

Stockholm, the 17th of November 2023

On Finland's notification

1. Finland's proposed amendments are contrary to the treaties of the European Union

Article 3 TEU states that the Union's aim is to promote peace, its values and the well-being of its peoples and that it shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child. Article 120 TFEU states that Member States shall conduct their economic policies with a view to contributing to the achievement of the objectives of the Union, as defined in Article 3 of the Treaty on European Union. Article 9 TFEU states that the Union shall strive for high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health. Article 151 TFEU states that the Union and the Member States shall have as their objectives the promotion of employment, and the development of human resources with a view to lasting high employment.

Finland's proposed and planned amendments are contrary to these aims and obligations, including protection of the rights of the child, as described below and under section 2

In Sweden, who has a national alcohol retail monopoly since 1955, sales of beer of higher alcohol volume per litre were privatized to be sold in grocery store between 1965 and 1977. When the sale in grocery stores was repealed, consumption among 15 year olds showed a decrease of about 20 percent and hospitalizations with alcohol diagnoses as well as motor vehicle accidents decreased significantly for youth. In an experiment in two counties in Sweden between November 1967 and June 1968 beer of even higher alcohol content were privatized and sold in grocery stores. Children born to mothers under the age of 21 in the experimental areas who were pregnant during the experimental months, were found to have fewer years of schooling, lower high school and college graduation rates, less likelihood of employment, lower earnings and a higher welfare dependency rate compared to children born to mothers outside of the experimental areas and months.¹ Children are seriously harmed by adult drinking. Studies from Sweden have shown children with parents with a substance abuse diagnosis were less likely to complete primary school and among those who progressed to secondary school, grades were some 20% lower when compared to other children. The risk of developing a substance use problem was four to seven times higher and the risk of dving before 35 years was three times higher than for children in general. Financial support from social services was four times more common among these children and in adulthood they were significantly more likely to receive financial support as a result of chronic illnesses.²

¹ Holder H, Chikritzhs T, Naimi T, Andréasson S and Stockwell, T. (2013). Youth and Young Adults – Alcohol and Society Series. Stockholm: IOGT-NTO, Swedish Society of Medicine. Available from https://alcoholandsociety.report/wp-content/uploads/2022/09/2013_engl_youth-and-young-adults-alcohol-andsociety-report-en.pdf

² Andréasson S, Chikritzhs T, Dangardt F, Holder H, Naimi T and Stockwell T. (2015) Second-hand effects of alcohol consumption: can we prevent harm to others? Stockholm: IOGT-NTO, Swedish Society of Medicine, Forum Ansvar. Available from: https://alcoholandsociety.report/wp-content/uploads/2022/09/2015_engl_secondhand-effects-of-alcohol-consumption-alcohol-and-society-2015-report-en.pdf

The proposed amendment to allow sale of Finnish-produced fruitwine in grocery stores, while similar products produced in other EU member states only are sold by the state alcohol retail monopoly is also contrary to Community law as it would be discriminatory.

2. Changes described in Finland's notification will harm the wellbeing of the Finnish population and reduce economic growth, contrary to stated aims

Finland's notification is internally inconsistent and motivated incorrectly. This alone is sufficient reason to reject the proposed and planned changes.

In the notification Finland states that the present government intends to weaken alcohol legislation to increase sales and consumption of alcohol "in smaller steps" over time. The stated reasons for these changes in legislation are stated as increased economic growth and wellbeing of the Finnish people. The legislative changes will not contribute to the stated aims, but have the opposite effect.

According to modelling by OECD³ 1.9 years of health-adjusted life expectancy (HALE) is lost due to alcohol consumption in Finland between 2020 and 2050. In the same time frame OECD estimates that gross domestic product (GDP) will annually be reduced by 2.9% in Finland, and e.g. by 2.5% in the EU and 2.3% in Sweden, due to disease from alcohol consumption (approximately corresponding to 7.8 billions EUR, 362 billions EUR and 137 billions SEK, respectively). Labour force employment and productivity is estimated to be reduced by USD PPP 701 per capita, each year on average in Finland owing to the impact of diseases caused by alcohol consumption. Increased sales and consumption by weakened alcohol control will further increase the loss of wellbeing, life, economic growth and productivity in Finland.

On this basis OECD recommends governments to step up, not diminish, their efforts to tackle the harms from alcohol consumption.

3. Proposed amendments breach Finland's commitment in World Health Organisation

The proposed amendments are in breach with The European Framework for Action on Alcohol 2022-2025, which Finland adopted together with all member states of the European region of WHO in 2022.

In a letter to the Swedish government in July 2023, the Regional Director of WHO Europe, urges the Swedish government "to consider the public health risks that would be associated with the suggested deregulation through allowing farm sales of alcohol, and the weakening of the monopoly that they will bring. There is compelling evidence to suggest that weakening the government alcohol retail monopoly will result in increased alcohol consumption and harm, with serious public health consequences, leading, for example, to a substantial increase in healthcare costs and pressures on health systems. The European Framework for Action on Alcohol 2022–2025, which was unanimously adopted by all 53 Member States in 2022, urges Member States to prioritize actions to regulate availability of alcohol, including considering the provision of state-operated alcohol outlets. As emphasized in international research and rating systems such as the global Alcohol: No Ordinary Commodity project, government retail monopoly stores are effective in reducing alcohol availability and health and social problems related to alcohol use." Letter enclosed as appendix 1.

³ http://oecdpublichealthexplorer.org/#

Appendix 1



WORLD HEALTH ORGANIZATION ORGANISATION MONDIALE DE LA SANTÉ WEI TGESI INDHEITSORGANISATION

REGIONAL OFFICE FOR EUROPE BUREAU RÉGIONAL DE L'EUROPE REGIONALBÜRO FÜR EUROPA ЕВРОПЕЙСКОЕ РЕГИОНАЛЬНОЕ БЮРО

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Mr Jakob Forssmed Ministry of Health and Social Affairs The Government Offices SE-103 33 Stockholm Sweden

Dear Sir,

At the outset, let me congratulate Sweden on its actions in taking forward evidence-based alcohol policies, including population-level measures with a focus on limiting access to alcohol through the government-owned retail monopoly system Systembolaget. Alcohol consumption and its related burden of disease continue to be responsible for some of the greatest health and societal challenges faced by Member States in the WHO European Region, especially the Member States of the European Union (EU). It is clear that there is no room for complacency in holding firm on evidence-based alcohol policy measures.

With this in mind, I am concerned by reports of discussions that may prompt changes in the current alcohol retail monopoly model. I urge you to consider the public health risks that would be associated with the suggested deregulation through allowing farm sales of alcohol, and the weakening of the monopoly that they will bring. There is compelling evidence to suggest that weakening the government alcohol retail monopoly will result in increased alcohol consumption and harm, with serious public health consequences, leading, for example, to a substantial increase in healthcare costs and pressures on health systems.

The European Framework for Action on Alcohol 2022–2025, which was unanimously adopted by all 53 Member States in 2022, urges Member States to prioritize actions to regulate availability of alcohol, including considering the provision of state-operated alcohol outlets. As emphasized in international research and rating systems such as the global Alcohol: No Ordinary Commodity project, government retail monopoly stores are effective in reducing alcohol availability and health and social problems related to alcohol use.

The WHO Regional Office for Europe stands by you in this important and challenging period and is ready to provide support and advice to Sweden to ensure continued commitment to effective alcohol control policies.

Yours very truly,

Dr Hans Henri P. Kluge Regional Director

Copy for information to:

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H.E. Ms Anna Jardfelt, Ambassador, Permanent Mission of Sweden to the United Nations Office and other international organizations in Geneva, Rue de Lausanne 82, Case postale 190, Geneva 1202, Switzerland

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