

# Luxembourg

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## The country

Luxembourg, officially the Grand Duchy of Luxembourg, is situated in western Europe, bounded by Belgium on the west and north, Germany on the east, and France on the south. Together with Belgium, Luxembourg formed the Belgo-Luxembourg Economic Union in 1921. In 1947, the Benelux Customs Union was established between Luxembourg, Belgium and the Netherlands. In 1958 this customs union was extended into an agreement on full economic integration, and in 1960 the Benelux Economic Union became operative.

The country has an area of 2,586 km<sup>2</sup> and a population of 432,600 inhabitants in the year 2000, giving the country an overall population density of 167 persons per km<sup>2</sup>. The capital and the largest city is Luxembourg City, also known as Luxembourg-Ville, with a population of about 80,000. The urban population accounts for about 89 per cent of the total population. The inhabitants of Luxembourg are mostly of German or French origin, but have a distinct national consciousness. As many as 97 per cent of the inhabitants are Roman Catholics. The national language, Luxembourgeoisch (Letzeburgesch), is a Germanic language. In addition to the national language, French and German are used in official publications and in schools.

Luxembourg is one of the world's most industrialised countries and has a high standard of living. In 1999 the gross domestic product (GDP) per capita was 41,640 euro. The stable, high-income economy features moderate growth, low inflation, and low unemployment. The industrial sector, dominated until recently by steel, has become increasingly more diversified to include chemicals, rubber, and other products. During the past decades, growth in the financial sector has more than compensated for the decline in steel industry. Services, especially banking, account for a growing proportion of the economy. Agriculture is based on small family-owned farms. In the mid-1990s about 26 per cent of the population worked in the industrial sector, approximately 4 per cent in the agriculture and about 71 per cent in the service sector.

Luxembourg is a constitutional hereditary monarchy which has been independent since 1866. The constitution provides for a democratic government, with legislative power vested in a unicameral chamber of deputies composed of 60 members elected every five years. The sovereign, the grand duke or duchess, has the constitutional right to organise the government. The government consists of the prime minister, who is head of the government, and at least three other ministers. A council of state, appointed for life by the sovereign, acts in an advisory capacity.

## **Alcohol production and trade**

At the beginning of the twentieth century, there were a dozen breweries in operation in Luxembourg with a yearly beer production of 175,000 hectolitres. The number of breweries has dropped steadily during the twentieth century, and in 1995 there were only five breweries in operation, with annual sales of 515,000 hectolitres of beer. Three of these breweries are of almost equal size, covering 93 per cent of the beer market in Luxembourg. During the last decades domestic beer production has decreased. In 1975 the beer production in Luxembourg was 787,000 hectolitres.

Domestic lager beer is preferred over imported beer. In 1975, beer imports were 44,000 hectolitres which was about 10 per cent of beer consumption. The beer imports have, however, increased significantly during the past decade, and in 1995 the beer imports amounted to 106,000 hectolitres. The market share of imported beer of the total beer consumption was about 25 per cent (Hurst, Gregory & Gussman, 1997). In 1975 beer exports were 374,000 hectolitres, nearly half of the beer production. By 1995 they had decreased to 149,000 hectolitres which means that nearly 30 per cent of beer production was exported in 1995. The main destinations were Belgium and France (Hurst, Gregory & Gussman, 1997).

Wines produced in Luxembourg are characterised by their low alcohol content, usually around 11 to 12 per cent alcohol by volume. The most popular wine in Luxembourg is white wine, which also accounts for most of the wine production. Domestic wines have increased in popularity over the last decade, but their market share has fluctuated due to unstable climatic conditions for grape production (see Hunt, Gregory & Gussman, 1997, 273). In the 1985-1995 period approximately two thirds of the wine production were consumed domestically, while a third of the production was exported. Wine was exported mainly to Belgium, but during the 1990s also to a growing extent to Germany. In 1994, for instance, Germany imported an exceptionally large quantity of wine, accounting for 42 per cent of Luxembourg's total wine exports.

Between 1975 and 1982, wine consumption ranged in Luxembourg between 145,000 and 175,000 hectolitres a year. In 1983 and 1984 wine sales increased dramatically, probably due to the deflation of the currency, which led to increased purchases by tourists and cross-border shoppers. Since 1984 the consumption of wine has fluctuated between 195,000 and 233,000 hectolitres. In the mid-1990s about half of the wine consumption consisted of imported wine (Hurst, Gregory and Gussman, 1997).

Sales of distilled spirits increased considerably from 1960 to 1981, when the sales peaked at 35,000 hectolitres in terms of pure alcohol. Then the sales fell sharply, settling at around 23,000 hectolitres during the 1980s. The sales increased to more than 28,000 hectolitres in 1993, but they have since then declined to 21,000 hectolitres. In the mid-1970s about 80 per cent of the distilled spirits sold in Luxembourg was imported. In the mid-1990s the corresponding rate was about 96 per cent (Hurst, Gregory & Gussman, 1997).

## **Alcohol consumption**

A large number of visitors travel to Luxembourg each year. Visitors include both ordinary tourists and cross-border shoppers from neighbouring countries who find Luxembourg attractive due to its low prices. Because Luxembourg is also the seat of the Court of Justice of the European Communities, the Secretariat of the European Parliament and the European Community for Coal and Steel Union, many foreigners visit the country each year (Hurst, Gregory & Gussman, 1997).

According to available statistics, total consumption of alcoholic beverages increased in the 1950s and 1960s from little over 8 litres of pure alcohol per capita to over 11 litres per capita. Since 1970, the per capita consumption of distilled spirits has been adjusted in official statistics in order to remove the beverages the visitors have bought either to be consumed while in Luxembourg or to be imported home. In 1990, visitors were estimated to account for 70 to 75 per cent of all sales of distilled spirits in Luxembourg. The beverages were bought primarily at the borders (Hurst, Gregory & Gussman, 1997).

Total alcohol consumption grew in Luxembourg from the early 1970s to the mid-1980s. The growth was especially strong during the first half of the 1980s, largely due to wine consumption which increased at an annual rate of 6.7 per cent between 1980 and 1984. During the same period, the total alcohol consumption increased by 3.5 per cent per year, reaching the all-time high in 1984 at 14.0 litres per capita (Hurst, Gregory & Gussman, 1997, 260). However, when exactly the same basic figures are used for consumption of distilled spirits in litres of pure alcohol and of wine and beer in litres of the product, a total consumption figure of 12.7 litres of pure alcohol per capita is reached for the year 1984 (World Drink Trends, 2002, 82). The discrepancy of 10 per cent between these figures must, therefore, be explained by the different assumptions of alcohol content in beer and wine. With regard to the year 1992, the two sources end up to a discrepancy of 16 per cent by using exactly the same basic figures again (cf. Hurst, Gregory & Gussman, 1997, 260; World Drink Trends, 2002, 82). According to the different data sources, the total alcohol consumption has either stayed on about the same level or decreased somewhat since the mid-1980s (Table 12.1, World Drink Trends, 2002).

Counted as product litres per capita, the consumption of beer peaked in 1964 at a high of 132 litres. In the late 1970s, beer consumption declined to a level of about 120 litres. Since then it stayed on about this level until the early 1990s. In the 1990s beer consumption was again declining, reaching a level of 108 litres per capita in 2000 (World Drink Trends, 2002).

Wine consumption grew steadily between the early 1950s and the mid-1980s. Since its all-time high of 63 litres in 1984, the consumption of wine has levelled off. In the late 1990s, the consumption of wine per capita was about 60 litres per capita a year (World Drink Trends, 2002).

Table 12.1. Consumption of alcoholic beverages by beverage categories in Luxembourg 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*
Alcohol consumption	9.01	11.11	12.53	13.48	13.27
Consumption of distilled spirits	0.86	1.29	1.74	1.65	1.60
Consumption of wines	3.37	4.00	4.99	6.32	6.29
Consumption of beer	4.78	5.82	5.80	5.51	5.38
Percentage of distilled spirits	10	12	14	12	12
Percentage of wines	37	36	40	47	47
Percentage of beer	53	52	46	41	41

\* The figures for 1995 in table 12.1 have been calculated by using the same alcohol contents for beer and wine, 4.6 per cent and 11 per cent respectively, as Hurst, Gregory and Gussman (1997). Consumption figures for the years 1993-1997 have been taken from World Drink Trends (2002). The figure for total alcohol consumption in 1995 according to World Drink Trends is 11.98.

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

The consumption of distilled spirits grew from about one litre of pure alcohol per capita per year in the early 1950s to about 1.7 litres in the mid-1970s. Since then the consumption of distilled spirits has remained virtually unchanged. In 2000 the consumption of distilled spirits was 1.6 litres of pure alcohol per capita (World Drink Trends, 2002).

Beer's popularity as the beverage of choice has eroded over the last fifty years. In 2000 its share of the alcoholic beverage market was 38 per cent. Beer has mainly lost ground to wine, which has become immensely popular. Between the early 1950s and the end of the 1990s the market share of wine has increased from a good 30 per cent to 50 per cent. The market share of distilled spirits, which stood at 14 per cent in 1950, was about 12 per cent in the late 1990s.

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

There has been only a few efforts to consider the need for preventive measures on alcohol problems, apart from regulations on drinking by minors and on blood alcohol concentration (BAC) limit for drivers. The section Prevention of Drug Dependencies in the Ministry of Justice is the national agency responsible for prevention of alcohol-related problems. The National Council Against Alcoholism (Conseil National de Lutte contre l'Alcoolisme, CNLA) coordinates action against alcoholism and collaborates with state and local bodies. It has existed since 1980 and it is subsidised by the Ministry of Health (Global status report on alcohol, 1999).

The overall policy of the government in Luxembourg is not to get people to abstain, but to encourage them to drink responsibly. Priorities in the 1990s have been:

- mass media campaigns to encourage safer drinking,
- encouraging of lighter drinking in work settings,
- increasing the role of primary health care teams in the prevention and early detection of alcohol problems,
- developing the role of the social welfare system in the prevention and management of alcohol problems,
- developing specialised treatment for alcohol dependence and other alcohol problems, and
- addressing particular alcohol problems (Global status, 1999).

The government seems to trust in stricter enforcement of laws. An example of this is the stronger enforcement of impaired driving laws which has been going on since the mid-1980s. Billboards encouraging people not to drink and drive are used as well as breathalyser testing on roadside checks and even in cases of slight traffic violations (Hurst, Gregory & Gussman, 1997).

### **Licensing policy**

Alcohol producers as well as importers and wholesalers of alcoholic beverages need a production or trade licence. The licence is not, however, alcohol-specific. Primarily because of tax purposes, the control on import, export, wholesale and production of alcoholic beverages is quite rigorous.

Off-premise retailers of alcoholic beverages are required to have a licence. The annual fee for a licence is based on population in the locality and is 1,200 francs or 30 euro at its maximum. For off-premise consumption, all alcoholic beverages may be bought in grocery stores. Beer may also be sold for consumption off-premise in premises selling food such as restaurants and snack bars (Hurst, Gregory & Gussman, 1997).

Also on-premise retailers of alcoholic beverages need a licence. As a result of the legislation passed in 1927, two types of licences exist for the sale of alcoholic beverages on the premises. The first type of licence, the so-called cabaret privilege licence was originally issued between 1910 and 1912, and it is tied to the premise forever, not to the innkeeper. The second type of licence for on-premise consumption, an ordinary licence, is issued by the local authorities to the innkeeper and it is not tied to the establishment. This licence is granted according to the number of establishments in ratio to the population. The purpose of the 1927 legislation was to gradually reduce the number of licences to a ratio of one premise per every 250 inhabitants.

The licensing system was amended in June 29, 1989, in an attempt to further reduce the number of outlets. The new ratio for all licences was set at one premise per 500 inhabitants (Oberlé, 1998). No new licences have been issued in areas where the ratio is too high. New premises are, however, still opened by innkeepers who have bought ordinary licences from others closing their establishments. In the city of Luxembourg, ordinary licences have obtained considerable market value. The price for an existing licence is estimated to be ten times higher than for a licence granted by the local authorities. The price for a new licence issued by the local authorities is between 62 and 250 euro, depending on the number of inhabitants in the area where the licence is

granted. There is also an annual fee of 25 to 75 euro, which is paid by the licence-holder. The on-premise licence, when issued, applies to the sale of all alcoholic beverages. Because about one third of the 2,400 licences in Luxembourg are held by brewers, there are more outlets selling beer only than outlets selling all alcoholic beverages. In addition, about 90 per cent of the remaining licence-holders are under contract to sell only beer from a certain brewery (Hurst, Gregory & Gussman, 1997).

### **Restrictions of availability**

There are no legal age limits for on-premise purchases of alcoholic beverages in Luxembourg. There are, however, recommendations that purchases of alcoholic beverages should not be allowed to persons younger than 16 years.

For on-premise sales, the legal age limit is 18 years for all alcoholic beverages. If accompanied by an adult, the legal age limit is 17 years. According to the decree from June 29, 1989, the retailer, if not serving alcoholic beverages in a responsible manner, can be subjected to a fine amounting from 62 to 248 euro. If the customer is under 16 years of age, the fine can go up to 990 euro.

There are no restrictions on days of sale or on type or location of outlets. The same trade regulations that are applicable to other merchants also apply to off-premise sale of alcoholic beverages.

Serving hours are regulated by local authorities. In most cases, on-premise places may be open between 6 a.m. and midnight or 1 a.m. (Hurst, Gregory & Gussman, 1997). In certain cases permitted hours can be extended to 3 a.m.

### **Alcohol taxation**

The basis for collecting excise duties on alcoholic beverages has been quite similar in Belgium and Luxembourg because of the economic union between these countries. In both countries the method of taxation varies according to beverage category. Both countries levy, however, two excise duties on each alcoholic beverage category, a common excise duty applied in both countries and an individually applied excise duty. In general, because of higher individually applied excise duties in Belgium, alcohol excise duty rates have been higher in Belgium than in Luxembourg (cf. tables 12.2 and 4.2; see Chapter 4 for alcohol taxation in Belgium).

In January 1, 1993, in accordance with the EU harmonisation of excise duties on alcoholic beverages, the excise duty on all wines was set at zero in Luxembourg (Table 12.2). This rate applies to grape wine, sparkling wine and other beverages fermented from fruits, whether sparkling or not. For beer, excise duty is levied per hectolitre per degree of Plato in the finished product. Breweries producing less than 50,000 hectolitres per year pay only half of the standard rate, i.e. 16 francs, and breweries producing less than 200,000 hectolitres pay 18 francs per hectolitre per degree of Plato in the finished product. Excise duties on intermediate products are 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 12.2).

Table 12.2. Excise duty rates for alcoholic beverages in Luxembourg in 2000 in Luxembourg francs and in euro

Alcoholic beverage category*	LFR	EUR
Beer, per hectolitre per degree of Plato in the finished product	32.00	0.79
Wine, and fermented beverages other than wine and beer, per hectolitre of the product	0.00	0.00
Intermediate products, per hectolitre of the product		
Not exceeding 15% alcohol by volume	1,900.00	47.10
Over 15% alcohol by volume	2,700.00	66.93
Distilled beverages, per hectolitre of pure alcohol in the finished product	42,000.00	1,041.15

\* 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.

Excise duty rates given in table 12.2 became effective January 1, 1993, except the rate for distilled spirits which became effective January 1, 1994. In the early 1970s the excise duty levied on beer was calculated per hectolitre of pure alcohol in the finished product. The excise duty rate for beer was progressive on the basis of the yearly beer production of the breweries (see Table 12.3). The excise duty on distilled spirits was also levied per hectolitre of pure alcohol in the finished product. For wine the excise duty was calculated per hectolitre of the product. In the 1972-1992 period the excise duty rate per hectolitre was 1,500 francs for sparkling wine and 600 francs for imported non-sparkling wines (Hurst, Gregory & Gussman, 1997). In 1993, these excise duty rates were set to zero.

Table 12.3. Excise duty rates for beer in Luxembourg from 1972 to 1993 in Luxembourg francs per hectolitre per degree of alcohol according to the yearly production of breweries

From	First 10,000 hectolitres	10,001-50,000 hectolitres	50,000-1,250,000 hectolitres	Over 1,250,000 hectolitres
1972	21.60	25.80	31.20	35.40
1973	31.90	38.10	46.00	52.20

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

In 1972 the excise duty on distilled spirits was 17,000 francs per hectolitre pure alcohol. In January 1981, this rate increased to 24,000 francs, in January 1982 to 31,000 francs and in July 1983 to 38,000 francs. Next time the excise duty rate was changed in January 1, 1993 in connection with the creation of the single European market. The new rate was 41,000 francs per hectolitre of pure alcohol in the finished product, and next January the rate given in table 12.2 was reached.

Luxembourg has a value added tax (VAT) that is levied at the time of sale on all products. The rate applied to alcoholic beverages, except table wine, is 15 per cent. Still wine with an alcohol content less than 13 per cent by volume is subject to a VAT rate of 12 per cent. In 1992 the VAT rate was adjusted in response to the EU agreement that the national standard rate of VAT should not be lower than 15 per cent. Before that date, the VAT rate for all alcoholic beverages except wine had been 12 per cent. Before 1972 the corresponding VAT rate had been 10 per cent. In 1992, the reduced rate for still wine was given one additional year to rise from 6 per cent to 12 per cent. The VAT rate of 6 per cent was reached in 1983. Before that year, the VAT rate for table wine had been 5 per cent.

In the mid 1990s, calculated on the basis of pure alcohol, the excise duty rate for spirits was 9.3 times that for beer. The VAT reduces the relative difference of the tax component between these beverages to 2.8 times. VAT included, the tax burden on still wine is half of that on beer (Hurst, Gregory & Gussman, 1997). In the mid-1990s, about 11 per cent of the price of wine constituted of taxes. The corresponding figures for beer and distilled spirits were 17 per cent and 54 per cent.

Changes in excise duty levels have been given in nominal values. During the 1950-2000 period the currency in Luxembourg has lost part of its value because of inflation. The increases in price level in Luxembourg in the 1960-2000 period, as described by the consumer price index (CPI), are given in table 12.4.

Table 12.4. Consumer price index in Luxembourg, 1960-2000, 1995 is 100

Year	1960	1965	1970	1975	1980	1985	1990	1995	2000
CPI	23.0	25.6	29.7	42.0	56.4	80.3	87.1	100.0	108.0

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 30 per cent lower than it was in 1972. The excise duty rate for beer in real terms had fallen by 60 per cent, and for wine the excise duty disappeared in monetary terms in 1993. These decreases are only partly compensated by increases in VAT rates.

## **Alcohol advertising**

There are no legal restrictions on the advertising of alcoholic beverages in Luxembourg. Advertising of all alcoholic beverages is therefore permitted in the print media, as well as on radio and television. The regulatory framework is provided by the Law on Foodstuffs from 1982, and by the voluntary advertising code by "Compagnie Luxembourgeoise de Telediffusion".

In 1984 a voluntary advertising code was established by the brewers. The code prohibited the advertising of beer in connection with the workplace, performance sports, driving and children.

Another voluntary agreement on alcohol advertising was established in 1992 on the initiative of CNLA. The voluntary agreement was made between the Ministry of Health and the producers, distributors and retailers of alcoholic beverages in Luxembourg. This code has some similarities to France's Loi Evin (cf. chapter 7). It is applied to all alcoholic beverages over 1.2 per cent alcohol by volume and imposes restrictions on the place, size, duration and content of advertisements. Although the code is voluntary and agreed upon by the producers, distributors and retailers of alcoholic beverages, it does not affect transborder advertising. However, the main foreign importers of alcoholic beverages have been informed of the voluntary agreement (Hurst, Gregory & Gussman, 1997).

## **Education and information**

CNLA organises public information and provides short courses to army recruits three times a year. The Ministry of Health also launches different campaigns, including educational courses in secondary schools, courses for teachers in primary schools and distribution of health educational material on alcohol problems to all families (Moser, 1992; Global status, 1999). Alcohol has become an integrated theme in the curriculum of primary and secondary schools.

At the national level, campaigns against drunk driving directed at the general population are regularly organised by the Road Safety Organisation and the Ministry of Transport. In addition to drunk driving campaigns, education and information efforts by the occupational health services together with the trade unions are also aimed at informing and educating employees, especially in industries, on the hazards of alcohol in the workplace. There are also some information activities for the general public in communities.

## **Drunk driving**

In Luxembourg the legal BAC limit for drunk driving is 0.08 per cent. If a driver presents manifestations of drunkenness, the police have the right to check the level of alcohol intoxication by breath tests or by ordering a blood level test to be made. At the beginning of the 1980s a driver with a BAC level of 0.12 per cent would automatically have had his driving licence suspended for three months. With BAC levels between

0.08 and 0.12 per cent, a tribunal would have decided on the suspension of the licence (Davies & Walsh, 1983). According to the Ministerial decree dated July 1, 1992, and modified in 1994, driving with a BAC of 0.08 per cent will result in imprisonment for 1-7 days and/or a fine of 1,000 to 5,000 francs or of 25 to 125 euro.

According to a law dated February 14, 1963, and modified in 1970, 1971, 1977, 1991, 1992 and 1993, the revocation of the driving licence is possible if a person shows obvious signs of intoxication by alcohol or other substances. In case of an offence against the law, a judge can pronounce a suspension of the driving licence for a period of 8 days to one year. In case of a crime the suspension could be from 3 months to 15 years. The usual sentence for a second or a subsequent offence is suspension of the driving licence. Random breath tests, although infrequent, are carried out by the police (Global status, 1999). An attempt to sharpen the enforcement of the drinking and driving legislation is, however, being made.

### **The administrative structure of treatment for alcoholism**

Since 1978 there has been a specialised centre in Useldange, where a number of scientific treatment methods have been tried out. The system used is based on community therapy, where the patient is expected to take a large part of the responsibility for the outcome of the treatment (Moser, 1992).

Acute treatment like alcohol detoxification is offered in general hospitals, whereas long-term treatment is given in the Useldange therapeutic centre. The trend in treatment of alcoholism, however, is towards treatment in the community, depending though on the individual situation of the patient and his or her family. The minimum length of a treatment period is six weeks. On the average, however, treatment for alcoholism lasts for three to six months. The costs of treatment in hospitals etc. are covered by the patient's sickness insurance.

CNLA, in collaboration with Useldange therapeutic centre, gives advice to people with alcohol problems by telephone or through consultation if the person wishes to meet an expert or an ex-alcoholic. CNLA also collaborates with Alcoholics Anonymous (AA) as well as with SOS distress. Other self-help groups worth mentioning are Al-Anon and Al-Ateen (Global status, 1999).

### **Summary**

Luxembourg has the highest level of recorded alcohol consumption among the EU member states. Luxembourg is a small country with many visitors, tourists and cross-border shoppers. These phenomena as well as the fact that quite a substantial part of the working force employed in Luxembourg actually resides in the neighbouring countries means that alcohol consumption statistics based on the sales of alcoholic beverages in Luxembourg would give a biased picture of the actual alcohol consumption by the citizens of Luxembourg. Those responsible for keeping alcohol consumption statistics have, however, tried to correct the consumption figures for these distorting factors. As estimates on the amount of alcohol purchased in Luxembourg by visitors, tourists,

cross-border shoppers or visiting workers may also be quite inaccurate, even the corrected official consumption figures may be biased.

On the other hand, there are also some facts which could be offered for explanation for the high alcohol consumption among the inhabitants in Luxembourg. For the first measured by GDP per capita, Luxembourg has an outstanding high standard of living, and according to research findings a high standard of living correlates with a high alcohol consumption and vice versa (see e.g. Ornstein & Levy, 1983). Secondly, in the case of Luxembourg, high incomes go hand in hand with low alcohol excise duties and low prices of alcoholic beverages. Again alcohol research has shown that low alcohol prices correlate with a high alcohol consumption and vice versa (see e.g. Österberg, 2001). And if these explanations for the high alcohol consumption level are not sufficient, we are also able to remain the reader that the physical availability of alcoholic beverages in Luxembourg is very easy even when compared to the average situation in the EU member countries. And again, research has shown that an easy availability correlates with a high alcohol consumption and vice versa (see e.g. Österberg, 1991; Stockwell & Gruenewald, 2001).

During the second half of the twentieth century Luxembourg has been a country with hardly any alcohol policy measures in force. There are no statutory controls on advertising of alcoholic beverages, only voluntary codes. There have not been legal age limits on buying alcoholic beverages off the premises, only recommendations which have not been very strictly enforced or controlled. The legal BAC limit of 0.08 per cent in Luxembourg is, together with Ireland and the United Kingdom, the highest among the EU member states. In fact, Luxembourg has the highest BAC limit among continental EU member states meaning that all its neighbouring states have a lower BAC limit of 0.05 per cent. In Luxembourg alcohol producers as well as importers, wholesalers and off- and on-premise retailers need a licence. The licence is not necessarily alcohol-specific, and the licences are used primarily for collecting taxes and keeping track of the alcohol industry and trade.

All in all, Luxembourg can be regarded as one of the most alcohol liberal countries in the EU. It is still interesting to note that those few alcohol control measures in force in Luxembourg are targeted on the youth and on drunk drivers, and to a lesser extent on drinkers at the workplace. Furthermore, among the practised alcohol policy measures we find education and information activities as well as restrictions, even if voluntary, on alcohol advertising. One way to present the lessons from Luxembourg with regard to alcohol policy is to conclude that even the most alcohol liberal country has reacted to drinking amongst youngsters, drunk driving, alcohol in the workplace and alcohol advertising, and provides some alcohol information and education as well as treatment for alcoholics. Finally, we can conclude that during the last decade even Luxembourg has made attempts to sharpen the enforcement of the drunk driving legislation.

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