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TRIS NOTIFICATION NUMBER: 2023/0543/FI -
GOVERNMENT PROPOSAL TO PARLIAMENT FOR AN ACT
AMENDING SECTION 17 OF THE ALCOHOL ACT

Movendi International

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MOVENDI INTERNATIONAL SUBMISSION – TRIS NOTIFICATION NUMBER: 2023/0543/FI – GOVERNMENT PROPOSAL TO PARLIAMENT FOR AN ACT AMENDING SECTION 17 OF THE ALCOHOL ACT

Introduction

In April 2022, research published by the Finnish Institute for Health and Welfare (THL) showed that the [Finnish alcohol retail monopoly Alko is effective in protecting the Finnish people from alcohol harms](#). The studies show that if Alko was abolished or even weakened it would increase people's and communities' vulnerability to greater harm, including a 14% rise in alcohol deaths. Therefore, THL concluded that Alko needed to be protected to protect people and promote socially and economically sustainable development in Finland.

Considering this and other unimpeachable evidence about the importance of Alko for population health and well-being in Finland, Movendi International expresses our deep concerns regarding the proposed legislative changes to Finland's Alcohol Act (2023/0543/FI).

Addressing alcohol policy from the perspective of public health is a high priority for Finnish people. Results from a [survey](#) show that 68% of the Finnish people want public health concerns to shape alcohol policy, emphasizing that "taking care of people's health" is the most important factor in alcohol policy making.

The current proposal to amend section 17 of the Finnish Alcohol Act would increase alcohol availability in Finland. In 2022, there were 373 monopoly stores in Finland. Importing stronger alcohol into over 4,500 grocery stores, kiosks, and service stations would greatly increase alcohol availability in Finland and would drive up alcohol consumption, harms, and costs to Finnish people and society.

As we demonstrate below, the Finnish government has made several international commitments to protect the Finnish people from alcohol harm. These international

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frameworks and strategies illustrate the importance of accelerating action on alcohol harm and the international consensus about which policy solutions are most cost-effective to improve health and development through alcohol policy.

Increasing alcohol availability, as proposed by amending section 17 of the Alcohol Act, is at odds with both the wishes of the Finnish people, international commitments of the Finnish government, and world-class scientific evidence about the protective effects of the current Alcohol Law in Finland.

We have structured our submission in six sections:

1. About Movendi International
2. Proposed Amendment Breaches Finland's International and EU-Commitments
3. Barrier to Trade
4. Increased Availability Threatens Population Health and Burdens Economy
5. No Ordinary Commodity: Why the Scope and Extent of Alcohol Matters
6. Conclusion

About Movendi International

Movendi International is the largest independent global social movement for development through alcohol policy. We unite, strengthen, and empower civil society to tackle alcohol harm as serious obstacle to development on personal, community, societal and global level.

Movendi International is in Official Relations with the World Health Organization (WHO) and a founding partner of the WHO SAFER initiative. Movendi International holds Special Consultative Status with the United Nations Economic and Social Council (ECOSOC).

We are 159 member organizations from 59 countries worldwide, working together to prevent and reduce the harm caused by the alcohol industry in a comprehensive approach. In 2020 we directly reached more than 24.000.000 people through our work.

We act as the secretariat for the Alcohol Policy Futures Platform and the World Assembly for Community Action on Alcohol.

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Movendi International welcomes the opportunity to share our views on the TRIS notification about the Finnish government proposal to parliament for an act amending section 17 of the Alcohol Act. In addition to our own contribution, we strongly support the contributions made by EHYT, IOGT-NTO, NordAN, and Eurocare.

Proposed Amendment Breaches Finland's International and EU-Commitments

The Finnish government has made international commitments to protect the Finnish people from alcohol harm: the 2010 WHO Global Alcohol Strategy, the 2013 WHO Global NCDs Action Plan, the Agenda 2030 and SDGs that include target 3.5 on reducing per capita alcohol use, and the 2022 WHO Global Alcohol Action Plan, as well as the European Framework for Action on Alcohol 2022-2025.

#1 WHO Global Alcohol Strategy – unanimously adopted by the World Health Assembly in 2010

The World Health Organization's Global Alcohol Strategy stipulates availability of alcohol as a policy option/ intervention in national leadership, this is addressed in Area 5 and contains five different policy interventions, including:

“(a) establishing, operating, and enforcing an appropriate system to regulate production, wholesaling and serving of alcoholic beverages that places reasonable limitations on the distribution of alcohol and the operation of alcohol outlets in accordance with cultural norms, by the following possible measures:

- (i) introducing, where appropriate, a licensing system on retail sales, or public health oriented government monopolies
- (ii) regulating the number and location of on-premise and off-premise alcohol outlets.
- (iii) regulating days and hours of retail sales.
- (iv) regulating modes of retail sales of alcohol.
- (v) regulating retail sales in certain places or during special events;”

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Finland's government-run alcohol retail monopoly is a world-class system to implement coherent, comprehensive, and evidence-based regulations of alcohol availability and affordability. And evidence shows that the Finnish people support this system.

A 2020 survey showed that [more than half, or 57%, of the population are satisfied with the current alcohol policy system](#) and consider the [current alcohol policy model](#) to be appropriate. The share of support for Alko and the Alcohol Law has increased in recent years, according to [THL](#), the Finnish Institute for Health and Welfare.

#2 WHO Global Action Plan – unanimously adopted by the World Health Assembly in 2022

The World Health Organization's Global Alcohol Action Plan 2022 – 2030 recommends limiting alcohol availability as one of the most cost-effective policy options and interventions in Action Area 1 "Implementation of High-Impact Strategies and Interventions".

Additionally, the action plan sets the global target (1.1) of reducing (in comparison with 2010) the per capita alcohol consumption by at least 20% by 2030.

To achieve this target – that Finland voluntarily committed itself to in adopting the Global Alcohol Action Plan at the World Health Assembly in May 2022 – the Finnish government would need to use proven alcohol policy solutions, such as increasing prices and limiting alcohol availability, instead of worsening its approach to the alcohol burden in Finland with the current proposal.

#3 WHO Europe Framework for Action on Alcohol – unanimously adopted by the WHO Europe Regional Committee in 2022

The WHO European Framework for Action on Alcohol contains as one of six focus areas for priority action: "Alcohol availability", with priority 25(b) stipulating "restrictions on the number and density of outlets and the days and hours of sale, and the regulation of [alcohol use] in outdoor public spaces".

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The commitment Finland has made in adopting the Framework for Action on Alcohol in September 2022, means the government should use these tools to better protect the Finnish people from alcohol harm.

#4 SDG 3.5 of the 2030 Agenda – unanimously adopted by the UN General Assembly in 2015

The 2030 Agenda contains a concrete target for countries to reduce per capita alcohol use and related alcohol harm. It stipulates a reduction of population-level alcohol use, as per indicator 3.5.2: “Alcohol per capita consumption (aged 15 years and older) within a calendar year in liters of pure alcohol”.

Clearly, the proposed legislative changes to Finland's Alcohol Act (2023/0543/FI) contradict the commitment to achieve the sustainable development goals (SDGs) by 2030, through using alcohol policy solutions that help lower population-level alcohol consumption and thus alcohol harm and costs. The proposed legislative changes to Finland's Alcohol Act would make alcohol more available, driving up alcohol consumption in Finland, in this way fueling alcohol harm and undermining progress towards the SDGs.

Barrier to Trade

The annual size of the Finnish alcohol market is about 5 billion euros. Ca. 1.2 billion euros originate from Alko, the government-run alcohol retail monopoly system that protect public health by removing the profit interest from alcohol sales. The rest originates from the grocery retail sector.

However, the Finnish grocery retail sector stands out as one of the most concentrated globally, with three key players dominating the market. The dominance of the two largest grocery chains is overwhelming, commanding a market share exceeding 80% in the Finnish retail landscape. The publicly declared objective of the Finnish grocery trade sector is to transfer sales of alcohol by volume (ABV) limit from 5.5% to 8% ABV from the monopoly to its own market.

The dominant grocery chains plan to expanded alcohol sales to further intensify market concentration in the Finnish grocery trade sector.

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This will elevate technical barriers to trade and competition. It means that the current proposal to amend section 17 of the Finnish Alcohol Act would not only contravene the government's human rights obligation to protect the Finnish people from avoidable harm and contradict world class scientific evidence about the effectiveness and benefits of keeping alcohol availability limited, but it would also specifically heighten entry barriers, posing increased challenges for foreign competitors seeking to enter the Finnish grocery retail market.

Increased Availability Threatens Population Health and Burdens Economy

Trade impact considerations of the proposed legislative changes to Finland's Alcohol Act (2023/0543/FI) are important. However, there are important other considerations.

The current proposal to amend section 17 of the Finnish Alcohol Act is in direct contradiction with the treaties of the European Union, particularly Article 3 of the Treaty on European Union (TEU) and related articles in the TFEU.

The TEU emphasizes the European Union's core objectives, including the promotion of peace, values, and well-being.

The TFEU outlines obligations of Member States to align economic policies with the Union's objectives. Finland's current proposal to amend section 17 of the Finnish Alcohol Act is conflict with overarching aims and obligations, including the protection of the rights of the child.

Alcohol is the third leading risk factor for disease burden in Europe, according to WHO Europe. In the European Union (EU), alcohol causes 1 in 7 deaths among males and 1 in 13 deaths among females aged 15–64 years. In Finland, alcohol is currently one of the main causes of premature loss of life years.

The proposed legislative change ignores the public interest, contradicts scientific evidence, and violates the human rights obligation of the Finnish government to protect the Finnish people from avoidable and preventable harms.

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Research published by the Finnish Institute for Health and Welfare (THL) in 2022 shows that the Finnish alcohol retail monopoly Alko reduces alcohol harms. The studies show that if Alko was abolished or even weakened it would increase people's and communities' vulnerability to greater harm, including a 14% rise in alcohol deaths.

Selling alcohol through the government-run retail monopoly removes the profit maximization drive from alcohol retail and puts public health first. This is the best way to prevent and reduce the harm caused by the products and practices of the alcohol industry.

The Finnish alcohol retail monopoly is a live-saving alcohol policy solution. Therefore, it is important to protect it, not undermine and disband it.

[As noted by the World Health Organization](#); "... Nordic retail monopolies have proven to be an effective tool to limit the physical availability of alcohol and have been recognized as a best practice in international research and rating systems...".

The proposed legislative change would allow sales of stronger in grocery retail chains. This would increase alcohol availability and threaten the existence of the live-saving alcohol retail monopoly in Finland. Alcohol sales would thus transition from a **public health-focused monopoly** to for-profit grocery trade entities. While these entities would reap the financial advantages, the public sector would be left with the increased burden of alcohol-related harms.

This massive health harm of alcohol also means serious economic harm – resulting in a decrease in the welfare of people and communities in Finland. For example, the Organization for Economic Cooperation and Development (OECD) [released a landmark report in 2021](#) detailing the economic harm caused by the alcohol industry. An average of 2.4% of health spending in OECD countries goes to dealing with the harm caused by alcohol consumption. In addition, poor health due to alcohol consumption has detrimental consequences on labor participation and productivity. In Finland, it is estimated that workplaces incur annual costs of 500 million euros due to alcohol-related absences and other issues.

A [recent worldwide overview showed](#): the economic costs of harm due to alcohol amount to 1306 Int\$ per adult, or 2.6% of the GDP. About one-third of costs (38.8%)

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were incurred through direct costs, while most costs were due to losses in productivity (61.2%). In the EU alone, the total production losses due to alcohol deaths in 2016 alone were €32.1 billion.

No Ordinary Commodity: Why the Scope and Extent of Alcohol Matters

Alcohol is no ordinary commodity because alcohol's social, psychological, and economic harms cause enormous costs to society:

- Alcohol causes harm to those who consume it.
- Harms due to alcohol affect people with lower socio-economic status disproportionately.
- Alcohol is a major NCDs risk factor and a group 1 carcinogen.
- There are no health benefits of alcohol use.
- Alcohol harms not only the person who uses the product but causes also severe and widespread second-hand harm to others and society at large.
- Alcohol is a dependence producing substance.

Alcohol remains [one of the leading risk factors contributing to the global burden of disease](#). It is the eight leading preventable risk factor of disease. The contribution of alcohol to the global disease burden has been increasing from 2.6% of DALYs* in 1990 to 3.7% of DALYs in 2019.

Alcohol is the second largest risk factor for disease burden in the age group 10-24 years. Alcohol is the largest risk factor for disease burden in the group 25-49 years.

Combining the direct harm to alcohol users with the secondhand harm due to alcohol, the [total alcohol burden is nearly twice as big as the total burden of tobacco harm](#).

In 2019, alcohol was the [second leading risk factor at the most detailed level globally for risk of cancer deaths](#) and DALYs after smoking. The study published in The Lancet using data from the Global Burden of Diseases Study 2019 found that [smoking, alcohol use, and high BMI, and other risk factors were responsible for almost half of the global cancer deaths](#).

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The evidence is growing stronger and stronger, showing that [any amount of alcohol use is bad for cardiovascular health](#). Even low dose alcohol consumption increases health risks such as for the heart, compared to not consuming alcohol at all. In their latest policy brief, the World Heart Federation (WHF) established the evidence base that [no amount of alcohol is good for the heart](#).

Conclusion

The Finnish people support the current alcohol policies, including the alcohol retail monopoly. A poll by THL found that 57% of Finns are in support of existing alcohol policies and 8% would like to see improvements to the alcohol policies.

The current proposal to amend section 17 of the Alcohol Act not only contradicts world-class science about alcohol harm and policy as well as international standards for the implementation of alcohol policy solutions that are most cost-effective in protecting people from alcohol harm, but the proposed legislative changes to Finland's Alcohol Act (2023/0543/FI) also breach the human rights obligations of the Finnish government and go against the common good and public interest of the Finnish people.

People in Finland are [concerned about the strong interference the alcohol industry](#) is exerting in alcohol policy decisions, according to a Kantar Public survey from 2022. 60% of respondents said that the alcohol lobby interferes in alcohol policy now.

When asked which considerations and input should shape alcohol policy decisions more than is currently the case, people rank science-based information and experts as the most important (69%).

Another high priority for the people of Finland is to address alcohol policy from the perspective of public health. 68% of respondents want that "taking care of people's health" is the most important factor in alcohol policy making.

The planned legislative change risks [increasing social, economic and health harms caused by alcohol](#). Children in Finland will be exposed to more violence and other alcohol harms due to rising alcohol availability; Women in Finland will be exposed to rising domestic and gender-based violence, due to rising alcohol availability; the healthcare system will face a growing burden of diseases and injuries due to

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alcohol, such as cancer, liver damage, heart diseases, etc. Workplaces will face loss of productivity, due to alcohol-related absenteeism and presenteeism.

The government has a human rights obligation to protect people and society from these expected but avoidable harms and the Finnish government has the tools to do so.

The planned legislative change will increase the share of alcohol sales outside of the monopoly. This will increase alcohol availability, introduce profit maximization interests in alcohol retail, make alcohol more available to minors, and undermine the role of Alko as effective policy system to prevent and reduce alcohol harm. This will lead to preventable harms to people, communities, and society at large. The European Commission should carefully consider these harms and evaluate the potential consequences for the most vulnerable people, society, and the economy overall.

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