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Proposal for an Act amending the Alcohol Act (2010:1622)

Hereby lays down with regard to the Alcohol Act (2010:1622):

that Chapter 1, Sections 2 and 11, Chapter 5, Section 2, Chapter 8, Section 7 and Chapter 9, Sections 2, 3, 11, 12 and 17 shall read as follows:

that a new chapter, Chapter 5a, and three new paragraphs, Chapter 1, Sections 13 and 14 and Chapter 9, Section 18a, are inserted, worded as follows.

Current wording

Proposed wording

Chapter 1

Section 2¹

This Act contains provisions on

— manufacture, etc. (Chapter 2),

- general provisions on sales (Chapter 3),

— wholesale, etc. (Chapter 4),

— retail (Chapter 5),

— on-farm sales (Chapter 5a),

— trading with industrial spirits and alcoholic preparations (Chapter 6),

— marketing of alcoholic beverages and preparations similar to alcoholic beverages (Chapter 7),

— serving of alcoholic beverages and preparations similar to alcoholic beverages (Chapter 8),

— supervision, etc. (Chapter 9),

- appeals (Chapter 10),

— criminal provisions (Chapter 11),

— confiscation (Chapter 12), and

— registers (Chapter 13).

Section 11²

Manufacturer means any person who manufactures the goods referred to in this Law on a professional basis.

Sales to consumers are referred to as *retail* or, in the case of alcoholic beverages and preparations similar to alcoholic beverages, *serving* if sold for consumption at the site. Other sales are referred to as *wholesale*.

Retail of self-manufactured alcoholic beverages from the manufacturer's point of sale are referred to as <u>on-farm sales</u>.

Section 13. <u>Independent manufacturer</u> means

¹ Latest wording 2019:345.

² Latest wording 2019:345.

a manufacturer of alcoholic beverages which

— is legally and economically independent from other producers of alcoholic beverages,

— uses premises physically separate from premises used by manufacturers whose annual production exceeds any of the volumes specified in Chapter 5a, Section 2, first paragraph, point 2, and

— does not produce under licence.

Section 14.

<u>Annual production</u> means the volumes of alcoholic beverages produced during the calendar year preceding the year in which the on-farm sales takes place.

If a manufacturer has not had any production of alcoholic beverages in the calendar year immediately preceding the year in which the on-farm sales take place, annual production shall refer instead to the quantities of alcoholic beverages which the manufacturer estimates it will produce in the year in which the sale takes place.

Chapter 5

Section 2³

Only the retail company may engage in retail sales of spirit drinks, wine, strong beer and other fermented alcoholic beverages and preparations similar to alcoholic beverages.

However, holders of an on-farm sales permit may engage in retail of alcoholic beverages in accordance with the provisions of Chapter 5a.

² ³ Latest wording 2019:345.

Chapter 5a. On-farm sales

On-farm sales permit

Section 1. On-farm sales are subject to authorisation (on-farm sales permit).

Conditions for a permit

Section 2. An on-farm sales permit may be granted to an independent manufacturer who manufactures alcoholic beverages on his own on a professional basis, if:

1. the characteristic part of the production takes place at the place of manufacture, and

2. the manufacturer's annual production of

a) spirit drinks does not exceed 75,000 litres,

b) fermented alcoholic beverages up to 10 % by volume of alcohol does not exceed 400,000 litres, and

c) fermented alcoholic beverages containing more than 10 % by volume of alcohol does not exceed 200,000 litres.

Producers of wine shall also make the wine from grapes exclusively from their own plantations.

Basic conditions for on-farm sales

Section 3. The holder of the permit may carry out on-farm sales from only one point of sale.

For the purposes of this Chapter, "point of sale" means the place where the majority of the alcoholic beverages have been produced. In the case of wine producers, the point of sale may alternatively refer to the place where the majority of the grapes have been grown.

Section 4. On-farm sales may only be made to consumers taking part in a visit organised by the holder of the permit and related to the alcoholic beverage in question. The visiting arrangement shall be conducted in close proximity to the point of sale.

The visitor arrangement shall have an awareness-raising element and a certain duration and shall be offered to consumers against payment.

Section 5. On-farm sales to each individual consumer during a single visit must not exceed 0.7 litres of spirits, three litres of wine, three litres of strong beer and three litres of other fermented alcoholic beverages.

Application for a permit

Section 6. Applications for an on-farm sales permit shall be submitted in writing to the municipality where the point of sale is located.

Self-monitoring and provision of information

Section 7. The person prosecute farm sales must carry out specific checks (self-monitoring) over the sale and handling in other respects and

shall be responsible for the existence of an appropriate self-monitoring programme.

The self-monitoring programme and the other information necessary for the municipal authority's examination shall be attached to the application for a permit in accordance with Section 6.

Decisions on permits

Section 8. On-farm sales permits may be granted only to persons who show that they are suitable for carrying on the activity in the light of their personal, economic and other circumstances and that the activity will be carried out in accordance with the requirements laid down in this Act.

The applicant shall also demonstrate, by taking a test, that he or she has the knowledge of this Act and the regulations relating thereto which are necessary to be able to carry on business of on-farm sales in a statutory manner.

Section 9. An application for an on-farm sales permit may not be granted without the Police Authority's opinion having been obtained.

In its opinion, the Police Authority shall set out all the circumstances on which its assessment is based and, in particular, comment on the applicant's general suitability for the activity.

Section 10. If, owing to the location of the point of sale, the structure of the visit arrangement or other circumstances, on-farm sales are likely to cause difficulties in terms of order and novelty or a particular risk to human health, an on-farm sales permit may be refused even if the other requirements laid down in this Act are met.

Section 11. An on-farm sales permit shall relate to a defined space for the sale of alcoholic beverages. The space shall be available to the holder of the permit.

Several holders of the permit may not use a common space for on-farm sales.

Time limitation of permits

Section 12. An on-farm sales permit shall be for a fixed period and may be valid until 31 May 2031 at the latest.

Staff

Section 13. The holder of the permit or a person responsible for sales appointed by him/her shall supervise on-farm sales and be present at the point of sale throughout the period of sales. The sales manager must have reached the age of 20 and be suitable for the task in the light of his personal characteristics and other circumstances.

The holder of the permit must notify the municipality of the name(s) of the person(s) designated to be responsible for the on-farm sales.

The holder of the permit is responsible for ensuring that the staff employed in the on-farm sales have the necessary knowledge of on-farm sales.

Time of sales

Section 14. The municipality decides on the periods during which onfarm sales may take place. However, on-farm sales may not take place earlier than 10 AM and may not go beyond 8 PM.

In determining the time of on-farm sales, particular account shall be taken of whether the sales is likely to cause difficulties in terms of order and novelty or a particular risk to human health.

Pricing of alcoholic beverages and visiting arrangements

Section 15. The price of alcoholic beverages sold on on-farm sales may not be lower than the cost of production and a reasonable mark-up.

The price of the visit arrangement to be provided in connection with on-farm sales may not be lower than the cost of the visit and a reasonable mark-up.

Information on adverse effects

Section 16. In connection with the visit arrangement, the holder of the permit shall provide information on the harmful effects of alcohol.

Fees

Section 17. The municipality may charge a fee for examining the application for an on-farm sales permit on the basis of the grounds decided by the municipal council.

The municipality may also charge a fee for the supervision under Chapter 9 of a person who has an on-farm sales permit.

Authorisations

Section 18. The Government may issue regulations on the period within which the municipality must take a decision on on-farm sales permits.

Section 19. The government or the authority designated by the government may issue regulations on:

1. exemptions from the requirement in Section 2 that manufacturing must take place on its own,

2. the format, duration and content of the visit arrangements referred to in Section 4,

3. the design of self-monitoring programmes referred to in Section 7, first paragraph,

.4 the tests referred to in Section 8, second paragraph, and on exceptions in certain cases to the obligation to take examinations,

5. requirements for space as referred to in Section 11, first paragraph,

6. pricing pursuant to Section 15, and

7. information pursuant to Section 16.

Chapter 8

Section 7⁴

Any person who manufactures alcoholic beverages or preparations similar to alcoholic beverages from raw materials produced on his own farm and who holds a permanent serving permit shall be entitled, upon notification to the municipality, to offer tasting of the self-produced beverages or preparations at the place of manufacture.

In the absence of such permit, the manufacturer may offer tasting of self-manufactured alcoholic beverages or preparations similar to alcoholic beverages at the place of manufacture subject to a special permit for tasting.

> A holder of an on-farm sales permit may, in conjunction with such sales, offer tasting of alcoholic beverages produced on their own, to which the permit relates.

Chapter 9

Section 2⁵

The municipality and the Police Authority monitor compliance with the rules applicable to the serving of alcoholic beverages and preparations similar to alcoholic beverages.

The municipality and the Police Authority also supervise *retail* of Folk beer. The municipality and the Police Authority also supervise *retail* of Folk Beers *and on-farm sales*.

The municipality must draw up a monitoring plan which must be submitted to the county administrative board.

Section 3

For monitoring compliance with the provisions on marketing practices in Chapter 7, there are specific rules in the Marketing Act Supervision (2008:486). of compliance with the provisions in relation to holders of a serving permit may, in the case of marketing at the serving premises, also be carried out by the municipality. Chapter 7, Section 8, shall not apply to supervision by the municipality.

For monitoring compliance with provisions on marketing the practices in Chapter 7, there are specific rules in the Marketing Act (2008:486). Supervision of compliance with the rules in relation to holders of a serving or on-farm sales permit may, in the case of marketing at the place of serving, or the point of saleis also exercised by the municipality. Chapter 7, Section 8, shall not apply to supervision by the municipality.

Section 11

⁴ Latest wording 2019:345.

6 ⁵ Latest wording 2019:345.

A person who has been granted a serving permit must report to the municipality when he or she intends to start the activity. Person who has been granted a serving *or an on-farm sales permit* must notify the municipality when he/she intends to start the activity.

The notification shall also be made in the event of the business closing down or interruption of the activity. Any change in the size of the activity or any other aspect relevant to the supervision shall also be notified, as well as significant changes in ownership.

Notification shall be made in advance, or if the circumstances giving rise to the obligation to notify could not have been foreseen without delay.

Section 12⁶

If a person who has been granted a serving permit under this Act has died or has been appointed by a trustee in accordance with Chapter 11, Section 7 of the Parental Code with a mandate covering the business and the estate or trustee wishes to continue the business. notification shall be made to the municipality. An application must be received no later than two months after the death or the decision of the trustee. If the application has not been received within this time, the permit will expire.

If the recipient of a serving permit has been declared bankrupt, the permit shall cease to be valid immediately. If the bankruptcy estate wishes to continue the business, a new application must be made to the municipality. The municipality will treat such an application with priority. If the person who has been granted a serving or an on-farm sales permit under this Act, has died or has been appointed by a trustee in accordance with Chapter 11. Section 7 of the Parental Code with a mandate covering the business and the estate or trustee wishes to continue the business. notification shall be made to the municipality. An application must be received no later than two months after the death or the decision of the trustee. If the application has not been received within this time, the permit will expire.

If the person has been granted a serving *or an on-farm sales permit* has been declared bankrupt, the permit expires immediately. If the bankruptcy estate wishes to continue the business, a new application must be made to the municipality. The municipality will treat such an application with priority.

In the case of a person engaged in the manufacture, wholesale trade or trade of industrial alcohol under this Act, the corresponding notification referred to in the first and second paragraphs shall be made to the Public Health Agency.

Section 17

A municipality may issue a A municipality may notify a warning to a holder of a serving holder of a serving *or an on-farm* permit or, in more serious cases or *sales permit* a reminder, or in more

⁶ Latest wording 2013:635.

in the case of repeated

infringements, a warning if he or she does not:

serious cases or in the case of repeated infringements, a warning if he or she does not:

1. comply with the requirements applicable to the notification of the permit, or

2. comply with the provisions applicable to serving under this Act or with the conditions or regulations issued pursuant thereto. 2. comply with the rules applicable to serving *or on-farm sales* under this Act or the conditions or regulations issued pursuant thereto.

Section 18a

A municipality shall revoke an onfarm sales permit if

1. the permit is no longer being used,

2. the conditions for issuing the permit pursuant to Chapter 5a, Section 2 no longer apply,

3. there has been, with the knowledge of the permit holder, criminal activities at the point of sale or in connection therewith without the permit holder intervening, or

4. the permit holder has infringed this Act or what otherwise applies to the permit in such a way that a warning is not a sufficiently intrusive measure or the permit holder has been given one or more warnings without the circumstances giving rise to the alert having been rectified.

^{1.} This Act comes into force on 1 June 2025.

^{2.} The Act expires at the end of May 2031.