



C.E.D.T.

CONFÉDÉRATION EUROPÉENNES DEL DÉTAILLANTS EN TABAC (G.E.I.E.)



AUSTRIAN TOBACCO RETAILERS



Josef Prirschl

Federal Committee Chairman
I have been a tobacconist for 25 years now as well as a professional representative of tobacco retailers in the Chamber of Commerce, where I have obtained considerable experience in various capacities. For the last three years I have represented all tobacco retailers in Austria.



Peter Schweinschwaller

Overseas representative and Committee Chairman for Lower Austria: my family have been tobacconists for five generations now. Over the last 20 years I have obtained considerable experience in numerous different roles in the Chamber of Commerce. I speak a number of European languages fluently, such as German, French and English, as well as some Portuguese.

AUSTRIAN CHAMBER OF COMMERCE TOBACCO RETAILERS

ORGANISATION AND TASKS

The Austrian Chamber of Commerce represents the interests of all Austrian businesses. Membership is enshrined in law.

One subgroup is represented by tobacconists, who elect their representatives every five years.

Austria is organised as a federal state. The Chamber of Commerce consists of a

federal chamber and nine local chambers to ensure the legal and professional representation of its members' concerns.

Our role is to establish the basic conditions for tobacconists: the maintenance of the distribution network for tobacco and gambling products, providing a framework for betting, and disco-

vering new products and services for the sector.

Our role is enshrined in law. In Europe we are one of the trade associations of the CEDT in Brussels and are part of the BTWE in Germany.

In Brussels we keep our MEPs informed of the needs and concerns of Austrian tobacconists.



TOBACCO RETAIL SYSTEM

System logistics and purchasing: The wholesale of tobacco products is carried out either by the tobacco industry itself or through licensed wholesalers. From its approved bonded warehouses, tobacco duty and VAT are charged to the tobacco retailers only upon sale, i.e. when the products are placed on the market. The tax is due upon delivery to the tobacco retailer.

Monopoly and retail: In Austria the *Monopolverwaltungsgesellschaft* (MVG – monopoly management company) is a corporation 100% owned by the Ministry of Finance. The MVG decides on the number of tobacco retailers and selects new sites in consultation with the Chamber of Commerce. The obligations and rights of tobaccoconists are regulated by the

Tobacco Monopoly Law as well as by open-ended agreements between the MVG and tobacco retailers. The agreements are monitored by the MVG. The most important criterion for selection as a tobaccoconist is an existing disability of at least 50% and a low income. Under certain strict conditions a tobacco outlet may be passed on to children or spouses.

WHO ARE THE TOBACCO RETAILERS?



Organisation of tobacco outlets: There are currently 6.000 tobacco outlets in Austria, open all week. Some 2.500 tobaccoconists sell only tobacco as a tobacco outlet, while 3.500 tobaccoconists are tobacco outlets that sell tobacco in addition to their main business. Tobacco outlets have a 25% market share. Cigarette vending machi-

nes require a permit. The 6.000 machines are operated by the tobaccoconists. Sales in restaurants and fuel stations are permitted at an additional charge, with the purchase routed via a tobaccoconist. **Who are the tobaccoconists:** 52% of tobaccoconists are disabled persons: nowadays civilians, previously war invalids.

Tobacco outlets are small businesses that sell tobacco products. The proceeds from the sale of tobacco are calculated on a fixed margin based upon the economic return (sales price minus all taxes). **Training:** new tobaccoconists must undergo training to prepare them for their work as a tobaccoconist.

TOBACCO TAX

The tax charge on cigarettes is 78% of the retail price.

Tobacco duty is paid by the wholesaler, while VAT is paid by the tobacconist. There is no “*banderole*” system in Austria.



RANGE OF PRODUCTS

Austrian tobacco retailers also offer the following products and services in addition to tobacco: games such as Lotto and Toto, sports betting, postal services, magazines, school and office products, payment and telephone cards, *vignettes* (stickers in payment of motorway tolls).

NATIONAL LEGISLATION GOVERNING THE PROFESSION

- sales of tobacco products are prohibited to under-16s;
- sales of gambling products are prohibited to under-16s or under-18s (depending on product).

KEY FIGURES

- €3 billion tobacco products sold each year;
- €2,3 billion in tax paid to the state;
- 26% of the population consume tobacco products;
- at least 20.000 people work in tobacco outlets.



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