

Act on the Sale of Alcoholic Beverages (Alcohol Act)

Chapter 1 GENERAL PROVISIONS

Section 1-1 Purpose of the Act

The purpose of regulating the importation and sale and serving of alcoholic beverages pursuant to this Act is to curb to the greatest possible extent the harm to society and the individual that may result from the consumption of alcoholic beverages. To this end the Act aims at limiting the consumption of alcoholic beverages.

Section 1-2 Scope and extent of the Act

The Act shall apply to the importation into, and exportation from, and the sale and serving of alcoholic beverages in Norway.

The ministry may issue regulations regarding the application of the Act in Svalbard, Jan Mayen and on the continental shelf and may lay down special rules to take account of local conditions.

Section 1-3 Definition of alcoholic beverage

In this Act "alcoholic beverage" is used as a generic term for beverages that contain more than 2.50 per cent alcohol by volume, nevertheless such that the minimum age provision in section 1-5 applies to beverages containing between 0.70 and 2.50 per cent alcohol by volume.

"Spirits" means a beverage that contains manufactured alcohol unblended or blended with other products. All beverages containing 22 per cent or more alcohol by volume shall be regarded as spirits.

Liquids which are unsuited as intoxicants because of denaturation or for other reasons, shall not be regarded as alcoholic beverages pursuant to this Act. Nor shall liquids to which alcohol has been added only in an amount necessary to keep them in solution or to impart keeping qualities.

The provisions of this Act shall not apply to alcohol that pursuant to other Acts is sold, bought, supplied or dispatched for medical, technical or scientific use, or to spirits used for disinfection.

The ministry may issue regulations on which alcoholic products shall be regarded as alcoholic beverages, and on which alcoholic beverages shall be regarded as spirits. In cases of doubt the ministry may settle such matters with binding effect.

Section 1-4 Definition of retailing, serving and wholesaling

"Retailing" means the supplying of alcoholic beverages to the consumer in return for payment for consumption off the premises.

"Serving" means sale for consumption on the premises. "Serving" is also deemed to include consumption of which the licensee is aware in parts of the house that are at his disposal, on

other premises in his possession, or in the immediate vicinity of the premises.

“Wholesaling” means the supplying of alcoholic beverages in return for payment that does not fall within the first or second paragraph.

Section 1-4a Licence requirement

Alcoholic beverages may only be sold, served or produced on the basis of a licence granted under this Act.

Section 1-4b Licensee

Under this Act a licence shall be granted to the party for whose account the business is run.

Section 1-4c Obligation to register – wholesaling of alcoholic beverages

Alcoholic beverages may only be sold wholesale by undertakings registered with the Customs and Excise Service as liable for excise duty. However, goods on which special duty has been paid may be sold wholesale by undertakings registered under this Act in accordance with regulations issued by the ministry.

Alcoholic beverages that are not sold wholesale to purchasers abroad may only be sold wholesale to a party holding a licence to retail, serve or produce the beverage concerned or who is entitled to carry on wholesaling. However, alcoholic beverages may not be sold wholesale to a party who holds a licence restricting that party to selling or serving for a temporary event or an ambulatory licence. The vendor is obliged to satisfy himself that the purchaser holds the requisite licence or is entitled to carry on wholesaling.

The ministry may issue regulations on the right of a party engaged in wholesaling to utilise alcoholic beverages as gifts, payment in kind or dividend, and to sell alcohol to employees for their own consumption.

Wholesaling shall be practised in such a way that the conditions mentioned in this Act and in provisions issued pursuant to this act are complied with at all times, and in a proper manner in general. The ministry may issue regulations on the content of the obligation to ensure that the business is carried out in accordance with provisions laid down in or pursuant to this Act.

The responsibility for oversight of wholesaling rests with the Customs and Excise Service.

Section 1-5 Minimum age

Alcoholic beverages containing 22 per cent or more alcohol by volume must not be retailed, served or supplied to anyone under the age of 20.

Alcoholic beverages containing less than 22 per cent alcohol by volume must not be retailed, served or supplied to anyone under the age of 18.

Persons who retail or serve alcoholic beverages containing 22% or more alcohol by volume must be 20 years of age or more, and persons who retail or serve other alcoholic beverages must be 18 years of age or more. This shall not, however, apply to waiters with a cook's or waiter's certificate, or to the retailing of beverages containing between 0.7 and 2.5 per cent alcohol by volume when a person of 18 years of age or more supervises such retailing on a

daily basis. The ministry may issue regulations on exemptions from this requirement in respect of apprentices and other persons undergoing training.

The ministry may lay down regulations on the minimum age for importing alcoholic beverages.

Section 1-6 Licensing period

A municipal licence to retail alcoholic beverages containing more than 4.75 per cent alcohol by volume may be granted for four years at a time, with expiry no later than 30 June the year after a new municipal council takes office.

A municipal licence to retail alcoholic beverages other than those mentioned in the first paragraph and to serve alcoholic beverages, may be granted for periods of up to four years, with expiry no later than 30 June the year after a new municipal council takes office. Moreover, such licences may be granted for a specific part of the year, and for a specific occasion.

State licences to serve alcoholic beverages shall apply until further notice.

State licences to produce alcoholic beverages shall apply until further notice, but may if special conditions so warrant be limited to a specified period.

If a final decision on renewal of a granted licence has not been made by the date on which the licensing period expires, the licence shall remain valid until the end of the month in which a final decision is adopted, but may not extend more than three months beyond the start of the new licensing period.

Section 1-7 Licence to retail and serve alcoholic beverages

Licences to retail and serve alcoholic beverages shall be granted by the municipality unless a State licence is granted pursuant to chapter 5. Licences to serve alcoholic beverages on trains or on board ships which are not encompassed by State authority to grant licences under section 5-2 shall be granted by the municipality which is the base for the activity of the ship or train concerned. Where such activity extends across two or more municipalities, all affected municipalities must grant a licence.

Before the municipal council decides on an application, statements shall be obtained from the social services and the police. Statements may also be obtained from the tax and excise authorities. In municipalities with a military training area, a statement shall also be obtained from the military unit concerned.

The municipality may require the applicant to provide documentary proof of the information needed to decide whether the requirements of sections 1-7b and 1-7c are met, and also, as and when required, to present a financing plan, operating budget and cash budget for the establishment.

Notification of granted licences shall be sent to the police and the tax and excise authorities.

The municipality may delegate licensing powers to an inter-municipal board. Decisions taken

by such a board may be appealed to the appeals body of the host municipality.

Section 1-7a The municipality's exercise of discretion when processing applications for a licence to retail or serve alcoholic beverages

When processing a licence application, the municipality may inter alia attach importance to the number of premises already licensed to retail and serve alcoholic beverages, the nature of the establishment, its location, the target group, traffic conditions and public peace and order, local competition policy considerations and consideration for the local environment in general. Importance may also be attached to whether the licence applicant and persons as mentioned in section 1-7b first paragraph are fit to hold a licence to retail or serve alcoholic beverages.

A licence granted under section 4-2 third paragraph may only be extended provided the production is to take place at the serving establishment, and provided the production and the serving will constitute a part of the establishment's overall character and service offering.

The municipality may decide to impose a ceiling on the number of licences granted to retail or serve alcoholic beverages.

Section 1-7b Requirement of good repute

The licensee and anyone exerting material influence on the establishment must be of spotless repute in relation to the alcohol legislation and provisions of other legislation relevant to the purpose of the Alcohol Act, as well as in relation to the tax and excise and accounting legislation.

Anyone who owns a significant part of the establishment or of the business enterprise that operates the establishment or receives a significant portion of its revenues, or by virtue of his position in the management exercises significant influence on it, will invariably be deemed to exercise significant influence on the establishment.

The assessment of whether a person exerts significant influence on the establishment may also take into account the influence on the establishment of close associates of that person. "Close associate" means

- 1) the spouse or a person with whom the individual concerned cohabits in a relationship akin to marriage
- 2) relatives in direct line of ascent or descent, as well as siblings
- 3) the spouse of or a person cohabiting with a person as mentioned in 2) in a relationship akin to marriage

The assessment of the licensee's or other persons' repute under the first paragraph may not take into account circumstances more than 10 years back in time.

The ministry may issue regulations on the content of, and documentary proof of compliance with, the requirement of good repute.

The requirement of good repute shall not apply in respect of licences granted to AS Vinmonopolet, the right to engage in wholesaling under section 1-4c, or licences granted

under section 5-3 and chapter 6.

Section 1-7c Manager and deputy

For each licence a manager and a deputy shall be designated who must be approved by the licensing authority. The requirement as to a deputy may be dispensed with if it appears unreasonable in light inter alia of the size of the premises licensed to retail or serve alcoholic beverages. The requirements as to manager and deputy shall not apply in respect of licences granted to AS Vinmonopolet and State licences granted under chapter 6.

The manager and substitute must be employed at the licensed premises or work in the establishment by virtue of their position as owners. Only the person entitled to control the retailing or serving of alcoholic beverages, including responsibility for overseeing the utilisation of the licence, may be appointed as manager. In the manager's absence the manager's duties shall rest with his deputy. If the manager quits his position, the licensee must immediately apply for approval of a new manager.

The manager and deputy must be over 20 years of age and have documentary proof of their knowledge of the Alcohol Act and provisions laid down pursuant thereto. The documentation requirement shall not apply to the granting of a licence for a temporary event under section 1-6 second paragraph or an ambulatory licence under section 4-5.

The manager and substitute must have a spotless reputation in relation to the alcohol legislation and provisions of other legislation relevant to the purpose of the Alcohol Act.

When the repute of the manager and deputy pursuant to the fourth paragraph is assessed, circumstances more than 10 years back in time may not be taken into account.

The manager and substitute are obliged to prove their identity if requested to do so by the licensing authority.

The ministry may issue regulations on the content of, and documentary proof of compliance with, the requirement as to good repute and qualifications, including payment for taking a test. The ministry may issue regulations on the further content of the manager's and deputy's obligation to ensure that the licence is utilised in accordance with provisions laid down in pursuance of this Act.

Section 1-7d Municipal alcohol policy action plan

The municipality shall draw up an alcohol policy action plan. The ministry may issue regulations on the content of municipal alcohol policy action plans.

Section 1-8 Withdrawal of licence to retail and serve alcoholic beverages

The municipal council may during the licensing period withdraw a licence for the remainder of the licensing period, or for a shorter period if the conditions of section 1-7b are no longer met, or if the licensee fails to meet his obligations under this Act or provisions laid down in pursuance thereof. The same applies in case of violations of provisions laid down in or in pursuance of other legislation when the provisions concerned are relevant to the purpose of this Act.

When considering whether a licence should be withdrawn, and for what period, importance may inter alia be attached to the type of violation, the gravity of the violation, whether the licensee can be blamed for the violation and what action has been taken to rectify the circumstance. Importance may also be attached to his past utilisation of the licence.

A licence may also be withdrawn if drug peddling repeatedly occurs on the premises, or if discrimination repeatedly takes place at the premises for reasons as mentioned in the General Civil Penal Code section 349a.

A licence may be withdrawn if it has not been utilised in the past 12 months. The ministry may issue regulations to delimit and supplement the right to withdraw licences under this paragraph.

State licences to serve alcoholic beverages may be withdrawn at any point by the ministry, even if the conditions set out in the first paragraph have not been met.

Section 1-8a Police right to close an establishment

The police may close an establishment that retail or serve alcoholic beverages without holding a licence.

The police may close premises that retail or serve alcoholic beverages for up to two days when this is necessary in order to prevent disorderly conduct, protect the safety of individuals or the general public or to prevent or halt violations of the law.

Section 1-9 Control of licences to retail and serve alcoholic beverages

Responsibility for control of the utilisation of municipal licences to serve alcoholic beverages, to retail alcoholic beverages containing not more than 4.7 per cent alcohol by volume and of state licences granted under section 5-3 first paragraph, shall rest with the municipality.

Responsibility for control of the utilisation of state licences granted under sections 5-2 and 5-3 second paragraph shall rest with the ministry.

The licensing authority may at any time demand access to the premises and accounts of establishments licensed to retail and serve alcoholic beverages, and may demand relevant information on accounts and operations from the licensee. The licensee is obliged to hand over, without compensation or payment, requisite trade samples to the licensing authority.

The ministry may issue regulations on control of the retailing and serving of alcoholic beverages and on the performance of such control.

The ministry may issue regulations on internal control to ensure compliance with requirements set in or pursuant to this Act.

Section 1-10 Transfer, death and bankruptcy

A licence shall terminate upon transfer of the establishment. The same shall apply upon transfer of all or a dominant portion of the shares or interests in a business enterprise that owns such an establishment. The establishment may nonetheless continue on the basis of the

earlier licence for a period of up to three months, provided the licensing authority is notified to this effect and a new licence is applied for without undue delay, and not later than 30 days after the transfer has taken place. If the application for a new licence has not been finally decided by the municipality within three months, the municipality may authorise continued operation on the basis of the previous licence for a further period of up to one month. Alcoholic beverages forming part of stocks may be transferred together with the establishment in accordance with regulations issued by the ministry.

A licence shall terminate upon the death of the licensee. The estate may nonetheless continue on the basis of the earlier licence for a period of three months after the licensee's death provided the licensing authority is notified to this effect, or within the same period transfer alcoholic beverages to licensees in accordance with this Act.

A licence shall terminate upon the licensee's bankruptcy. The bankrupt's estate may in the period to final completion of the administration of the estate transfer alcoholic beverages forming part of the estate to licensees in accordance with this Act.

A creditor in whose favour a charge over alcoholic beverages has been created may after a bankruptcy/winding-up be authorised by the ministry to sell the alcoholic beverages charged to the holder of a licence granted pursuant to this Act. The ministry may issue regulations on the content of and exercise of such authorisation.

Section 1-11 (Repealed)

Section 1-12 (Repealed)

Section 1-13 (Repealed)

Section 1-14 Information for statistical purposes etc

The ministry may issue regulations on the duty of licensees and persons engaged in wholesaling to furnish information for statistical purposes.

A register shall be kept of information about holders of licences under this Act, and of persons entitled to carry on wholesaling. The ministry may issue regulations on the keeping and use made of the register, and on the obligation of the licensing authorities' and the customs and excise service's obligation to provide information to the register.

Section 1-15 Disclosure and reporting requirement

The police and the tax authorities are obliged, notwithstanding the confidentiality requirement, to furnish the information needed to deal with matters related to licences to retail and serve alcoholic beverages.

If the police or the tax authorities expose circumstances which may be assumed to be of material significance for the granting of a license they shall be required, on their own initiative and notwithstanding the confidentiality requirement, to inform the licensing authority accordingly. The ministry may issue regulations on the reporting and disclosure requirement.

This section shall not apply to state licences granted pursuant to chapter 6.

Section 1-16 Appeal

Individual decisions rendered by the municipality under section 1-8 and chapters 3, 4 and 7 may be appealed to the county governor.

The county governor may test the lawfulness of the content of a decision, whether it has been rendered by the correct body and whether it has been lawfully reached.

Chapter 2

IMPORTATION AND EXPORTATION

Section 2-1 Right to import alcoholic beverages

Alcoholic beverages may only be imported from abroad by parties who are authorised to engage in wholesaling, hold a production licence, an extended retail licence pursuant to section 3-1 third paragraph or a serving licence extended to cover imports under section 4-2 third paragraph.

Under regulations issued by the ministry, alcoholic beverages may however be imported by AS Vinmonopolet without a licence as mentioned in the first paragraph. Alcoholic beverages may also be imported without such a licence for personal consumption and by representatives of foreign powers in Norway for official use when they are imported duty-free or pursuant to regulations issued by the ministry.

Section 2-2 Right to export alcoholic beverages

Exportation of alcoholic beverages in the pursuit of trade may only be carried on by persons licensed to produce alcoholic beverages or to sell alcoholic beverages wholesale.

Section 2-3 Legal basis for regulations on the importation and exportation of alcoholic beverages

The Ministry may issue regulations on the importation and exportation of alcoholic beverages.

Chapter 3

SALE OF ALCOHOLIC BEVERAGES

I. General provisions

Section 3-1 The right to retail alcoholic beverages

The retailing of alcoholic beverages containing more than 4.75 per cent alcohol by volume may only be carried on by AS Vinmonopolet on the basis of a municipal licence, or on the basis of authorisation as mentioned in section 3-1a.

Alcoholic beverages other than those mentioned in the first paragraph may only be retailed on the basis of a municipal licence or on the basis of authorisation as mentioned in section 3-1a. This shall also apply where such retailing is to be carried on by a business enterprise that is

wholly or partly owned by the municipality. The licence shall be limited to a particular premises and a particular type of trade. A licence to retail alcoholic beverages may not be utilised together with a licence to serve such beverages on the same premises.

A licence under the second paragraph may be extended to include the importing of alcoholic beverages other than those mentioned in the first paragraph, for retail in the licensee's own business. Licences granted for a specific part of the year or for a temporary event, cf section 1-6 second paragraph, may not be extended to include authorisation to import for sale in the licensee's own business. The provisions of chapter 1 and 3 of this Act are applicable in so far as appropriate. A licence to retail alcoholic beverages containing more than 4.7 per cent alcohol by volume may only be granted to AS Vinmonopolet provided a licence to retail other alcoholic beverages is granted in the municipality.

AS Vinmonopolet may not hold a licence to retail alcoholic beverages not encompassed by the company's sole right under the first paragraph or a production licence, and may not carry on wholesaling of alcoholic beverages.

AS Vinmonopolet shall not discriminate between suppliers and products on the basis of nationality or country of origin. The ministry may issue regulations on purchasing, product range, delivery terms and price fixing.

Only alcoholic beverages supplied by a holder of a production or retail licence or by a party entitled to engage in wholesaling, or which have been imported pursuant to the third paragraph or by AS Vinmonopolet pursuant to section 2-1 second paragraph, may be retailed.

Section 3-1a Sale of alcoholic beverages at airports

Alcoholic beverages may be retailed duty-free subject to authorisation from the customs and excise service. Authorisation may only be granted for retail sale to passengers leaving for abroad from Norwegian airports or to passengers arriving from abroad at Norwegian airports. Authorisation may not be granted for retail sale to passengers departing for or arriving from Svalbard, Jan Mayen and the continental shelf.

Section 3-1 sixth paragraph applies *pari passu* to such retailing.

Section 3-2 Conditions attached to the licence

Conditions may be attached to the licence in accordance with general rules of administrative law.

II. Retailing of spirits, wine and beer containing more than 4.75 per cent alcohol by volume

Section 3-3 Stipulation of the number of retaillicences to AS Vinmonopolet

The ministry may stipulate the maximum number of retail licences and their distribution. The municipal council shall stipulate the maximum number of AS Vinmonopolet's retail outlets within the municipality and shall approve their location. The provision of section 1-7a first paragraph first sentence applies *pari passu*.

Section 3-4 Time restrictions on retailing from AS Vinmonopolet's outlets

Retailing from AS Vinmonopolet's outlets may take place between 0830hrs to 1800hrs. On the day preceding Sundays and public holidays, retailing shall cease at 1500hrs. This shall not apply to the day before Ascension Day. However, the opening hours of AS Vinmonopolet's outlets may not be longer than the hours of sale for other alcoholic beverages in the municipality.

The Ministry shall fix opening hours for AS Vinmonopolet's retail outlets. The ministry may decide that opening hours shall be restricted to the first five working days of the week.

Retailing from AS Vinmonopolet's outlets shall be prohibited on Sundays and public holidays, 1 and 17 May, Christmas Eve, New Year's Eve, Easter Eve, the day before Whit Sunday and on voting day for parliamentary elections, county council elections, municipal elections and referendums prescribed by law.

III. Retailing of beer containing a maximum of 4.7 per cent alcohol by volume

Section 3-5 (Repealed)

Section 3-6 (Repealed)

Section 3-7 Time restrictions on the retailing and supply of alcoholic beverages containing a maximum of 4.7 per cent alcohol by volume

The retailing and supply of alcoholic beverages containing a maximum of 4.7 per cent alcohol by volume may take place between 0800 hrs and 1800 hrs. Retailing shall cease at 1500 hrs on days preceding Sundays and public holidays. This shall not apply to the day preceding Ascension Day.

The municipal council may restrict or extend opening hours for all or for individual retail outlet in the municipality in relation to the provision of the first paragraph. The retailing and delivery of beverages as mentioned in the first paragraph shall nonetheless be prohibited after 2000 hrs on weekdays, and after 1800 hrs on days preceding Sundays and public holidays except the day preceding Ascension Day. It may decide that retailing shall not take place at particular times of the day or on particular weekdays.

The retailing and delivery of beverages as mentioned in the first paragraph shall not take place on Sundays and public holidays, 1 and 17 May and on voting day for parliamentary elections, county council elections, municipal council elections and referendums prescribed by law.

Section 3-8 Retail outlets not eligible for a licence

The ministry may decide by regulations that certain types of outlet shall not be eligible for a licence to retail alcoholic beverages.

Section 3-9 Utilisation of licence

A licence shall be utilised in such a way that the conditions mentioned in the licensing decision, in this Act and in provisions issued pursuant thereto, are fulfilled at all times, and in an otherwise proper manner.

The ministry may issue regulations to supplement and clarify the content of the obligation to utilise the licence in accordance with provisions laid down in or pursuant to this Act.

Chapter 3A (Repealed)

Chapter 4

MUNICIPAL LICENCES TO SERVE ALCOHOLIC BEVERAGES

Section 4-1 Serving of alcoholic beverages

A licence to retail alcoholic beverages may not be granted together with a licence to serve such beverages on the same premises. Two or more licences to serve alcoholic beverages may only be granted to a single licensee, unless the licences stipulate hours of serving which do not overlap, cf section 4-4.

Only alcoholic beverages supplied by the holder of a production or retail licence or a party entitled to carry on wholesaling, or which are produced or imported pursuant to section 4-2 third paragraph, may be served.

Section 4-2 Scope of the licence

The licence may apply in respect of alcoholic beverages containing a maximum of 4.7 per cent alcohol by volume, alcoholic beverages containing less than 22 per cent alcohol by volume or all alcoholic beverages.

The licence may be general or it may only apply to the serving of participants at a private event.

The licence may be extended to cover the production of alcoholic beverages which are not spirits, or to the importing of such alcoholic beverages as are covered by the licence, for serving in the licensee's own establishment. Licences granted for a specific part of the year or for a temporary event, cf section 1-6 second paragraph, may not be extended to include authorisation to import alcoholic beverages for serving in the licensee's own establishment. State licences to serve alcoholic beverages may also be extended to cover such importation. The provisions of chapters 1 and 4 of this Act apply in so far as appropriate.

The licence shall apply to specific premises and a specific type of activity. The licence may for a specific occasion be extended to apply off the premises.

Production of alcoholic beverages under a municipal authorisation linked to a licence to serve such beverages may not be carried out at the same installation as production under chapter 6 of this Act.

Section 4-3 Conditions attached to the licence

Conditions may be attached to a licence in accordance with general rules of administrative law.

Section 4-4 Time restrictions on the serving of alcoholic beverages

The serving of alcoholic beverages containing 22 per cent or more alcohol by volume may take place between 1300hrs and 2400hrs. The serving of other alcoholic beverages may take

place between 0800hrs and 0100hrs.

The municipal council may restrict or extend hours of serving for all or individual licensed premises in the municipality in relation to the provision of the first paragraph.

The stipulated hours of serving may be extended for a specific occasion.

The serving of alcoholic beverages containing 22 per cent or more alcohol by volume shall be prohibited between 0300 hrs and 1300 hrs. The serving of other alcoholic beverages shall be prohibited between 0300 hrs and 0600 hrs.

The hours of serving alcoholic beverages containing 22 per cent or more alcohol by volume may not be extended beyond the hours during which other alcoholic beverages may be served.

Consumption of served alcoholic beverages must cease at the latest 30 minutes after the expiry of the hours of serving.

At hotels and guest houses alcoholic beverages containing less than 22 per cent alcohol by volume may be served to overnight guests notwithstanding the restrictions of this section.

Section 4-5 Ambulatory licence to serve alcoholic beverages

The municipal council may grant one or more licences that are not attached to a particular person or licensed premises, and may permit one or more of these licences to be utilised on premises that are approved for a specific occasion and for serving participants at a private event. An ambulatory licence may not be extended to include the production or importation of alcoholic beverages for serving in the licensee's own establishment.

Section 4-6 Legal basis for regulations on non-alcoholic beverages

The ministry may issue regulations on the obligation of licensed premises to stock a reasonable selection of non-alcoholic festive beverages and other non-alcoholic beverages, on their obligation to include such beverages in their wine list, price lists and the like, and on the serving of such beverages.

Section 4-7 Utilisation of licence

The licence shall be utilised in such a way that the conditions mentioned in the licensing decision, in this Act and in provisions laid down in pursuance of this Act, are complied with at all times, and in an otherwise proper manner.

The Ministry may issue regulations to supplement and clarify the content of the obligation to utilise the licence in accordance with provisions laid down in or pursuant to this Act.

Chapter 5

STATE LICENCES TO SERVE ALCOHOLIC BEVERAGES

Section 5-1 (Repealed)

Section 5-2 Licences to serve alcoholic beverages on trains, aircraft and ships

The ministry may after obtaining the necessary statements grant

1. a licence to serve alcoholic beverages containing less than 22 per cent alcohol by volume on trains that are means of public transport
2. a licence to serve alcoholic beverages containing less than 22 per cent alcohol by volume on board aircraft on domestic flights
3. a licence to serve alcoholic beverages on board ships that are means of public transport, and on board cruise ships on trips of several days' duration

A licence granted under the first paragraph no. 3 only confers the right to serve alcoholic beverages to the passengers and, with the shipmaster's consent, to the crew and others accompanying the ship.

A licence granted under the first paragraph no. 3 to serve alcoholic beverages on board a ship that is a public means of transport only confers the right to serve alcoholic beverages containing 22 per cent or more alcohol by volume provided the ship plies routes between Norway and foreign countries or coastal routes on trips of more than four days' duration.

Before the ministry decides an application a statement may be obtained from the tax and excise authorities.

The ministry may require the applicant to provide documentary proof of the information needed to decide whether the requirements of sections 1-7b and 1-7c are met.

The ministry may establish such further conditions and restrictions on the exercise of the licence as it deems necessary at any time.

Section 5-3 Licensing of Armed Forces' officers messes etc

Officers' messes operated in accordance with the guidelines for such activity may be granted a licence by the ministry to serve alcoholic beverages.

When called for on special grounds, the ministry may authorise Headquarters Defence Command Norway and the Directorate for Civil Protection and Emergency Planning to grant officers messes a licence to serve alcoholic beverages at installations which are assigned a security classification in the interest of national security.

Before a licence is granted under the first paragraph, statements shall have been obtained from the police, the social services and the municipal council. Notification of granted licences shall be sent to the police.

The ministry may establish such further conditions for and restrictions on the exercise of the licence as it deems necessary at any time.

A licence under the first paragraph is otherwise granted pursuant to the provisions of chapter 4.

Chapter 6

PRODUCTION

Section 6-1 Production of alcoholic beverages

Alcoholic beverages may only be produced on the basis of a licence granted by the ministry, or authorisation pursuant to section 4-2 third paragraph. The licence may encompass alcoholic beverages which are not spirits, spirits or all alcoholic beverages. The licensing requirement does not apply to the production for own consumption of alcoholic beverages which are not spirits.

The production installation shall be arranged in a satisfactory manner. The ministry may issue regulations in this respect.

Section 6-2 Conditions for allocation of a production licence

A production licence shall be granted subject to fulfilment of the following conditions:

1. The licensee and anyone who owns a significant part of the establishment or of the business enterprise that operates the establishment or receives a significant proportion of its revenues or by virtue of his position in the management exercises significant influence on it, is of spotless repute in relation to legislation of significance for the running of the business, including the alcohol legislation, customs legislation, tax and excise legislation, accounting and company legislation and food legislation.
2. Adequate security is furnished for compliance with demands for payment of alcohol taxes.
3. Stocks are adequately secured.
4. The licensee is not engaged in other activity which is incompatible with the production of alcoholic beverages.

The ministry may issue regulations to supplement this section.

Section 6-3 Requirements on applications

Applications shall be in writing and shall be accompanied by an application fee. The applicant shall, unsolicited, present the information needed to decide whether the statutory requirements for allocating a licence are met. The application shall also include particulars of any other business operated by the applicant.

The ministry may issue regulations on what requirements are to be imposed on applications and with respect to the application fee.

Section 6-4 Obtaining statements

Before an application is decided, statements shall be obtained from the police, the excise authorities, the tax authorities, the customs authorities and the Norwegian Food Safety Authority.

Section 6-5 Duty of disclosure

The police, the excise authorities, the tax authorities, the customs authorities and the

Norwegian Food Safety Authority are obliged, notwithstanding the duty of confidentiality, to provide such information as is necessary for dealing with cases under this chapter.

Section 6-6 Exercise of production licence

Licences shall be exercised in such a way that the conditions mentioned in the licensing decision, in this Act and in provisions laid down pursuant to this Act, are complied with at all times, and in an otherwise proper manner. The ministry may impose new conditions if this is necessary to secure the implementation of the Act.

The holder of a production licence is responsible for ensuring that the products are distributed in a secure manner and in accordance with rules laid down in or pursuant to this Act, from the start of production or from the time when the products arrive in Norway until they are delivered to another licensee. This applies even if distribution is left to other parties.

Where bottling, filling or other parts of the business are left to other parties, the licensee is responsible for ensuring that this is done in a secure manner and in accordance with rules laid down in or pursuant to this Act.

The ministry may issue regulations on distribution and bottling and filling. The ministry may also issue regulations on the obligation of licensees to provide information for statistical purposes.

Section 6-7 Notification and approval

The ministry shall be notified before a licence is put into use. Notification shall also be given if the establishment is closed down or operations are suspended. Notification shall be given of the establishment or closure of storage facilities, of changes in the management of the enterprises and of the transfer of significant portions of the shares or ownership interests. Notification shall also be given of significant changes in the scale of the business and of other factors of significance for oversight of the business.

A new storage facility or change in the fitting out of a storage facility must be approved by the licensing authority before the change is implemented. The same applies where a new bottling plant is put into use, or the fitting out of a bottling plant is changed.

Section 6-8 Oversight of the exercise of production licences

Responsibility for oversight of the exercise of production licences rests with the ministry.

The ministry may at any time demand access to the premises of the establishment and to its accounts. The licensee is obliged to provide such information on accounts and operations as is needed to enable an inspection to be carried out. The licensee is obliged to hand over necessary trade samples without compensation.

The ministry may issue regulations on oversight of the exercise of licences. The ministry may also issue regulations on internal control and accounting to ensure compliance with requirements laid down in or pursuant to this Act.

Section 6-9 Licence fee

An annual fee for the production of alcoholic beverages shall be paid which shall be

calculated on the basis of the volume of alcoholic beverages sold. The ministry shall fix a minimum fee which shall be remitted before the licence is exercised and not later than 1 February of each following year.

The ministry may issue regulations on the calculation and remittal of the fee.

Section 6-10 Revocation of licences

The ministry may revoke a licence if the conditions mentioned in section 6-2 are no longer met or the licensee otherwise fails to fulfil his obligations under this Act or violates other legislation related to the purpose of this Act.

A licence that is no longer in use shall be revoked.

Chapter 7

FEES, TAXES AND THE APPLICATION OF AS VINMONOPOLET'S PROFIT

Section 7-1 Licence fees

An annual fee, calculated with reference to the revenues which the licence may be expected to bring the holder, shall be payable for a licence to retail alcoholic beverages containing a maximum of 4.76 per cent alcohol by volume and to serve alcoholic beverages.

The ministry shall issue regulations on fee rates and payment of the fee. The ministry may set a separate fee for licences to serve alcoholic beverages at a temporary event and for ambulatory licences. The licensing authority shall set the fee.

The fee shall accrue to the municipality, with the exception of the fee for licences granted under sections 5-2 and 5-3 second paragraph which shall accrue to the State.

Section 7-2 Tax levied on AS Vinmonopolet

AS Vinmonopolet shall each year pay a tax to the Treasury.

The tax is payable on AS Vinmonopolet's net assets at the end of the latest income year and on its net revenue in the same year. The rules of the tax legislation shall be applied when assessing assets and revenues, and the tax shall be calculated using the tax rates employed in the home municipality of the company's head office.

The tax receipts shall be spent on preventive measures in the health and social sector.

Section 7-3 The state share of AS Vinmonopolet's profit

Each year, in connection with the government budget, the Storting shall stipulate the share of AS Vinmonopolet's net profit to be transferred to the State Treasury.

Chapter 8

SPECIAL ORDERS AND PROHIBITIONS

Section 8-1 Prohibition of production and redistillation of spirits

The production or redistillation of spirits other than by those authorised to do so shall be

prohibited.

Section 8-2 Prohibition of unlawful keeping and storing of alcoholic beverages

The keeping or storing of spirits that have been unlawfully produced or redistilled, and the keeping or storing of alcoholic beverages that are assumed to have been unlawfully sold, or to be intended for unlawful sale, shall be prohibited.

The prohibition of the first paragraph against the storing of unlawfully produced or redistilled spirits shall also apply to the keeping of such items for private use.

Section 8-2a Prohibition of purchase of unlawfully produced or redistilled spirits

The purchasing of unlawfully produced or redistilled spirits shall be prohibited.

Section 8-3 Prohibition of production, storing and sale of fermenting or fermented undistilled liquid

The production or supply or possession of a fermenting or fermented undistilled liquid shall be prohibited, unless it must be assumed that:

1. the liquid is intended for the production of, or is, a product which is not spirits,
2. the liquid is intended for the production of spirits which may lawfully be produced, or
3. the liquid is intended for the production of, or is, a product containing no more than 2.50 per cent alcohol by volume.

The supply of liquid as mentioned in return for payment shall be prohibited even if such liquid is intended for the production of alcoholic beverages as mentioned under no.1.

Section 8-4 Preparations used as alcoholic beverages

The ministry may issue provisions on the control of and prohibition of importation and sale of the juice of grapes, malt extract, preparations and other products mainly used in the production of, or as additives to, alcoholic beverages.

Section 8-5 Prohibition against apparatus for the production of spirits etc.

Without authorisation from the ministry the possession, importation or sale of apparatus, including parts and equipment, that are intended for or are found to be expedient for the production or redistillation of spirit for industrial use or spirits for consumption shall be prohibited.

Section 8-6 Prohibition against use of alcoholic beverage as winnings or prizes

The auctioning of alcoholic beverages or using alcoholic beverages as winnings or prizes, and the facilitating of such, shall be prohibited.

Notwithstanding the above prohibition, alcoholic beverages may be used as winnings or prizes in a private context.

Section 8-6a Prohibition of dispensing of alcoholic beverages for marketing purposes

The dispensing of alcoholic beverages to consumers for marketing purposes shall be prohibited.

Section 8-7 (Repealed)

Section 8-8 Illegal purchase

The purchase of alcoholic beverages containing 22 per cent or more alcohol by volume on behalf of someone below 20 years of age, or of other alcoholic beverage for someone below 18 years of age, shall be prohibited.

Section 8-9 Prohibition of serving and drinking of alcoholic beverages

The drinking or serving of alcohol shall be prohibited unless a licence for the same has been obtained, even when this is done without payment

1. on premises with adjoining areas where food and beverages are served,
2. on premises that are usually open to the public,
3. at meeting-halls or other community premises,
4. at other places where public meetings, parties, exhibitions or other arrangements take place,
5. in a street, market, road, park or other public place,
6. on a ship, aircraft, train, bus or other domestic means of public transport.

In places as mentioned in the first paragraph the owner or other person responsible shall also be prohibited from keeping, serving or allowing the serving or drinking, of alcohol.

The prohibition of the drinking and serving of alcohol on premises as mentioned in the first paragraph no. 1, 2 and 3 of this section shall not apply when the owner, lessee, operator or an employee uses the premises for his own purposes for a private event. The prohibition of the drinking and serving of alcohol on premises as mentioned in the first paragraph no. 3 shall not apply where a resident in a housing cooperative or other cooperative housing undertaking uses the premises for his own purpose for a private event.

The prohibition of the drinking and serving of alcohol on premises as mentioned in nos. 2 and 3 shall not apply where the premises are let or loaned to a private individual for a temporary, private, event and the landlord has no responsibility for any other part of the event.

Section 8-10 (Repealed)**Section 8-11 Prohibition of retailing to, and serving of, persons who are under the influence of alcohol or drugs**

The retailing or serving of alcoholic beverages to persons who are obviously under the influence of alcohol or drugs, or the serving of alcoholic beverages in such a manner that it must be assumed that the person concerned will become so influenced, shall be prohibited.

Section 8-12 Prohibition of retailing of alcoholic beverages at a discount

Persons licensed to retail alcoholic beverages shall be prohibited from offering special discounts on the sale of alcoholic beverages to the consumer.

Section 8-13 Prohibition of importation and retailing of certain alcoholic beverages

The serving, retailing or wholesaling of spirits containing more than 60 per cent alcohol by volume shall be prohibited. The importation of such spirits into the country without a production licence shall also be prohibited, cf. section 1. The ministry may nonetheless decide that certain special types of spirits with a higher alcohol content shall be excluded

from this provision.

Chapter 9

PROHIBITION AGAINST ADVERTISING

Section 9-1 Advertising of items for use in the production of alcoholic beverages

Without authorisation from the ministry, advertising in newspapers, magazines and the like, in shop window displays or by other means, of apparatus - including parts and equipment - intended for or found to be expedient for the production or redistillation of spirit for industrial purposes, spirits for consumption or isopropanol, shall be prohibited.

The encouraging through books, other written material, advertisements in the press or by other means, of unlawful production or redistillation of spirit for industrial purposes, spirits for consumption or isopropanol, or the provision of guidance in a form which appears likely to promote such production or redistillation among the public or among a large circle of persons shall be prohibited.

Furthermore, the advertising of substances that are specially intended to be, or which are described in advertisements as being suitable as, additives to alcoholic beverages, shall be prohibited. The same applies to the advertising of raw materials, to instructions for making alcoholic beverages, to apparatus and to other items used in the production of such beverages.

The ministry may lay down regulations to delimit, supplement and implement the first, second and third paragraphs. The ministry may make exemptions from the prohibition in the third paragraph when there are special reasons for so doing.

Section 9-2 Advertising of alcoholic beverages

The advertising of alcoholic beverages shall be prohibited. The prohibition also applies to the advertising of other products carrying the same brand or distinctive mark as beverages containing more than 2.50 per cent alcohol by volume. Moreover, such products must not be included in advertisements for other goods or services.

The ministry may lay down regulations to delimit, supplement, implement and make exceptions from the provisions of the first paragraph. The ministry may make further exceptions from the prohibitions when there are special reasons for so doing.

Section 9-3 Supervision

The Directorate for Health and Social Affairs shall supervise compliance with the provisions on prohibition of advertising laid down in or pursuant to this Act.

Section 9-4 Rectification and coercive fine

Should the Directorate for Health and Social Affairs find that the prohibition of advertising has been violated, it may order the circumstance to be rectified. A deadline for rectification shall concurrently be set.

A coercive fine may be fixed at the same time as the rectification order is made. The fine shall run from the expiry of the deadline for rectification, and may be imposed in the form of a one-off fine or a cumulative daily fine. The fine shall accrue to the State.

If the Directorate for Health and Social Affairs, when exposing a violation, finds particular cause to believe that further violations of the prohibition of advertising will be committed which cannot be halted under the first and second paragraph, it may stipulate in advance that the fine shall run as from the date when a new violation commences. Such coercive fines may be imposed for a period not exceeding one year.

Where there are special reasons for doing so, the Directorate for Health and Social Affairs may waive, entirely or in part, a coercive fine that has been imposed.

The ministry may issue regulations on the imposition, calculation and collection of coercive fines.

Section 9-5 Appeal

Orders made under section 9-4 may be appealed to the Market Council.

The case-handling rules laid down in or pursuant to the Act relating to Control of Marketing and Contract Terms and Conditions (the Marketing Control Act, No. 47 of 16 June 1972) shall insofar as appropriate apply to consideration of cases by the Market Council.

Chapter 10 PENALTIES

Section 10-1 General penal provisions

Anyone who wilfully or through negligence contravenes, or is an accomplice to the contravention of, provisions laid down in or in pursuance of this Act, shall be punished by fines or by imprisonment not exceeding six months.

If the contravention is particularly grave, punishment shall be fines or imprisonment not exceeding two years. In reaching a decision the court shall attach importance to whether the contravention was committed on a large scale or if other circumstances of a particularly aggravating nature obtain.

Contravention of sections 2-1, 3-1, 8-1, 8-2 and 8-3 involving very substantial quantities of alcoholic beverage may be punished by imprisonment not exceeding six years.

If the contravention involves the production, redistillation or supply in return for payment, of spirits or liquid as described in section 8-3, imprisonment shall invariably be imposed unless especially extenuating circumstances obtain.

Pursuant to this Act, contravention shall constitute a misdemeanour, regardless of the size of the punishment. If the third paragraph of this section is applicable, the contravention shall nonetheless constitute a felony.

Attempts to perpetrate a misdemeanour are also punishable.

Section 10-2 Punishment in the event of repeated contravention

If the offender has previously been punished under provisions laid down in or in pursuance of

this Act or of the Alcohol Act of 5 April 1927, fines or imprisonment not exceeding two years may be imposed.

Section 10-3 Destruction of alcoholic beverages etc.

If the conditions for confiscation pursuant to the General Civil Penal Code are met, the prosecuting authority may decide that unlawfully produced spirits and fermenting or fermented undistilled liquid shall be destroyed. The same shall apply to any other alcoholic beverage that has been poured into a glass or is present in an opened bottle.

Section 10-4 Confiscation on behalf of the State Treasury

Alcoholic beverages that are assumed to have been the object of, or are assumed to be intended for, contravention of this Act, and whose owner and possessor is unknown, shall pass to the State Treasury provided that the owner has not come forward within one month after the item came into the hands of the authorities.

Chapter 11

ENTRY INTO FORCE

Section 11-1 Entry into force

The Act shall enter into force on the date decided by the King.

Section 11-2 Transitional provisions

Licences to retail and serve alcoholic beverages issued in pursuance of the Alcohol Act of 5 April 1927 shall remain valid until further notice, subject to the following limitations:

The provision of section 1-6 shall take effect for outlets retailing spirits after the expiry of the licensing period on 31 December 1991.

Where the serving of spirits is concerned, the provision of section 4-1 shall have the effect that AS Vinmonopolet's taproom managers will become licensees in their own right as from the date on which the Act enters into force.

The provision of section 4-2 second paragraph shall take effect for municipal licences after the expiry of the current licensing period. Where State licences are concerned, the provision shall take effect nine months after the Act enters into force.

Section 11-3 Repeal of other acts

- - -

Section 11-4 Amendments to other acts

Are with effect as from the entry into force of this Act, the following amendments will be made to other acts: - - -