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IOGT-NTO TRIS contribution regarding Finland's proposal to amend the alcohol act (2024/0521/FI)

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Introduction

IOGT-NTO, one of Sweden's largest public health organizations, opposes the Finnish governmental proposal to amend the alcohol act (notification number: 2024/0521/FI). The proposal would permit all license holders to offer consumers both online purchases and home delivery of alcoholic beverages - a measure which conflicts with EU legislation aimed at safeguarding public health, and which constitutes a form of state aid per Article 107 TFEU. Specifically, it would provide producers of farm wines and craft beers with advantages of home deliveries, which would not be available to companies in other member states. This discriminatory treatment and risks to public health in Finland are detailed below:

1. Inconsistency with EU public health objectives

The proposal conflicts with EU public health commitments under Article 168 TFEU, requiring a high level of health protection across all Union policies. In particular, the amendment promotes expanded alcohol availability through home delivery, which counters the European Action Plan to Reduce the Harmful Use of Alcohol, urging member states to adopt measures that limit alcohol consumption. Without stricter control mechanisms, this amendment risks escalating alcohol-related health issues across the population.

Indeed, studies consistently show that increased availability correlates with higher rates of alcohol-related harm. Sweden's experience with restricting availability through its alcohol monopoly (Systembolaget) has proven effective in reducing these harms, demonstrating that availability is a critical component of public health strategy.

However, new distribution channels for products like farm wines and craft beers could compromise the systematic approach to public health which Finland has maintained, which includes limiting alcohol availability through a monopoly system. In particular, by allowing more alcohol categories to bypass the monopoly, the amendment risks diminishing Finland's regulatory consistency. The *Visnapuu* case (C 198/14) acknowledged the importance of on-site controls; however, this rationale weakens when home delivery is allowed for specific domestic products.



2. Discriminatory treatment on the EU alcohol market

The proposal also raises concerns of discrimination on the single market, as it would mean that Finnish farm wines and craft beers would benefit from home delivery due to their local presence. This is a privilege not extended to similar companies in other EU member states. This discrepancy would violate EU legal principles, which mandate that national measures be both in law and in fact non-discriminatory. The proposal, therefore, risks failing EU non-discrimination tests and contradicts the Visnapuu ruling, as the purported goal of promoting tourism no longer justifies the preferential treatment. It can also be questioned whether the Finnish Alcohol Act would still protect public health in a consistent and systematic manner, as required by EU case-law.

Furthermore, the allowance for home delivery could challenge Finland's prohibition on cross-border e-commerce for non-monopoly products, such as farm wines and beers with alcohol content above 8% by volume. Domestic products and companies would be granted this delivery right, yet equivalent access would be denied to companies in other EU member states. This discrepancy introduces a barrier to free competition within the EU market, favoring domestic over foreign operators, and may thus be deemed inconsistent with EU law.

Finally, the retail rights granted to craft beers under the current Alcohol Act are inherently discriminatory, especially for products within the 8-12% ABV range (above the limit for fermented beverages sold in food retail but within the permissible range for craft beers). Though this issue arises from a previous legislative amendment rather than the current proposal, it is worth noting. The European Court of Justice did not address this discrepancy in the Visnapuu case, as the amendment had not been enacted at the time, but it remains a relevant consideration for EU scrutiny.

Conclusion

For the reasons outlined above, IOGT-NTO strongly opposes Finland's proposed amendments to the Alcohol Act. The proposal both fails to align with EU commitments to public health, and undermines EU-wide objectives with regards to non-discrimination. IOGT-NTO thus urges the European Commission to reject these proposed amendments.