

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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STATE-TRADING ENTERPRISES

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Notifications Submitted Pursuant to Article XVII:4(a)

The notification submitted by the Government of Sweden, reproduced on page 85 of L/784/Add.1, should be replaced by the following:

SWEDEN

Notification of 3 February 1958

Description of State enterprises being maintained

I. Aktiebolaget Vin- & Spritcentralen (The Wine and Spirit Co., Ltd.) and Nya System Aktiebolaget (The New System Co., Ltd.)

In Sweden the trade in alcoholic beverages (liquor, wine and strong beer) is controlled by the State. The reasons are principally of a temperance, political and financial nature. Trade is regulated in the first place by the "Rusdrycks-försäljningsförrordningen" (Law in respect of the selling of alcoholic beverages) of 26 May 1954. A leading principle in the legislation is that private interest in profits shall be excluded from the trade and that business shall be carried on in such a way that the disadvantages connected with the use of alcoholic beverages are restricted as much as possible.

The "Rusdrycksförsäljningsförrordningen" contains regulations concerning partly a wholesale company, partly a retail company. The right to do wholesale business is given to the Aktiebolaget Vin- & Spritcentralen, the right as retailers to the Nya Systemaktiebolaget. The two companies are organized as business enterprises which have agreements with the State for limited periods. By these agreements and by details in their statutes as to managing, profits, collecting of taxes, etc., the State has reserved for itself the right of controlling influence on the management of the companies.

Potato raw-spirit is, in Sweden, produced at about eighty private distilleries, and spirit from cellulose sugar is made at several sulphite works. The production takes place under the supervision of a State authority, the Kontrollstyrelsen (The Control Board). The total of the spirit produced from potatoes is delivered to Spritcentralen to be used in the production of beverages, whereas the sulphite works may either sell to Spritcentralen - make large consignments also to domestic users of industrial spirit - or export.

Production of fruit wine is carried on, on a rather small scale, by private producers. Within Sweden the fruit wine may be disposed of only to Spritcentralen, but the producers are entitled to export their products.

"Strong beer" is produced by breweries in private ownership. They have to sell their beer to the Nya Systembolaget for home consumption, while export is free.

Along with the industrial production of distilled liquors, etc., Spritcentralen, having in principle the sole right of importing alcoholic beverages into Sweden, also bottled wines and liquors imported in bulk. Bottled wines and liquors are also purchased in large quantities. The publicity for the last-mentioned category is attended to by commercial agents representing the foreign suppliers.

Sales to the public as well as to restaurants are in the hands of the Nya Systembolaget which owns about 250 retail shops at different places throughout the country.

II. Aktiebolaget Svenska Tobaksmonopolet (The Swedish Tobacco Monopoly Co., Ltd.)

In Sweden the State has the exclusive right of manufacturing tobacco goods and the imports of raw tobacco and tobacco goods. This monopoly is exercised by a Government-owned company, the A.B. Svenska Tobaksmonopolet. Regarding the import of tobacco goods there is to some extent an exception made from the monopoly right. Retail dealers, accepted by the Tobaksmonopolet, are thus allowed to import such goods. Special machinery and tools for the manufacture of tobacco goods as well as cigarette-paper and cigarette-holders may be imported only by Tobaksmonopolet or with the sanction of the authorities. The relations between the Tobaksmonopolet and the State are regulated by an agreement of the same character as is described above for the Vin- & Spritcentralen.

The retail trade in tobacco goods is carried on by private retailers. The prices are fixed by the Tobaksmonopolet and include the rates of taxation decided by Parliament.

The relevant decrees in this sphere of State monopoly activities are laid down in the Act of 11 June 1943 concerning State Monopoly of Manufacture and Import of Tobacco Goods.

