



CONFÉDÉRATION EUROPÉENNE DES DÉTAILLANTS EN TABAC (G.E.I.E.)



FPLT



**Theodoros Mallios**

President of the Greek Federation of Tobacconists. He has been the President of the Athens Association since February 2011 and President of the Federation since November 2014. He was re-elected for another three years at the start of November 2017 and for 3rd time in 2022. He has been working in the industry since December 1991. He is the owner of two kiosks, one of which is in the city centre in piazza Syntagma, in front of the Parliament, and the other is beneath the Acropolis. He also owns a souvenir shop in Athens' prime tourist location, Plaka. He was recently re-elected as industry representative in the General Confederation of Greek Professionals, Artisans and Retailers and is a board member of the Athens Chamber of Artisans. He has been carrying out professional and trade union activities in the industry since 1993.

## GREEK TOBACCONISTS

### THE GREEK FEDERATION OF KIOSK RENTERS, AN INTRODUCTION

The Greek Federation of kiosk renters is the sole trade union appeals body representing the Kiosk Owner - Tobacconists category in the whole of Greece. It comprises 10 primary associations, Athens being the largest, and covers 30% of the remaining 6.000 points of sale whereas prior to the economic crisis of 2010, there were 11.000.

Our Federation was founded in 1985. Its main aims

are to defend the interests of professionals in the sector against government officials and producers and distributors of products and services, and to represent all tobacconists in third party trade unions, such as the General Confederation of Greek Professionals, Artisans and Retailers, the Chamber of Artisans, etc. We communicate with colleagues via monthly journals published by the associations.

#### - Financial resources.

Currently, the Federation receives little economic support from three major trade unions, mainly the one in Athens, where they have their headquarters, in the centre of Athens, in front of the Parliament on Piazza Syntagma. The official Federation (FPLT) exclusively comprises and represents kiosk-owning tobacconists, the largest group in the tobacco industry.



## THE TOBACCO DISTRIBUTION REGIME

### a. Logistics

Tobacco suppliers operate authorised and certified warehouses under customs control. Taxes (taxes and excise duties) are due after the duty suspension regime (taxation) was revoked and are paid by tobacco suppliers within one month. Distribution is entrusted to exclusive retailers all over the country.

### b. Retail sale

1. POINTS OF SALE. By 2011, almost 90% of the retail sale of tobacco products took place in kiosks. Until 2011, the right to sell tobacco products was awarded by the state, via a constitutional consolidation and special legislation, to disabled persons and war victims. From 2012 onward and until this day, given the progressive liberalisation procedures, the situation has been chaotic.

In November 2012 and April 2014, significant legislative changes were made to the

license award procedure for kiosks. Communes were given the exclusive responsibility of overseeing anything related to licenses and the provision of public space. From May 2015, contracts had an obligatory ten-year duration. Older licenses remain in the possession of disabled beneficiaries and, after they die, the licenses are inherited by the beneficiaries' spouses and by their disabled children when said disability is greater than 67%. In cases where there are no successors, this right is passed on to the relevant commune and we pay rent to them until the expiration of the lease that we had agreed upon with the deceased. In accordance with the new legislation, once the lease has expired, the commune has the option of eliminating the kiosk or moving it elsewhere. The commune may also identify new locations for it. Over the last few years, we have succeeded

in legally acquiring 15 sq m and a relative amount of tolerance from many different communes. There are also communes that allow up to 30 sq m and this figure can increase even further on a provincial level.

### 2. LEGAL FRAMEWORK.

There is no requirement for a specific permit and this is very confusing, both for the market and the relevant authorities. While tobacco is a product that customers are happy to travel a certain distance for. The interest in distributing it to other shops and supermarkets is very limited as the profit is extremely low, below 4%.

### 3. WORKING HOURS.

All kiosks are open seven days a week, 18 hours a day. Some are even open 365 days a year, 24 hours a day. This is why kiosks in Greece are very popular and work well. They offer consumers a maximum number of services. They



were and still are valuable points from which people can receive all kinds of information including important announcements. Visiting tourists, as well as Greeks, benefit from the full range of products and services offered by kiosks.

4. PROFIT RATE. Until 1993, the profit rate for retailers was set at 9,1% of the retail price.

At the beginning of 2010, during the crux of the economic crisis, average profit was 6,7% whereas today, after having been subject to constant and excessive tax rises, profit is approximately 4%. The news industry accounted for 6% in large cities in 4,5% in other parts of the country, telephone cards represented 2%, urban transport tickets were 4% and scratch cards were 6%.

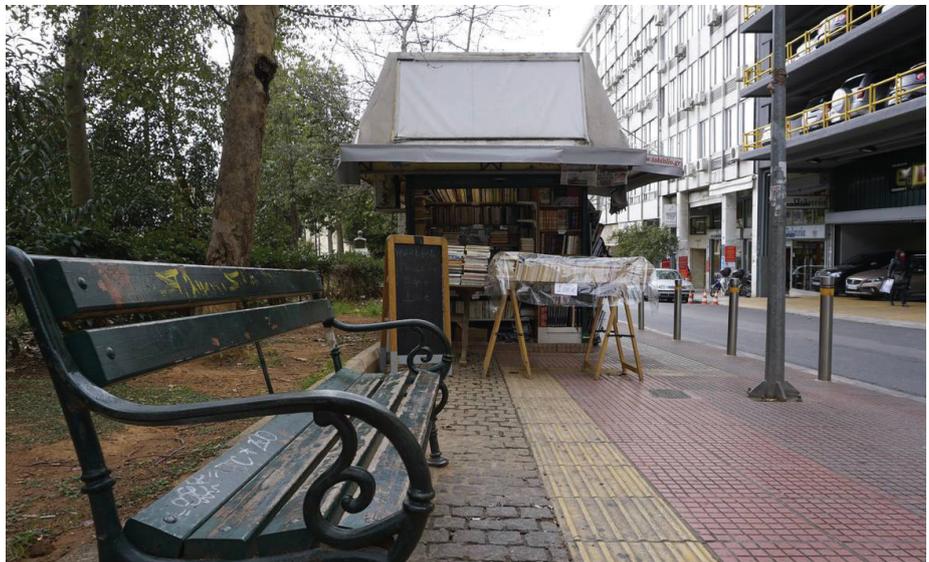


## WHO ARE THE TOBACCO RETAILERS?

Nowadays, the network comprises approximately 20.000 points of tobacco sale, of which 6.000 are the kiosks we represent. They cover over half of tobacco turnover, that is to say about 55%. The kiosks

mainly benefit from the fact that they are located in key positions where a large number of people pass through or meet, on pavements, pedestrian crossings, squares, etc., their sales are based on spon-

taneous purchases, they operate as a small family business and so have a personal rapport with customers, and they sell a variety of products, despite the limited space they have available.





10, Othonos str,  
Athens - Greece 10557  
T. +30 2103229500  
E: [gfr1985@gmail.com](mailto:gfr1985@gmail.com)  
Web: [www.peripteranews.gr](http://www.peripteranews.gr)

## TOBACCO TAX SYSTEM

From January 2010, taxes increased ninefold and they now amount to approximately 86% (excise duties and VAT), making them one of the highest in the EU. In Greece, tobacco is the product with the highest tax. The country has an excessive tax system, long maritime borders, insufficient human resources and limited technical resources. Furthermore, there is a huge amount of tobacco smug-

gling. All of this has increased contraband to astronomical levels over the last few years. It has risen from 3% in 2009 to about 24% in 2021. In 2010, the legal consumption of cigarettes dropped by more than 50% and despite the huge increase of taxes and the strong retail price rise in Greece, tobacco revenue was reduced to about 6,5%. Following the latest tax rise, which became applicable on tween

€3,60 and €4,60 for the cigarettes, and from €7,0 to €8,0 for packs with 30g fine-cut tobacco. Over 300 tobacco brands are sold (cigarettes and fine-cut tobacco). This is a problem for various colleagues as it requires considerable expenditure to cover all of the kiosk product codes. In 2010, there was a vast increase in the consumption of fine-cut tobacco mainly by young people.

## THE VARIETY OF PRODUCTS AND SERVICES

Other than the aforementioned tobacco products, mobile telephone products, Greek and foreign stamps, public transport tickets, and scratch cards, refrigerators are also very important for kiosks as summers are long in Greece and they are very tourist-centric. Therefore, products that are distributed in refrigerators are heavily advertised. This means that they sell bottled water, soft drinks, alcoholic drinks, coffee beverages, dairy products, sandwiches, etc., and, of course, ice cream. Confectionery products, such as chocolate, chewing gum, sweets, snacks like crisps, biscuits, croissant and similar products

are also significant.

Given that kiosks, due to their nature and character, operate based on a philosophy of adapting to their customers' needs and wishes, according to their location, good professionals also have the option of

promoting appropriate products. Thus, in tourist areas, shopping areas, schools, hospitals, and maritime areas, more and more colleagues have added various services and modern means of electronic payment.



## NATIONAL LEGISLATION REGULATING THE INDUSTRY

- selling tobacco to minors under the age of 18 is prohibited;
- promotional advertising is prohibited. Only accepted in kiosks but with restrictions.

## KEY INFORMATION

- 3.2 billion euros of revenue yearly;
- 2.8 billion euros in tax revenue (2.1 billion excise duties + 0.7 billion VAT);
- 5% of the national budget originates from tobacco taxes;
- approximately 55,000 retailers.