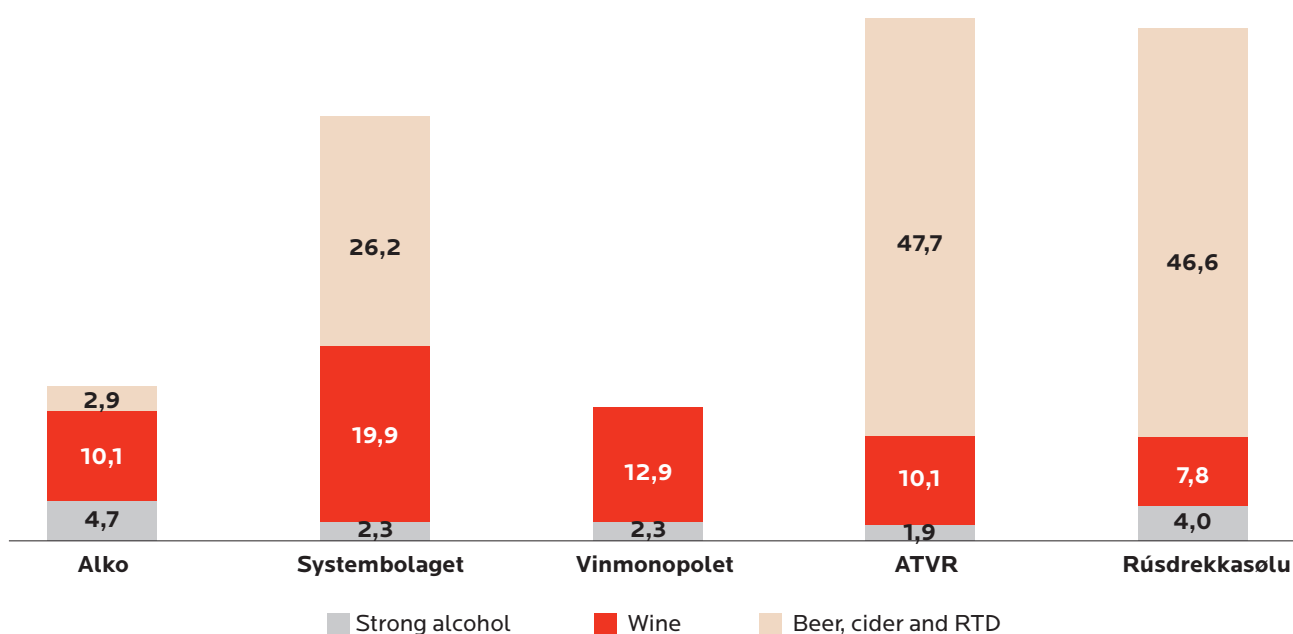
1) Rúsdrekkasölu sales include sales by brewery outlets.

Sources: Nordic alcohol monopoly companies

Sales by product groups in 2014 (cont.)

Litres per capita

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu ¹⁾
Spirits	2,7	0,6	2,2	1,6	3,8
Other strong alcoholic beverages	1,4	1,3	0,0	0,2	0,0
Fortified wines	0,6	0,4	0,1	0,1	0,2
Red wines	4,7	10,7	8,1	5,7	4,6
White wines	4,0	6,3	3,6	3,6	2,7
Sparkling wines	0,9	1,1	0,8	0,4	0,2
Rosé wines	0,2	1,6	0,4	0,2	0,2
Other wines	0,4	0,2	0,0	0,2	0,0
Ciders	0,1	1,2	0,0	0,0	3,0
RTD (Long drinks)	1,1	0,6	0,0	0,5	0,0
Beers	1,6	24,1	0,4	47,2	43,6
Non-alcoholic products	0,0	0,3	0,1	0,0	0,0
Total	17,7	48,4	15,8	60,6	58,4



1) Rúsdrekkasölu sales include sales by brewery outlets.

Sources: Nordic alcohol monopoly companies

Wine sales in 2014

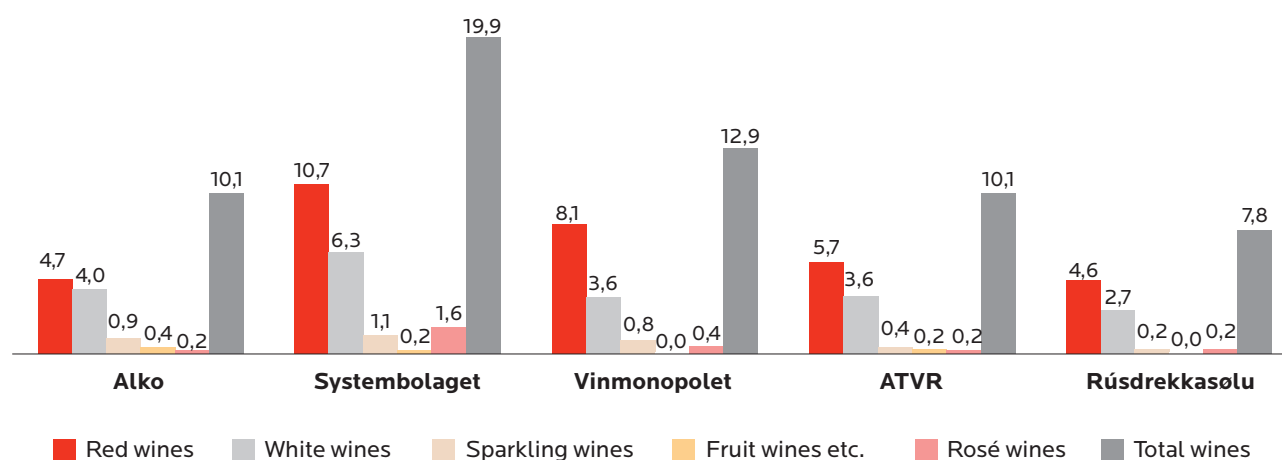
Million litres

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu
Red wines	25,7	103,7	41,7	1,8	0,2
White wines	21,7	61,7	18,3	1,2	0,1
Sparkling wines	4,9	11,1	4,2	0,1	0,0
Rosé wines	0,8	15,4	2,2	0,1	0,0
Fruit wines etc.	2,0	1,6	0,1	0,1	0,0
Total wines	55,2	193,6	66,6	3,2	0,4

Litres per capita

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu
Red wines	4,7	10,7	8,1	5,7	4,6
White wines	4,0	6,3	3,6	3,6	2,7
Sparkling wines	0,9	1,1	0,8	0,4	0,2
Rosé wines	0,2	1,6	0,4	0,2	0,2
Fruit wines etc.	0,4	0,2	0,0	0,2	0,0
Total wines	10,1	19,9	12,9	10,1	7,8

Litres per capita



Sources: Nordic alcohol monopoly companies

Social Control

Sales supervision in alcohol monopoly companies in 2014

Checks for	Alko	Vinmonopolet	ATVR	Rúsdrekkasölu
age limit	3 624 114	1 000 000	220 000	2 500
- denied because of age limit	na	4 935	na	125
- customer shows ID spontaneous	na	2 300 000	na	3 000
suspected intoxication	659 178	3 667 ¹⁾	na	90
suspected handover	304 452	646 ¹⁾	na	30

1) Denied because of suspected intoxication or suspected handover.

Age limit checks in Mystery –surveys 2008-2014

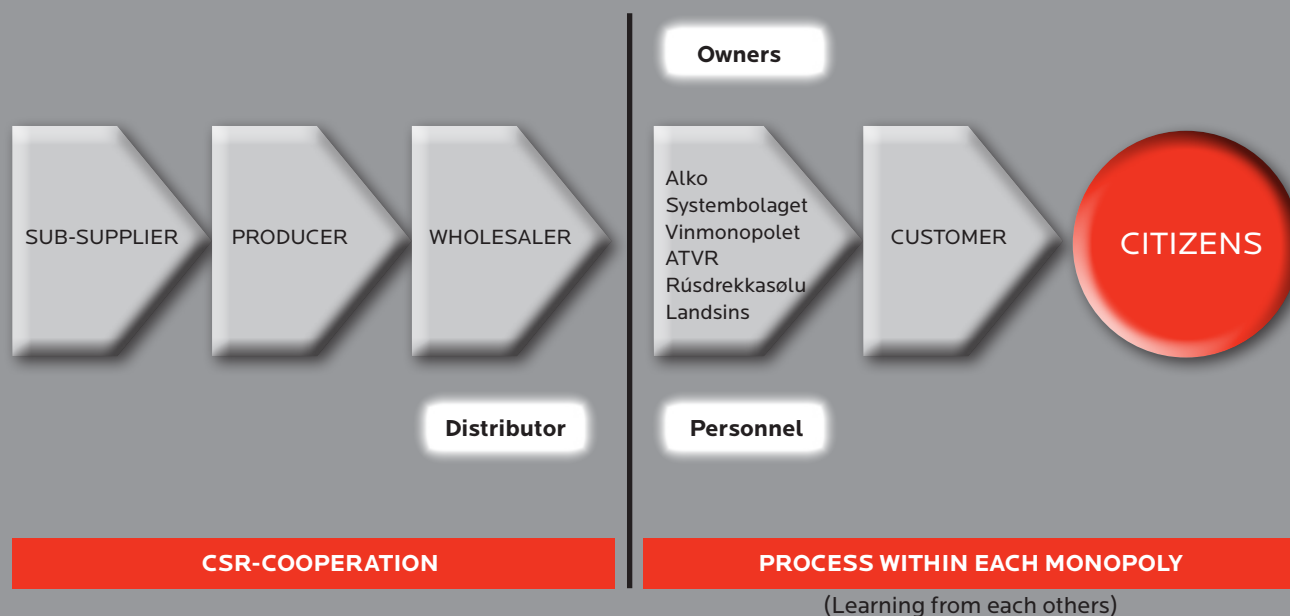
Share of age-limit checks conducted in monopoly stores, %

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu
2008	51	90	na	43	na
2009	75	93	na	64	na
2010	79	94	88	75	na
2011	74	94	92	74	na
2012	82	95	86	83	na
2013	92	96	na	80	81
2014	89	97	na	87	85

Sources: Nordic alcohol monopoly companies

Nordic alcohol monopoly CSR-collaboration

Nordic alcohol monopoly companies supply chain



Nordic Corporate Social Responsibility Cooperation

- **The Nordic alcohol monopolies take, furthermore, responsibility for working conditions, human rights issues, the environment and anti-corruption measures. The goal is that all the products we sell are produced under socially, environmentally and ethically acceptable terms and conditions.**
- **The goals are:**
 1. The workers acknowledge that the Nordic alcohol monopolies' CSR-program has improved their working and living conditions.
 2. The customers in the Nordic countries want to buy from us because they are convinced that the products are safe and sustainable.
 3. The suppliers recognize that we, the Nordic alcohol monopolies, are an honest and responsible business partner, and that the investments according to the Nordic alcohol monopolies' requirements have paid off.
 4. The producers recognize that we, the Nordic alcohol monopolies, are an honest and responsible business partner, and that the investments according to the Nordic alcohol monopolies' requirements have paid off.
 5. Society, media and non-governmental organisations say that the Nordic alcohol monopoly system is a good example of how to drive change in all sustainability aspects.

Further information

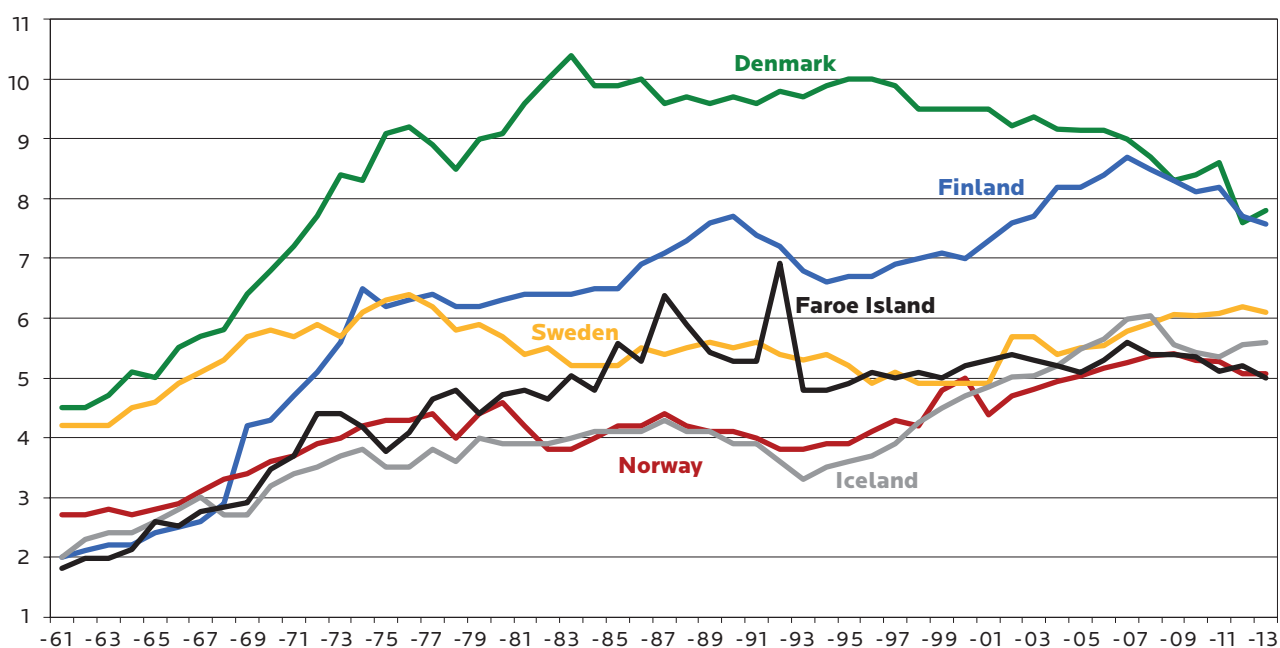
Finland:	Alcohol monopoly of Finland, Atko National Institute for Health and Welfare, THL National Supervisory Authority for Welfare and Health, Valvira Nordic Centre for Welfare and Social Issues Finnish alcohol legislation Statistics Finland	www.alko.fi www.thl.fi www.valvira.fi www.nordicwelfare.org www.finlex.fi www.tilastokeskus.fi
Sweden:	Alcohol monopoly of Sweden, Systembolaget Centre for Social Research on Alcohol and Drugs, (SoRAD) Public Health Agency of Sweden (Folkhälsomyndigheten) Statistical Office of Sweden Riksdagen includes the alcohol laws of Sweden	www.systembolaget.se www.sorad.su.se www.folkhalsomyndigheten.se www.scb.se www.riksdagen.se
Norway:	Alcohol monopoly of Norway, Vinmonopolet Norwegian Institute for Alcohol and Drug Research (SIRUS) Statistical Office of Norway	www.vinmonopolet.no www.sirus.no www.ssb.no
Denmark:	Statistics Denmark Finansministeriet Skatteministeriet	www.dst.dk www.fm.dk www.skm.dk
Iceland:	Alcohol monopoly of Iceland, ATVR Statistics Iceland	www.atvr.is www.statice.is
Faroe Islands:	Alcohol monopoly of Faroe Islands, Rúsdrekkasølu Statistics Faroe Islands	www.rusan.fo www.hagstova.fo
Other:	Eurostat Omvärldsbevakning om alkoholrelaterade nyheter Eurocare WHO, Global Information System on Alcohol and Health	www.epp.eurostat.ec www.nosam.net www.eurocare.org www.who.int/gho/alcohol/en



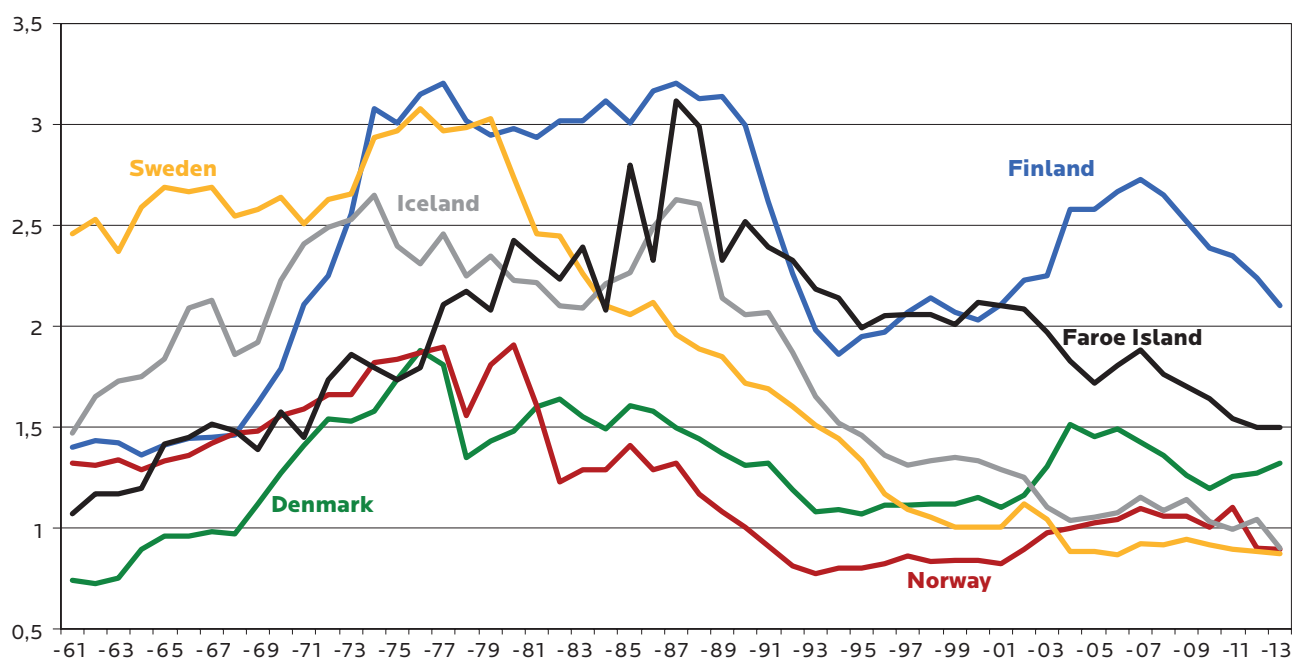
Recorded alcohol consumption per capita in the Nordic countries in 1961-2013

Litres of 100 % alcohol per capita

Total



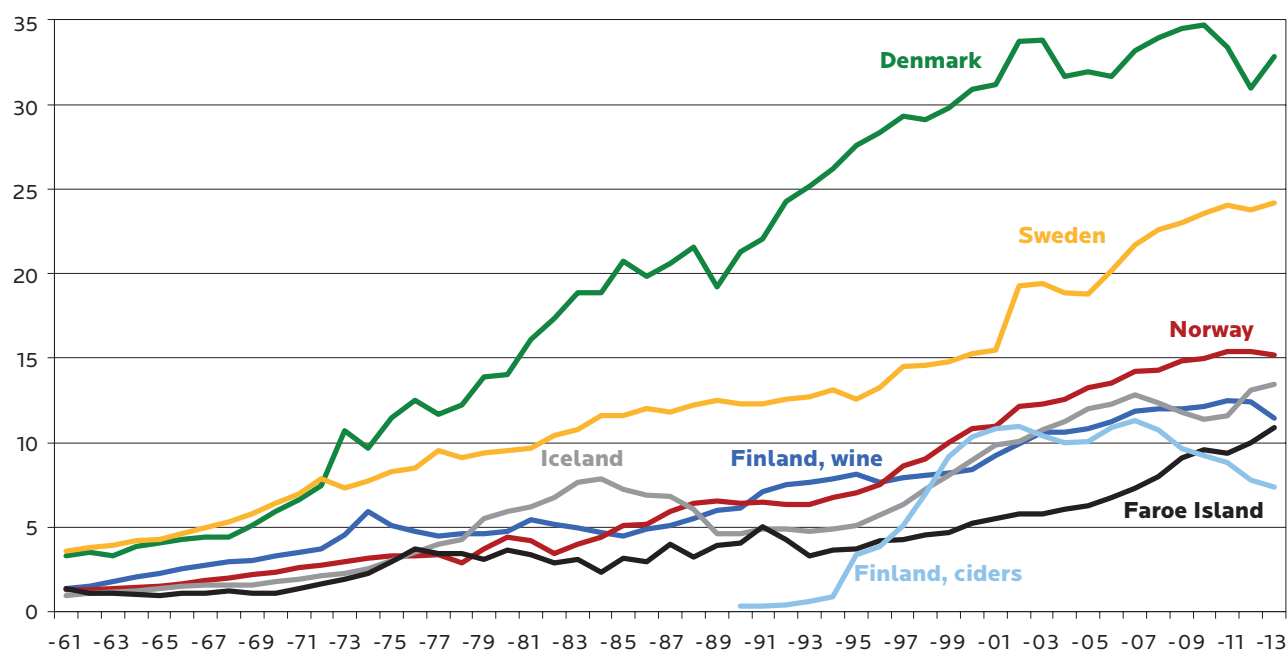
Distilled spirits



Sources: ATVR, Rúsdrékkasölu, SoRAD, Statistics Denmark, Statistics Iceland, Statistics Norway, THL, Valvira, World Drink Trends 2005

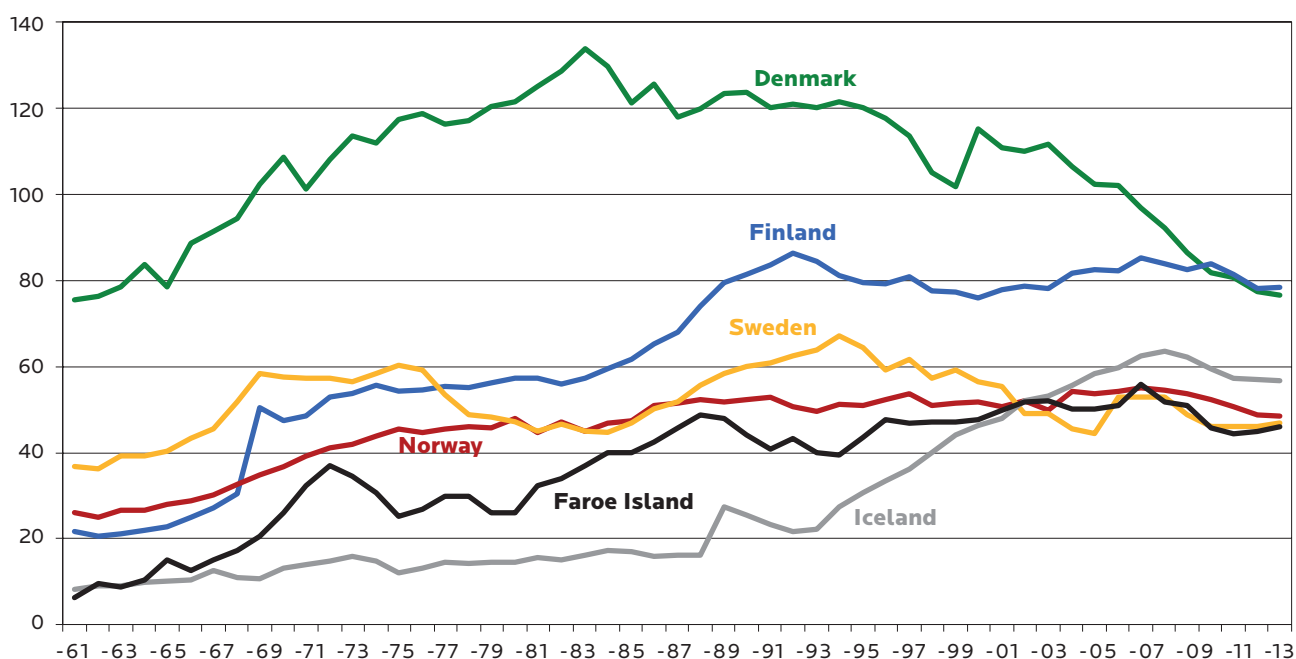
Volume litres per capita

Wines (includes fortified wines)



Finland: Ciders are included in wines before the year 1995.
Sweden: Wines include strong cider and alcoholic lemonades (RTD).

Beer



Sources: ATVR, Rúsrekkasölu, SoRAD, Statistics Denmark, Statistics Iceland, Statistics Norway, THL, Valvira, World Drink Trends 2005

ALCOHOL MARKET AND CONSUMPTION IN ESTONIA

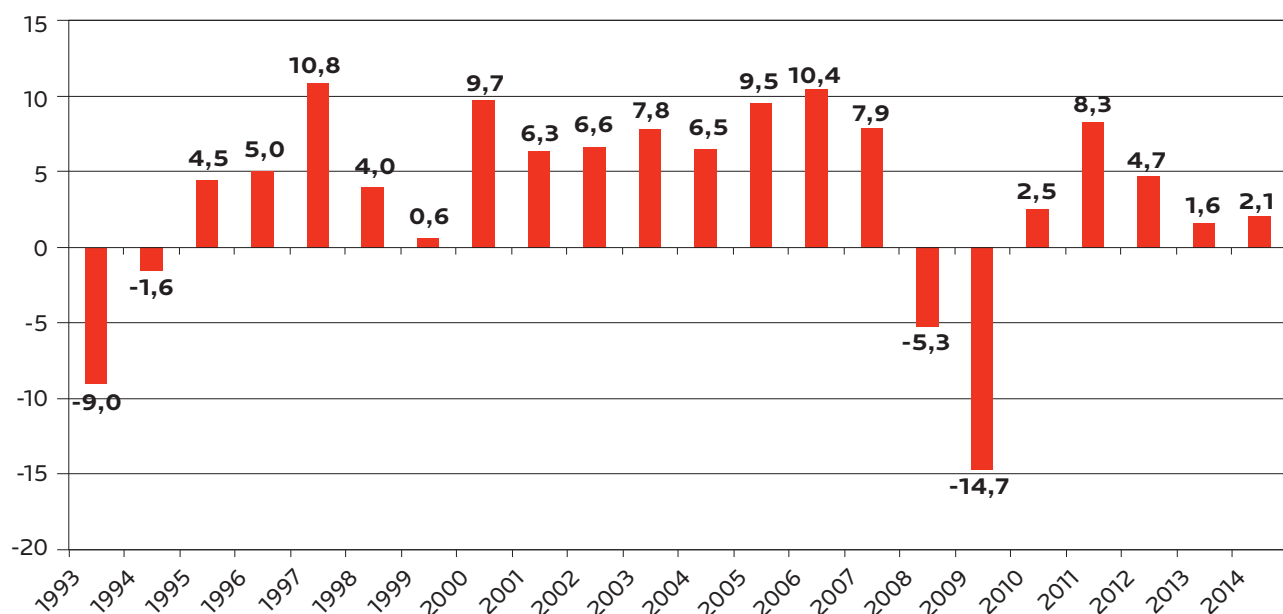
Marje Josing

EESTI KONJUNKTUURIINSTITUUT

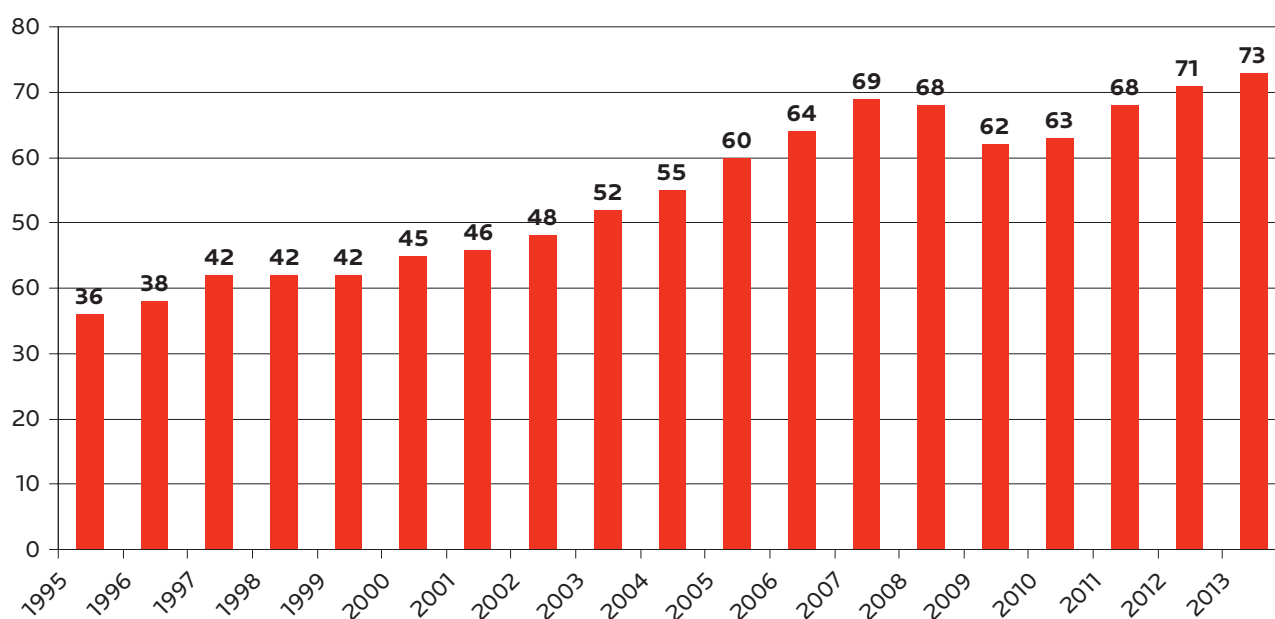
The paper is based on Marje Josing's presentation in the 10th Estonian - Finnish Seminar on Alcohol 9 - 10th June 2015, Rakvere, Estonia. It is slightly edited by Esa Österberg, National Institute for Health and Welfare, THL, Department of Health, Alcohol and Drugs Unit.

Lay out by Taittotoimisto Åsa Åhl

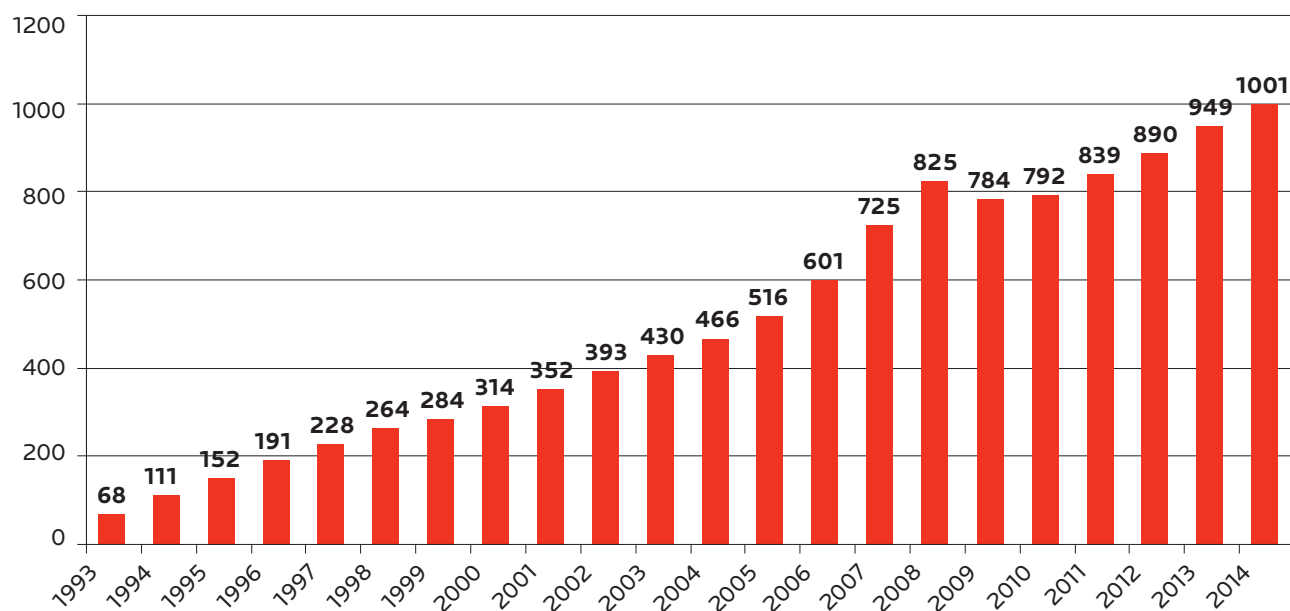
Change in Gross Domestic Product in 1993 - 2014, %



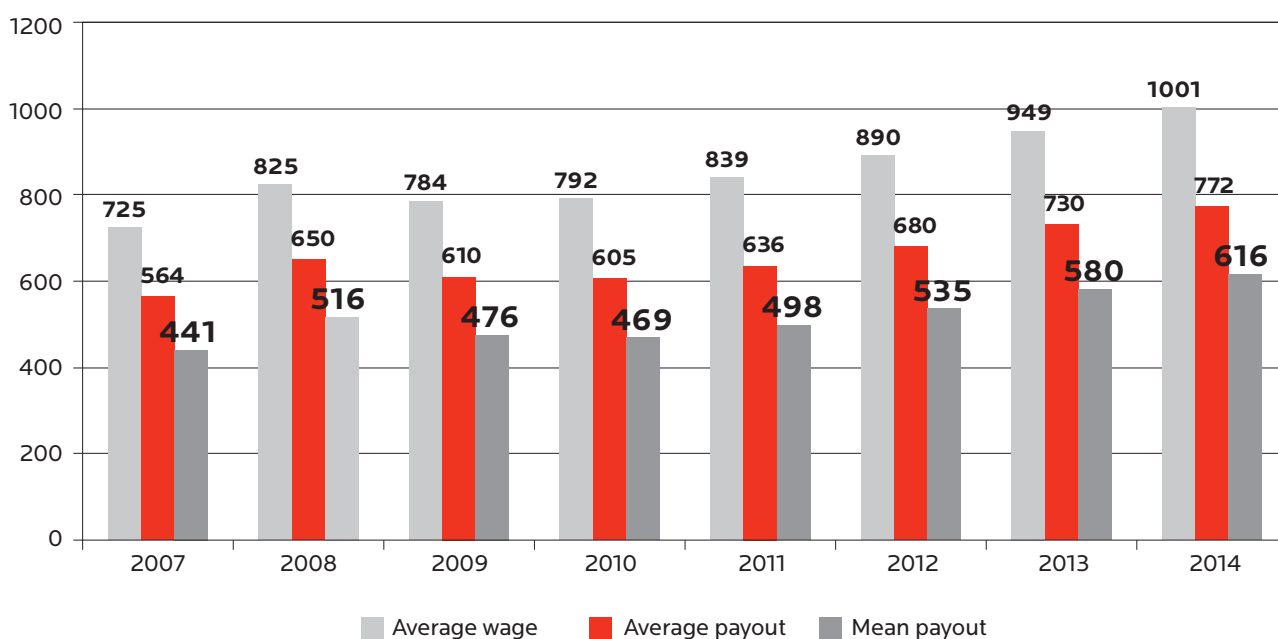
Gross Domestic Product (PPP) in 1995 - 2013 as index when EU 28=100



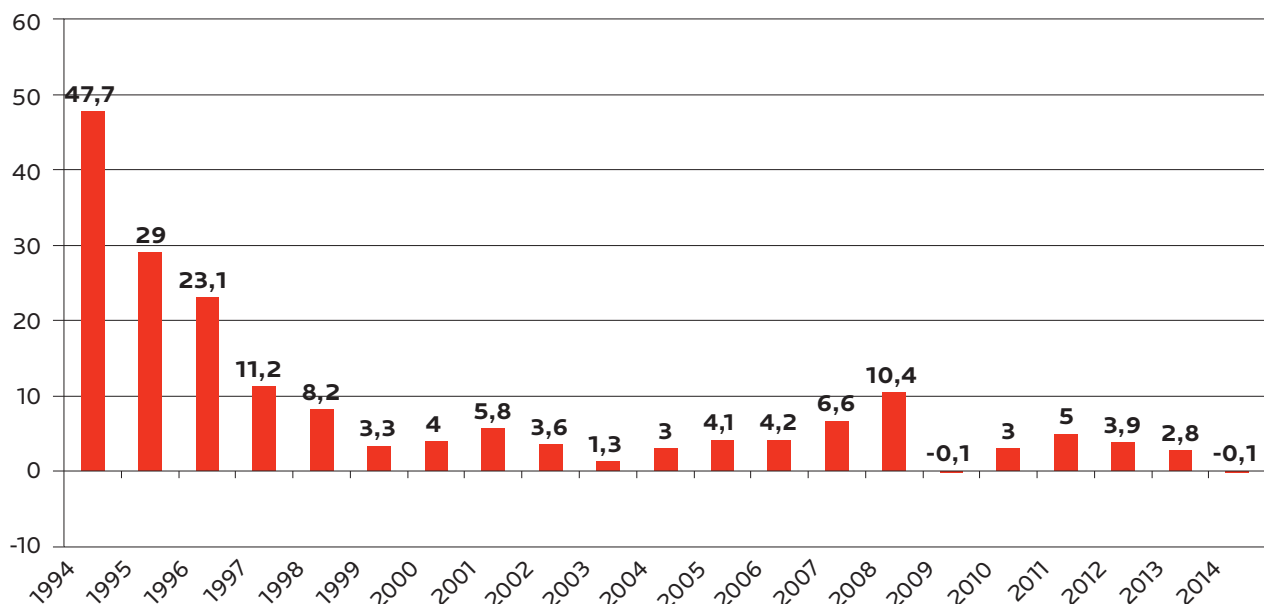
Average Monthly Wage in 1993 - 2014 in eur/month



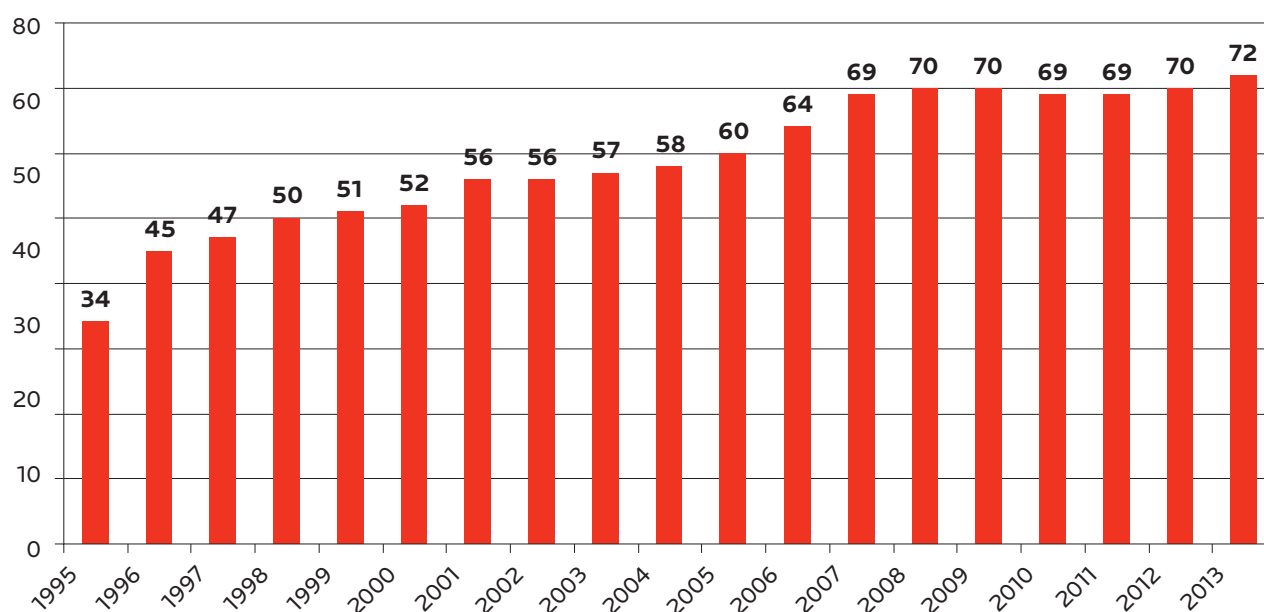
Average wage, average payout and mean payout in 2007 - 2014 eur/month



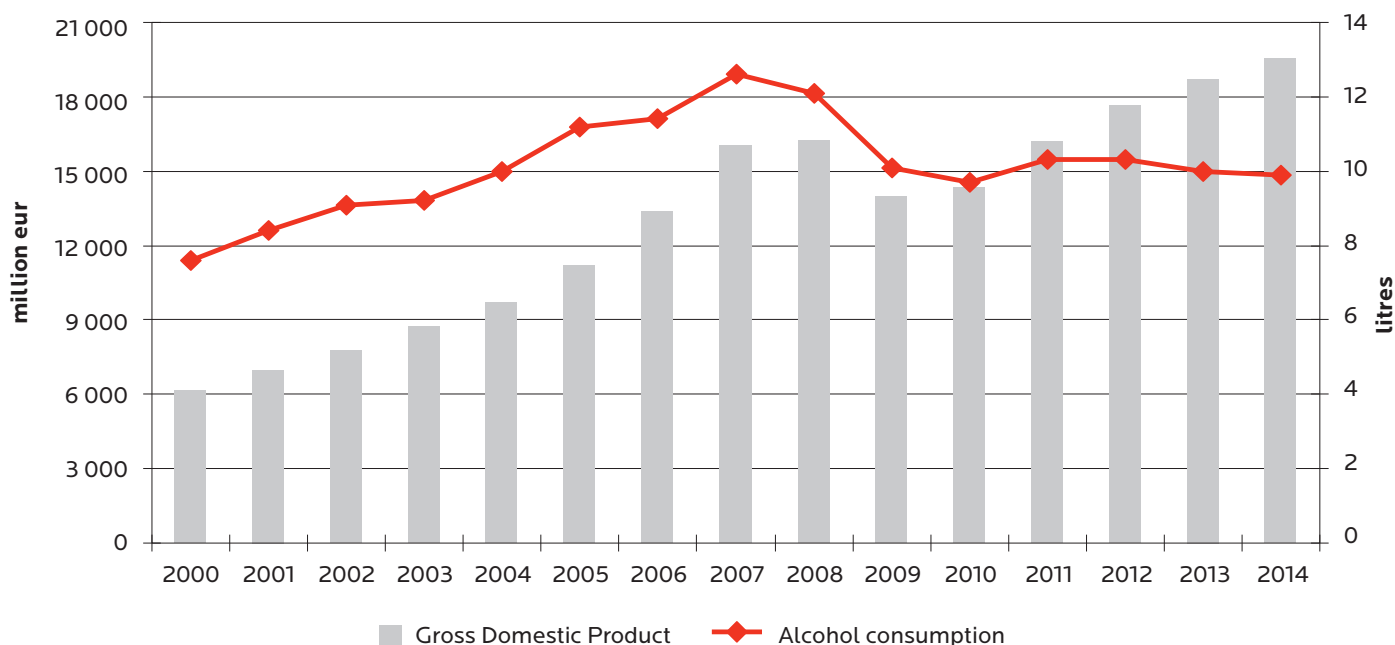
Change in consumer price index in 1994 - 2014, %



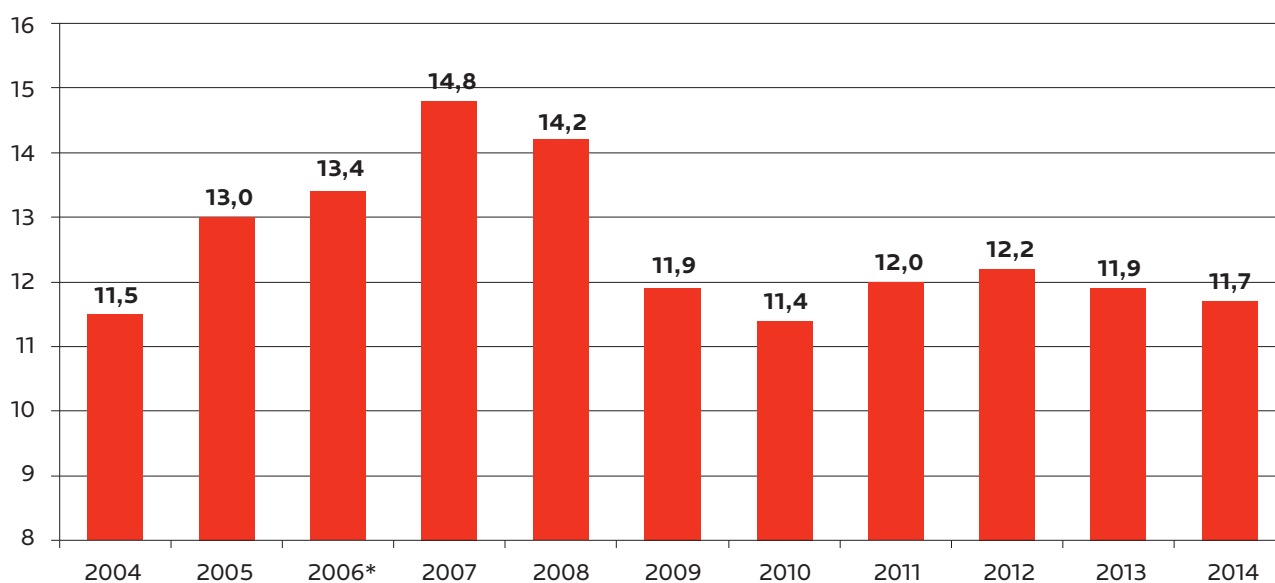
Estonian price level in 1995 - 2013 as index when EU 27=100



GDP in million eur and alcohol consumption in litres of 100% alcohol per capita in 2000 - 2014



Consumption of alcohol in Estonia in litres of 100% alcohol per population aged 15 and over in 2004 - 2014



*Until 2006 data is missing about consumption by tourists in Estonia

Consumption of alcohol in 2013 - 2014 by Estonians in litres of 100% alcohol per population aged 15 years and over

	2013	2014
Legal sales*	17,77	17,92
Illegal sales	0,83	0,57
Alcoholic beverages exported by tourists	5,66	5,61
Alcoholic beverages consumed by tourists in Estonia	1,08	1,17
Total alcohol consumption by Estonians**	11,86	11,71

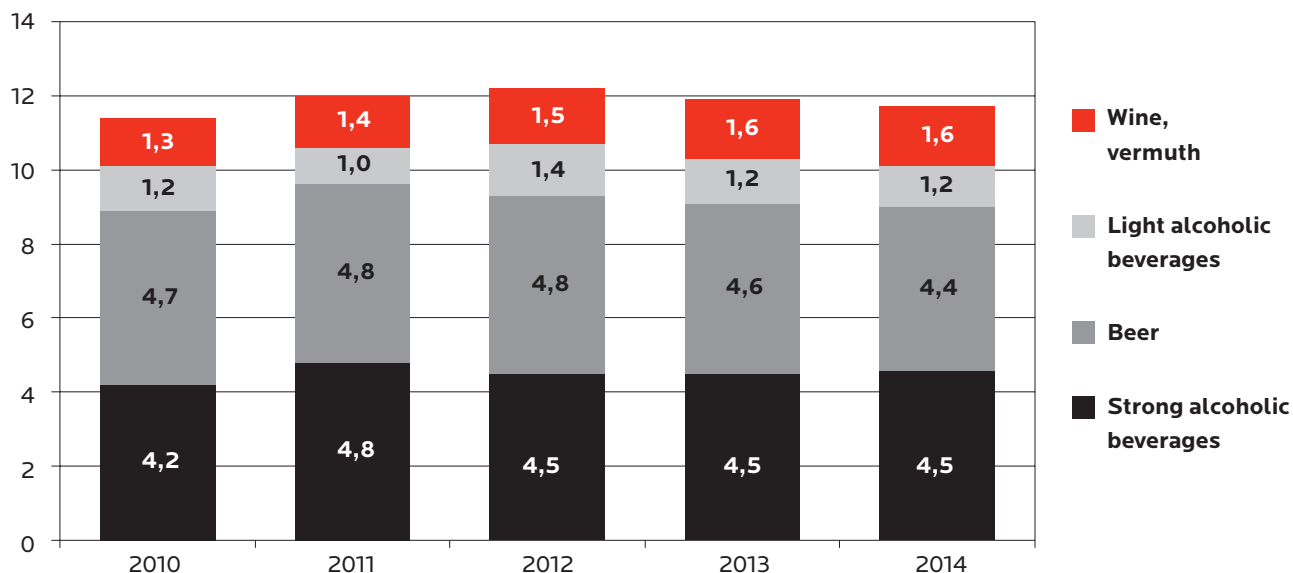
* Legal sales = production + import - export

** Total alcohol consumption by Estonians = legal sales + illegal sales - alcoholic beverages exported by tourists in Estonia - alcoholic beverages consumed by tourists in Estonia

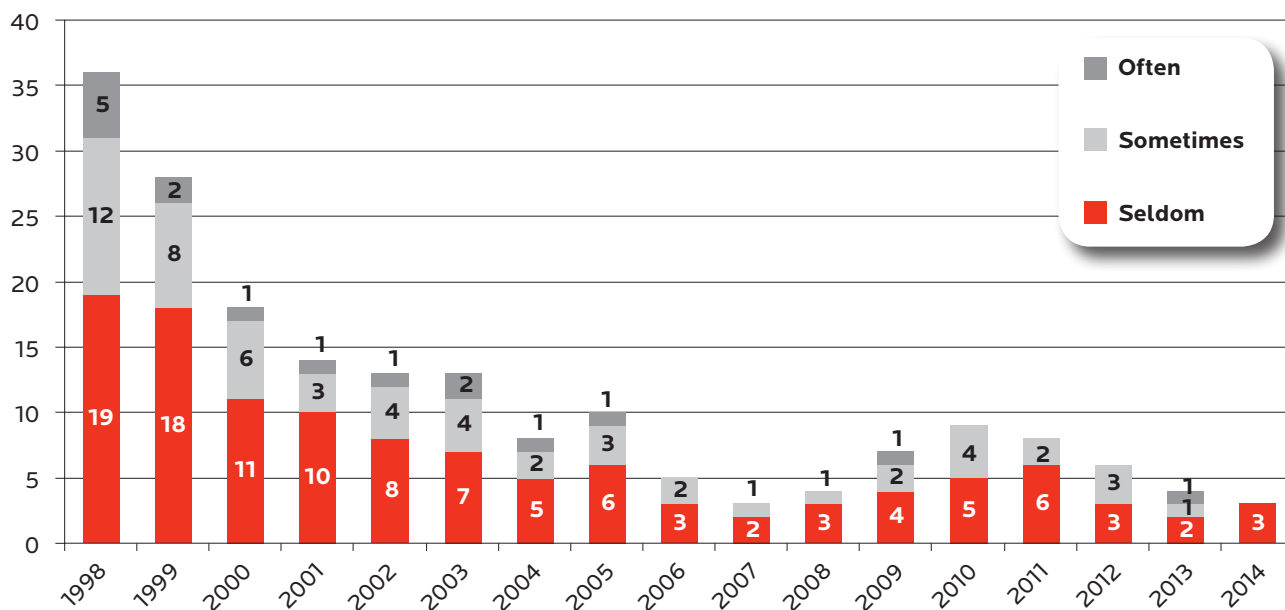
Consumption of alcoholic beverages by Estonians in 2014

	in litres per population aged 15 and over	litres of 100% alcohol per population aged 15 and over
Strong alcoholic beverages -incl vodka	11,9 7,8	4,55 2,94
Beer	85,1	4,44
Wine and vermouth	13,1	1,60
Light alcoholic beverages	16,7	1,12
Total		11,71

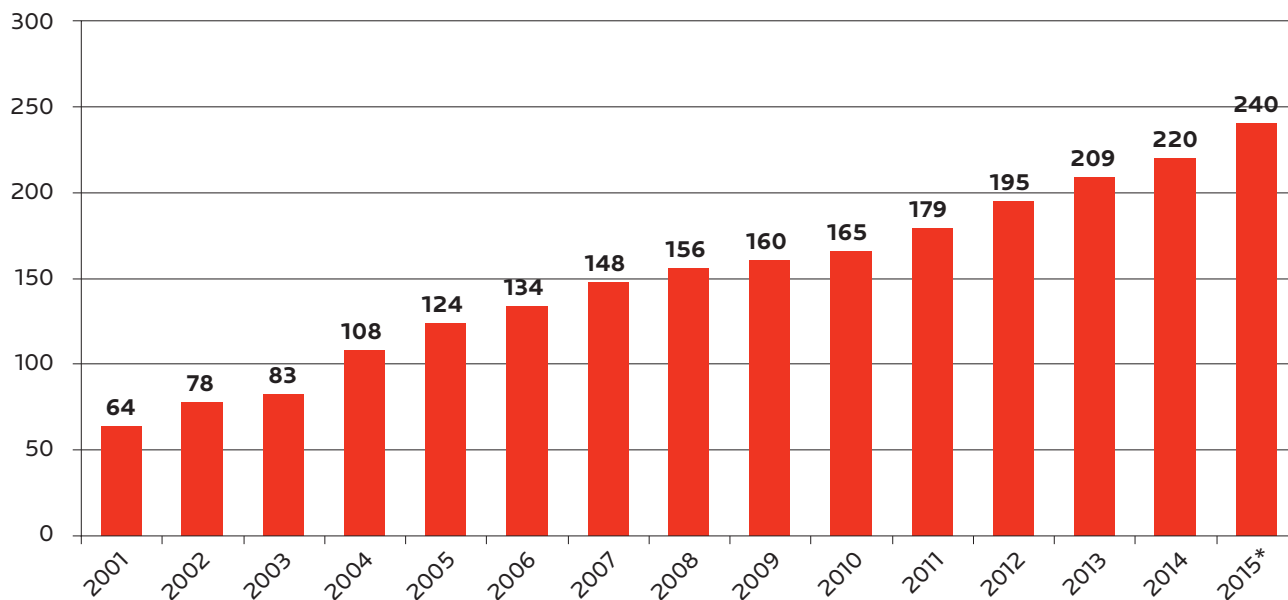
Alcohol consumption by beverage categories in 2010 - 2014 in litres of 100% alcohol per population aged 15 and over



The share of those who have admitted that he/she has bought illegal alcohol as per cent of alcohol consumers

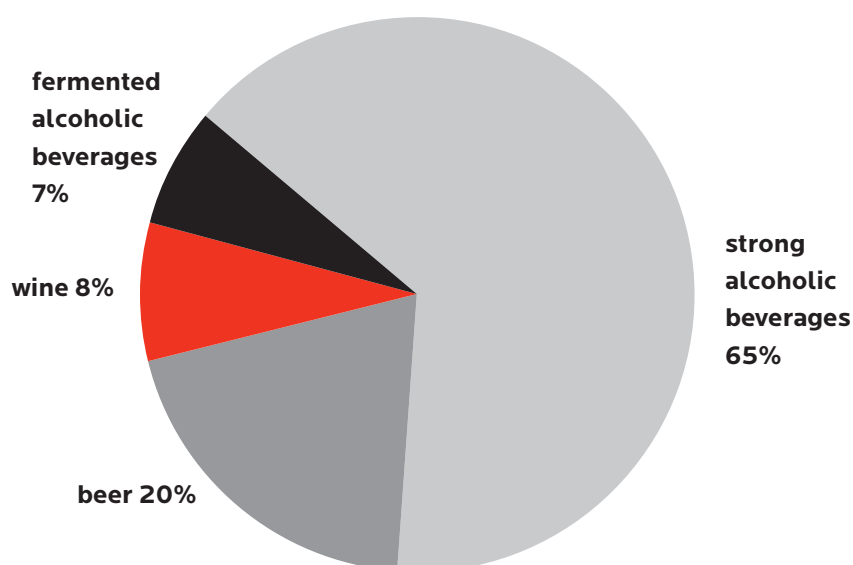


State alcohol excise revenues in 2001 - 2015 in million eur

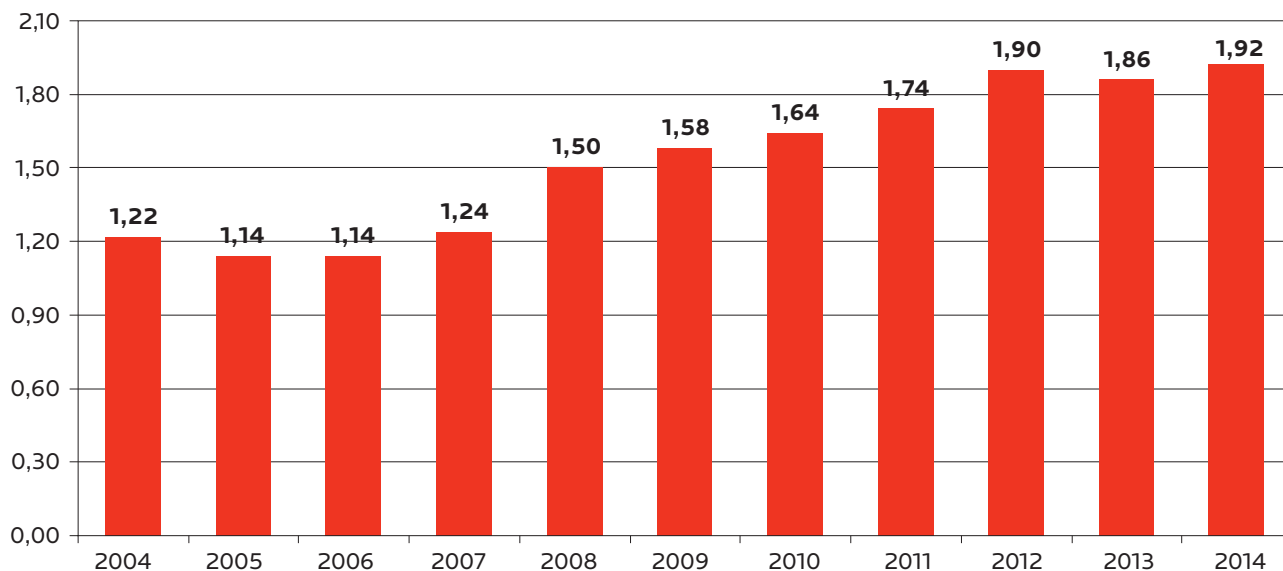


* prognosis

State alcohol excise revenues by alcoholic beverage categories in 2014

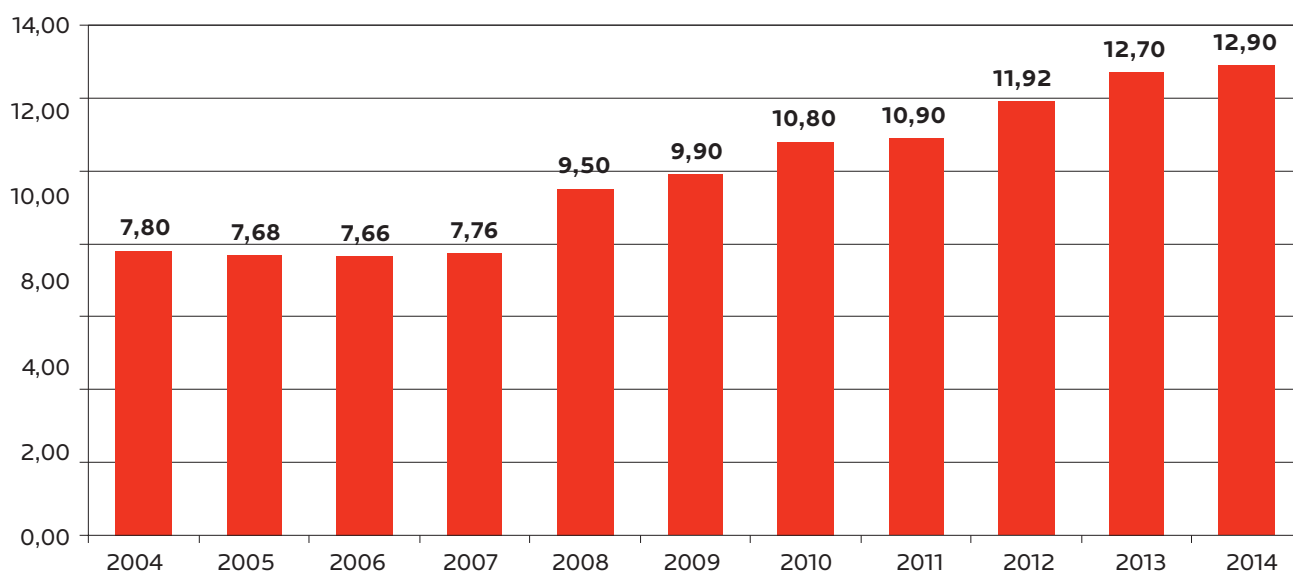


Retail price of light* beer in 2004 - 2014, eur/litre

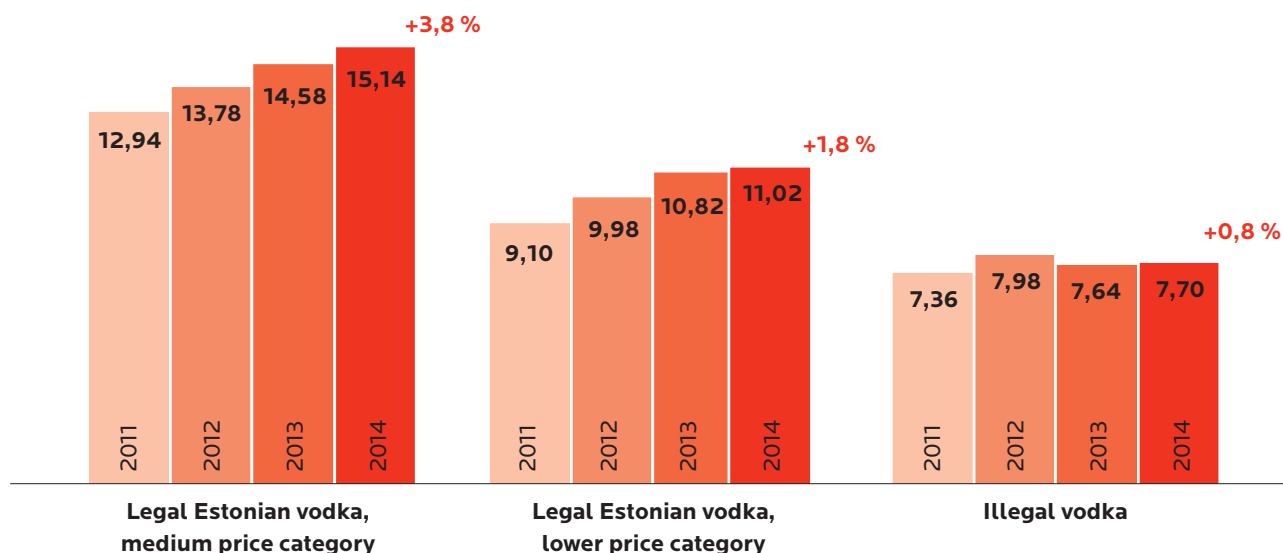


* In Estonia beer over 6% alcohol by volume is usually considered as strong beer. Accordingly beer below 6% alcohol by volume is light beer.

Retail price of domestic vodka in 2004 - 2014, eur/litre



Average prices of legal and illegal vodka in 2011 - 2014 in eur/litre



Prices of alcoholic beverages in the Nordic alcohol monopoly countries and Estonia in 2015

	Alko	Systembolaget	Vinmonopolet	ATVR	Rúsdrekkasölu	Estonia *
Koskenkorva Viina	17,99	22,09	34,10	33,23	-	10,95
Absolut Vodka	22,80	26,27	37,09	35,23	35,41	14,62
Smirnoff Vodka	21,90	24,07	34,70	34,25	32,33	15,23
Gordon's London Dry Gin	26,90	26,27	38,89	34,91	35,01	14,35
Koskenkorva Viina	17,99	22,09	34,10	33,23	-	10,95
Absolut Vodka	22,80	26,27	37,09	35,23	35,41	14,62
Gato Negro Cabernet Sauvignon/Pinot Noir	7,28	6,48	10,88	9,64	9,19	5,19
J. P. Chenet Colombard- Chardonnay / Chardonnay	7,98	7,58	11,96	11,30	9,59	5,48
Blue Nun	8,98	6,48	10,52	-	10,06	5,99
Veuve Clicquot Brut	49,90	43,85	47,87	49,87	51,51	46,32
Medium beer, bottle 0,33 l (Lapin Kulta III)	1,53	1,20	4,81	1,95	1,39	0,83
Strong beer, domestic product, can 0,5 l (Lapinkulta IVA)	2,91	1,20	5,52	3,01	-	1,12
Imported beer, Leffe, bottle 0,33 l (blonde)	3,73	2,30	5,37	3,12	2,68	1,98
Bacardi Breezer Orange 0,275 l	3,44	2,19	-	2,85	3,86	1,50

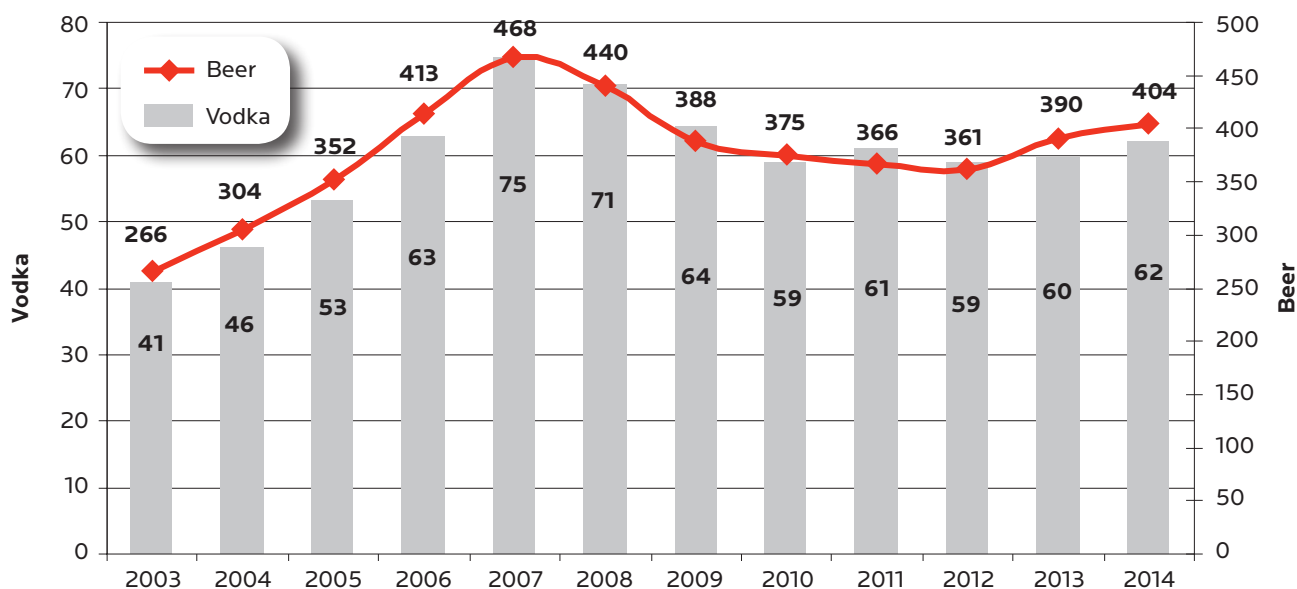
* Estonian prices have been collected 8th June 2015 and the monopoly prices on 2nd June 2015

Excise duty rates in Estonia in eur in 2015 and future plans for 2016 - 2020

PRODUCT	Unit	2015 +15%	2016 +15%	2017 +10%	2018 +10%	2019 +10%*	2020 +10%*
Beer	1% alcohol in hectolitre	7,22	8,30	9,13	10,04	11,04	12,14
Wine and fermented beverage (up to 6%)	Hectolitre	42,22	48,55	53,41	58,75	64,63	71,09
Wine and fermented beverage (above 6%)	Hectolitre	97,37	111,98	123,18	135,50	162,60	195,12
Intermediate product	Hectolitre	207,93	239,12	263,03	289,33	318,26	350,09
Other alcohol	1% alcohol in hectolitre	18,89	21,72	23,89	26,28	28,91	31,80

* +20% for wine

Quantities in litres of light* beer and domestic vodka one could buy for average net monthly wage in 2003 - 2014

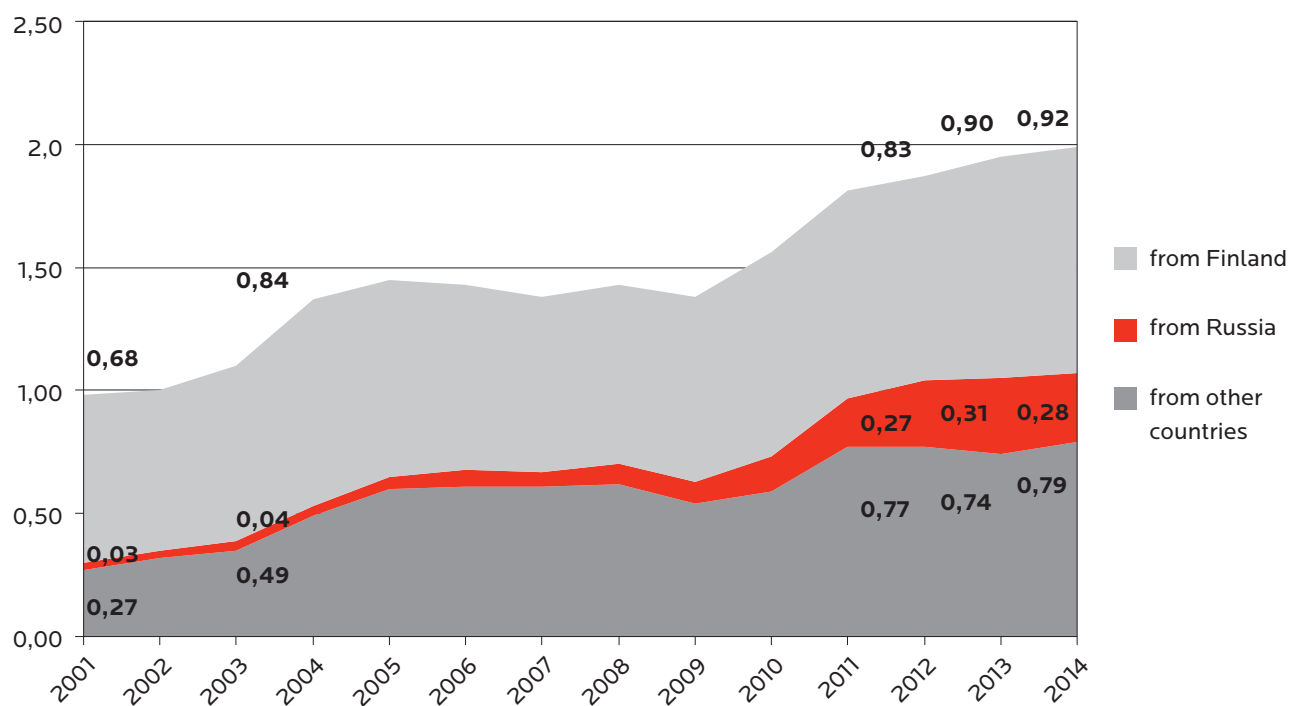


* In Estonia beer over 6% alcohol by volume is usually considered as strong beer. Accordingly beer below 6% alcohol by volume is light beer.

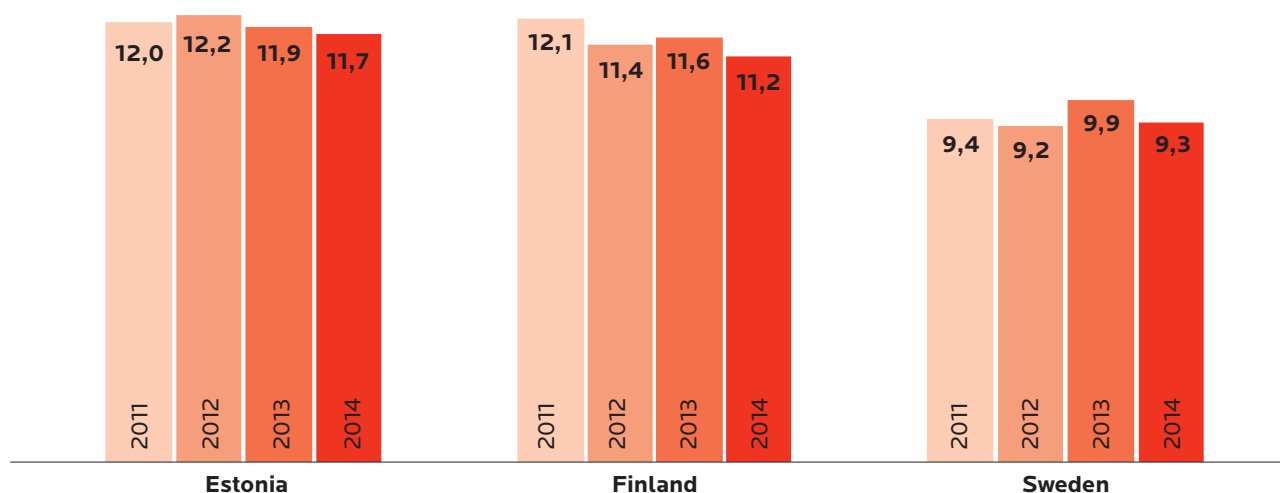
Visits of tourists in Estonia in 2014, thousands

	Total number of visits	Accommodated tourists
Total	6193	1983
-from Finland	2433	916
-from Russia	1136	275
-from Sweden	237	72
-from other countries	2387	720

Accommodated foreign tourists in 2001 - 2014 in millions



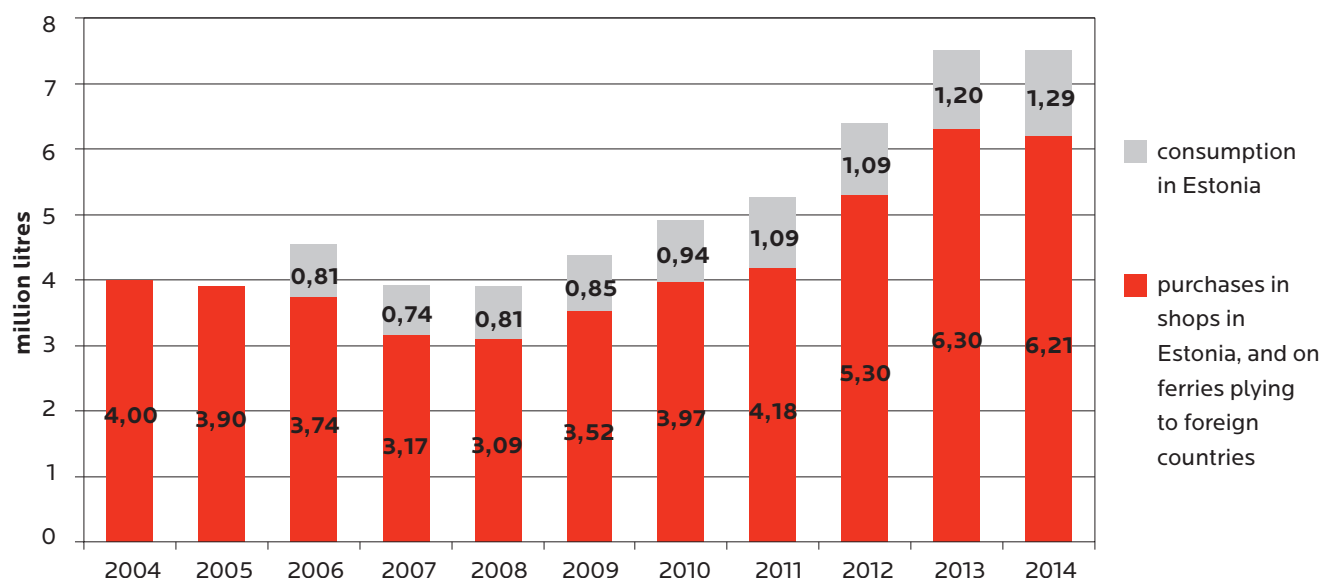
Alcohol consumption in Estonia, Finland and Sweden in 2011 – 2014, in litres of 100% alcohol per population aged 15 years and over



Features of alcohol sales in Estonia, Finland and Sweden in 2014

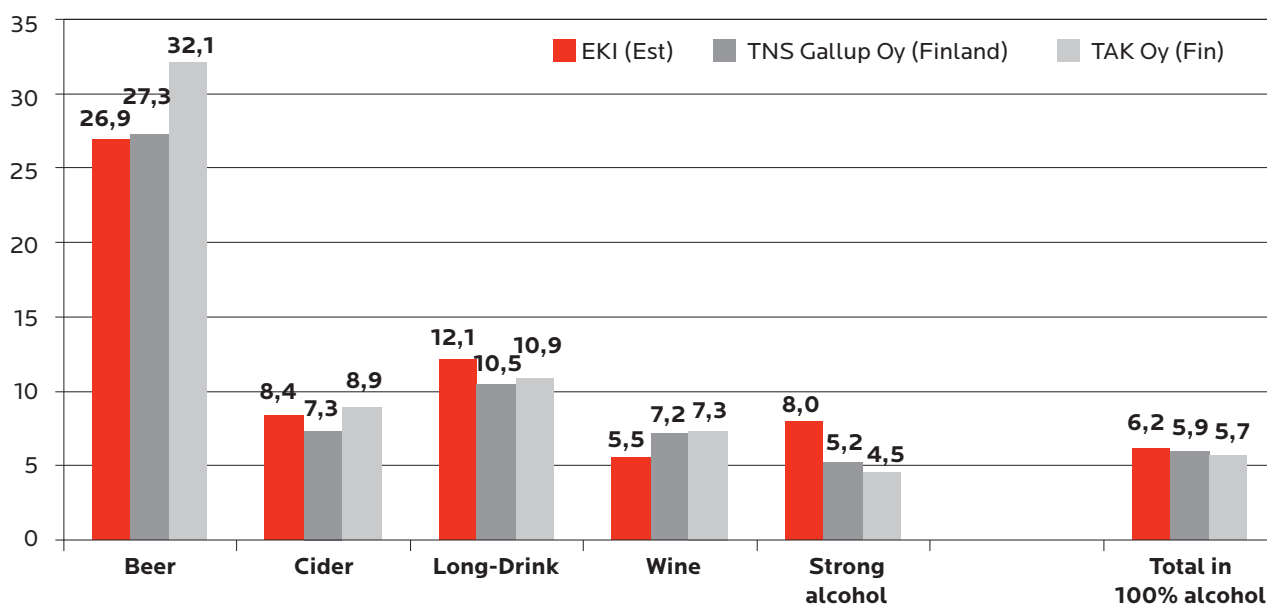
	Estonia	Finland	Sweden
Number of strong alcohol retail shops	2628	348	426
Number of strong alcohol retail shops per 100 000 inhabitants	200	6	4
Opening hours of the alcohol shops per week	84	64	50
The maximum strength of the beer sold in ordinary grocery stores	none	4,7%	3,5%
Minimum legal age for purchasing strong alcoholic beverages	18	20	20
Minimum legal age for purchasing strong beer	18	18	20
Retail price of domestic vodka (Euro/0,7l)	9,03	17,99	23,00

Alcoholic beverages exported by tourists in 2004 - 2014* in million litres of 100% alcohol



Note: Until 2006 there is no data about consumption by tourists in Estonia

Alcohol exported by tourists from Estonia in 2014 according to Finnish and Estonian studies, in million litres



Note: EKI is Eesti Konjunkturiinstituut, TAK is Tutkimus- ja Analysointikeskus TAK Oy

