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# Serving of alcoholic beverages



**Valvira**

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## Introduction

According to the Alcohol Act, Valvira's role as a central agency covers the guidance, coordination and development of the licensing administration and supervision of Regional State Administrative Agencies; the production of the data, statistical and communication services of the alcohol administration; and the supervision of the retail sales, serving and marketing of alcoholic beverages across Finland and on vessels with a Finnish nationality (section 60 of the Alcohol Act (1102/2017)).

These guidelines address key topics related to the serving of alcoholic beverages and call attention to legislation and other directions related to the serving. The guidelines have been drawn up for the Regional State Administrative Agencies as well as companies, employees and students involved in the industry.

The guidelines include regulations pertaining to the serving of alcoholic beverages and their interpretation, and they have been drawn up in cooperation with the Regional State Administrative Agencies and the Finnish Hospitality Association MaRa.

The guidelines aim to improve the fulfilment of the general objectives of the Alcohol Act, steer the Regional State Administrative Agencies in applying the Alcohol Act, clarify the Alcohol Act's provisions and interpretation to industry operators, and function as educational material for tests related to alcohol proficiency certificates, i.e. alcohol passports. The content relevant to the alcohol passport tests can be found in chapters 1–3 of these guidelines.

Given that the Åland Islands may issue derogations from the provisions on serving alcohol in the Åland Acts, the guidelines are not applicable in every respect in the Åland Islands.

These guidelines replace Valvira's guidelines "Serving of alcoholic beverages V/14563/2022". The updates to the guidelines especially concern matters related to the use of the e-services of the new alcohol trade register Allu. Further information and guidelines related to the serving of alcoholic beverages can be found on the websites of the Regional State Administrative Agencies.

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# 1 Serving activities

The purpose of the Alcohol Act is to reduce the consumption of alcoholic substances by limiting and monitoring the related business activities to prevent alcohol's detrimental effects on its users, other people and society as a whole (section 1 of the Alcohol Act). The serving of alcoholic beverages is one of the business activities subject to the limitations and monitoring.

This chapter presents the requirements of alcohol legislation applicable to the serving of alcoholic beverages. Chapter 4 contains more detailed information on the serving of alcoholic beverages as well as the alcohol-related licences and notifications, and the attendant procedures, closely associated with it.

## 1.1 Alcoholic beverage

In the Alcohol Act, an "alcoholic substance" refers to a substance or product which contains more than 1.2 per cent of ethyl alcohol by volume, and an "alcoholic beverage" refers to an alcoholic substance meant to be imbibed which contains at maximum 80 per cent of ethyl alcohol by volume (section 3 of the Alcohol Act). An alcoholic beverage therefore contains more than 1.2% and at maximum 80% alcohol.

A "mild alcoholic beverage" refers to an alcoholic beverage which contains at maximum 22 per cent of ethyl alcohol by volume, while a "strong alcoholic beverage" refers to an alcoholic beverage which contains more than 22 per cent of ethyl alcohol by volume (section 3 of the Alcohol Act).

## 1.2 Licensing requirement

The "serving of alcoholic beverages" refers to the sale of alcoholic beverages for consumption on premises controlled by the seller or under monitoring organised by the seller (section 3 of the Alcohol Act).

Alcoholic beverages which contain more than 2.8% of alcohol may not be sold without a licence (sections 5 and 6 of the Alcohol Act). Nor may alcoholic beverages be supplied or delivered for a fee (section 84 of the Alcohol Act). A serving licence and the rights it entails may not be sold nor assigned, in part or in full, to another party (section 10 of the Alcohol Act). Only the holder of the serving licence and their staff may sell and deliver the alcoholic beverages to be served.

The serving licence must be applied for and issued by the Regional State Administrative Agency before the start of the serving activities. The licence is specific to a particular trader and premises (sections 10 and 18 of the Alcohol Act). If a restaurant relocates to a new address or the operator (business ID) changes, the restaurant or operator must apply for a new serving licence. A serving licence may also be issued to an applicant with no licensed premises if the serving is meant to take place by notification in licensed areas of licensed premises approved in advance (sections 19 and 20 of the Alcohol Act). Only the alcoholic beverages sold by the holder of a serving licence can be consumed in a licensed area (section 36 of the Alcohol Act).

A self-monitoring plan is one of the prerequisites for a serving licence (section 18 of the Alcohol Act). A “self-monitoring plan” refers to a licence holder’s written plan to ensure the legality of their activities (section 56 of the Alcohol Act).

If a licence holder decides to alter the nature or extent of their activities in a material way so that the issued licence no longer covers the altered operations, the licence holder must apply for a change to the licence prior to the alteration. The change may not be carried out before the Regional State Administrative Agency has approved the change to the licence (section 11 of the Alcohol Act).

### 1.2.1 Assessing whether serving is subject to a licence

Providing alcoholic beverages for consumption in various occasions and at various events or in conjunction with services may require a serving licence. When assessing whether a serving licence is required, at least the following factors must be addressed:

- **Alcoholic beverages which contain more than 2.8% of alcohol may not be sold without a licence (sections 5 and 6 of the Alcohol Act). Nor may alcoholic beverages be supplied or delivered for a fee without a licence (section 84 of the Alcohol Act).** For example, activities in which a person who has acquired alcoholic beverages receives a fee for supplying alcoholic beverages to others for consumption are prohibited without a serving licence. Cash cannot be accepted as a fee and accepting items or favours as a fee for supplying or delivering alcoholic beverages is also prohibited.
- **Providing alcoholic beverages for a fee or as an ancillary product in conjunction with a service or commodity in business activities requires a serving licence.** The provisions applicable to the selling of

alcohol also apply to the supply and delivery of an alcoholic substance against payment in the context of business activities or marketed in the context of other goods or services (section 3 of the Alcohol Act). The serving of an alcoholic beverage against payment is considered contrary to the Alcohol Act if it requires the purchase of another product or service, or another remuneration or some other comparable activity when the operator does not have a serving licence (sections 3 and 84 of the Alcohol Act).

Providing alcoholic beverages in conjunction with a service subject to a charge requires a serving licence. For example, a hair salon cannot offer alcoholic beverages to its customers in conjunction with its services without a licence.

As a rule, the question is also of serving activities subject to a licence when an organiser of a wine tasting event acquires alcoholic beverages and collects a charge for the alcoholic beverages either directly or as part of other fees.

- **Consuming alcoholic beverages without a serving licence is prohibited in certain locations.** Without a serving licence, alcoholic beverages may not be consumed in a restaurant or other place in which food or beverages are made available to the public against a charge. Consuming alcoholic beverages without a serving licence is also prohibited at public events as laid down in the Assembly Act. In such cases, the owner of the establishment or the organiser or steward of the event may not permit the consumption of alcohol at the venue or event in question (section 85 of the Alcohol Act).

In the Assembly Act (530/1999), public events mean amusements, contests, performances and other comparable events that are open to the public, but not considered to be public meetings. If participation in an event requires an invitation or membership in a given organisation, an event is considered public, unless the event, owing to the number of participants, the type of the event or other specific circumstances, is considered to be of a private nature.

Furthermore, alcoholic beverages cannot be consumed in the indoor or outdoor space of the retail outlet controlled by the retail licence holder or in its immediate vicinity (section 35 of the Alcohol Act).

- **Organising catering service events requires a serving licence if the catering company purchases alcoholic beverages to an event at the**

**organiser's request and charges a fee for the supply or serving of the alcoholic beverages.** As a rule, catering service events can be organised without a serving licence if the event organiser acquires alcoholic beverages for the event and the catering company only serves them in conjunction with other serving. The catering company may bill the event's organiser for the use of its staff according to an hourly charge, for example.

However, if the catering company occupies premises in which it regularly engages in catering services subject to a charge, they constitute a restaurant, and the serving of alcoholic beverages there requires a serving licence.

The preliminary investigation authorities, including the Police of Finland, supervise activities in violation of the Alcohol Act in situations where an operator has no serving licence. The penal provisions applicable to the unlawful sale, supply and delivery of alcohol are provided in chapter 50(a) of the Criminal Code of Finland. A person who sells, supplies or otherwise delivers an alcoholic beverage to another party contrary to the Alcohol Act may be sentenced to a fine or imprisonment for an alcohol offence. The proceeds of the crime are forfeited to the State as provided in the Criminal Code of Finland.

In addition, the Alcohol Act lays down provisions on an alcohol offence. An alcohol offence may take place if the owner of an establishment, the event organiser or a steward intentionally permits the consumption of alcoholic beverages in violation of the Alcohol Act in a location in which the consumption of alcoholic beverages is not permitted (section 90 of the Alcohol Act).

### **1.3 Staff**

The licensed premises must have enough staff to organise effective monitoring and maintain order with regard to the extent and quality of the activities. The licence holder and their staff must monitor compliance with the prohibitions and obligations provided in the Alcohol Act and ensure the maintenance of order in the licensed premises (sections 38 and 39 of the Alcohol Act).

The self-monitoring plan must include a plan on the number and tasks of the staff with respect to monitoring compliance with the prohibitions and obligations laid down in the Alcohol Act and on maintaining order in the licensed area during the serving hours (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act (158/2018)).

Serving tasks may be carried out by a person who has turned 18. A person who has turned 16 may serve alcohol only under the immediate supervision of a responsible manager or some other person over the age of 18 appointed to the task (section 38 of the Alcohol Act). The licence holder must organise the supervision of the serving in such a way that a person over 18 years of age responsible for the serving of alcoholic beverages can effectively monitor the serving and intervene in it if necessary. An employee under the age of 16 working in a restaurant may take orders that include alcoholic beverages, but may not sell, portion out or deliver alcoholic beverages to customers.

A person selling or taking part in supervising the serving of alcoholic beverages may not be under the influence of alcohol or other intoxicating substances when on duty (section 38 of the Alcohol Act).

As part of the self-monitoring, the licence holder must ensure that their staff are familiar with their obligations specified in the Alcohol Act and the self-monitoring plan. The licence holder must keep a record of the training and skills of the persons working in their establishment and present the information to the supervisory authority on request (section 57 of the Alcohol Act).

The Regional State Administrative Agency may impose terms and restrictions related to the number of staff, provided that they are necessary for ensuring monitoring at the licensed premises and its surroundings, preventing disturbances and noise pollution in a residential neighbourhood, or securing public order and safety (section 22 of the Alcohol Act).

## **1.4 Licence holder's representative and alcohol passports**

If the licensed premises are open for business, a responsible manager or other person appointed to the task by the licence holder must be present on the premises as the licence holder's representative. The responsible manager or other person appointed to the task must be over 18 years of age (section 38 of the Alcohol Act).

The self-monitoring plan of the licensed premises must include a description of the tasks of the responsible manager or other person appointed to the task by the licence holder (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The holder of the serving licence must ensure that the responsible manager or other person appointed to the task has an alcohol proficiency certificate, i.e.

alcohol passport, pursuant to the model approved by the National Supervisory Authority for Welfare and Health (Valvira; section 57 of the Alcohol Act).

The licence holder's obligation to keep a record of the alcohol passports can be carried out in one of the following ways:

- the licence holder stores copies of the alcohol passports presented to the operator (at their office, the licensed premises, or in electronic format); or
- the licence holder keeps a list of the persons who have presented an alcohol passport to the operator, including dates on when each person's qualifications were checked (as an appendix to the self-monitoring plan or an electronic file).

The alcohol passport requirement applies to the responsible manager or other person appointed to the task, meaning that the requirement to keep records pertains solely to the persons taking care of these duties. The licence holder may nevertheless keep a record of the alcohol passports held by the rest of their staff as part of the licence holder's self-monitoring.

If the licence holder's self-monitoring plan is deficient, or if the supervisory authority has reason to suspect the accuracy of the records, the authority may request copies of the alcohol passport(s).

Alcohol passports are issued by educational institutions providing training and education in restaurant services pursuant to an authorisation to provide education granted by the Finnish Government or an authorisation to award a qualification and to provide vocational education and training granted by the Ministry of Education and Culture. The certificate can be issued to a person who has passed an exam testing their knowledge of the Alcohol Act and the means by which its enforcement is supervised, or to a person who has completed training or a degree encompassing equivalent information (section 58 of the Alcohol Act).

Vocational upper secondary qualifications, further vocational qualifications and specialist vocational qualifications in the food and restaurant sector, as well as a bachelor's degree in the travel and hospitality industry are considered equivalent to passing the test for an alcohol proficiency certificate, provided that the qualification or degree includes skills on the topics covered in the test. An educational institution providing training and education in restaurant services may issue an alcohol passport to a person who has completed one of the

aforementioned qualifications (section 7 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

A certificate proving knowledge of the provisions related to the serving of alcoholic beverages issued by an educational institution providing training and education in restaurant services in the Åland Islands is also accepted as an alcohol passport (section 8 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

A person who, on 1 March 2018, when the Alcohol Act took effect, was considered qualified to serve as the responsible manager of licensed premises as referred to in section 21 b of the previous Alcohol Act (1143/1994), is also considered to meet the qualification requirements on a certificate proving knowledge on the Alcohol Act pursuant to the new Act. An alcohol passport issued during the validity of the previous Alcohol Act also serves as adequate proof of knowledge on the Alcohol Act (section 93 of the Alcohol Act).

Valvira does not maintain a register of alcohol passports. If an alcohol passport is lost, a copy of it may be requested from the educational institution which issued it.

## **1.5 Customers and bans on serving alcohol**

Alcoholic beverages may not be sold or otherwise delivered in the context of serving:

- 1) to a person under 18 years of age;
- 2) to a person who is visibly intoxicated or behaves disruptively;
- 3) if there is reason to assume that the alcohol will be illicitly delivered or passed on (section 37 of the Alcohol Act).

A person who is under 18 or whose intoxication is clearly visible or who behaves in a disorderly manner may not be permitted to possess or consume alcoholic beverages on licensed premises (section 37 of the Alcohol Act).

A customer whose intoxication is clearly visible may not be allowed to enter licensed premises. A customer on licensed premises whose intoxication is clearly visible must be removed from the licensed premises (section 36 of the Alcohol Act).

The Act on Accommodation and Food Service Activities (308/2006) provides on the right to choose customers and on maintaining order. The grounds according to which customers are chosen may nevertheless not be discriminatory. Provisions on the prohibition of discrimination are laid down in the Non-Discrimination Act (1325/2014).

The Private Security Services Act (1085/2015) contains provisions on a steward's right to deny a person entry into the steward's area of responsibility and to remove a person from such an area.

### **1.5.1 Proof of age on licensed premises**

A person who purchases alcoholic beverages and spends time on licensed premises is obligated to prove their age to the staff monitoring the serving alcoholic beverages and to an official carrying out supervision related to compliance with the Alcohol Act. The age must be proven with a photo ID issued by an authority, a driving licence or passport, or some other reliable document with a photograph issued by an authority (section 40 of the Alcohol Act).

Such other reliable documents with a photo that are issued by the authorities include a refugee's travel document or alien's passport. The document may also be digital. A foreign ID card with a photo, a passport, or a driving licence may be used as proof of age if it does not appear easy to forge and indicates the person's age. However, a Kela card or student ID are not acceptable documents for proof of age.

The holder of a serving licence may themselves determine which other documents with photos issued by the authorities they accept as proof of age. The policies may nevertheless not be discriminatory. Nor may any limitation of checking the identity of customers be based on any discriminatory practices involving national origin, for example.

Before delivering an alcoholic beverage, the sales staff must always check a person's age if there is the slightest reason, based on the customer's appearance or some other factor, to suspect that the customer is under 18 years of age. This must be done even if door supervisors or stewards check the age of any young individuals as they enter the establishment.

The licence holder is accountable for minors not getting alcohol on licensed premises. The licence holder and the staff of the licensed premises are

responsible for making sure that a minor cannot consume an alcoholic beverage passed on to them by another customer, for example (sections 37, 38 and 39 of the Alcohol Act).

The Alcohol Act does not prohibit minors from being present on licensed premises. Licence holders may nevertheless set an age limit for their licensed premises.

The Alcohol Act contains a provision on audience facilities prohibited to minors. A Regional State Administrative Agency may approve the audience facilities of a sport, fitness, music or other comparable event as a licensed area, provided that the facilities are reserved solely for persons aged 18 or over. Minors may not be allowed to enter such audience facilities whilst alcohol is being served there (section 18 of the Alcohol Act).

The self-monitoring plan of licensed premises must describe the practices aiming to ensure compliance with the age limits applicable to the serving of alcoholic beverages (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

### **1.5.2 Intoxicated or disorderly behaving customer**

A customer whose intoxication is clearly visible may not be allowed to enter licensed premises (section 36 of the Alcohol Act).

Alcoholic beverages may not be sold or otherwise delivered in the context of serving to a person who is visibly intoxicated or behaves in a disorderly manner (section 37 of the Alcohol Act).

A customer in licensed premises whose intoxication is clearly visible must be removed from the licensed premises (section 36 of the Alcohol Act).

The judgement of a person whose intoxication is clearly visible is highly impaired. Because of this, the person may be unpredictable, and their behaviour cannot be anticipated. They may easily cause a disturbance by, for instance, appropriating another person's beverage.

Intoxication is usually clearly visible if:

- a person has difficulty fixing their eyes on something or has a glazed look in their eyes;

- a person behaves disruptively, loudly and is overly confident;
- a person has difficulty understanding things and what another person is communicating;
- a person's movements are unsure and clumsy, they have difficulty grabbing objects and their reflexes are slow;
- a person spills their drink and finds it difficult to take their glass to their lips;
- a person staggers or totters and cannot walk straight, or falls without support;
- a person's speech is slurred and no longer understandable;
- a person is incoherent or has difficulty controlling their emotions;
- a person nods off or may easily doze off, or is passed out/sleeping;
- a person is sick.

The characteristics of clearly visible intoxication are always evaluated on a case-by-case basis. The evaluation must account for the possibility that the characteristics pointing towards intoxication may be caused by an illness or injury/disability. The application of the characteristics must not result in discrimination based on an illness or injury/disability.

If a customer who is removed cannot take care of themselves due to an advanced state of drunkenness, the staff must ensure that the person gets on their way home safely by, for example, ordering a taxi for the customer. The customer may, under supervision, wait for transportation in the vestibule of a restaurant. Ensuring customer safety in the context of the removal of a customer may sometimes require the staff to call the police.

The self-monitoring plan of licensed premises must include a description of the procedures and monitoring practices aiming to prevent the serving of alcoholic beverages to a person whose intoxication is clearly visible or who behaves disruptively. The self-monitoring plan must also contain a description of a licensed premises' procedures in situations where a customer's intoxication is clearly visible when they enter the licensed premises or during their stay in the premises (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

## 1.6 Serving hours

Alcoholic beverages with more than 2.8% of alcohol may be served from 9:00 a.m. to 1:30 a.m., unless the licence decision limits the serving hours. On the night of the eve of the Finnish Independence Day, New Year's Eve, May Day Eve and Midsummer Eve, serving may be continued until 3:00 a.m. (sections 22 and 43 of the Alcohol Act).

The serving hours are not limited in an accommodation room which is part of a licensed area if the amount of the alcoholic beverages available is limited in accordance with the number of customers and the requirements pertaining to the supervision of the serving (section 45 of the Alcohol Act). This being the case, the serving hours do not apply to a minibar in accommodation rooms which are part of a licensed area. If alcoholic beverages are served to a hotel room in the form of room service, the room service serving must comply with the serving hours.

Served alcoholic beverages may be consumed for a period of one hour following the end of the serving hours (section 43 of the Alcohol Act). Licensed premises do not need to be closed when the serving hours end. Licence holders are free to determine their own opening hours.

Serving hours may be extended with a notification or licensing procedure so that they begin at earliest at 7:00 a.m. and end no later than at 4:00 a.m. (section 44 of the Alcohol Act). A licence for starting to serve at 7 am may be issued only for the breakfast serving of the licence holder's accommodation establishment.

If serving at the licensed premises is continued after 1:30 a.m. based on a notification or licence, the licence holder is obligated to set stewards as referred to in the Private Security Services Act to maintain order and safety at the licensed premises and its immediate vicinity. There must be one steward for each a hundred customers or part thereof, and they must see to their duties starting from 1:30 a.m. for as long as customers are consuming alcoholic beverages, unless otherwise specified by the Regional State Administrative Agency (section 45 of the Alcohol Act).

The self-monitoring plan for licensed premises must include a description of the monitoring of customer numbers, the implementation of maintaining order and the tasks assigned to the stewards, if serving is continued after 1:30 a.m.

(section 4 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

Alcohol legislation does not prohibit stewards from taking care of the licensed premises' other duties simultaneously, provided that the maintaining of order or execution of other tasks are not compromised due to them being carried out at the same time.

The transition to daylight saving time affects the serving hours of restaurants with extended serving hours. When setting the clocks to daylight saving time, serving must be stopped in accordance with the decision on the extended hours, but nevertheless no later than by 4:00 a.m. DST, i.e. 3:00 a.m. standard time. Alcoholic beverages may be consumed for another hour after this, or no later than until 5:00 a.m. DST. The licensed premises do not need to be closed, however. When going back to standard time, serving may be continued according to the same principle applied to the standard time, i.e. no later than until 4:00 a.m. or 5:00 a.m. DST.

## **1.7 Activities in licensed areas**

“Licensed area” refers to an area in which customers may consume served alcoholic beverages. “Licensed premises”, on the other hand, refer to the entire space formed by a licensed area or areas and other facilities, such as a kitchen, lavatories and storerooms.

The serving of alcoholic beverages may only be carried out by delivering them to customers in a licensed area approved by the Regional State Administrative Agency (section 36 of the Alcohol Act). According to the legislative drafts, “delivery” refers to a physical handover of an alcoholic beverage to a customer. Therefore, alcoholic beverages may not be served as self-service in such a way that customers independently take and serve themselves an alcoholic beverage, without a personal customer service transaction with the seller. An exception to this rule are any conference or sauna premises or comparable areas rented by a licence holder to closed parties, and accommodation rooms, where a limited amount of alcoholic beverages may be made available to customers in accordance with the requirements applicable to the monitoring of serving (section 45 of the Alcohol Act).

Only alcoholic beverages sold by the holder of a serving licence may be consumed in a licensed area. Nor may alcoholic beverages sold by the licence holder of retail sales premises be consumed in a licensed area (sections 3 and

36 of the Alcohol Act). A licence holder, a member of the licence holder's staff, and the organiser of an event have the right to remove an alcoholic beverage and its vessel from a person who breaches this prohibition, and to dispose of the beverage in a verifiable way (section 86 of the Alcohol Act). A steward's right to remove an alcoholic beverage from a person who breaches the prohibition is provided for in section 47 of the Private Security Services Act.

A licensed area must be delimited or clearly marked, unless the boundaries of the area are not otherwise directly identifiable. A served alcoholic beverage cannot be consumed or carried outside the licensed area (section 36 of the Alcohol Act). When the boundaries of a licensed area are not otherwise directly observable, the delimitation and marking of the licensed area significantly limits alcoholic beverages from being carried outside the licensed area. A licence holder or their representative may remove from the possession of a person who has breached the prohibition a vessel that has been carried outside the licensed area and dispose of the alcoholic beverage it contains (section 39 of the Alcohol Act).

In some cases, the licensed areas of licensed premises may be separate from each other. An example of a such a situation is the separation of a restaurant and its outdoor serving area by a pavement or footway which is not part of the licensed area. When approving a licensed area, the Regional State Administrative Agency may permit customers to carry alcoholic beverages from one licensed area to another within the same licensed premises, in a manner approved of in the licence holder's self-monitoring plan (section 36 of the Alcohol Act). The licence holder's self-monitoring plan must describe the procedures of the licensed premises for carrying beverages from one licensed area to another, and the related direction and monitoring of customers.

If the holder of a serving licence or a person working on the licensed premises delivers an alcoholic beverage being served for takeaway without a licence for the retail sale of the beverage in question, they may be sentenced for an alcohol offence (Chapter 50(a) of the Criminal Code of Finland).

Two or more holders of a serving licence may operate within a single licensed area simultaneously, provided that this has been permitted by an authority. However, one of the licence holders must be responsible for the monitoring of the shared licensed area in accordance with the authorisation (section 19 of the Alcohol Act).

The self-monitoring plan of the licensed premises must describe the licensed premises' procedures for monitoring compliance with the aforementioned prohibitions and obligations (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The Regional State Administrative Agency may impose terms and restrictions related to the licensed area and the number of customer seats, as well as the prevention of noise pollution, attributable to the location of the venue, the special characteristics of the activities or other special circumstances associated with the activities, provided that the terms and restrictions are necessary for ensuring monitoring at the licensed premises and its surroundings, preventing disturbances of peace and noise pollution, or for ensuring general order and safety (section 22 of the Alcohol Act).

## **1.8 Payment of alcoholic beverages**

Alcoholic beverages do not need to be paid for at the same time as they are delivered. The licence holder's staff must nevertheless always ensure that any bans on serving are followed (section 39 of the Alcohol Act) before beverages are delivered to a customer, even if the beverages have been paid for in advance.

Various prepayment arrangements implemented via the internet, which also allow the payment of alcoholic beverages if some preconditions are met, have become more common in restaurants. While an external service provider may be used for the transmission of payment, for example, or the provision of an electronic payment system, the sale of alcoholic beverages must take place between the buyer and the holder of the serving licence. It must be clearly apparent to the customer who the holder of the serving licence from whom the alcoholic beverages are bought is and to whom payment for the beverages is made. The provisions governing the marketing of alcoholic beverages must also be accounted for in the implementation of any websites or mobile applications.

The self-monitoring plans of licensed premises must indicate the maximum amount of credit permitted by the licensing authority and the monitoring practices and procedures involving credit sale if alcoholic beverages are sold to consumers on credit in any other manner than by a credit institution's card payment or payment application in common use or in connection to a programme service or accommodation room (section 4 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

## 1.9 Portions of alcohol in serving

Alcoholic beverages may be sold for consumption in connection to serving only in opened packages or portioned into a glass or other vessel (section 41 of the Alcohol Act). Unopened packages may be used in serving that takes place in an accommodation room to a traveller as referred to in the Act on Accommodation and Food Service Activities or to a closed party in the licence holder's conference facility or an equivalent space, provided that the amount of alcoholic beverages made available is limited in accordance with the number of customers and the requirements pertaining to the monitoring of the serving (section 45 of the Alcohol Act).

If an alcoholic beverage is sold in portions in the context of serving, it must be made available to customers in basic portions as follows:

- The basic portion of an alcoholic beverage with more 22% of alcohol is 4 centilitres;
- the basic portion of an alcoholic beverage with more 15% but no more than 22% of alcohol is 8 centilitres;
- the basic portion of an alcoholic beverage with more 8% but no more than 15% of alcohol is 12 centilitres;
- the basic portion of an alcoholic beverage with no more than 8% of alcohol is 33 centilitres (section 41 of the Alcohol Act).

Alcohol legislation does not limit the maximum amount of alcoholic beverages to be served at any one time. However, the self-monitoring plan of licensed premises must indicate the maximum portions of serving defined by the licensing authority that may be sold to a single customer at a time, if the permitted portion is greater than one of the four basic portions mentioned above (section 4 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The Regional State Administrative Agency may impose terms and restrictions related to the sizes of the portions served, provided that such terms and restrictions are necessary (section 22 of the Alcohol Act).

Instructions on the measuring devices to be used in measuring alcoholic beverages can be found on the website of the Finnish Safety and Chemicals Agency (Tukes).

## **1.10 Prohibition of activities contrary to good practice**

Activities that involve the serving of alcoholic beverages may not be conducted contrary to good practices. An activity is considered contrary to good practice if it is clearly in conflict with commonly accepted societal values and especially if it expresses tolerance or disregard toward the endangering of health while under the influence of alcohol, narcotics, pharmaceutical products or chemicals (section 4 of the Alcohol Act).

According to the Government Bill given on the Alcohol Act, organising drinking contests, for example, could be considered as endangering customers' health if the contest involves the consumption of a high number of alcoholic beverages very rapidly. In the context of the serving of alcoholic beverages, according to the same grounds, it may be contrary to good practice to sell or allow alcohol to be used by unconventional means, such as by rubbing it on mucous membranes or by inhalation.

According to the Government Bill, the package pricing of dining and the alcoholic beverages included therein is not necessarily contrary to good practice but depending on the marketing and nature of the serving, the serving of alcoholic beverages according to the principle of "drink as much as you want" for a specific price may be prohibited as contrary to good practice. Correspondingly, in some situations the serving of alcoholic beverages on credit to weak consumer groups could be, on the basis of an overall assessment, considered as contrary to good practice.

## **1.11 Retail sales of alcoholic beverages in connection to serving**

The "retail sales of alcoholic beverages" refers to the sale of alcoholic beverages for consumption elsewhere than on premises controlled by the seller or under monitoring organised by the seller (section 3 of the Alcohol Act). The retail sale of alcoholic beverages may only be carried out by delivering them to customers on premises approved for retail sales (section 35 of the Alcohol Act).

Alcoholic beverages with no more than 5.5% of alcohol that are being served on licensed premises may be sold to customers for takeaway purposes in accordance with the normal rules governing the retail sale of alcoholic beverages, provided that a retail trade licence for the sale of alcoholic beverages with no more than 5.5% of alcohol has been applied for and issued to the licensed premises (section 17 of the Alcohol Act).

The alcoholic beverages may only be sold for retail purposes in packages that are already filled and sealed (section 41 of the Alcohol Act). The keggling or bottling of alcoholic beverages requires a licence to produce alcoholic beverages and may not take place anywhere else other than in approved production premises (sections 3 and 14 of the Alcohol Act).

Without a production licence, the mixing and packaging of alcoholic beverages for the purpose of retail sales at licensed premises is possible only if the raw materials used are alcoholic beverages containing no more than 2.8 per cent of alcohol by volume. If the product contains more than 1.2 per cent of alcohol by volume, it can be sold in filled and sealed packages, such as sealed bottles, cans or in an equivalent manner. The package must be fit for food use, and it must be sealed in such a way that the product does not spill out of it even if the package is turned over and around. The beverages must be mixed and packaged in the food premises indicated to the food authority. When preparing or otherwise handling food, the operator becomes liable for the product's safety, content and composition, as well as its labelling, pursuant to the Food Act.

Alcoholic beverages pursuant to a retail trade licence which contain more than 2.8% of alcohol may be sold for a retail purpose only between 9:00 a.m. and 9:00 p.m. Any alcoholic beverages sold in the context of retail sales must be delivered to the customer within the sales hours (sections 17 and 42 of the Alcohol Act).

The licensed premises' procedure for storing alcoholic beverages sold to a customer for a retail purpose in a cloakroom, for example, if the customer stays at the licensed premises after having brought alcoholic beverages for takeaway purposes, can be specified in the premises' self-monitoring plan.

The self-monitoring plan of licensed premises with a retail trade licence must also include the details required of a self-monitoring plan applicable to the retail sales of alcoholic beverages (section 5 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act). These include details on procedures related to compliance with the sales hours as well as the till and sales arrangements.

The Regional State Administrative Agency may impose licence conditions pertaining to the till and sales arrangements or limit the sales hours and amounts sold to customers in the context of retail trade of the licensed premises, should this be necessary (sections 17 and 22 of the Alcohol Act).

Retail sales on licensed premises are also subject to other provisions applicable to the retail sales of alcoholic beverages, reviewed in more detail in Valvira's guidelines on the retail sales of alcoholic beverages (Alkoholijuomien vähittäismyynti).

## **1.12 Kitchen alcohol and alcoholic products**

A restaurant may apply for a licence to use kitchen alcohol in the preparation of food. Kitchen alcohol purchased with a licence to use kitchen alcohol is intended solely for the preparation of food, and it is exempt from alcohol tax. Tax-exempt kitchen alcohol may not be used in the preparation of beverages and cocktails. (Section 15 of the Alcohol Act.)

Alcoholic beverages purchased for serving may also be transferred to the kitchen against a receipt and used in food preparation. Served beverages may be handled as a raw material in food preparation, in which case their use will be included in the price of the food, or they are served as part of a meal and charged in accordance with the price list for alcohol. As is the case with kitchen alcohol, records must be kept of any alcoholic beverages purchased for serving and used in food preparation, and the licence holder's bookkeeping must allow the amount and quality of the alcohol used to be verified later.

Solid alcoholic products containing no more than 2.8 per cent of ethyl alcohol by weight—such as chocolates or ice cream—may be sold without a licence pursuant to the alcohol legislation. The retail sales, serving and marketing of products stronger than this are subject to the alcoholic beverage provisions of the Alcohol Act, such as age limits. The retail sales and serving of alcoholic products containing more than 2.8 per cent of ethyl alcohol by weight requires a licence. Alcoholic products containing more than 5.5 per cent of ethyl alcohol by weight may be sold only at Alko and for consumption in the licensed area of a restaurant with licensed premises. In the application of the Alcohol Act, a product's alcoholic strength as alcohol by volume is its alcoholic strength by weight (section 55 of the Alcohol Act).

## **1.13 Procurement of alcoholic beverages**

Only alcoholic beverages delivered to licensed premises legally may be sold and consumed there. Alcoholic beverages purchased for serving must always be purchased serving licence-specifically and cannot be transferred between licensed premises in any case other than the discontinuance of activities. Legally, alcoholic beverages are purchased from a licensed producer,

wholesaler or retail seller of alcoholic beverages (sections 30 and 46 of the Alcohol Act). A licence holder may also import alcoholic beverages for serving, provided that they have filed a notification on the importation to Valvira (sections 29 and 32 of the Alcohol Act).

If any alcoholic beverages other than those delivered to licensed premises legally are sold there or in connection to the premises, the licence holder or a person working at the licensed premises can be sentenced for an alcohol offence (Chapter 50(a) of the Criminal Code of Finland).

The serving and consumption of a customer's own alcoholic beverages on licensed premises is always prohibited. For example, the consumption of champagne brought by a customer themselves as a toast at a private function held at a restaurant, such as a wedding, is not permitted. Instead, only alcoholic beverages procured legally may be consumed at such an event.

#### **1.14 Alcohol records and alcohol storage**

Licence holders must enter sales by accounts in such a way that the details of the semi-annual report to be delivered to the Regional State Administrative Agency may be extracted from them. In addition, the records should include details on the wastage and other use of alcoholic beverages.

In a possible inspection carried out by the authorities, the licence holder must be able to show that the alcoholic beverages at their licensed premises and storeroom for alcoholic beverages have been procured legally.

The storage and storerooms of alcoholic beverages must be described in the self-monitoring plan (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act). The storerooms must be suitable for their purpose of use. Food legislation, for example, contains obligations and requirements applicable to storerooms, and they must fall under the scope of food supervision.

Customers' own alcoholic beverages left for storage must be kept clearly separate from the beverages to be served and the storeroom for alcoholic beverages, such as in the cloakroom or another equivalent space.

## 1.15 Semi-annual report on serving

Licence holders are obligated to provide the licensing authority, on a regular basis, with the reports and details on their sales and other activities which are necessary for the supervision and risk assessment of the activities (section 62 of the Alcohol Act).

The holder of a serving licence must twice a year report to a Regional State Administrative Agency their serving sales of alcoholic beverages (EUR) and the number of their staff, as well as the quantity (litres) and value (EUR) of their retail sales of alcoholic beverages, if alcoholic beverages in serving are sold for retail purposes on the licensed premises. In this context, the holder of a serving licence must also report the quantity (litres) and value (EUR) of the alcoholic beverages procured for serving from the holder of a retail trade licence (section 9 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

If no sales have been made during a reporting period, the licence holder must report this by the prescribed date.

The licence holder must submit the details of a semi-annual report to the Regional State Administrative Agency at the end of each reporting period. The details of the first six months of a calendar year must be filed by 31 July and the details of the second six months by 31 January.

The semi-annual report can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu) or by using an application programming interface solution. Obtaining the statutory details is important for the entire industry, because this allows the monitoring of the industry's development and prevents the underground economy and financial crime. Neglecting the semi-annual report on serving may lead to the imposition of a fine (section 71 of the Alcohol Act).

## **2 Marketing of alcoholic beverages in restaurants**

This chapter deals with the most common marketing rules related to serving. Further details on the marketing of alcoholic beverages are available in Valvira's guidelines on the marketing of alcohol.

### **2.1 Marketing of strong alcoholic beverages**

The advertising of strong alcoholic beverages is primarily prohibited (section 50 of the Alcohol Act). It is permitted in the indoor spaces of licensed premises, in which case it must be appropriate. Advertisements may also be located elsewhere than within a licensed area, such as in the hallways of licensed premises or in spaces from where they are not clearly visible outside the restaurant. Advertising that takes place on websites maintained by a licence holder or on social media is not advertising that takes place on licensed premises.

Strong alcoholic beverages may not be marketed

- in products intended to be taken away by customers (postcards, flyers, recipe leaflets, matchboxes sold to customers, etc.)
- by offering tasters of strong alcoholic beverages.

Advertising outside the restaurant premises or by placing the bottles of strong alcoholic beverages in a restaurant's windows is prohibited. In a licensed area situated outdoors, the advertising may not be clearly visible from outside the area. Therefore large advertisements or price signs of strong alcoholic beverages, parasols or sunshades furnished with the logos of strong alcoholic beverages and the like are prohibited.

The advertising of drinks or cocktails made from strong alcoholic beverages means the promotion of strong alcoholic beverages, which is prohibited outside a restaurant. Strong alcoholic beverages may not be advertised in newspaper or magazine ads, TV commercials, the compositions of display windows, on window tapes, entrance doors, outdoor signs, on a restaurant's website or on social media.

The sale of bottles of mixed mild alcoholic beverages does not constitute the serving of strong alcoholic beverages, even if they would contain a strong

alcoholic beverage. However, such beverages may only be advertised if their name does not include the name of a strong alcoholic beverage.

Notwithstanding the ban on advertising strong alcoholic beverages, licensed premises may publish the price list of their serving in printed format or online in such a way that everything available for sale on the premises is presented to consumers in an appropriate and consistent manner. Particular individual beverages may not be highlighted or emphasised with fonts, colours or by layout means, for example.

## **2.2 Marketing of mild alcoholic beverages**

### **2.2.1 Pricing and price advertising of alcoholic beverages**

In serving activities, short-term special price advertisements concerning mild alcoholic beverages are also permitted outside an establishment. However, any special prices on strong alcoholic beverages may not be published on social media or in a restaurant's window or a newspaper, for example.

Drinks made entirely out of alcoholic beverages with no more than 22% of alcohol may be marketed. In the interest of clarity, it should be mentioned that a drink is a mild alcoholic drink, unless this is otherwise apparent based on the name of the drink.

The Alcohol Act does not specify any upper or lower limits for the prices of alcoholic beverages.

Two or more packages or portions of alcohol may not be offered at a quantity discount price, i.e. a joint price, in such a way that the unit price of the same commodities is more expensive when bought separately (section 51 of the Alcohol Act).

According to the Act's preamble, the prohibition on quantity discounts also applies to any "two-for-the-price-of-one" offers in which alcoholic beverages are offered at a lower price when ordered simultaneously to two persons than when ordered individually. However, the provision does not prevent a restaurant from selling alcohol to a private function at a price lower than the list price, as long as the lower pricing does not require the purchase of a specific quantity of alcohol.

Nor does the provision apply to a situation in which the same alcoholic beverage is sold in different packages, like 0.33-litre and one-litre bottles. The

price per litre of an alcoholic beverage in a bigger package may be cheaper than its price per litre in a smaller package. This applies to the pricing of, among others, beer as well as red and white wines, when they are being served by glass or by bottle.

Advertisements concerning beverage portions must indicate the size of the portion and the quantity of the alcoholic beverage the cocktail contains. The advertisement must indicate how much a “pint” of beer, or a “glass” of red wine is in centilitres, for example. It is advisable to always indicate the price of a single portion. Licensed premises must make the prices of all beverages sold on the premises available, at least on request.

A restaurant may price an alcoholic beverage to be cheaper than normal when the case involves a limited group of customers, such as individuals registered as loyal customers. Special loyal-customer prices or staff discounts are therefore permitted.

## **2.3 Inappropriate promotion**

The marketing of alcoholic beverages is prohibited if it is considered contrary to good practice or inappropriate or misleading from the perspective of consumers (section 4 and section 50, subsection 2, paragraph 7 of the Alcohol Act).

Alcohol advertising which solicits customers with the help of a free alcoholic beverage or makes offers according to which the more one drinks, the less they must pay for alcoholic drinks, has been considered contrary to good practice in the authorities' supervisory practices. Advertising is misleading when consumers are given an untruthful idea of a product's qualities, size or price, for example.

Examples of prohibited promotions contrary to good practice:

- “First drink for free”, “Free-drinks prize draw”;
- restaurant “packages” which include a right to consume an unlimited amount of alcoholic beverages, e.g. “Free drinks with a VIP ticket”, “Two drinks for the price of one”;
- loyalty cards, beer passports and other receipts of the kind in which people collect stamps, such as “Every tenth beer for free”, “One drink in five for half the price”;

- coupons along the lines of “This coupon entitles you to a free beer or cider” distributed to consumers.

## **2.4 Games and prize draws related to alcoholic beverages**

Games, prize draws, and contests may be held on licensed premises only if they do not directly or indirectly relate to specific, identifiable alcoholic beverages and if their prizes do not consist of alcoholic beverages.

Any promotion of alcohol which involves consumers entering a game, prize draw or contest is prohibited (section 50, subsection 2, paragraph 10 of the Alcohol Act). Licence holders may not organise games, prize draws or contests in which the prize is an alcoholic beverage. Games, prize draws, and contests related to specific alcoholic beverages are likewise prohibited, even if the prizes involved were not alcoholic beverages. The implementation method makes no difference—the prohibition concerns games, contests and prize draws which, in one way or another, relate to identifiable alcoholic beverages and brands, whether they are held online or on licensed premises.

The prohibition on indirect marketing prevents the use of non-alcoholic beverages which belong to a product family which also includes alcoholic beverages as prizes.

## **2.5 Exploiting content produced by consumers and offering it to consumers for sharing purposes in online services**

The marketing of an alcoholic beverage is prohibited if it makes use of verbal or visual content produced by consumers or if it makes content produced by the advertiser or consumers available to consumers (section 50, subsection 2, paragraph 11 of the Alcohol Act). It is particularly prohibited to use consumers’ own drinking photos or videos in advertising and to share them via a restaurant’s own website or social networking sites, and to produce commercial films that are meant to be shared by consumers.

Valvira’s guidelines on the provision read as follows:

An advertiser may not urge or encourage consumers to share content considered as advertising produced by the advertiser or consumers. Many services also provide a “like” function. A consumer expressing that they like the content produced by an advertiser without producing any actual content

themselves is not prohibited. In other words, an advertiser does not need to delete or prevent “likes”.

The following is permitted:

- the advertising of mild alcoholic beverages on traditional web pages;
- the advertising of mild alcoholic beverages on a social media service, provided that the limitations pertaining to the use of the share function are accounted for and that consumers’ possibility to write on the page has been blocked or the advertiser deletes any consumer comments that can be considered alcohol advertising;
- making use of content produced by consumers and the sharing option in the advertising of products other than alcoholic beverages. If the principal message of the content is not related to alcoholic beverages, it need not be removed.

The following is prohibited:

- an encouragement to share alcohol advertising in the context of material;
- links to social media services and making use of the share function in the context of alcohol advertising on a traditional website controlled by the advertiser (i.e. “social media buttons”).

## **2.6 Combined offers and programme packages**

Established practice has considered an offer in which a meal and a portion of a mild alcoholic beverage are sold for a combined price permissible, provided that the following conditions are met:

- Consumers are also free to choose a non-alcoholic beverage.
- The beverage may not be advertised as free or as a gratuity to the buyer—the beverage is not “free of charge”, because the customer pays a combined price for it.
- an alcoholic beverage may not be the principal message of the advertisement.

Authorities have tended to consider the following permissible:

- Including one portion of a mild alcoholic beverage to be offered during the same visit in the price of an admission ticket. In the same context, consumers must be informed that they are also free to choose a non-alcoholic beverage. A beverage may not be advertised as “free of charge”, given that the customer pays for it in the price of the admission ticket.
- Including, in the price of a programme ticket sold by a restaurant for an organised entertainment event held on licensed premises, one mild alcoholic beverage as a welcoming drink and a limited, reasonable amount of mild alcoholic beverages as drinks to be consumed with a meal. A non-alcoholic option must also be made available. Principally, the price of a ticket for an organised entertainment event may not include strong alcoholic beverages, because the ticket would be practically impossible to sell without the activity constituting the prohibited marketing of strong alcoholic beverages.

When marketing a restaurant’s packages which may include food, an alcoholic beverage, and entertainment, for example, it must be noted that no one other than the licence holder may sell the packages in question. There may be no other party between the restaurant and consumer which buys the package including alcohol from the restaurant and then sells it on to a consumer, because supplying alcoholic beverages against payment is a punishable offence according to the Criminal Code of Finland.

## **2.7 Events for loyal customers**

Licence holders may occasionally hold closed events of a limited time for their loyal customers in which they may serve a reasonable amount of alcoholic beverages to the loyal customers free of charge. The beverages served may also include strong alcoholic beverages, but due to the marketing prohibition, they cannot be otherwise marketed or mentioned in the invitation to the event, for example.

A loyal customer is required to have an existing customer relationship. The invitation to the loyal-customer event must be sent in advance and it must be personal. A person who enters the restaurant and only then registers as a loyal customer of the restaurant to make use of the free serving is not considered a loyal customer.

Invitations for closed loyal-customer events must define the hours of the event. During the hours in question, the restaurant or section of the restaurant in question must be closed to other members of the public. Once the event has ended, the restaurant may continue its operations normally, as a restaurant also open to other members of the public.

## **2.8 Product demonstrations**

Alcoholic beverages may be demonstrated in the licensed area of a trade fair, for example. In an event open to the public, the alcoholic beverages being demonstrated may not be served free of charge or for a price considered nominal. The consumption of beverages related to the demonstration of alcoholic beverages must be carried out in accordance with the provisions of the Alcohol Act.

The holders of licences for the production and wholesale of alcoholic beverages functioning as the exhibitors must agree on the delivery of the alcoholic beverages for serving and on other practical arrangements related to the demonstration with the holder of a serving licence. Only alcoholic beverages delivered to licensed premises legally may be served and consumed there.

## **2.9 Advertising alcoholic beverages in a public place**

In principle, alcoholic beverages may not be advertised in public places (section 50, subsection 2, paragraph 9 of the Alcohol Act).

As an exception to this, a restaurant may indicate on its window or outside its premises, in an appropriate manner, the availability and prices of the mild alcoholic beverages it serves. Outside sales premises, a product may not be drawn attention to with a particularly large advertisement, for example, or in a manner that otherwise attracts attention. Nor may the description of the product be clearly promotional; any extensive description of the product's quality, taste or other characteristics is not permitted.

The advertisement must be placed in the immediate vicinity of the sales premises. Only for a justified reason, such as location or the difficulty of finding the premises, may an advertisement be placed elsewhere than within sight of the sales premises.

Customers must be able to understand the operational connection between an alcohol advertisement and its sales premises. The general neon sign of a

shopping centre located outside the centre, for example, is not considered a licence holder's advertising.

In outdoor licensed areas, advertising in terms of brand parasols and other furniture may not attract so much attention and be directed outside the licensed area to such an extent as to be considered evasive of the advertising ban concerning public places.

The availability and prices of mild alcoholic beverages may be advertised as follows:

- in letters or symbols in the window of licensed premises;
- on an advertising display stand in the immediate vicinity of the licensed premises;
- on the awnings and sun blinds of licensed premises;
- on the brand or advertising parasols of an outdoor licensed area.

## **2.10 Prohibition on rebates on the price of alcoholic beverages**

The offering and payment of rebates on the price of alcoholic beverages, calculated on the basis of purchases of alcoholic beverages or other consumer goods and services, is prohibited in both retail sales and serving (section 51 of the Alcohol Act). Alcohol sales may not be promoted in the context of a restaurant's loyalty cards or bonus programmes in such a way that, as a result of the rebate, the purchasing of alcohol would become cheaper the more alcoholic beverages or other consumer goods are bought.

The provision prohibits rebate arrangements of every kind. "Rebate" is a generic term which covers both bonuses and benefits offered in some other form, such as payment method benefits. Therefore, the offering and payment of a bonus, payment method benefit and other potential rebate on purchases in the form of a rebate on the price of an alcoholic beverage or a rebate accumulating from the purchases of alcoholic beverages is prohibited.

Loyal customer prices and discounts, as well as staff discounts, are possible also in terms of alcoholic beverages.

## **3 Supervision and sanctions**

The holder of a serving licence holds the primary responsibility for monitoring compliance with the Alcohol Act in serving activities. In practice, a licence holder's planned self-monitoring means the preparation, maintenance and implementation of a written self-monitoring plan in cooperation with the licence holder's staff (section 56 of the Alcohol Act).

Nevertheless, planned self-monitoring does not negate the need for monitoring carried out by supervisory authorities. The key principle of the monitoring carried out by authorities is the steering and development of licence holders' activities to prevent violations of the Alcohol Act. Defectively planned self-monitoring and previous omissions related to a self-monitoring plan also constitute grounds for the targeting of the monitoring carried out by the authorities.

### **3.1 Planned self-monitoring**

The holder of a serving licence must have sufficient and accurate details of their activities and the related statutory obligations, as well as the risks associated with their practical implementation (section 56 of the Alcohol Act).

A party or person applying for a serving licence and a licence holder must draw up a written self-monitoring plan to ensure the legality of their activities, comply with it, and keep records of its implementation. The plan must also be kept up to date (sections 18 and 56 of the Alcohol Act).

The self-monitoring plan and the licence for the premises as referred to in the Alcohol Act must be kept available to the staff implementing the plan and the supervisory authorities (section 1 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act). A licence holder must ensure that their staff knows the content of the alcohol licences and that the staff know their obligations provided in the Alcohol Act and stated in the self-monitoring plan (section 57 of the Alcohol Act).

The self-monitoring plan must include a description of the licensed premises' business idea and, when necessary, of the focus and risks of the monitoring related to it and to the licensed premises' location. The plan must also include a description of the licensed premises' storage of and storerooms for alcoholic beverages (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The self-monitoring plan must describe the tasks of the responsible manager or other person appointed to the task as well as the number and duties of the staff and the procedures by which the licensed premises aim to comply with the Alcohol Act's prohibitions and obligations to prevent serving to intoxicated individuals or minors and to maintain order (section 3 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

When necessary, the self-monitoring plan must furthermore include a description of the practices concerning sales on credit, the maximum amount of the portions to be served at any one time and the maintenance of order during extended serving hours (section 4 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The self-monitoring plan must also describe the risks for the emergence of detrimental effects related to the serving of alcohol, how compliance with the law is monitored, how the risk management of critical situations is implemented, and how any deficiencies detected are remedied (sections 1 and 56 of the Alcohol Act).

The self-monitoring plan must include a plan on any measures to be carried out due to critical situations and observations made by the authorities as well as on the annual assessment of the self-monitoring plan's execution and on keeping it up to date. If a self-monitoring plan is changed, the date of the change must be available for checking later (section 1 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

The self-monitoring plan must include an account of how the licence holder and the person responsible for executing the self-monitoring plan follow compliance with the self-monitoring plan and any orders given to the staff, and an account on how the staff's competence pursuant to the Alcohol Act is ensured, and how the record keeping concerning training and competence has been arranged (section 1 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

When necessary, the self-monitoring plan may be combined with a self-monitoring plan pursuant to the Food Act (297/2021) and Tobacco Act (549/2016). It may also be drawn up electronically (section 56 of the Alcohol Act).

Valvira and the Regional State Administrative Agencies have drawn up a template form for self-monitoring plans. By carefully filling in and updating this form, licence holders can meet the requirements set for a self-monitoring plan.

The template for the self-monitoring plan on serving can be found on the websites of the Regional State Administrative Agencies and under serving licence applications in the e-services of the alcohol trade register Allu.

### **3.2 Supervision by the authorities**

Regional State Administrative Agencies supervise the retail sales and serving, as well as the marketing, of alcoholic beverages in their respective regions. Valvira's duties include the steering of the Regional State Administrative Agencies' alcohol licensing administration and supervision; coordination and development; the production of the alcohol administration's information, statistical and communication services; and the supervision of the retail sales, serving and marketing of alcoholic beverages throughout the country. Valvira's steering aims to ensure the consistent application of the law throughout the country (section 60 of the Alcohol Act).

The Alcohol Act requires extensive executive assistance and stakeholder cooperation for the realisation and enforcement of the licensing administration, steering and supervision.

To prevent the detrimental effects of alcohol and combat the underground economy and financial crime, cooperation has been intensified with the tax, distraint, customs, police, labour protection, and health protection as well as food safety authorities.

The Regional State Administrative Agencies and Valvira can audit licence holders' facilities, activities and documents, as well as the transport of alcohol-containing substances. Representatives of the supervisory authorities must be provided with unimpeded access to monitored premises and documents, and they have the right to save the information required in monitoring activities and to obtain the samples required for monitoring free of charge (section 62 of the Alcohol Act).

The authorities monitor licensed premises regularly and often in the form of cooperation between the authorities. Supervisory visits are conducted both as scheduled and without advance warning. Remote inspections which aim to

support licence holders in the planning and implementation of self-monitoring, among other things, can also be conducted according to an agreed schedule.

During supervisory visits, the alcohol inspector aims to operate in a manner that does not cause unnecessary disturbance to customers and normal restaurant work. Inspectors introduce themselves to a licence holder's representative by showing them their civil service card. The licence holder's representative and staff must work in good cooperation with the inspector. To avoid potentially unpleasant situations, it is not appropriate to inform customers that there is an inspector on premises, for example.

The inspector discusses any factors they have observed at the licensed premises with the licence holder's representative, reviewing any possible breaches and shortcomings as well as development targets and instructions. An inspection record is always drawn up of a supervisory visit. A copy of the record is given to the licence holder or their representative or delivered to them electronically.

The police may prohibit the sale of alcoholic beverages for no longer than until the end of ongoing service hours if the staff of licensed premises is unable to maintain order at the licensed premises; the building, safety or serving provisions concerning the number of customer seats have been materially breached; or if ensuring general order and safety in the area so requires. The Regional State Administrative Agency must be informed of the prohibition (section 67 of the Alcohol Act).

The police have at their disposal an electronic inspection notification with which any violations and shortcomings detected on licensed premises may immediately be brought to the attention of a Regional State Administrative Agency for any further measures in accordance with the Alcohol Act. The police may impose a fine on a person working at a licensed premises—such as a waiter—if the person is found to have violated the serving provisions.

### **3.3 Sanctions for breaching serving provisions**

The starting point for the supervision carried out by the authorities is to guide and advise, but in cases involving clear violations, the activities are intervened in in the form of sanctions pursuant to the Alcohol Act. Recurring minor deficiencies and violations also constitute grounds for issuing a warning or imposing a penalty. In serious cases, a licence may be revoked for a fixed period of time or permanently. If a licence holder cannot achieve a satisfactory

level of compliance with the Alcohol Act, with the help of self-monitoring and despite requests to do so, the licence may also become subject to orders or restrictions (section 22 of the Alcohol Act).

The Regional State Administrative Agency or Valvira may prohibit a licence holder from continuing the business activity referred to in the Alcohol Act to the extent that the activity is materially contrary to good practice and has not been remedied or ceased within the set, reasonable period of time, despite the supervisory authority's request to this effect (sections 4 and 68 of the Alcohol Act). The prohibition can be made more effective with a periodic penalty payment (section 70 of the Alcohol Act).

The Regional State Administrative Agency may order a licence holder to pay a penalty of at least EUR 300 or at most EUR 1,000 if the licence holder's serving has violated the provisions applicable to serving, or the terms and restrictions of an issued licence or approval or failed to comply with the provided obligations. A penalty may also be imposed if disturbances of peace attributable to the deficiency of the self-monitoring plan and non-compliance with it, have occurred on licensed premises or their immediate vicinity (section 71 of the Alcohol Act).

The assessment concerning the amount of the penalty must account for the quality, harmfulness and recurrence of the action. A penalty will not be imposed if the action is considered minor or if imposing the penalty is unreasonable considering the quality, recurrence and deliberateness of the action, compliance with the self-monitoring plan and other circumstances. In such cases, the licence holder may be issued a warning, if there is cause for it (section 71 of the Alcohol Act).

The Regional State Administrative Agency may revoke the licence or approval for a fixed period of time or permanently if the operator, following the issuance of a warning or the imposing of a penalty, continues to breach or neglect their aforementioned obligation and the action must be considered material. The decision on the length of the fixed period accounts particularly for the severity of the activity constituting the grounds for the revocation and the circumstances in which it occurred. A licence or approval can be revoked permanently only in the event that the action is wilfully continued after a penalty has been imposed or the licence has been temporarily revoked and the action is aggravated also when assessed as a whole (section 72 of the Alcohol Act).

Even if a warning has not been issued or a penalty has not been imposed, a licence or approval may be revoked for a fixed period of time if the licence

holder violates their obligations provided in the Alcohol Act in a manner that shows a blatant disregard for the obligations related to self-monitoring. A licence may be revoked permanently without a preceding warning or penalty if the operator violates the Alcohol Act with an act or omission that causes a serious threat to human health and the action has been aggravated when considered as a whole (section 72 of the Alcohol Act).

A licence or approval must be revoked if a licence holder so requests or if the conditions for the licence or approval are not valid due to inaccurate information given in the application or a change in circumstances, and the situation has not been remedied within the prescribed period of time (section 72 of the Alcohol Act).

### **3.4 Sanctions for breaching marketing provisions**

The supervision of the marketing of alcoholic beverages is primarily the duty of each Regional State Administrative Agency within its respective territory. The agencies' territorial divisions and contact details can be found on their websites. Valvira supervises the marketing of alcoholic beverages throughout the country, i.e. marketing that takes place in the territory of more than one Regional State Administrative Agency or that is implemented nationally.

The sanctions for marketing violations are provided for in section 68–70 of the Alcohol Act. The sanctions may be imposed on both the party ordering and the party executing the marketing and a person who works for them.

When detecting shortcomings or activity contrary to the provisions of the Alcohol Act or regulations, Valvira or a Regional State Administrative Agency may provide informal guidance for remedying the activity.

If the guidance is insufficient for ending the unlawful activity, Valvira or the Regional State Administrative Agency may prohibit the party which has ordered the marketing activity or the party executing it, and a person working for them, from continuing or repeating the activity contrary to the provisions. The prohibition can be made more effective with a periodic penalty payment.

## 4 Applying for a serving licence

A serving licence can be issued to a natural person or a legal person (section 12 of the Alcohol Act). A serving licence is issued as valid until further notice or temporary (section 9 of the Alcohol Act).

A serving licence is specific to a particular trader and premises (sections 10 and 18 of the Alcohol Act).

The licence for serving alcoholic beverages is issued on the basis of an application by the Regional State Administrative Agency in whose territory the applicant's establishment is located. If the serving does not take place in the region of a particular Regional State Administrative Agency, the licence is issued by the Regional State Administrative Agency of the applicant's domicile or, if the applicant does not have a domicile in Finland, by the Regional State Administrative Agency for Southern Finland (section 7 of the Alcohol Act). In the Åland Islands, serving licences are issued by an official of the Åland Islands.

Serving aboard a vessel or aircraft in foreign traffic, or in the area of an airport used for foreign traffic which can be accessed only by passengers with plane tickets is possible by notifying Valvira of the serving activity (sections 47 and 48 of the Alcohol Act).

The application for the serving licence should be filed well in advance of the restaurant's opening or the change in ownership, given that serving without a licence or under a licence issued to the previous owner is against the law. A serving licence is issued only after the applicant and licensed areas have been found to meet the conditions required for the licence.

Serving licence applications and notifications can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The use of the e-services requires a business ID. A person who acts on a company's behalf must have the right to sign for the company or an authorisation to act on the company's behalf issued by a person with a right to sign for the company. Such an authorisation can be issued in the [suomi.fi](http://suomi.fi) service. Applications submitted using the Allu e-services are automatically forwarded to the correct Regional State Administrative Agency for processing. The e-services are not available for serving and retail licences regarding the Åland Islands.

Any documents to be attached to an application are specified on the electronic forms. The forms have been drawn up in such a way that the details to be filled in and the required attachments cover the requirements on the details to be attached to licence applications and notifications specified in the Government Decree on the Enforcement of the Alcohol Act (151/2018).

The Regional State Administrative Agency will request a statement from the Police of Finland or the relevant municipality, if required. When necessary, the immediate neighbourhood of the licensed premises is reserved a chance to be heard on the matter. Statements and reports may also be requested from any other parties deemed necessary (section 21 of the Alcohol Act).

An account on the applicant, activity, its effects and other relevant factors which are necessary for the licence consideration and not already at the Regional State Administrative Agency's disposal must be attached to the application (section 8 of the Alcohol Act).

A trader who has already been issued a serving licence for particular premises may not start serving alcoholic beverages at a new establishment before they have also been issued a serving licence for the new establishment in question. If a trader who has been issued a serving licence assigns the licensed premises to another party who continues to engage in business activities on the premises, the new trader may not serve alcoholic beverages on the licensed premises in question before being issued a serving licence by the Regional State Administrative Agency.

The penal provisions applicable to the unlawful sale and supply of alcohol are provided in Chapter 50(a) of the Criminal Code of Finland. A person who sells, supplies or otherwise delivers an alcoholic beverage to another party contrary to the Alcohol Act may be sentenced to a fine or imprisonment for an alcohol offence. The proceeds of the crime are forfeited to the State as provided in the Criminal Code of Finland.

## **4.1 Requirements pertaining to applicants**

Business activities as referred to in the Alcohol Act involve obligations related to both taxation and the protection of human health. Engaging in business activities in a manner where taxes and other obligations are not even intended to be covered with the low pricing of alcoholic beverages has sometimes been a structural problem associated with serving activities in particular. Activities of

this kind and, on the other hand, business activities in financial difficulties may easily also involve a disregard towards compliance with the Alcohol Act.

Serving licences must be issued to a natural person or legal person referred to in section 1, subsection 1 or 2 of the Act on the Right to Engage in a Trade (122/1919) who meet the conditions related to the applicant and necessary for engaging in the activities as provided in the Alcohol Act (section 12 of the Alcohol Act).

The conditions for issuing a licence to a natural person are as follows:

- 1) the applicant must be an adult, their competence must not have been restricted pursuant to section 18 of the Guardianship Services Act (442/1999) and they have not been appointed a guardian pursuant to section 8, subsection 1 of said Act;
- 2) the applicant must not be bankrupt and they must, in terms of their assets, be capable of taking care of the activities and fulfilling their statutory obligations;
- 3) the applicant must be known to be reliable and must be suitable for the task in terms of their personal characteristics (section 13 of the Alcohol Act).

The conditions for issuing a licence to a legal person are as follows:

- 1) the applicant must not be bankrupt and must, in terms of their assets, be capable of taking care of the activities and fulfilling their statutory obligations;
- 2) the individuals in its governing bodies and its managing director, and in a partnership, its partners, and in a limited partnership, its general partners, must fulfil the aforementioned requirements pertaining to a natural person (section 13 of the Alcohol Act).

The conditions for issuing a licence are not met as referred to above if the applicant's or person's previous actions as a whole indicate the applicant or person to be plainly unsuitable to engage in business activities pursuant to the Alcohol Act.

Previous actions cover the following:

- 1) the applicant or person has to a considerable extent or repeatedly neglected the payment of taxes or other public charges, or the person has exercised control as a legal person which has in a corresponding manner neglected the payment of taxes or other public charges;
- 2) based on a distraint or other account, the applicant or person is otherwise than temporarily unable to answer for their debts;
- 3) a licence pursuant to the Alcohol Act has been permanently revoked from the applicant or person during the last five years, or the person has exercised control in a legal person from which a licence pursuant to the said Act has been permanently revoked over the same period of time;
- 4) the person has been sentenced for a wilful crime related to engagement in a business activity which may result in imprisonment over the last five years;
- 5) based on crimes or minor offences committed in an intoxicated state, or based on apprehensions as referred to in Chapter 2, section 2 of the Police Act (872/2011) made due to intoxication, the person can be considered to abuse intoxicating substances (section 13 of the Alcohol Act).

The conditions for issuing a licence can be assessed according to factual circumstances if it is clearly apparent, based on the application or other circumstances, that the applicant's activities are managed or its governance is taken care of by some person other than the previously mentioned person and the arrangements related to the procedure have been presented contrary to the factual circumstances in an attempt to circumvent the provisions laid down on the conditions for issuing a licence (section 13 of the Alcohol Act).

In accordance with the requirement concerning overall assessment, an application for a licence may not be rejected solely on the basis of a failure to pay taxes in relation to the applicant's previous business activities. Rather, a rejection of the application further requires the activities to prove the applicant to be plainly unsuitable to engage in the activities subject to a licence.

The conditions pertaining to a licence holder must also be met after the licence has been issued and a failure to meet the conditions may result in a permanent revocation of the licence due to altered circumstances (section 72 of the Alcohol Act).

A serving licence cannot be issued to a limited liability company, partnership, general partnership, cooperative society or association during the process of incorporation, because these will not be legally competent until after they have been registered.

## **4.2 Temporary serving licence**

Serving licences are primarily issued as valid until further notice. Serving licences are issued for a fixed term if the applicant has applied for a temporary licence or if the activities are of a temporary nature. For a legitimate reason, the Regional State Administrative Agency may also decide the licence to be issued for no longer than a year for the purpose of monitoring of the applicant or the conditions for the activity subject to a licence or the effects of activities (section 9 of the Alcohol Act).

A licence holder's considerable tax debt which they are paying according to a payment schedule may provide grounds for the issuance of a temporary licence and monitoring, for example. Compliance with the payment schedule may remedy any deficiencies with regard to financial conditions. The issuance of a temporary licence may also be justifiable for the purpose of monitoring the licence holder's reliability. The possible reasons for this include the applicant having been previously found guilty of offences which the Regional State Administrative Agency must take into account in the licence consideration or that there is a legitimate reason to suspect that the licence holder has a substance abuse problem (section 13 of the Alcohol Act).

If serving activities previously engaged in at the same premises have caused disturbances and damage to the environment or to general order and safety, the serving licence may be issued for a fixed term for the purpose of monitoring the effects of the activities.

A temporary licence may be sought for the purpose events such as festivals. Serving at events may also take place with a notification, but this requires a Regional State Administrative Agency to have approved the licensed area on the basis of an application submitted by the area's owner or occupant and the serving operator to have a valid serving licence.

## **4.3 Requirements for licensed premises**

Before starting to serve activities, operators must apply for and be issued with a serving licence for the premises in which they intend to engage in the serving

activities (sections 5 and 18 of the Alcohol Act). The licence is company- and premises-specific. If a restaurant relocates to a new address or a company's business ID changes, the restaurant or company must apply for a new serving licence.

A serving licence for alcoholic beverages applies to the licensed area of the licensed premises, and it is issued to an applicant engaged in food service activities as referred to in the Act on Accommodation and Food Service Activities (308/2006), provided that:

- 1) the licensed area to be approved is of such size and structure that it can be monitored and supervised by the authorities and licence holder; and
- 2) the applicant has drawn up a self-monitoring plan as referred to in section 56 of the Alcohol Act (section 18 of the Alcohol Act).

A "licensed area" refers to an area in which customers may consume alcoholic beverages. "Licensed premises", on the other hand, refer to the entire space formed by a licensed area or areas and other facilities, such as a kitchen, lavatories and storerooms.

Serving licences may also be issued for serving to a traveller that takes place in an accommodation room as referred to in the Act on Accommodation and Food Service Activities or for serving a closed party in the licence holder's conference facility or an equivalent space, such as sauna facilities. Due to their nature, such premises are not subject to the requirement of actual monitoring (section 19 of the Alcohol Act).

If the serving licence is being sought for a mobile vehicle, the application must depict a clear route along which the serving takes place. If serving is also to be carried out when the vehicle is stationary, the locations in question must be specified in the application and licence decision. The vehicle's driver or operator cannot serve as the only person monitoring the serving. Therefore serving licences have not been issued to taxis, for example.

In addition to the licence holder, other business operators serving food, for example, may carry out activities of their own in the licensed premises, and the serving licence may also be issued in connection to other business activities, such as a hair salon.

Provisions related to the approval and use of the facilities of licensed premises can be found particularly in legislation concerning construction, fire and rescue

services, grocery sales and hygiene, as well as hospitality establishments. A real estate company's articles of association may also contain rules related to a premises' purpose of use. Any requirements imposed on the use of various premises based both on other legislation and private law are valid, regardless of the alcohol legislation. Although the alcohol licensing authority does not investigate the aforementioned factors in connection to issuing licences, the activities must also comply with other valid legislation and private law contracts.

Two or more applicants may be issued a licence for the simultaneous serving of alcoholic beverages within a single licensed area, provided that one of the applicants indicates that they will be responsible for the area's monitoring (section 19 of the Alcohol Act). All those intending to serve in the licensed area must apply for the licensed area in question to be included in their serving licence and this must be approved by the licensing authority. However, serving in a shared licensed area of this kind may not be continued after 1:30 a.m. (section 44 of the Alcohol Act). If the licensed area is shared for a limited time only before the aforementioned hour, one of the licence holders may continue serving even after 1:30 a.m. in accordance with the provisions on extended serving hours. A serving licence can also be issued to several operators carrying out activities within a single area at different times, provided that the licensing conditions allow for ensuring the realisation of monitoring (sections 18 and 22 of the Alcohol Act).

When approving a licensed area, the Regional State Administrative Agency may permit customers to carry alcoholic beverages from one licensed area to another within the same licensed premises, in a manner approved of in the licence holder's self-monitoring plan. An example of a such a situation is the separation of a restaurant and its outdoor serving area by a pavement or footway which is not part of the licensed area. The Regional State Administrative Agency's approval for carrying of the customers' alcoholic beverages may also be sought for an already valid serving licence (section 36 of the Alcohol Act). The licence holder's self-monitoring plan must describe the licensed premises' procedures for carrying beverages from one licensed area to another, and the related direction and monitoring of customers.

The general audience facilities of a sport, fitness, music or other comparable event may not be approved as a licensed area. However, the audience facility of an aforementioned event may be approved as a licensed area if it is reserved exclusively for people aged 18 or over (section 18 of the Alcohol Act). The Regional State Administrative Agency may approve a general audience facility or part thereof as a licensed area and limit the validity of the approval with a

licence condition solely to such hours and events during which the licensed area in question is reserved exclusively for those over the age of 18 (section 22 of the Alcohol Act).

In the interest of ensuring proper monitoring, the Regional State Administrative Agency may impose terms and restrictions related to the licensed area on a serving licence and the approval of a licensed area if:

- 1) the serving would take place primarily adjacent to or in the immediate vicinity of premises intended for children and youth, or in premises where the business activities are aimed principally at children and youth;
- 2) the serving would take place at a sport event or an event which is by nature a family event or which otherwise involves the participation of a large number of children and youth (section 22 of the Alcohol Act).

The Regional State Administrative Agency may impose terms and restrictions on the serving licence or the approval of a licensed area due to the location of the venue, the special characteristics of the activities or other special circumstances associated with the activities, provided that the terms and restrictions are necessary for ensuring monitoring at the licensed premises and its surroundings, preventing disturbances of peace and noise pollution, or for ensuring general order and safety (section 22 of the Alcohol Act).

The terms and restrictions referred to above must be dimensioned in such a way that they do not prevent or complicate, to an unreasonable extent, the licence holder's restaurant activities. If terms and conditions are imposed on a licence holder's ongoing activity, they may take effect at earliest 30 days as of the date on which the licence holder was notified of the decision. The Regional State Administrative Agency must, on request by the licence holder, amend the terms and restrictions included in a licence, or remove them immediately, if the nature of the activity or other special circumstances have changed in such a way that the terms and restrictions are no longer necessary (section 22 of the Alcohol Act).

#### **4.4 Extended serving hours**

After 1:30 a.m., serving may be continued in the indoor areas of licensed premises no longer than until 4:00 a.m., based on a written notification filed with the Regional State Administrative Agency (extended hours notification). The notification must be submitted to the Regional State Administrative Agency at least three weeks before the planned extended hours are to be adopted. The

notification must provide details on the duration and times of the extended hours serving and any details necessary for assessing the impact of the serving activities (section 44 of the Alcohol Act).

The Regional State Administrative Agency must forward the extended hours notification to the health protection authority of the municipality for the processing referred to in the Health Protection Act (section 44 of the Alcohol Act).

Serving may be continued outdoors until 4:00 a.m. if the Regional State Administrative Agency has issued a licence for it (extended hours licence). The licence may not be issued for outdoor spaces if the serving may cause health detriments in the residential environment. A licence for extended hours may also be issued for serving that starts no earlier than at 7:00 a.m. in connection with the licence holder's breakfast service (section 44 of the Alcohol Act).

Extended hours notifications and applications can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). Extended hours must be entered in the serving licence application when applying for a serving licence or, if extended hours are applied for already established activities, by submitting a change application for the valid serving licence. Applications and notifications will be automatically forwarded to the correct Regional State Administrative Agency for processing.

Serving may not be continued beyond 1:30 a.m. in a licensed area shared by two or more licence holders (section 44 of the Alcohol Act). Should the operators so agree, an entry can be made in the licence concerning the shared licensed area according to which the licensed area is in the use of only licence holder after 1:30 a.m. In practice, the holders of the other serving licences must conclude serving no later than by 0:30 a.m., in which case the consumption of the beverages they have served ends by 1:30 a.m. In such a case, extended hours for the licensed area can be notified of or applied for.

The Regional State Administrative Agency may set terms and restrictions related to the numbers of staff and customers, the serving hours and the prevention of noise pollution, for example, provided that they are necessary for ensuring monitoring at the licensed premises and its surroundings, preventing disturbances and noise pollution in a residential neighbourhood, or securing public order and safety. The Regional State Administrative Agency may prohibit the extended serving if a health protection authority finds it to cause a health detriment as referred to in the Health Protection Act to the residents of the

immediate neighbourhood, and if the detriment cannot be prevented by the licence holder's measures (sections 22 and 44 of the Alcohol Act).

If extended serving causes a nuisance greater than minor to public order and safety, a municipality has the right to prohibit or restrict extended serving in an area of the municipality subject to the nuisance. The municipality's decision may apply to every day of the week or specified days of the week, and it may be valid until further notice or for a fixed period of time. The decision enters into force at earliest six months as of the date on which it became legal (section 44 of the Alcohol Act).

If serving at the licensed premises is continued after 1:30 a.m. based on a notification or licence, the licence holder is obligated to set stewards as referred to in the Private Security Services Act to maintain order and safety at the licensed premises and its immediate vicinity. There must be one steward for each a hundred customers or part thereof, and they must see to their duties starting from 1:30 a.m. for as long as customers are consuming alcoholic beverages (section 45 of the Alcohol Act).

The Regional State Administrative Agency may lower the requirement or remove it altogether if the licence holder is able to show in their extended hours notification or written application that the requirement is plainly unnecessary due to the business idea of the premises or some other equivalent reason. In departure from what is stated above, the Regional State Administrative Agency may require the licence holder to set more stewards, should this be necessary (section 45 of the Alcohol Act).

## **4.5 Serving at events**

A temporary serving licence may be sought for the purpose of events and functions (sections 9 and 18 of the Alcohol Act). The holder of a serving licence may also serve alcoholic beverages at events and functions by submitting a notification to a Regional State Administrative Agency, but this requires the area's owner or occupant to have secured the Regional State Administrative Agency's advance approval for the area's licensed area status (section 20 of the Alcohol Act). A temporary serving licence is usually the most expedient method for organising an individual serving event.

#### **4.5.1 Temporary serving licence for an occasion or event**

Applications for a temporary serving licence for occasions or events are subject to the same procedures as other applications for serving licences. These procedures have been described in more detail in chapter 4 above.

Applications for temporary serving licences can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The serving licence application must be selected as the form.

#### **4.5.2 Serving in pre-approved licensed premises**

Event, conference and banqueting premises and equivalent areas may be approved as a licensed area according to the same conditions and possible restrictions as the licensed area of a serving licence upon the application by the owner or occupant of the premises or area

Pre-approved licensed premises may consist of several licensed areas. "Licensed area" refers to an area in which customers may consume served alcoholic beverages. "Licensed premises" mean the entire space formed by a licensed area or areas.

A licensed area of pre-approved licensed premises is subject to the provisions applicable to serving only when serving activities reported to the Regional State Administrative Agency take place there.

Applications for having licensed premises approved for occasions and events can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The approval application for licensed premises must be selected as the form.

An operator with a valid, existing serving licence may engage in serving activities in a licensed area of pre-approved licensed premises. A serving licence may also be issued to an applicant with no licensed premises if the serving is meant to take place at occasions and events held in pre-approved licensed premises (sections 19 and 20 of the Alcohol Act). A serving licence issued for licensed premises is also acceptable for serving that takes place in licensed areas of pre-approved licensed premises (section 20 of the Alcohol Act).

Applications for serving licences without licensed premises can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The catering serving licence application must be selected as the form.

Serving in a licensed area of pre-approved licensed premises requires a notification to be filed with the relevant Regional State Administrative Agency no later than three days (72 hours) prior to the start of the event (section 20 of the Alcohol Act). However, it must be noted that if the activity requires a shared licensed area, for example, or a licence for extended hours, the relevant applications must be filed with the Regional State Administrative Agency well in advance of this, no later than a month prior to the event.

An event or function at which serving may take place on the basis of a notification may not be longer than 30 days. Continuous activity or the consecutive organising of various smaller events do not constitute a single event. The events must be specified in the notification. Several events of a similar scope and content to be held in the same pre-approved licensed area may be notified of with one serving notification, but for no longer a time than 30 days (examples include match events or evenings of open-air dancing).

If the serving events relate to the travel services of groups named in advance in licensed areas of pre-approved licensed premises, all routes offered and available to the travellers for no longer than a year at a time may be presented in a single notification (section 20 of the Alcohol Act). The legislator mainly considers various outdoor adventure, hiking and safari services which follow predetermined routes to constitute travel services of this kind.

The serving activities are primarily subject to the same provisions as in fixed licensed premises. The serving activities require a self-monitoring plan. The self-monitoring plan and the approval of the licensed area must be kept available to the staff implementing the plan and to the supervisory authorities (section 1 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

For every licensed area of approved licensed premises, a different serving licence holder may make a notification stating its simultaneous activities there, without a need to seek a licence for a shared licensed area. However, serving that takes place simultaneously within the same serving area requires an application pertaining to a shared licensed area (section 19 of the Alcohol Act). Two or more applicants may be issued a licence for the simultaneous serving of

alcoholic beverages within a single licensed area, provided that one of the applicants indicates that they will be responsible for the monitoring of the area.

If an operator wishes to extend serving hours beyond 1:30 a.m. in the indoor spaces of pre-approved licensed premises, the operator with a serving licence intending to carry out activities in the area must notify the Regional State Administrative Agency of this no later than three weeks prior to the event or occasion. Extensions concerning the serving hours of outdoor premises are subject to the extended hours application procedure.

Notifications of serving in a licensed area of approved licensed premises and other licence applications and notifications related to the event can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The notification of serving in approved licensed premises must be selected as the form.

#### **4.6 Retail sales licence of licensed premises**

A retail sales licence for the sale of alcoholic beverages with no more than 5.5% of alcohol that is connected to serving may be secured for the indoor spaces of licensed premises. Retail sales taking place on licensed premises are primarily subject to the same provisions as any other retail sales of alcoholic beverages. A retail sales licence for a fruit wine or craft beer may also be secured for licensed premises, provided that the conditions for the issuance of the licence are met (section 17 of the Alcohol Act).

A retail sales licence connected to a temporary serving licence, or a pre-approved licensed area may only be issued for the demonstration event of several producers of alcoholic beverages which aims to demonstrate the products to consumers (sections 17 and 20 of the Alcohol Act).

Applications for retail sales licences connected to serving can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). Such licence applications must be submitted using the serving licence application when applying for a serving licence or, if such a licence is required for already established activities, by submitting a change application for the valid serving licence. Retail sales licence applications for activities taking place in a licensed area of pre-approved licensed premises must be submitted using the notification of serving in approved licensed premises when submitting a notification of serving at an occasion or event.

The Regional State Administrative Agency may impose licence conditions pertaining to the till and sales arrangements of the retail sales if the location or activities of the premises involve special monitoring or general order and safety risks or if serving is also being carried out on the same premises (section 17 of the Alcohol Act).

The Regional State Administrative Agency may limit the sales hours of the retail sales of licensed premises and the quantities sold to customers if this is necessary to ensure monitoring in the licensed premises and its surroundings, preventing disturbances of peace and noise pollution in a residential environment, or ensuring public order and safety (section 22 of the Alcohol Act).

#### **4.7 Licence to use kitchen alcohol**

A restaurant may apply for a licence to use kitchen alcohol in the preparation of food. Valvira issues licences for the use of kitchen alcohol. The issuance of the licence requires the need for the kitchen alcohol to be legitimate and the premises where it is used to meet the requirements set for it.

Applications for licences to use kitchen alcohol can be submitted in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The application for a licence to use industrial and kitchen alcohol must be selected as the form.

An account of the intended use of alcohol and annual purchasing need (types of alcohol and litres per type, food recipes) must be attached to the application.

Records must be kept on the use and stock of kitchen alcohol and in such a way that the quality and quantity of the alcohol used can later be checked from the licence holder's records.

It is not necessarily advisable to apply for a licence to use kitchen alcohol if the scale of the food preparation is small, since the processing of the licence application is subject to a charge and the licence holder must also pay an annual monitoring charge.

## **4.8 Notification of the commercial importation of alcoholic beverages for serving purposes**

A licence holder may import the alcoholic beverages referred to in the serving licence for the purpose of serving them after filing a notification with Valvira of its activities as an importer (section 29 of the Alcohol Act).

Notifications can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). The processing of notifications is subject to a charge, and a letter indicating that information has been entered in the register will be sent after a notification has been received. This letter must be presented to customs in connection with the importation.

The importer of an alcoholic beverage is responsible for the quality and composition of the alcoholic beverage they deliver for consumption, and for the product and its labelling and other presentation complying with provisions and regulations (section 30 of the Alcohol Act). Valvira steers and supervises the realisation of this responsibility. In terms of labelling, it must be noted that any mandatory labelling concerning allergenic ingredients, for example, must be given on the packages in both Finnish and Swedish.

Importers must report all products they import to the alcohol trade register prior to serving them. In addition, all imported batches must be reported to Valvira on a monthly basis. Notifications and reports can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu).

Further information on the import of alcoholic beverages is available on Valvira's website.

When imported, an alcoholic beverage must be reported as taxable. The import of an alcoholic beverage is considered illegal if alcohol tax has not been paid for it in Finland.

## **4.9 Changes in a company's ownership and control relations, or in a bankruptcy**

As a rule, the alcohol authorities obtain information about changes in a company's ownership and control relations directly from the Finnish Patent and Registration Office's registers, and such changes do not usually need to be reported separately. The updating of information can be verified in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). If the information has

not been updated within two weeks of its registration with the Finnish Patent and Registration Office, the changes must be reported to the Regional State Administrative Agency. A failure to comply with this reporting obligation may lead to the imposition of a fine (section 71 of the Alcohol Act).

If the holder of a serving licence is declared bankrupt, the insolvency estate may continue the sale of alcoholic beverages for no more than one year as of the commencement of the bankruptcy. The insolvency estate must notify the Regional State Administrative Agency of the discontinuance or continuance of the serving activities. To continue the activities, the insolvency estate needs a serving licence number from the Regional State Administrative Agency (section 72 of the Alcohol Act).

#### **4.10 Changes in serving activities**

If a licence holder decides to materially change the nature or extent of their activities so that the issued licence no longer covers the altered activities, the licence holder must apply for a change to the licence prior to the change. The change may not be carried out before the Regional State Administrative Agency has approved the change to the licence (section 11 of the Alcohol Act).

The Regional State Administrative Agency may request a further explanation necessary for assessing the conditions for issuing a licence and for evaluating the need for orders and terms related to the licence. To this end, an explanation may also be requested on any activity covered by the change which remains unchanged (section 13 of the Government Decree on the Enforcement of the Alcohol Act).

If the name or other information of an establishment changes, the Regional State Administrative Agency must be informed of the change. The information is saved in the alcohol trade register, the accuracy of which is important with regard to the delivery of goods, for example, and the licensing authority's communiqués.

Changes to a licensed area may concern the indoor or outdoor spaces of licensed premises. The changes can be temporary or permanent. Licensed areas may be changed on the basis of the licence holder's notification. However, an outdoor licensed area may not be expanded with the notification procedure. The notification concerning the change of a licensed area must be delivered to the licensing authority no later than at least three weeks prior to the planned adoption of the change. The licensing authority must inform the licence

holder within two weeks of receiving the notification if the change does not meet the conditions specified for the approval of the licensing area (section 18 of the Alcohol Act).

A licensed area may be expanded with an outdoor area and, when so desired, changed in other ways by filing an application for a change to the serving licence. In such cases, the change may be adopted once it has been approved by the licensing authority (section 11 of the Alcohol Act).

Applications for and notifications of changes in licences can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). Changes must be made by selecting the licence to be changed and submitting a change application for it.

#### **4.11 Change of ownership and relocating activities to new commercial premises**

A serving licence or other licence pursuant to the Alcohol Act and the rights they entail may not be sold nor assigned, in part or in full, to another party (section 10 of the Alcohol Act).

If a trader who has been issued a serving licence assigns the business operations of the licensed premises to another party who continues to engage in business activities on the premises, or if the current operator's business ID changes, the trader may not serve alcoholic beverages on the licensed premises in question before being issued a serving licence by the Regional State Administrative Agency.

If the licence holder wishes to relocate the activities to new commercial premises, they must apply for a new serving licence.

#### **4.12 Discontinuing serving activities**

If the activity of serving alcoholic beverages is discontinued, a written notice on the discontinuance must be made to the relevant Regional State Administrative Agency when the activity comes to an end. Notifications can be submitted in electronic format in the e-services of the alcohol trade register Allu at [valvira.fi/allu](http://valvira.fi/allu). Notifications of discontinued activities must be submitted by selecting the licence to be ended and by entering an end date for the licence.

When the activity ends or transfers to another party, the holder of the serving licence may sell their stock of alcoholic beverages to another licence holder without a wholesale licence. The buyer and seller are free to agree on the transfer price. When the activity ends, the stock of alcoholic beverages may also be moved to another sales premises of the licence holder or be returned to the wholesaler (section 30 of the Alcohol Act).

A document must be drawn up on the transfer of a stock of alcoholic beverages to a new owner or to other sales premises, and it must indicate the quantity of each alcoholic beverage transferred. The document concerning the transfer of a stock of alcoholic beverages must be delivered to the Regional State Administrative Agency within 30 days of the transfer of control (section 30 of the Alcohol Act).

The licence holder must deliver details on the sales made by the date on which the activity ends to the Regional State Administrative Agency with a semi-annual report (section 62 of the Alcohol Act and section 9 of the Decree of the Ministry of Social Affairs and Health on the Supervision of the Alcohol Act).

#### **4.13 Licence and supervision charges**

Alcohol authorities charge processing fees for the licence decisions they make and an annual supervision fee. The fees can be distrained without a court order or decision.

Provisions on the processing fees of Regional State Administrative Agencies are given by government decree, and on Valvira's processing fees, by a decree of the Ministry of Social Affairs and Health. Valid lists of the fees can be found on the agencies' websites and in annexes to the decrees.

If a party liable for payment thinks that there has been an error in the imposition of a processing fee, they may request an adjustment to it from the authority which imposed the fee within six months of the fee's imposition.

The Regional State Administrative Agencies charge annual establishment-specific supervision fees from the holders of serving licences valid until further notice. Annual supervision fees are also charged for extended hours and retail sales (section 75 of the Alcohol Act and the Annex to the Act).

The supervision fee on serving is imposed as hundred per cent alcohol from the previous calendar year's calculated purchases or from the estimated purchases concerning a counting time of one year as follows:

- less than 100 litres, EUR 105;
- at least 100 litres, but less than 2,000 litres, EUR 210;
- at least 2,000 litres, but less than 10,000 litres, EUR 420;
- 10,000 litres or more, EUR 790.

The separate annual supervision fee on extended serving hours is EUR 760, if serving is continued until 4 in the morning on more than 180 days a year, and in other cases, EUR 380. The supervision fee is determined according to the number of days in a year for which extended hours until 4:00 a.m. have been reported or applied for.

The annual supervision fee on retail sales is EUR 200 for each sales premises. The annual supervision fee on retail sales also applies to licensed premises which have a licence for the retail sales of alcoholic beverages which contain no more than 5.5 per cent of alcohol by volume.

No supervision fee is charged for the first calendar year from a new holder of a retail sales or serving licence or for a new notification concerning extended serving hours. The supervision fees on retail sales, serving and extended serving hours are invoiced per calendar year no later than on 30 April, when the licence holder has had a valid licence on 1 April (section 75 of the Alcohol Act and the Annex to the Act).

An adjustment to the supervision fee may be requested from the authority which imposed it. The request for an adjustment in a matter concerning the imposition of a fee must be made within three years as of the beginning of the calendar year following the imposition of the fee, but no later than within 60 days of being notified of the decision (section 80 of the Alcohol Act).



# Valvira

Sosiaali- ja terveysalan  
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