

## **Belgium**

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### **The country**

Belgium is located in north-western Europe, south of the Netherlands, west of Germany and Luxembourg, and north of France. From the west, Belgium is bordered by the North Sea. Belgium has a total area of 32.545 km<sup>2</sup> and a little over 10 million inhabitants. The population density is 338 inhabitants per km<sup>2</sup>. About 80 per cent of the Belgian population are Roman Catholic.

From 1830 Belgium has been an independent monarchy. In 1922, it formed the Belgo-Luxembourg Economic Union with Luxembourg. In 1948 the Benelux Customs Union was established between Belgium, Luxembourg and the Netherlands. In 1958 this customs union was extended into an agreement for full economic integration, and in 1960 the Benelux Economic Union became operative.

Belgium is one of the most industrialised countries in Europe. With 77% of exports going to other European countries, Belgium has been a strong proponent of integrating European economies. The country has one of the world's highest gross domestic product (GDP) per capita, fostered by a prosperous manufacturing industry, concentrated on basic metals and metal products, engineering and motor vehicle assembly, processed food and beverages, textiles and glass, and chemicals, petroleum and coal. However, nowadays the most important sector of the Belgian economy is the service sector. In the mid-1990s, about 26 per cent of the population worked in the industrial sector, approximately 1.7 per cent in the agriculture and about 71 per cent in the service sector.

Belgium has a bicameral parliament consisting of the Senate, and the Chamber of Deputies, elected for four-year terms. In recent decades, Belgium has evolved into a federal structure via five sets of institutional reforms in 1970, 1980, 1988-89, 1993 and 2001. The federal state, however, retains important areas of competence including: foreign affairs, defence, justice, finances, social security as well as important areas of public health and domestic affairs.

Tensions with regard to language question have pushed Belgium towards the federal state structure. These tensions stem from the fact that Belgians descend from three cultural groups, the Flemings (Dutch), the Walloons (French) and the Germans. The Flemish provinces are situated in the north and are called Flanders. The Walloon provinces are situated in the south and are called Wallonie. The German province is situated in the eastern part of Belgium. The capital city, Brussels, is an enclave within Flanders.

In 1963 three official languages, Dutch, French, and German, were established by law in Belgium. Nearly 58 per cent of Belgians speak Dutch as their mother tongue, 32 per cent speak French, and about 10 per cent are bilingual or speak German or some other language. The language division is also reflected in Belgium's political and social institutions.

The Federal State has three Communities, based on the "language": the Flemish, French and German-speaking Communities. The Flemish Community exercises its powers in the Flemish provinces and in Brussels, the French Community in the Walloon provinces, with the exception of German-speaking communes, and in Brussels, the German-speaking Community in the communes of the province of Liège that form the German language area.

The Community has powers for culture (theatre, libraries, audiovisual media, etc.), education, the use of languages and matters relating to the individual which concern on the one hand health policy (curative and preventive medicine) and on the other hand assistance to individuals (protection of youth, social welfare, aid to families, immigrant assistance services, etc.) They also have powers in the field of scientific research in relation to their powers and international relations associated with their powers.

Apart from the Federal State and the Communities, there are the three Regions. Their names are borrowed from the name of the territory they represent: the Flemish Region, the Brussels-Capital Region and the Walloon Region.

The Flemish Region, the Brussels-Capital Region and the Walloon Region have powers relating to the economy, employment, agriculture, water policy, housing, public works, energy, transport (except Belgian Railways), the environment, town and country planning, modernisation of agriculture, nature conservation, credit, foreign trade, supervision of the provinces, communes and intercommunal utility companies. They also have powers relating to scientific research and international relations in those fields.

In Flanders, the Community and Regional institutions were merged. There is one Council and one Government.<sup>1</sup>

### **Alcohol production and trade**

At the beginning of the twentieth century there were almost 3,223 breweries in Belgium (Belgische Brouwers, 2004). In 2000 the corresponding figure was 113 (in 2003: 115).

Despite the substantial decrease in the number of small breweries, the methods of craftsman brewing are still practised, and Belgium is famous for its unique and special beers. Pils is the most popular beer, accounting for 70 per cent of the beer market. In the 1950s, some 10 million hectolitres of beer was produced yearly. In the second half of the 1990s the yearly beer production was over 14 million hectolitres. Between 1995 and 2003 the production of beer rose to 15.6 million hectolitres in 2003.

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<sup>1</sup> More information about the organisation of the state can be found at: <http://www.belgium.be>

In 1995, nearly one third of the beer produced in Belgium was exported, mainly to the neighbouring countries (Belgische Brouwers, 2004). During the last five decades beer exports have increased. In the late 1950s the yearly exports of beer were under 0.2 million hectolitres, in 1970 they were about one million hectolitres, in 1980 over two million hectolitres, in 1990 nearly three million hectolitres and in 1995 beer exports reached the amount of 4.6 million hectolitres. In 2000 5.4 million hectolitres beer was exported (in 2003: 6.7 million hectolitres). That means 37 per cent of the total beer production (43% in 2003).

Beer imports have decreased from 1.2 million hectolitres in 1975 to 0.7 million hectolitres in 1998. In the late 1990s, imported beer accounted for about 7 per cent of the total beer consumption in Belgium. In 2000 8 per cent of the total beer consumption in Belgium is imported (in 2003: 10%).

Because of the climate, growing of grapes is practically impossible in Belgium. Although there is some domestic wine production, imported wines account for almost all of the wine consumed in Belgium. French wines alone account for about 80 per cent of the wine sales. Still wines account for 90 per cent of the wine market. The rest consists of sparkling wines and champagne. Red wines cover about 70 per cent of the wine sales, although white wines have been increasing in popularity in recent years (Hurst, Gregory & Gussman, 1997).

In 2003 Belgium imported 2.9 million hectolitres of wine. 0.2 million hectolitres of wine were meant for export (Nationale Bank van België, 2004).

In 1999 10.753.197 bottles of champagne were imported in Belgium (Nationaal Instituut voor de Statistiek, 2005). This is a lot more than the 9.474.456 bottles imported in 1998. In 2000 and 2001 the import of champagne decreases to an amount of 7.433.331 bottles in 2001. In 2002 the import of champagne stabilized to an amount of 9.002.153 bottles.

The production of distilled spirits in Belgium in the 1950-1972 period was on the average 0.1 million hectolitres per year, and the imports of distilled spirits were in the beginning of the 1970s about 0.2 million hectolitres per year (International Statistics, 1977). The figures for Belgium's production of distilled spirits in terms of pure alcohol given by Hurst, Gregory and Gussman (1997) are 0.2 million hectolitres for 1975 and less than 0.1 million hectolitres for 1989. The corresponding figures for imports of distilled spirits are 0.1 million and 0.2 million hectolitres. In both of these sources the figures for production, export and import do not, however, match with the figures for consumption. One confounding factor may be that both export and import figures refer rather to Belgium and Luxembourg than only to Belgium (Hurst, Gregory & Gussman, 1997). According to the data delivered to us by our Belgian informants the production of distilled spirits decreased between 1995 and 1998 from 0.6 million hectolitres to 0.1 million hectolitres. At the same time the yearly imports of distilled spirits were about 0.4 million hectolitres. Our vague conclusion, therefore, is that most of the distilled spirits consumed in Belgium are imported.

In 2003 Belgium imported 2.1 million hectolitres of spirits. 1.0 million hectolitres of spirits were meant for export (Nationale Bank van België, 2004).

## Alcohol consumption

At the beginning of the twentieth century the consumption of both distilled spirits and beer was high in Belgium. In 1900, the per capita consumption of distilled spirits was 4.7 litres of pure alcohol per capita and beer consumption, counted in litres of the product, 220 litres per capita. The total per capita consumption of alcoholic beverages in terms of pure alcohol was 12.5 litres. Since then the level and structure of alcohol consumption have changed dramatically in Belgium. Due to harsh government measures, the consumption of distilled spirits dropped to 0.6 litres of pure alcohol per capita by 1939. These measures included sharp increases in excise duties on distilled spirits and the Vandervelde Law, which for a brief period in 1918 prohibited distilled spirits. The Vandervelde Law was modified in 1919 to allow the sale of distilled spirits for home consumption from licensed premises, provided that the sale amounted to at least two litres. This rule was in force until 1983, when it was abolished by the law of licences and supply of distilled spirits. Between 1900 and 1939 beer consumption fell by 30 per cent and it continued to decrease between 1939 and 1950 while the consumption of distilled spirits and wine rose slightly at the same time. The total alcohol consumption continued on a downward trend in the years before the Second World War (Hurst, Gregory & Gussman, 1997).

In the 1950s the trend in total alcohol consumption turned, and per capita alcohol consumption doubled between 1950 and the mid-1980s (Table 1). It peaked in 1983 at 10.8 litres of pure alcohol per capita. Since then alcohol consumption has again decreased, falling to 8.4 litres per capita by 2000 (World Drink Trends, 2002). (7.9 litres per capita in 2002 (World Drink Trends, 2004)). This is the lowest level since 1969.

Table 1. Consumption of alcoholic beverages by beverage categories in Belgium in litres of pure alcohol per capita and as percentages of total recorded alcohol consumption in the years 1955, 1965, 1975, 1985 and 1995, five years' averages

	1955	1965	1975	1985	1995	2000
Total alcohol consumption	5.93	7.24	10.04	10.60	9.1	8.4
Consumption of distilled spirits	0.67	0.98	1.94	2.07	1.11	1.21
Consumption of wines	0.86	1.14	2.03	2.69	3	2.4
Consumption of beer	4.40	5.12	6.08	5.85	5.02	4.74
Percentage of distilled spirits	11	13	19	20	12	14.4
Percentage of wines	15	16	20	25	33	28.6
Percentage of beer	74	71	61	55	55	56.4

Sources: Hurst, Gregory & Gussman, 1997; World Drink Trends, 2002. World Drink Trends, 2004.

Beer consumption increased in Belgium in the 1950s and 1960s, with the peak at 143 litres per capita in 1973. Since the mid-1970s beer consumption has declined to 98 litres per capita in 2000 (2002: 96 litres per capita), which is the lowest level since the 1940s, and in fact also the lowest level since the beginning of the twentieth century (World Drink Trends, 2002). (World Drink Trends, 2004.)

Wine consumption has increased since the 1950s. Counted in litres of the product, wine consumption reached a level of 25.6 litres per capita in 1993, which is almost five times the 1950 level. In 2000 the per capita consumption of wine was about 20 litres (2002: 17 litres) (World Drink Trends, 2002). (World Drink Trends, 2004.)

The consumption of distilled spirits peaked in 1980 at 2.4 litres of pure alcohol per capita. From 1981 to 1987, the consumption of distilled spirits fluctuated between 1.9 and 2.2 litres in terms of pure alcohol in a year, and then dropped to 1.5 litres in 1988 and further to 1.2 litres of pure alcohol in 1990. In the 1990s the consumption of distilled spirits has been quite stable. In 2000 it was 1.2 litres in terms of pure alcohol per capita (World Drink Trends, 2002). (2002: 1.2 litres) (World Drink Trends, 2004.)

The proportion of beer of the total alcohol consumption has eroded since the late 1950s, going from a high of 76 per cent in 1959 to a low of 54 (56?) per cent in 1985. Since then, the proportion of beer of the total alcohol consumption has fluctuated, and in 2000 it stood at 58 (56?) per cent. (2002: 59%) The proportion of distilled spirits of the total alcohol consumption peaked in 1978 at 23 per cent. By 1990 it had decreased to 12 per cent and then stayed at about this level. In 2000 14 per cent of the total alcohol consumption consisted of distilled spirits (2002: 16%). (World Drink Trends, 2004.). The proportion of wines of the total alcohol consumption has increased the most, from 13 per cent in 1950 to 28 per cent in 2000 (World Drink Trends, 2002). (2002: 26%) (World Drink Trends, 2004.)

Beer is typically consumed daily and wine on weekends or on special occasions. While wine and distilled spirits tend to be consumed with meals at home, beer is consumed more often on the premises (Hurst, Gregory & Gussman, 1997, see also Simpura & Karlsson, 2001). Most of the 60,000 places (which kind of places are included in that number? In 2002 there are 17,505 bars, 22,377 restaurants and 1,650 hotels in Belgium (Belgische Brouwers, 2004) in Belgium that retail alcoholic beverages are very popular, and it is also possible to obtain alcoholic beverages, excluding distilled spirits, in youth clubs, as well as in sports centres and arenas.

It has been argued that official per capita consumption figures for wine and distilled spirits may understate the true consumption because of cross-border shopping. Furthermore, it has been claimed that the cross-border trade in alcoholic beverages is not restricted to individual travellers only, as many licensed premises also purchase alcoholic beverages outside Belgium because of lower prices. According to Hurst, Gregory and Gussman (1997) it has been estimated that up to 40 per cent of the wine consumption is made up of unrecorded purchases from neighbouring countries (Hurst, Gregory & Gussman, 1997, 52). The same problem is said to exist for distilled spirits, although to a lesser degree. Our Belgian informants were not able to show any exact numbers on cross-border trade with alcoholic beverages, but they thought that the above figures looked far too high. In the ECAS project, Leifman (2001) has concluded that it

is possible that unrecorded alcohol consumption in Belgium is of the same magnitude as it is in the Netherlands, in other words about 0.5 litres of pure alcohol per capita. The motivation for this figure is that Belgium shows a rather similar tax burden on alcoholic beverages as the Netherlands, and a similar tourist surplus and duty-free purchases (Trolldal, 2001). Belgium also partly shares the same experiences as the Netherlands with regard to illegal spirits production (Leifman, 2001).

While the per capita consumption of alcoholic beverages is nowadays about 120 litres in a year, the consumption of commercial non-alcoholic beverages goes up to nearly 440 litres per capita. The per capita consumption of non-alcoholic beverages includes 130 litres of coffee, 124 litres of bottled waters, 94 litres of soft drinks, 60 litres of milk and 30 litres of juices in a year. Since the mid-1980s the yearly consumption of bottled waters has increased by 66 litres per capita, that of soft drinks by 28 litres, and that of juices by 20 litres. During the last decade the consumption of both milk and coffee has remained almost stable (World Drink Trends, 2002).

### **Administrative structure of preventive alcohol policies**

There is no explicit, comprehensive alcohol policy in Belgium, although some elements could be interpreted as such (see Moser, 1992). The existing preventive alcohol policy measures in Belgium are linked to the state structure. . The division of competencies between the different levels (federal, community and region government) is not always very clear regarding alcohol policies.

Primary prevention of alcohol-related problems is mainly a matter for the linguistic communities. However, security problems like public order, problems related to traffic like drunk driving, as well as the financing of treatment are within the competency of the federal government, as well as the legislation, taxing policy and licensing with regard to alcoholic beverages. As all these aspects are part of a global approach of alcohol prevention, cooperation between the different levels is necessary (ECAS APQ, 1999).

Changes in the administrative structure of preventive alcohol policies have occurred as part of general changes in the state structure of Belgium. Before 1980, for instance, alcohol prevention was a federal matter. There was only one coordinating agency in the whole of Belgium and it was mainly focused on the primary prevention of alcohol problems. In 1982, the regions and linguistic communities were given larger responsibilities in the formation of the preventive alcohol policies, and coordinating agencies were established in each linguistic community. Since the 1990s these agencies have been also involved in prevention of alcohol and drug problems. (ECAS APQ, 1999).

At present, each linguistic community, as well as Brussels, supports a coordinating agency that is responsible for the implementation of alcohol and drug prevention. The coordinating agency for the Flemish Community is Vereniging voor Alcohol en andere Drugproblemen (VAD), for the French Community Comité de Concertation sur l'Alcool et les autres Drogues (CCAD) no longer exists and has not been replaced, for the German Community Arbeitsgemeinschaft für Suchtvorbeugung und Lebensbewältigung

(ASL) and for Brussels Overleg Drugs Brussel/Concentration Toxicomanie Bruxelles (ODB/CTB).

At the community level, prevention is structured according to the policy of each linguistic community and coordinating agency. For the Flemish community, there are coordinating structures at the level of each province. They aim at bringing together the field workers and organisations financed by federal, Flemish and local authorities to coordinate their actions at the local level. They have a global approach on alcohol and drug misuse in all sectors of the society, i.e. education, youth work, workplace, health care, welfare and leisure sector. Prevention activities are aimed at key persons in the different sectors who are trained and supported to develop a local alcohol and drug policy. The French Community has in its actions sponsored educational programmes in schools and at the workplace trying to promote responsible consumption of alcoholic beverages. The small German Community, with only approximately 60,000 inhabitants, has also developed a global approach on alcohol and drug misuse at the local level. Their actions are supported and coordinated by ASL. Brussels has a complex structure with, on the one hand, a bilingual coordinating structure, organised by the region of Brussels, and, on the other hand, a Flemish coordinating structure, sponsored by the Flemish Community (ECAS APQ, 1999).

### **Licensing policy**

In Belgium licensing policy is a federal matter. Therefore, the same kind of licensing policy is implemented in the whole country. Alcohol producers as well as alcohol importers and wholesalers need a licence, which is granted to them by the federal Ministry of Finance. The overall regulations of alcohol production, import and wholesaling are linked to the general excise legislation.

Also on- and off-premise retailers of alcoholic beverages need a licence to operate. The licence is granted to them by the federal Ministry of Finance. . An additional licence is needed for on-premise retail sale of alcoholic beverages with alcohol content over 22 per cent by volume. A fee had to be paid annually, but since the 14<sup>th</sup> of June 2004 only the obligation of having a licence to operate still exists.

### **Restrictions of availability**

Restrictions on alcohol availability are within the federal competence and thus apply for the whole country. The liquor legislation from November 1918, known as the Vandervelde Law, prohibited the consumption of distilled spirits for a short period. This law was modified in 1919 to allow the off-premise sale of distilled spirits. There was, however, a limit of a minimum purchase of two litres. This minimum purchase was aimed preventing persons of modest income from buying distilled spirits. The prohibition of the consumption of any alcoholic beverages over 22 per cent alcohol by volume in a café or any other on-premise public place was continued (Brown, 1972). This law was repealed as late as in 1983 after which it was legal to buy all kinds of alcoholic beverages both off and on the premises. Although this legislation was very restrictive, it was never seriously enforced and therefore had little effect on

consumption of distilled spirits. Recently (march 2005) the restriction on production, import and sale of Absinth was abolished.

According to the law from 1939 concerning the control of drunkenness, it is forbidden for people selling alcoholic beverages on the premises to serve them to children less than 16 years of age. In addition, the law from 1983 concerning licences and the supply of distilled spirits prohibits selling distilled spirits to minors less than 18 years of age for on-premise consumption. This law also prohibits selling and offering distilled spirits to minors for off-premise consumption. There are no legal age limits for selling or buying beer or wine for off-premise consumption.

The 1939 law also prohibits serving alcoholic beverages to someone who is manifestly drunk. Furthermore, those serving alcoholic beverages can be held responsible for accidents or damage caused by alcohol misuse. In practice, however, this is very rarely enforced. Furthermore, the law concerning the moral protection of youth from July 15, 1960, and amended in 1973, states that youngsters under 16 years of age cannot enter a dancehall or a licensed premise while there are people dancing, unless they are accompanied by a legal guardian.

Local authorities generally regulate hours of sale and usually no special regulations for the retail sales of alcoholic beverages are prescribed (Hurst, Gregory & Gussman, 1997). Usual business hours for ordinary shops are from 8 a.m. to 8 p.m. and on Fridays to 9 p.m. Special night shops have the permission to keep their shops open from 6 p.m. to 7 a.m. (ECAS APQ, 1999). All this means that in practice alcohol is available in Belgium at all times, because night shops, located mainly in cities, are open during the closing hours of ordinary shops.

The on-premise retailers, as long as they have a valid licence, can sell alcoholic beverages during the time their shop or establishment is open. The closing hours of cafés and bars depend on the locality but they are usually open rather late. In cities, cafés and bars are usually open until 1 a.m. or even to 3 a.m., and they can exceed their time regulation by paying an extra tax per hour. Also in the morning some cafés open before 7 a.m., for instance, in the vicinity of railway stations.

In addition to the above mentioned regulations from 1952, the consumption of fermented and distilled beverages containing over six per cent alcohol by volume is prohibited in factories, and offices or any other place of work. According to the law 28/12/1983 concerning the distribution of distilled spirits, it is illegal to serve distilled spirits in establishments built on public roads or on the property of a highway with the exception of café terraces built on pavements which are part of establishments that have a licence to serve distilled spirits. It is also forbidden to serve distilled spirits in locations for public events like sports, cultural or political events without acquired authorisation. Furthermore, it is forbidden to serve distilled spirits in hospitals, schools and places to which minors have access (ECAS APQ, 1999).

## **Alcohol taxation**

The current method of alcohol taxation varies depending on the beverage category (Table 2). For beer, excise duties are levied on the basis of hectolitre per degree of Plato in the finished product, and they are applicable to beer with an alcohol content over 0.5 per cent by volume. Reduced rates of excise duties on beer are given to small independent breweries, whose total annual production does not exceed 200,000 hectolitres. At its lowest this rate is 13 per cent lower than the standard rate, or 1.49€ per hectolitre per degree of Plato for breweries whose yearly production is not exceeding 12,500 hectolitres. For fermented still and sparkling wines, the excise duties are applied on the basis of hectolitres of the product. For wines with an alcohol content less than 8.5 per cent by volume, the excise duty is set at 14.87€ Higher rates are applied to stronger wines, and there are also different rates for still and sparkling wines. Like wines, the excise duties on intermediate products are also applied on the basis of hectolitres of the product. The excise duty on distilled spirits is levied per hectolitre of pure alcohol in the finished product.

Table 2. Excise duty rates for alcoholic beverages in Belgium in 2004 in Belgian francs and in euro

Alcoholic beverage category*	BFR	EUR
Beer, per hectolitre per degree of Plato in the finished product	69.00	1.71
Wine, and fermented beverages other than wine or beer, per hectolitre of the product		
Not exceeding 8.5% alcohol by volume	600.00	14.87
Over 8.5 to 15% alcohol by volume, still	1,900.00	47.10
Over 8.5 to 15% alcohol by volume, sparkling	6,500.00	161.13
Intermediate products, per hectolitre of the product		
Not exceeding 15% alcohol by volume	3,000.00	74.37
Over 15% alcohol by volume, still	4,000.00	99.16
Over 15% alcohol by volume, sparkling	5,149.00	161.13
Distilled beverages, per hectolitre of pure alcohol in the finished product	67,000.00	1,660.89

\*For details of the lower limits of alcoholic beverages and other EU rules concerning alcohol taxation, see Chapter 2.

Source: European Commission, DG XXI, Excise duty tables, November 2000.

The economic union between Belgium and Luxembourg have amongst others meant that the structure of alcohol excise duties was harmonised in these countries. In Belgium and Luxembourg two excise duty rates were levied on alcoholic beverages, one of which was common to both countries and one of which was individually applied.

In the early 1970s the excise duty levied on beer was calculated per hectolitre of pure alcohol in the finished product. This excise duty rate for beer was progressive on the

basis of the yearly beer production of the breweries (see Table 4.3). The excise duty on distilled spirits was levied at a certain rate per degree of alcohol in the finished product plus a specific consumption tax per hectolitre at 50 per cent alcohol by volume. There was a basic excise duty per hectolitre of product on wine up to 12 per cent alcohol by volume. For wine with a higher alcohol content there was an additional tax about twice the basic rate for each degree of alcohol over 12 per cent by volume (see Brown, 1972).

After 1972 and before 1993 the excise duties on beer were adjusted in the years 1975, 1981 and 1990 (Table 3). The increases in excise duty rates were about 35 per cent, 55 per cent and 45 per cent, respectively. This means that the excise duty rate for beer in 1990 was about three times the rate in 1972. In the 1980s the part of the excise duty payable both in Belgium and Luxembourg was about the same as the part payable only in Belgium (Brown, Dewar & Wallace, 1982; Horgan, Sparrow & Brazeau, 1986; Sparrow et al., 1989). In 1990 the part of the excise duty on beer payable both in Belgium and Luxembourg was about one third of the total excise duty on beer payable in Belgium (Brazeau et al., 1992).

Table 3. Excise duty rates for beer in Belgium from 1972 to 1993 in Belgian francs per hectolitre per degree of alcohol according to the yearly production of breweries

From (year / month)	First 10,000 hectolitres	10,001- 50,000 hectolitres	50,000- 300,000 hectolitres	50,001- 1,250,000 hectolitres	300,001- 1,250,000 hectolitres	Over 1,250,000 hectolitres
1972	37.10	41.30	-	46.70	-	50.90
1975	43.80	52.30	63.30	-	64.50	69.00
1981 / 6	68.00	81.30	98.30	-	100.20	107.20
1990 / 4	116.00	129.30	-	147.80	-	155.20

Source: Hurst, Gregory & Gussman, 1997, 61.

We could not update table 4.3 since the excise duty rates for beer in Belgium are always expressed in hectolitre per degree Plato.

As a part of the move towards the single European market, the beer excise duty system based on hectolitre of pure alcohol in the finished product was replaced in 1993 with one based on hectolitre per degree of Plato in the finished product (Table 4). The change from defining and calculating the excise duty on the basis of degree of alcohol to degree of Plato did not, however, affect the level of excise duty on beer (see Table 5). In 1993 basic excise and special excise duty rates were set at 32 francs and 27 francs, respectively, giving a total standard rate of 59 francs per hectolitre for each degree of Plato. In November 1996, the total standard rate was increased by 17 per cent to 69 francs. Thus the current basic excise duty rate of 32 francs and a special excise duty rate of 37 francs were reached (Hurst, Gregory & Gussman, 1997).

Table 4. Excise duty rates (€) for beer in Belgium effective in January 1993 and in November 1996 per hectolitre per degree Plato in Belgian francs according to the yearly production of breweries

From (year / month)	At most 12.500 hectolitres	At most 25.00 hectolitres	At most 50.000 hectolitres	At most 75.000 hectolitres	At most 200.000 hectolitres	Over 200.000 hectolitres
1993 / 1	50.00	52.00	54.00	56.00	58.00	59.00
1996 / 11	60.00	62.00	64.00	66.00	68.00	69.00
2000/1	60.00	62.00	64.00	66.00	68.00	69.00
2002/1	1.4873	1.5369	1.5865	1.6361	1.6857	1.7105

Sources: Hurst, Gregory & Gussman, 1997; European Commission, DG XXI, Excise duty tables, January 1997.

In 1993 also the categories concerning the amount of production according to which the excise rates were differentiated changed. In tables 3 and 4 it can be noted that the difference between the excise duty rates in the lowest and highest production categories has decreased during the last three decades.

Table 5 summarises the changes in alcohol excise duty rates since the early 1970s. Excise duty rates for distilled spirits have been calculated on the basis of hectolitre of pure alcohol in the finished product independently of the formal system of levying the excise duty on distilled spirits. Excise duty rate for wine containing 12 per cent alcohol by volume represents all wine in table 5, and excise duty rates for beer are estimates for beer with an alcohol content of five per cent by volume.

Table 5. Excise duty rates (€) for distilled spirits per hectolitre of pure alcohol in the finished product, for table wine with 12 per cent alcohol by volume per hectolitre of the product and for beer containing five per cent alcohol by volume per hectolitre of the product, 1972 – 1986, Belgian francs

From (year / month)	Distilled spirits	Table wine	Beer
1972	22.000	600	255
1975	26.000	600	345
1976 / 1	30.500	1.200	345
1980 / 7	42.500	1.200	345
1981 / 7	56.500	1.200	536
1982 / 3	56.500	1.300	536
1984 / 1	56.500	1.471	536
1989 / 1	63.500	1.471	536
1990 / 4	63.500	1.471	776
1993 / 1	63.500	1.471	767
1996/ 11	67.000	1.900	897
2000/1	67.000	1.900	

2002/1	1660.887	47.100	
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Sources: Brown, 1972; Brown, 1976; Brown, 1978; Brown, Dewar & Wallace, 1982; Sparrow et al., 1989; Brazeau et al., 1992; Hurst, Gregory & Gussman, 1997; European Commission, DG XXI, Excise duty tables, January 1997.

As table 5 shows, excise duty rate for distilled beverages has changed in six instances since 1972, i.e. in the years 1975, 1976, 1980, 1981, 1989 and 1996. The increases have been 18 per cent, 17 per cent, 39 per cent, 33 per cent, 12 per cent and 6 per cent, respectively. In the year 2000, the excise duty rate for distilled spirits was nearly three times the rate in 1972. Since 1972 excise duty rate for wine has increased in 1976, 1982, 1984 and 1996. The increases have been 100 per cent, 8 per cent, 13 per cent and 29 per cent, respectively. It means that in the year 2000 excise duty rate for wine was little over three times the rate in 1972. In the year 2000 the excise duty rate for beer was 3.5 times the rate in 1972.

Changes in excise duty levels in table 5 are given in nominal values. During the 1950-2000 period the value of the Belgian currency has decreased because of inflation. The increasing price level in the Belgium in the 1960-2000 period as described by the consumer price index (CPI) are given in table 6.

Table 6. Consumer price index in Belgium, 1960-2000, 1995 is 100

Year	1960	1965	1970	1975	1980	1985	1990	1995	2000
CPI	20.8	23.6	28.0	41.8	56.8	79.8	88.6	100.0	108.6

Source: OECD, Main Economic Indicators, March 2000 CD-ROM.

When comparing the excise duty rates for different alcoholic beverages with the CPI it can be noted that in the year 2000 the real value of the excise duty rate for distilled spirits was about 15 per cent and that for table wine about 10 per cent lower than they were in 1972. The real excise duty rate for beer was about the same in the year 2000 as it was in 1972. It should be noted that the choice of the years affects the comparisons. For instance, if the change in the real excise duty rate for wine had been counted for the period 1975-2000, the result would have been an increase of 22 per cent. Therefore, a reasonably fair conclusion is that in Belgium the real burden of excise duties on alcoholic beverages has stayed about the same during the last three decades.

Nowadays the value added tax (VAT) of 21 per cent is levied on all alcoholic beverages. This has not always been the case (Table 4.7). In the early 1970s a VAT of 6 per cent was levied on beer and wine, and a VAT of 25 per cent on distilled spirits. In the mid-1970s a 6 per cent VAT was applied only on on-premise sale of beer while in the late 1970s the VAT put on all beer, 16 per cent, was clearly lower than the 25 per cent VAT put on wine and distilled spirits. From 1992 on, the VAT rate has been the same for all alcoholic beverages. In the 1990s the VAT has been around 20 per cent on all alcoholic beverages. This means that during the last three decades the total burden of

excise duties and VAT has increased somewhat for beer and decreased somewhat for distilled spirits.

Table 7. Rates of value added taxes on alcoholic beverages by beverage categories in Belgium, 1972-1996, per cent

From (year)	Beer		Wine	Distilled spirits
	On-premise	Off-premise		
1972	6.0	6.0	6.0	25.0
1975	6.0	14.0	14.0	25.0
1977	14.0	14.0	25.0	25.0
1978	16.0	16.0	25.0	25.0
1981	17.0	17.0	25.0	25.0
1983	17.0	19.0	25.0	25.0
1992	19.5	19.5	19.5	19.5
1993	20.5	20.5	20.5	20.5
1996	21.0	21.0	21.0	21.0
2000	21.0	21.0	21.0	21.0
2002	21.0	21.0	21.0	21.0

Source: Hurst, Gregory & Gussman, 1997.

Calculated on the basis of pure alcohol, the excise duty rate for distilled spirits is nowadays 3.7 times that for beer. The VAT reduces the relative weight of total tax burden between these beverages to 2.4 times. In 1975 alcohol in the form of distilled spirits was taxed three times the alcohol in beer, and in the mid-1980s four times the alcohol included in beer. For still wine, the excise duty is 0.9 times that of beer. After taking into account the VAT, the total tax burden on alcohol in the form of wine is about the same as in the form of beer. In 1975 the corresponding figure was 0.7. Between 1976 and 1992 this figure fluctuated between 1.5 and 2.3. The relative weight of tax burden on sparkling wine compared to beer, VAT included, is 2.4 times (Hurst, Gregory & Gussman, 1997).

Nowadays some 31 per cent of beer prices consist of taxes. The corresponding figures for distilled spirits and table wines are 55 per cent and 28 per cent. These figures have decreased since the mid-1980s by about 5 percentage points for each alcohol beverage category (Sparrow et al., 1989; Brazeau et al., 1992; Hurst, Gregory & Gussman, 1997). Against this background it is somewhat surprising that according to the price data produced in the ECAS project, the real price of alcoholic beverages decreased in Belgium in the 1970-1985 period by some 25 per cent, increased somewhat in the beginning of the 1990s and decreased by nearly 15 per cent from 1992 to 1996 (Leppänen, 1999). In the 1950s and 1960s the real price of alcoholic beverages stayed nearly constant or decreased somewhat (Sulkunen, 1978, 199).

## **Alcohol advertising**

In Belgium alcohol advertising is regulated by the Law on Commercial Practices, from July 11, 1991, and by voluntary guidelines. Since 1997 the Francophone National Broadcasting Company has not accepted advertising for products containing more than 20 per cent alcohol.

In January 1993 the Advertising Council adopted an advertising code for alcoholic beverages. The code was drawn up in collaboration with the Belgian Federation of Wines and Spirits and applies to all alcoholic beverages over 1.2 per cent alcohol by volume, except for beer. In July 1993, a similar code for the advertising of beer was put together by the Arnoldus Group, a Belgian social aspect organisation funded by beer industry. These self-regulation codes mention recommendations concerning minors, health, traffic, sports and work.

The following restrictions imposed by the Flemish Government in 1995 are applied to advertising of alcoholic beverages on both radio and television (Judgement of the Flemish Government 25/1/1995):

- Advertising of beer, wine and distilled spirits may not be specifically addressed to minors and cannot show minors who are drinking alcoholic beverages.
- Advertising of alcoholic beverages may not connect the consumption of alcohol and improvement of physical performance or driving behaviour.
- Advertising of alcoholic beverages may not suggest that the consumption of alcohol leads to social or sexual success.
- Advertising of alcoholic beverages may not suggest that alcoholic beverages have therapeutic value or have a stimulating or calming effect or decrease tension.
- Advertising of alcoholic beverages may not give a negative picture of abstinence or of moderate consumption of alcohol.
- Advertising of alcoholic beverages may not stress a high alcohol concentration as a positive quality of drinks.

According to this law the Flemish public television can not broadcast commercial advertising.

In the French (decree of 4/01/1999) and the German community (decree of 16/10/1995) similar restrictions are imposed.

The Jury of ethical practices on advertising is able to check if advertising conforms the legislation or the self-regulation codes.

## **Education and information**

Until the late 1970s, the Belgian government supported a national committee for the study and prevention of alcoholism. The efforts of this committee were aimed at informing students of the dangers of alcohol misuse. This committee was later replaced by three government-funded organisations from the different linguistic communities in Belgium, whose mandates were to reduce alcohol misuse. The organisations operate

independently and meet on a regular basis and collaborate on various programmes (Hurst, Gregory & Gussman, 1997).

In the field of drunk driving there is an annual information campaign, namely the BOB campaign. The campaign is an initiative by the Belgian Institute of Traffic Safety in close collaboration with the Arnoldus Group. The BOB campaign encourages persons to have fun without having to drink alcohol. In the campaign, a designated driver, the BOB person, voluntarily drives people in a sober state home from the pub. The BOB campaign is repeated yearly and it has proven to be very successful. The campaign is advertised on television and radio as well as on billboards along the roads. The campaign is supplemented by increased controls on drunk driving by police. The BOB campaign seems to have had a positive effect regarding the number of drunk driving offences.

In Flanders, the Health Promotion School Network was set up in 1992. Alcohol is one of the topics, which can be dealt with by schools. Different educational materials are developed for schools to support health promotion in general. Since 1992 a general concept of drug policy at schools has been developed. The drug policy at schools is a comprehensive concept in which the use of drugs and alcohol are tackled as addictive behaviour. The programme consists of three different components: development of a plan including school policy, tasks, rules and regulations, alcohol and drug education including school and class climate and curriculum, and intervention including early detection of signs of alcohol and drug use and misuse, and how to handle and counsel in the case of alcohol and drug problems.

In addition to publishing information and educational material on alcohol and drugs, VAD supports enterprises and local governments in the development of an alcohol policy at the workplace consisting of regulation, intervention and information. An education training pack has been developed to be introduced in socio-cultural organisations, giving adults and parents information about alcohol use and misuse. Materials are developed to implement a local alcohol and drug policy. Recently a prevention program for the target group children of alcoholics was also developed. In addition to these materials, different training courses are carried out.

Since 2001 the VAD launched the 'alcohol bekijk het eens nuchter' campaign. Over several years different target groups are reached and various aspects are taken into consideration. With a 'a cool world' (2001) we reach the 12-16y, with 'Gratis drank' (2002-2003) the 17-25y ('Free drinks') and with 'Boodschap in een fles' (Message in a bottle, 2004) the 26-45y.

There is also the drug help line (Druglijn), which gives information about risks and harms of alcohol and drugs.

## **Drunk driving**

Blood testing for drivers was introduced in 1958, the maximum permissible blood alcohol concentration (BAC) level being set to 0.15 per cent. The BAC level was reduced to 0.08 per cent in 1968. The same year breathalyser tests were introduced.

Since December 1994 the legislation with regard to the maximum BAC in traffic was changed. The maximum BAC level decreased from 0.08 per cent to 0.05 per cent. At the same time, the fines increased and more offences than before were followed up with the suspension of the driving licence.

The BAC limit is fairly effectively enforced in Belgium. Especially during the Christmas period, but also along the rest of the year random breath controls are performed. When a person is caught and convicted of driving with a BAC of 0.05 per cent or more the offender gets a fine of minimum €137.5 en maximum €2,750. With a BAC of 0.08 per cent or more the offender can get a fine of minimum €1,100 and maximum €1,000. In both cases suspension of the driving licence is possible. For a recidivist with a BAC of 0.08 per cent or more, the driving licence is always suspended for a period of minimum 3 months and maximum 5 years. These offenders have to pass through medical and psychological test to get back their drivers licence (<http://www.verkeerswet.be>)

### **Administrative structure of treatment for alcoholism**

A variety of services are available for treatment, and general practitioners more and more often refer people who have alcohol problems to treatment at an early stage. Increasing attention is also paid to the families of alcoholics through the helping professions and legal provisions. The law of 1965 on the protection of youth permits the deprivation of parental rights from an alcoholic and the provision of educational assistance to children of neglectful parents or to young people having alcohol problems themselves (Moser, 1992).

At the community level, there are many voluntary organisations like Alcoholics Anonymous (AA), Al-Anon, and Al-Ateen that take care of a considerable part of the support and help in the management of alcohol problems. On the primary health care level, general practitioners and other health care professionals in the social and welfare sector have an important role in the early detection and treatment of alcoholism and alcohol-related problems. Especially brief intervention has grown in importance during the last years.

There is a good network of inpatient and outpatient treatment centres with a variety of different treatment programmes. First, there are the centres for mental health, which are organised at a regional level, Flemish, Walloon and Brussels. Secondly, there are the general hospitals and the psychiatric hospitals, which are subsidised by the federal government. Detoxification service is also provided, mostly in general hospitals, but also in psychiatric hospitals. The AA as well as outpatient services in the mental health sector are mainly in charge of the aftercare.

### **Summary**

Both the level and the structure of total alcohol consumption have changed greatly in Belgium during the 1950-2000 period. The total alcohol consumption first doubled from the early 1950s to the mid-1980s. At the same time, the proportion of beer of the total alcohol consumption decreased from about 75 per cent to about 55 per cent. Since the mid-1980s the total alcohol consumption has decreased by nearly a fifth while the consumption of wine has been on the increase. Despite the growth in wine consumption, Belgium is still a beer drinking country even if the proportion of wine consumption has grown to a third of total alcohol consumption by the end of the 1990s.

There is a variety of alcohol control measures in Belgium. These measures are rather diverse, and preventive alcohol control measures vary according to the linguistic communities and regions. In very general terms they include, for instance, licensing of alcohol production and trade, age limits on on-premise retailing, prohibition of consumption of distilled spirits and wine at workplace, restrictions on serving distilled spirits along highways or certain public leisure events, a legal BAC limit for drunk driving and special excise duties on alcoholic beverages. On the other hand, it is totally clear that alcohol control measures and changes in them are not able to explain changes in total alcohol consumption and its structure.

Compared to the early 1950s, regulations on drunk driving or alcohol advertising are nowadays stricter than fifty years ago. There are also more alcohol education and information available in Belgium than there were fifty years ago. On the other hand, still today Belgium is one of the few ECAS countries that does not have legal age limits on selling or buying beer or wine for consumption off-premise.

Against this background the strict alcohol control measures in the first decades of the twentieth century, including the Vandervelde Law prohibiting sales of distilled spirits in the late 1910s, may be a surprise. Without a closer analysis of these earlier decades of the twentieth century it is not possible to explain the rise of these measures. We can, however, conclude that the imposed strict alcohol control measures go hand in hand with decreases in total alcohol consumption during the first decades of the twentieth century. The Vandervelde Law is also a good example of how certain regulations may officially stay in force for a very long time, and at the same lose their efficacy. The prohibition of serving distilled spirits for consumption on the premises as well as the rule of selling distilled spirits for consumption off the premises only in containers of two litres or over were abolished as late as in 1983. In practice, however, these regulations were not efficiently enforced during the last decades they were officially in force. This is also reflected in consumption statistics. In 1983 and in the following years the total alcohol consumption and the consumption of distilled spirits were stable or even slightly on the decrease.

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