NordAN's Consultation Submission to VN/1531/2024

1. Introduction

NordAN is a network of 50 non-governmental organisations across the Nordic and Baltic region that works to reduce the harm caused by alcohol and other drugs through research-based advocacy and cooperation. For a quarter-century we have served as a shared voice for civil-society actors who seek evidence-based public-health policy, while respecting each country's democratic process and legal traditions.

This submission is presented on behalf of NordAN's Finnish member organisations in response to the Ministry of Social and Health Affairs' call for comments on the draft Act amending the Alcohol Act, open from 13 June to 31 July 2025. Our aim is to assist the Finnish Parliament and Government by highlighting public-health, legal and economic aspects that we believe need further attention, and by sharing Nordic experience of policies that successfully balance consumer freedom, fair competition and the protection of population health.

2. Overview of the government's proposal

The draft Act amending Finland's Alcohol Act would in practice do three things that together break open the pillars of the current monopoly system.

First, it authorises door-to-door delivery of alcohol purchased from domestic shops and from Alko itself. A new "delivery licence" (toimituslupa) would let any retailer that already holds a sales permit (or Alko) hand bottles to a courier who may deliver them between 09:00 and 21:00, after a one-off age check at the door. Such courier sales are forbidden today.

Second, the bill makes cross-border distance selling legal for every beverage stronger than 2.8 per cent ABV. A foreign web-store may sell wine or spirits directly to Finnish consumers so long as the parcels are brought over by a licensed alcohol deliverer, the package is marked "alcohol", and the seller registers for Finnish excise duty. By letting wine and spirits enter the country outside Alko's channels, the proposal removes Alko's de-facto exclusivity and introduces price competition that the ministry itself predicts would "create price pressure" on the monopoly.

Third, it sweeps away Finland's special ban on online marketing of strong drinks. Domestic producers and retailers could advertise spirits on their own websites and on foreign-facing platforms, while influencer marketing would remain prohibited. The government presents this as "bringing the rules in line with the internal market," yet the European Commission's 2024 opinion only asked Finland to clarify the law, not to liberalise it this far; the reform is therefore a national political choice.

The new alcohol policy package is set to start on January 1, 2026. If it passes as planned, it would allow alcohol delivery to homes, let private companies compete with Alko (Finland's state liquor stores), and permit online advertising of spirits. This would seriously change Finland's current health-focused approach to alcohol regulation.

3. Nordic alcohol policy context

The Nordic model rests on a few simple rules: wine and spirits are sold only through a state-run chain, shop numbers and hours are limited, sales staff have no volume targets and advertising is tightly restricted. The World Health Organization's 2023 review of the region names these retail monopolies "an effective tool to limit the physical availability of alcohol" and a best-practice example for other countries.

Finland began to loosen the system in 2018, when supermarkets were allowed to sell drinks up to 5.5 ABV, including spirit-based RTDs. The Finnish Institute for Health and Welfare's statutory review found that the reform was followed by roughly 160 additional alcohol-related deaths per year in 2019–2020 and a three-per-cent rise in per-capita consumption after other factors were controlled for.

Parliament moved further in June 2024, lifting the limit for fermented beverages to 8% ABV. WHO/Europe responded by urging Finland to "prioritise health over profits" and warned that more privatisation could reverse decades of public-health gains. In February 2025 WHO/Europe published a comprehensive report "Nordic alcohol monopolies: understanding their role in a comprehensive alcohol policy structure and public health significance". Within a year after the increase to 8% Alko's sales had fallen ten per cent, confirming the shift of trade to less-controlled outlets.

The current bill goes beyond these earlier steps. By legalising home delivery and cross-border distance sales of wine and spirits it removes the state monopoly's last unique task. In public-health terms this is not a minor adjustment but a break with the Nordic model. Keeping the monopoly intact is the clearest, evidence-based way to avoid the rise in consumption and widening health inequalities already visible since 2018.

4. Legal and EU law considerations

Under the Treaty's internal-market rules, Finland may keep a strict retail monopoly for wine and spirits so long as the arrangement can be shown to protect health and does not favour domestic products. Article 34 TFEU bans national measures that hinder trade between Member States, but Article 36 explicitly allows derogations "for the protection of the health and life of humans" provided the rules are proportionate and applied without discrimination. The Court of Justice confirmed in *Franzén* that Sweden's alcohol monopoly complies with EU law because its purchasing and sales criteria treat foreign and domestic goods alike, and in the later *Rosengren* and *Visnapuu* judgments the Court added that any additional restrictions, such as import bans or licensing schemes, must be proven necessary and must constitute the least-restrictive means of safeguarding public health; otherwise they infringe Article 34.

EU competence in this field is deliberately limited: Article 168(5) TFEU rules out harmonisation of national laws aimed at reducing alcohol harm, leaving Member States free to maintain or create stringent public-health controls where justified. Brussels can therefore neither compel Finland to liberalise its monopoly nor object to tough enforcement standards, provided they meet the proportionality test.

The draft bill unsettles that settled legal ground. By allowing foreign web-shops to sell wine and spirits into Finland after a simple excise-duty registration, while requiring Finnish retailers to obtain a separate "delivery licence", it creates two parallel approval routes that could be attacked as arbitrary discrimination or an unequal tax-compliance burden. *Visnapuu* makes clear that a dual system of this kind is lawful only if the State can show that no less-restrictive model would work; the current explanatory memorandum offers no such evidence. At the same time, removing Alko's last exclusive task, retailing stronger beverages, strips the monopoly of the very features that made it defensible in *Franzén*. Once private distance sellers can deliver identical products more conveniently and, potentially, at lower prices, Finland might be asked to provide fresh data to prove that the weakened monopoly still delivers the promised health benefits at a cost proportionate to trade restrictions.

The European Commission has already signalled concern: in its Detailed Opinion on Finland's TRIS notification it warned that parts of the proposal may be incompatible with free-movement rules and gave Helsinki until March 2025 to address the issues. Enacting the law unchanged would leave the State exposed to infringement proceedings under Article 258 TFEU and invite litigation from domestic businesses that perceive unequal treatment, while investors in delivery licences and logistics networks would face uncertainty should courts later strike down key provisions.

In short, EU law does not oblige Finland to dismantle its alcohol monopoly; it merely insists that any rules, restrictive or permissive, be even-handed and proportionate. The proposed reform weakens the monopoly without demonstrating equivalent safeguards and introduces differential treatment that both Court precedent and the Commission have questioned. That combination makes the bill legally fragile and creates avoidable risks for public authorities, businesses and consumers alike.

5. Economic impacts

Although the proposal is presented as a "modern European" market opening, its economic logic collapses once the details are examined.

The draft law itself acknowledges that it would give foreign webshops a privilege no Finnish licence-holder enjoys: they could ship any beverage up to 80% alcohol by volume into Finland without first obtaining a Finnish delivery permit, while domestic sellers would still be confined to beer, cider and other drinks below 8% (or 5.5% if distilled) and would have to pass a new "delivery-passport" examination. The memorandum notes that this asymmetry would make it "attractive for companies to relocate, for example, to Estonia" in order to bypass Finnish rules and costs, undermining Finland as a place to invest in alcohol production and retail.

Experience from the 2024 reform that lifted the supermarket strength limit to 8% already shows the competitive damage such steps cause. Alko's June 2024 sales volumes fell eight per cent in the very first month after the change, and its half-year sales were down 5.5% year-on-year.

Finland's Competition and Consumer Authority (KKV) has already warned that releasing wines into ordinary retail would "significantly weaken" Alko's viability and oblige the Government to rethink the whole distribution of strong spirits. In its own impact study KKV modelled two scenarios. In the harsher case, wine sales down 70% and other product lines down 20%, Alko would run a large loss, close roughly half its shops and cut staff from about 1 800 to under 800 full-time equivalents; even the milder 50%/10% scenario still pushes the company to the edge of insolvency. Those jobs are concentrated in smaller towns where private retailers rarely enter, so closures would drain local economies as well as state dividend income.

Tax leakage is an additional and already measurable cost. Customs and the Tax Administration estimate that distance-sold alcohol where Finnish duties are not paid is depriving the treasury of €80–100 million every year. During the special enforcement campaign ordered by the Ministry of Finance (Nov 2022–Dec 2023) Customs intercepted 157 commercial consignments containing 414 748 litres of untaxed alcohol on their way to Finnish consumers. The Government now proposes to legalise essentially the same business model, but without giving Finnish authorities any realistic new tools to collect the missing revenue. At the same time, Finnish companies would have to pay for delivery permits while foreign sellers can avoid these costs entirely. That is not "fair competition"; it is an open invitation to shift turnover, tax receipts and employment out of Finland.

By weakening the state monopoly, hurting Finnish retailers, and leaving enforcement gaps that have already cost money, the bill risks replacing regulated local business with foreign suppliers focused on avoiding taxes. This would mean fewer Finnish jobs, worse service coverage, less power for local producers, and bigger budget holes, not including health and social costs. Instead of boosting the economy, the proposal would send it overseas.

6. Public health and social harms

Finland's Alcohol Act sets a clear hierarchy of goals: first, to "reduce the consumption of alcohol-containing substances by restricting and monitoring economic activity so as to prevent harm to users, others and society as a whole". That goal doesn't fit well with the new bill, which would let people order strong alcohol to their homes with just a click.

Modern epidemiology leaves little room for doubt about the stakes. In January 2023 the World Health Organization and the International Agency for Research on Cancer reminded legislators that "no level of alcohol consumption is safe for our health" and confirmed alcohol's causal link to at least seven major cancers. A separate WHO/Europe briefing published in February 2025 singles out the Nordic retail-monopoly model as "a comprehensive approach to reducing alcohol consumption and harm" precisely because it keeps physical availability low and commercial incentives muted. Greater availability, the Organisation stresses, predictably drives up both consumption and harm and curbing availability remains one of its recognised "Best Buy" interventions.

From a fiscal perspective the harms are already steep. A 2024 review for the Finnish Consulting Group estimated that alcohol imposes between €0.65 billion and €1.14 billion every year on the public health-care system alone, without counting policing, social-service or productivity losses. Any policy that nudges consumption upward therefore carries an immediate price tag for the taxpayer as well as for families and the whole society.

Finland's own evidence illustrates what happens when controls are loosened. THL's after-the-fact evaluation of the 2018 reform, which allowed supermarkets to stock drinks up to 5.5% ABV and extended trading hours, found that alcohol-related disease and poisoning deaths rose by about 160 per year in 2019–2020 compared with the baseline of 2017, reversing a decade-long decline. The link is simple: more outlets, longer hours, more harm. Reducing the state's control and making it easier for people to get alcohol delivered to their doors would make these problems even worse.

International research on the very sales channel the bill promotes points the same way. A 2025 Journal of Studies on Alcohol and Drugs survey across 18 U.S. states found that adults who used direct-to-consumer (DTC) alcohol delivery drank on average 4.5 more drinks per week and had higher odds of excessive use than those who did not. Two CDC-funded studies published in March 2025 showed that home-delivery users reported both heavier drinking and more negative consequences, while Google searches for "alcohol delivery" and "alcohol poisoning" spiked wherever DTC laws were relaxed. A 2023 scoping review of on-demand alcohol services concluded that such convenience "may increase alcohol-related harm, particularly underage and binge drinking". In other words, the research community has already observed the behavioural incentive the draft bill would inject into the Finnish market.

Those incentives are likely to hit the heaviest drinkers first. For many problem drinkers the need to be sober enough to drive or stand in an Alko queue sets a natural brake; courier delivery removes that barrier, enabling longer binges and larger single orders. The home also becomes the primary drinking venue, and with it the primary venue for alcohol-fuelled harm. A 2024 evidence review on alcohol and intimate-partner violence notes the "dose–response relationship" between heavy drinking in the household and physical or psychological abuse of partners and children. Older people in Finland face another risk: with easier alcohol delivery, those who are frail or can't leave home may end up ordering more than before, increasing the chances of falls, bad reactions with medicine, and loneliness, all problems that are very hard to keep track of from afar.

Taken together, these data show that widening online access to wine and spirits cuts directly across the Act's core purpose. The bill would increase availability, tilt consumption back upward, and externalise the resulting costs to families, employers and the public purse, precisely the outcomes the Alcohol Act was designed to avoid and reduce. If Parliament wishes to stay true to the Law´s own objective, it must abandon the proposal.

7. Regulatory and enforcement challenges

The bill hands the most sensitive parts of Finland's licensing regime to lone couriers and foreign-based websites but gives regulators no practical way to replicate the safeguards that work inside a shop. Its own explanatory memorandum concedes that judging intoxication "is considerably more difficult" at the doorstep than across a counter and that reliable age checks depend entirely on the deliverer's discretion. Dutch experience shows how fragile that promise is: the latest national mystery-shopping survey found that just 20 percent of home-delivery orders to under-18-year-olds were refused - meaning the deliverer failed to ask for ID in almost four cases out of five (Trimbos Institute, 14 Jan 2025). Once the hand-over moves behind a private door, effective supervision becomes retrospective at best. The proposed bill is expected to significantly increase the workload for Finland's alcohol authorities, namely the National Supervisory Authority for Welfare and Health (Valvira) and the six Regional State Administrative Agencies (RSAs), by expanding the number of entities under their supervision.

Tax enforcement is already leaking. Customs and the Tax Administration report that "only a fraction" of duty is paid on alcohol ordered from foreign web-shops; during their 2022–2023 task-force they intercepted 5 200 untaxed consignments (more than 410 000 litres) from over 150 retailers and assessed €9.85 million in back taxes, most of which remains uncollected. The bill legalises essentially the same supply chain without giving officials new cross-border recovery powers, so the incentive to under-declare remains.

Front-line workers face the sharp end of these rules. Stakeholder submissions warn that solo deliverers may have to refuse delivery to intoxicated or aggressive customers with no colleague or security guard present, while storing sensitive ID data on their own phones, an obvious occupational-safety and data-protection risk. Yet the "delivery passport" training the bill introduces will cost operators only "tens of euros" per employee and offers no additional protection.

Past liberalisation also shows that enforcement, not deregulation, curbs abuse. The same Customs task-force cut online imports by about 70 percent from their 2021 peak, whereas jurisdictions that expanded on-demand delivery saw consumption rise: a 2025 Journal of Studies on Alcohol and Drugs analysis of 18 US states found direct-to-consumer users drank 4.4 more standard drinks per week and reported more binge episodes than non-users.

In short, the proposal shifts responsibility from trained retail staff to gig-economy couriers, expands the caseload for already stretched regulators, re-opens proven channels for tax evasion and exposes low-paid workers to higher personal risk. Far from "modernising" enforcement, it would overload it and undermine the very public-health objective written into section 1 of Finland's own Alcohol Act.

8. Digital advertising of spirits

The Alcohol Act 1102/2017 bans almost all marketing of spirits. The draft bill would lift that ban in the digital sphere so that Finnish producers can "improve competitiveness and export opportunities on the (EU) internal market" by promoting their brands on company websites and social-media accounts. Because the drafters recognise that algorithms make geo-blocking unreliable, they dropped an earlier plan to limit the ads to foreign audiences and admit that publicity aimed "abroad" will also reach Finnish users, including minors. Influencer marketing is singled out for a new prohibition, and TV/radio watershed rules for beer and cider are tightened, yet the central change remains: spirits advertising that is now illegal online would become legal and instantly shareable everywhere a smartphone is used.

Public-health evidence leaves little doubt about the likely effect. A 2022 WHO technical report on cross-border digital alcohol marketing finds that young people and heavy drinkers are the key targets of online campaigns and urges governments to restrict such promotion precisely because it travels unhindered across borders. A 2024 umbrella review of 23 systematic studies concludes that exposure to digital alcohol marketing increases drinking intentions, consumption and risky use, with the strongest causal links among adolescents. Experimental work shows that social-media alcohol content heightens cue-induced cravings among people in treatment for alcohol dependence. The bill itself cites research indicating that "social-media alcohol posts can increase young people's drinking" as the reason for banning influencer ads, yet it simultaneously opens the broader floodgate that influencer bans were meant to narrow.

The proposal therefore runs against the Alcohol Act's primary objective to curb consumption by constraining commercial promotion as well as WHO guidance that stricter, not looser, marketing controls are an evidence-based "best buy" for reducing harm. By allowing spirits brands to build a constant digital presence while relying on platform self-regulation to shield under-18s and vulnerable drinkers, the reform risks normalising the product category with the highest unit-dose ethanol and the greatest per-serving health cost. In short, the promised export boost would be paid for in increased domestic exposure and higher consumption related harms.

9. Policy inconsistency and public trust

Finland's Alcohol Act (1102/2017) still declares that the whole purpose of regulation is to "reduce the consumption of alcoholic substances … in order to prevent the harm caused by alcohol to users, other people, and society as a whole". Finland is also one of the Member States that endorsed the WHO *European framework for action on alcohol, 2022–2025*, which commits the Region to a 10 percent cut in per-capita use by 2025 and highlights limits on physical availability as a core policy tool. In parallel, the Ministry of Justice's own guidance on legislative drafting stresses that every bill must be underpinned by a transparent impact assessment because such assessments "strengthen the transparency and accountability of law drafting".

This bill now points in a different direction. Its explanatory memorandum frames liberalisation as an item in the Government Programme's growth chapter - "reform alcohol policy responsibly in a European direction" and "open the market in a determined and responsible manner" - but it does not explain how the change will help Finland reach the WHO reduction target or meet the Act's own harm-prevention mandate. Instead, the argument is advanced one technical step at a time: first the strength cap rose in 2018, then again in 2024, and now the last monopoly products are to move online. A separate report delivered to ministers this April goes further still, outlining three options for letting shops sell wine up to 15% ABV and conceding that any of them would "significantly weaken" Alko's finances and raise consumption and harm. People are asked to consider each step separately, without a clear explanation of the long-term plan. If the true objective is to dismantle the monopoly altogether and move to a profit-driven retail market, open democracy requires the Government to say so plainly and to present the full public-health and fiscal trade-offs. Only then can citizens weigh those trade-offs at election time.

The evidence behind these changes is also unclear. The bill's health section concedes that there is "no direct research" on how home delivery affects total consumption, yet proceeds on the assumption that any increase in harm will be "fairly minor" at population level. That assumption sits uneasily beside the Institute for Health and Welfare's findings from the 2018 reform, where a far smaller availability change preceded a measurable rise in alcohol-attributable deaths. Finland's own impact-assessment guidelines call for alternatives to be compared and for distributional effects to be made explicit; the draft confines its analysis largely to business convenience and tax logistics, leaving the central public-health question - how much more harm the changes could cause, and who will be affected.

In a democracy parties are entitled to pursue their ideological vision, even if it conflicts with public-health goals. What is not compatible with good governance is pursuing that vision by instalments while presenting each step as a stand-alone technical reform. If the Government's real objective is a profit-driven retail market it should state that aim openly, publish a full scenario of the fiscal, social and health trade-offs, and let voters judge the project at the polls. Until the end-point is acknowledged and a health-centred impact assessment is placed on the table, the reform process will continue to look less like responsible modernisation and more like policy drift that contradicts both Finland's statutory purpose and its international commitments.

10. Conclusion

Finland's draft reform promises "modernisation", yet every strand of the evidence submitted to this consultation points the other way. It would weaken the state retail monopoly that has underpinned Nordic success in reducing harm, expose the public purse and compliant Finnish businesses to tax-evasion and unfair competition, and shift the burden of age and sobriety checks from trained shop staff to unsupervised couriers. By legalising cross-border distance selling and digital spirits advertising it would also undercut the very purpose clause of the Alcohol Act and Finland's commitment under the WHO European framework for action on alcohol 2022–2025 to curb consumption and harm. The health impacts already observed after the 2018 strength-limit rise, documented in THL's statutory evaluation, suggest that a further widening of availability will raise deaths and widen inequalities, while the Commission's detailed opinion under the TRIS procedure signals real legal risk if discriminatory licensing is enacted. Allowing spirits brands back into the digital advertising space contravenes WHO advice to restrict cross-border marketing and will magnify exposure among young people and heavy drinkers.

NordAN therefore urges to pause and reconsider a bill that conflicts with the nation's own public-health goals, with Nordic best practice and with the proportionality requirements of EU law. We remain ready to work with our Finnish member organisations, with ministries and with legislators of all parties to ensure that any reform of alcohol policy is transparent about its end-point, fully assessed for health, fiscal and enforcement impact, and aligned with the evidence-based measures that have served the Nordic countries so well. Protecting public health and maintaining public trust demands nothing less.