

THE NORDIC WAY

Alcohol Retail Monopolies in the Faroe Islands,
Finland, Iceland, Norway and Sweden



THE NORDIC WAY

IN THE NORDIC COUNTRIES, WE BELIEVE THAT RESTRICTING RETAIL SALES OF ALCOHOLIC BEVERAGES IS AN EFFECTIVE WAY OF PREVENTING AND REDUCING THE HARMFUL EFFECTS OF ALCOHOL. IN ALL THE NORDIC COUNTRIES, EXCEPT DENMARK, STATE-OWNED MONOPOLY COMPANIES HOLD THE SOLE RIGHTS TO THE RETAIL SALES OF ALCOHOLIC BEVERAGES.

THE FAROE ISLANDS

Population	0.05 million
GDP, per capita.....	USD 47,279 ¹
Consumption per capita.....	5.4 litres ²
Sales volume	1,851,000 litres
Turnover	USD 21,580,000
Minimum age	18 years
Company	Rúsdrekkasøla Landsins

FINLAND

Population	5.35 million
GDP, per capita.....	USD 34,585 ³
Consumption per capita.....	8.3 litres ²
Sales volume	105,400,000 litres
Turnover	USD 1,560,267,200
Minimum age	18/20 years (>22% ABV) ⁴
Company	Alko

ICELAND

Population	0.32 million
GDP, per capita.....	USD 39,600 ³
Consumption per capita.....	5.5 litres ²
Sales volume	18,942,184 litres
Turnover	USD 220,470,630
Minimum age	20 years
Company	Vínbúðin ÁTVR

NORWAY

Population	4.92 million
GDP, per capita.....	USD 52,013 ³
Consumption per capita.....	5.4 litres ²
Sales volume	77,957,000 litres
Turnover	USD 1,914,333,000
Minimum age	18/20 years (22% ABV) ⁴
Company	Vinmonopolet

SWEDEN

Population	9.34 million
GDP, per capita.....	USD 38,031 ³
Consumption per capita.....	6.1 litres ²
Sales volume	417,300,000 litres
Turnover	USD 3,236,000,000
Minimum age	20 years
Company	Systembolaget

TOTAL

Population	20 million
Consumption per capita...	7.3 litres
Sales volume	621 million litres
Turnover	USD 7,000 million

¹ The Faroese National Bank 2009

² Recorded consumption, litres per capita, 100 % alcohol, 2009

³ International Monetary Fund IMF, 2010

⁴ Minors are defined as under 18 for beer and wine, and under 20 for drinks that contain 22% ABV (Alcohol by volume).





THE NORDIC WAY IN A NUTSHELL

- State-owned monopolies hold the sole rights to the retail sales of alcoholic beverages
- Limited availability; number of stores, opening hours and proactive work to counter bootlegging
- Sales regulations preventing minors or anyone notably intoxicated to buy alcoholic beverages
- No maximisation of profits
- Brand-neutrality; no supplier or individual product is either discriminated against or favoured
- Restricted advertising and marketing

Alcohol is no ordinary commodity. Our sales activities are built on a clearly defined social responsibility expressed in, amongst other things, the fact that we do not maximise our profits and we do not promote additional sales. One of the ways in which alcohol consumption can be reduced is by limiting its availability in the form of the number of retail outlets and of opening hours. The Nordic alcohol monopolies have an important role to play in achieving this goal.

BALANCING
RESPONSIBILITY
AND
SERVICE





PUBLIC HEALTH-ORIENTED STATE ALCOHOL MONOPOLIES HAVE PROVED TO BE AN EFFECTIVE MEANS OF REDUCING THE HARM CAUSED BY ALCOHOL. IT ENTAILS A RESTRICTION ON THE INDIVIDUAL WHICH REQUIRES THE SUPPORT OF THE POPULATION AND THE RESTRICTIONS MUST BE PERCEIVED AS REASONABLE. THIS MEANS MAINTAINING A CAREFUL BALANCE BETWEEN SOCIAL RESPONSIBILITY AND HIGH STANDARDS OF SERVICE.

FOCUSING ON PUBLIC WELFARE

Numerous studies show that a population's average alcohol consumption is directly related to the scale of alcohol-related injuries and disease: the more alcohol that is consumed, the greater the problems caused. According to research data, monopolies on retail sales of alcoholic beverages are one of the most effective means of reducing alcohol consumption and thereby limiting alcohol-related problems. The operations of all the Nordic alcohol monopolies are based on social responsibility – their focus is on public welfare rather than financial gain.

These monopolies have nothing to do with protecting domestic markets – quite the contrary. A monopoly position also entails responsibility towards our partners. Impartiality, neutrality and transparency are the cornerstones of our activities.

OUTSTANDING SERVICE

A monopoly position demands high standards of service. This means we place great emphasis on the skills of our personnel. Our staff are experts in food and drink and as the work in the stores is brand-neutral, the promotion of individual products or producers is avoided, which allows the advice to be provided entirely on the customer's terms. We are constantly developing our product range based on



the wishes and needs of our customers, offering a wide range of quality products. Most of our stores are self-service outlets, and we also provide comprehensive services online.

STRONG SUPPORT

We differ from other forms of retail companies in that we do not promote additional sales. The Nordic model for retail sales of alcoholic beverages has a long history and enjoys strong public opinion support. Our social responsibility is one of the factors that have the greatest influence on levels of customer satisfaction. Large scale customer surveys are carried out every year in each country and the results confirm the Nordic monopolies position as one of the best retail companies. The Nordic monopolies have proven to be successful – both in terms of customer satisfaction and public opinion in support of them.

A SUSTAINABLE SUPPLY CHAIN

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 AND ETHICALLY ACCEPTABLE
TERMS AND CONDITIONS.

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 in
a Code of Conduct that will be included in all supplier
agreements as from the beginning of 2012. The Code of
Conduct is based on international agreements.

WORKING TOGETHER

The Nordic alcohol monopolies are significant international
purchasers of wine, strong beer and spirits. By combining
our efforts in a Code of Conduct, we have a greater chance
of influencing the supply chain.

TO EVERYONE'S BENEFIT

Compliance with the Code of Conduct is important – our
customers and stakeholders require that human rights
issues are respected, that proper working conditions
are provided and that unnecessary pollution is avoided
in the production of the beverages we sell.





THE NORDIC ALCOHOL MONOPOLIES

THE FAROE ISLANDS

Rúsdrekkasøla Landsins

www.rusdrekkasolalandsins.fo

FINLAND

Alko

www.alko.fi

ICELAND

ÁTVR

www.atvr.is

NORWAY

Vinmonopolet

www.vinmonopolet.no

SWEDEN

Systembolaget

www.systembolaget.se

