NANNY STATE INDEX 2019

By Christopher Snowdon
Head of Lifestyle Economics, Institute of Economic Affairs

EPICENTER
European Policy Information Center

Welcome...

to the 2019 Epicenter Nanny State Index, a league table of the best and worst places in the European Union to eat, drink, smoke and vape. The Index has been charting the slide towards coercive paternalism since 2016 and there is little good news to report this year. Once again, Finland tops the league table but although it maintains a strong lead, other countries are closing the gap. Estonia and Lithuania have leapt up the table, largely thanks to their temperance policies. There has been no letting up in the UK and Ireland where a tax on sugary drinks has been added to sky-high tobacco and alcohol duties. Hungary, meanwhile, tops the table for excessive regulation of food and e-cigarettes.

Nine countries now have taxes on sugary and/or artificially sweetened soft drinks. These range from five eurocents per litre in Hungary to 30 eurocents in Ireland. Four of these countries - Britain, Estonia, Ireland and Portugal - have introduced their soda taxes since the last Nanny State Index was published in 2017. Belgium's tax rate has quadrupled since being introduced in 2016.

Eleven countries now tax e-cigarette fluid (up from eight in 2017) with tax rates ranging from eight eurocents per ml in Italy to 21 eurocents in Sweden. Sweden's vapers no longer enjoy the regime of accidental laissez-faire that existed when the last Nanny State Index went to press in 2017. The Tobacco Products Directive (which regulates e-cigarettes as well as tobacco) was finally enshrined in Swedish law and implemented in the summer of 2017. The Swedish government has since gold-plated it, not only with an e-cigarette tax but with an indoor vaping ban.

Although there has been some liberalisation of e-cigarette regulation in countries such as Denmark and Belgium since 2016, vaping bans have continued to spread. Twenty of the countries in our league table now have some legal restrictions on e-cigarette use, including fourteen which ban vaping wherever smoking is banned. Fifteen countries have a total or near-total ban on e-cigarette advertising.

There has been less movement in tobacco policy since the upheaval of the EU Tobacco Products Directive (introduced May 2016, fully implemented May 2017). Every country except Germany has a total or near-total ban on tobacco advertising and most countries have extensive smoking bans, including - as of May 2017 - the traditionally smoker-friendly Czech Republic. As a result of the TPD, every EU member state has graphic warnings on packs, but only one country - Hungary - has joined France, Ireland and the UK in introducing plain packaging since 2017. Lithuania and Slovenia are expected to follow suit in the next few years.

Lithuania and Estonia have surged up the table since 2017, thanks to some heavy temperance legislation. Lithuania brought in a total ban on alcohol advertising and raised the age at which alcohol can be purchased (to twenty) in January 2018. Both policies are a first for an EU member state and the Lithuanian government plans to extend its crackdown on drinkers in the years ahead. Estonia sharply increased the tax rate on beer and wine between 2016 and 2018, leading to predictable problems with cross-border trade which caused the government to reconsider further tax hikes in 2019 and 2020.

Outside of the Baltics, the big temperance victories have come in Scotland and Ireland. After a protracted legal battle, minimum pricing was introduced in Scotland (at a rate of 50p per unit) in April 2018. Wales is expected to do likewise in 2019 but, fortunately for drinkers, there has been no serious discussion about minimum pricing in the rest of Europe, and the UK government has ruled it out for the time being. Ireland also intends to introduce minimum pricing as part of a package of extreme anti-alcohol policies which includes a tobacco-style display ban, cancer warnings on packaging and an extensive advertising ban.

Whether it is food, drink, vaping or smoking, the lifestyle regulators have the wind in their sails, but it is not all one-way traffic. Consumers have had a few reasons to celebrate since 2017. After introducing a tax on wine for the first time in 2016, Greece's supreme administrative court declared it unlawful in September 2018. It was repealed the following January. In March 2018, the new Austrian government cancelled its predecessor's plans to introduce a smoking ban. The Slovakian government recently legalised domestic distilling, albeit with strict regulations. In November 2018, the Italian government slashed the tax on e-cigarette fluid from €0.38 per ml to €0.08 per ml, thereby cutting the price of an average bottle of vape juice by €3. And in the same month, the Danish government froze tobacco duty and lowered duty on beer and wine.

Alas, these isolated examples are the sum total of liberalisation over the past two years. In general, the story is one of a constantly expanding nanny state raising prices and trampling freedom. The blame lies overwhelmingly with domestic governments, not with the European Union. Although the EU has made the situation worse with its counter-productive policies on tobacco and e-cigarettes, it cannot be held responsible for regressive taxation, draconian smoking bans and excessive regulation of alcohol and food. The gulf between the more liberal countries at the bottom of the Index and the more heavy-handed countries at the top shows how much latitude member states have. Treating your citizens like children is, by and large, a domestic policy choice.

It is difficult to see the nanny state juggernaut being turned around any time soon. Even the traditionally tolerant Dutch are in the process of putting a raft of paternalistic policies through parliament. Influential interest groups funded by billionaire activists, including the EAT campaign and Bloomberg Philanthropies, are keen to impose tobacco-style regulation on the food and soft drink sector. Red meat, processed meat, sugary drinks and energy-dense food are on the 'public health' lobby's radar like never before. The Baltic States have been encouraged by the European Commissioner for Health to tax sugar. In Ireland there is talk of following up 2018's Public Health (Alcohol) Act with a similar law to tackle sugar, fat and salt. In Britain, where the government has already introduced a sugar tax and a food reformulation scheme, there is talk of a 'pudding tax' to go alongside new restrictions on the promotion and marketing of food that is deemed high in fat, sugar or salt.

Despite the lack of evidence for its efficacy, plain packaging for tobacco - and other products - will continue to appeal to virtue-signalling politicians, as will restrictions on food and drink advertising. The introduction of minimum pricing in parts of the UK will encourage temperance activists to push for the policy in other countries. And with Lithuania raising the drinking age, 'public health' campaigners will be looking to other governments to raise the legal age of purchase, not only for alcohol but also for tobacco and energy drinks.

All roads are open for Europe's nanny statists. As this report shows, they are encountering little resistance from politicians.

The 2019 methodology

As the nanny state evolves, the Nanny State Index must change with it. Most of the scores in the index are directly comparable from year to year, but because the 'public health' lobby is so successful in bringing about new restrictions on freedom it is necessary to amend some categories to reflect this. For example, minimum pricing for alcohol was not in existence anywhere when the last Index was compiled but it is now in force in Scotland. To account for this, we are awarding up to ten points in the alcohol category for minimum pricing and have reduced the 'taxation' score from 50 points to 40 points.

A new sub-category has been added under 'Alcohol, other' as a result of Lithuania raising the age of alcohol purchase to 20. Ten points are now awarded for an age of purchase that exceeds 18 years. 'Alcohol, other' now compromises five sub-categories adding up to 40 points. The score out of 40 is reweighted to a score out of 30 for the index. We have also reweighted indoor vaping bans to reflect the burden these unnecessary laws place on consumers. Vaping bans now score up to 40 points and sales regulations on e-cigarette devices/fluids score up to 30 points.

All other categories are unchanged since 2017 but because of these changes (and other changes between 2016 and 2017) the final totals cannot be directly compared year to year.

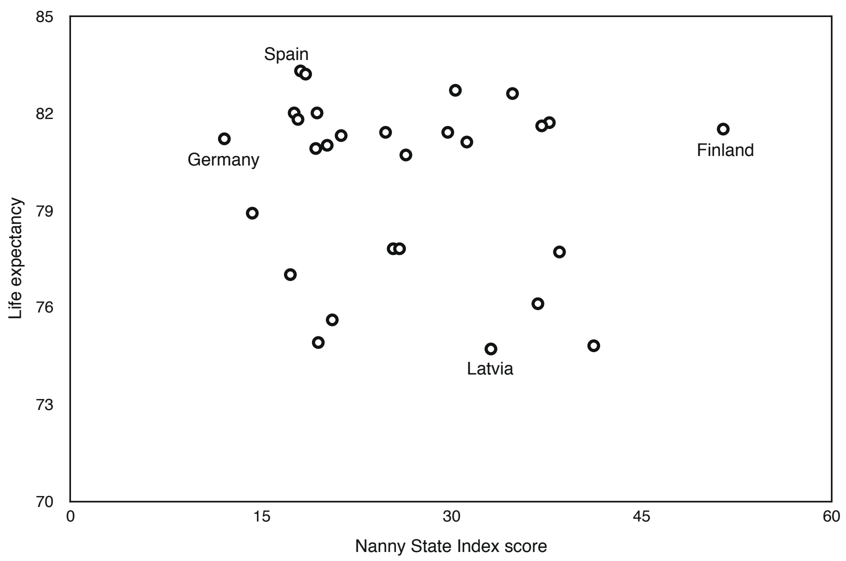
Britain's negotiations with the EU are unresolved at the time of writing so it is not clear whether the league table shows the EU-28 or the EU-27 plus one. When the data were collected, the UK was unquestionably an EU member state.

Does paternalistic regulation work?

Coercive nanny state policies create a number of problems and costs. 'Sin taxes' raise the cost of living and hurt the poor. High prices fuel the black market and lead to corruption. Advertising bans restrict competition and stifle innovation. Smoking bans cause serious damage to the hospitality industry. Excessive regulation creates excessive bureaucracy and drains police resources.

Insofar as 'public health' campaigners acknowledge the damage done by their policies, they argue that it is more than offset by the benefit to health - the ends justify the means. But there is little evidence that countries with more paternalistic policies enjoy greater health or longevity. As Figure 1 shows below, there is no correlation whatsoever between Nanny State Index scores and life expectancy.

Figure 1: Life expectancy



Nor is there a correlation between tobacco control scores and lower smoking rates (Figure 2), or between alcohol control scores and lower rates of alcohol consumption (Figure 3).

Figure 2: Current smokers

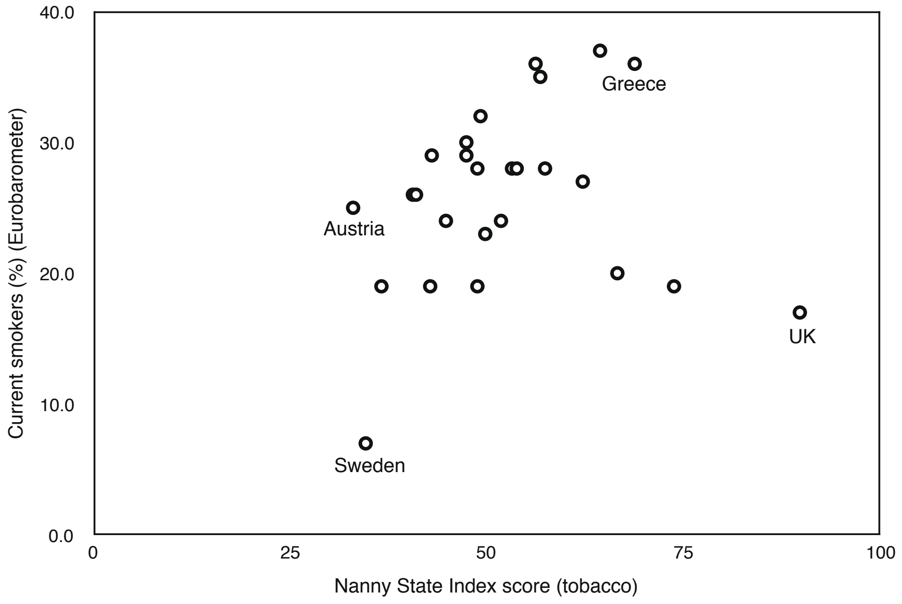
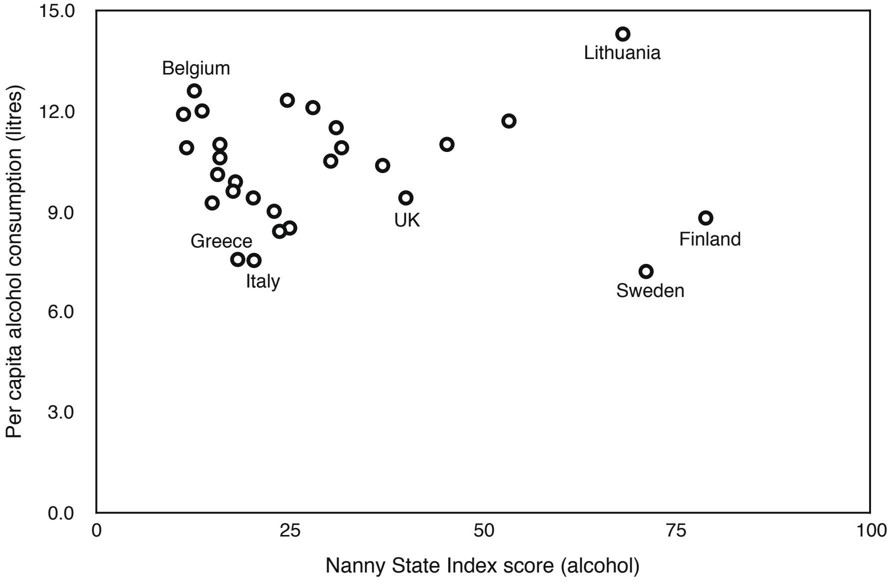
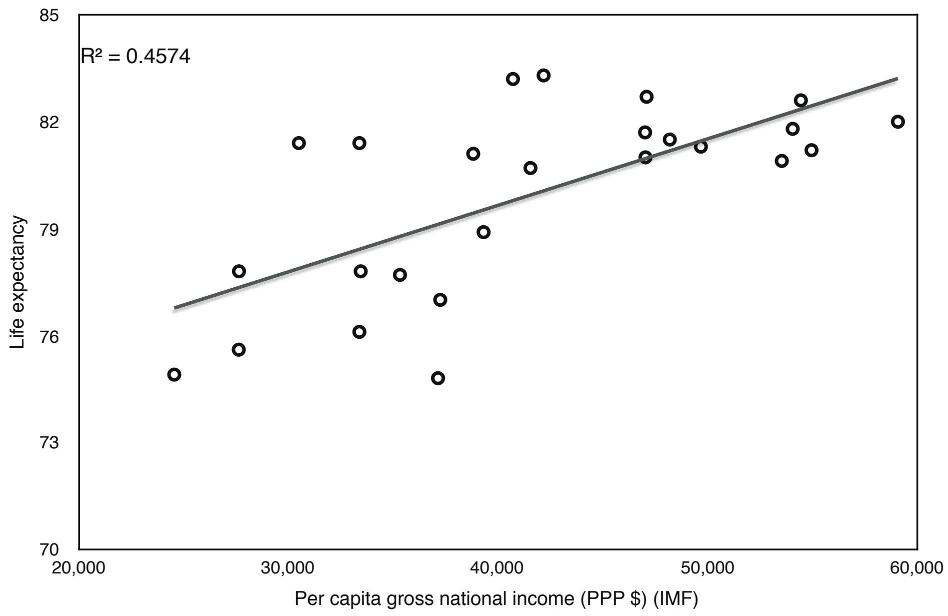


Figure 3: Alcohol consumption



But there is a strong, statistically significant relationship between health and wealth. Figure 4 shows the relationship between life expectancy and economic prosperity as measured by per capita GDP. [1] This suggests that pursuing economic growth would bring much greater benefits to health than coercive efforts to control personal behaviour with bans and taxes.

Figure 4: Life expectancy



1 Ireland and Luxembourg have been excluded from this graph as they are corporate tax havens whose exceptionally high per capita GDP figures do not accurately reflect their citizens' incomes.

Thanks

The Nanny State Index could not have been compiled without the valuable assistance of our network of friends throughout Europe and the think tanks listed below. While every effort has been made to verify the data from multiple sources, mistakes can happen so please notify us if you believe the Index contains any errors.

Consumer Choice Center

iness

Students for Liberty – A Freer Future

FOR Forum Obywatelskiego Rozwoju

Institut Économique Molinari

TIMBRO

Prometheus – Das Freiheitsinstitut

szabad piac Alapítvány

Free Market Austria – Hayek Institut – Friedrich August v. Hayek Institut

iea Institute of Economic Affairs

Think Tank civismo

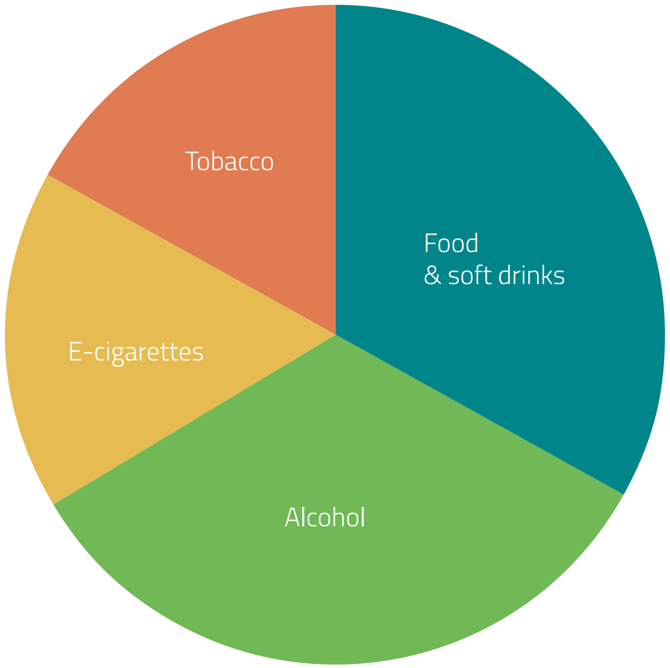
ibl Istituto Bruno Leoni – idee per il libero mercato

Lithuanian Free Market Institute – Anno 1990

KEFiM Markos Dragoumis

The criteria

The Nanny State Index consists of three main categories: alcohol, nicotine and diet. Each of the three categories is weighted equally at 33.3 per cent. Nicotine is subdivided into tobacco and e-cigarettes with an equal weighting or each, ie. 16.7 per cent.



Each category has a number of different criteria. Points are scored for each criteria which are combined to reach a final score out of 100. The Nanny State Index is only concerned with policies that have an adverse impact on consumers. These policies are given different weights to reflect the extent to which consumers are negatively affected, from relatively minor inconveniences to heavy taxes and outright prohibitions. Countries with higher scores are less free and countries with lower scores are more free.

Paternalistic policies typically reduce the individual's quality of life in one or more of the following ways:

– raising prices (through taxation or retail monopolies)
– stigmatising consumers
– restricting choice
– inconveniencing consumers (eg. by restricting trading hours)
– limiting information (eg. with advertising bans)
– reducing product quality

The Index includes any policy designed to deter consumption of legal products which imposes one or more of these costs on consumers. The criteria for each category and their weightings are shown on the pages for alcohol, e-cigarettes, food and soft drinks, and tobacco. There are additional tables at the back of the Index.

All data reflect the legal status in January 2019 to the best of our knowledge. We do not make adjustments for how laws are enforced. Some countries may not police their regulations effectively - in fact, we know that they do not - but this is unquantifiable. We are interested only in what the law says, not whether it is easy to flout the law in practice. Nor do we include legislation that is pending. In some instances we have included commentary about laws that have been proposed or rejected. These are included to provide additional information and do not affect the scores.

The 2019 Nanny State Index

		Tobacco	E-cigarettes	Food/soft drinks	Alcohol	TOTAL	Ranking change since 2017
	worst	out of 16.7	out of 16.7	out of 33.3	out of 33.3	out of 100	
1	Finland	11.1	10.8	3.3	24.3	**49.5**	—
2	Lithuania	7.9	7.6	3	20.2	**38.7**	▲6
3	Estonia	8.3	9.2	3.3	16.5	**37.3**	▲12
4	UK	15.1	2.7	6.7	12.5	**37**	▼2
5	Hungary	10.4	11.4	9.7	4.9	**36.4**	▼1
6	Ireland	12.3	3	6.7	13.9	**35.9**	▼3
7	Latvia	8.2	7.6	5	11.9	**32.7**	—
8	Sweden	5.8	4.3	1	21.2	**32.3**	▼3
9	Slovenia	9.6	9.7	1.3	9.7	**30.3**	▲2
10	France	11.7	4.5	4	9.9	**30.1**	▼4
11	Greece	10.7	10.2	1.3	6.8	**29**	▼1
12	Poland	7.9	7.2	0.7	9.7	**25.5**	▼3
13	Cyprus	9	9.7	0	6.4	**25.1**	▲2
14	Portugal	6.9	9.1	3	6	**25**	▲6
15	Croatia	9.5	6.6	0	8.8	**24.9**	▼1
16	Belgium	7.1	7.1	3	4.2	**21.4**	▼4
17	Romania	8.9	5.8	0	5.5	**20.2**	▲5
18	Bulgaria	9.4	3.5	2	4.6	**19.5**	▲2
19	Malta	8.6	3.3	0	7.5	**19.4**	▼2
20	Denmark	6.1	3.7	2.7	6.3	**18.8**	▼2
21	Netherlands	8.1	2.7	0.7	7.1	**18.6**	▲3
23=	Italy	7.5	4.2	0.7	5.3	**17.7**	▲6
23=	Spain	8.1	4.7	0.3	4.6	**17.7**	▼4
24	Luxembourg	5.4	6.9	0	5.3	**17.6**	▲1
26=	Austria	5.4	3.5	0.7	7.3	**16.9**	▼2
26=	Slovakia	6.8	5.3	0	4.8	**16.9**	—
27	Czech Republic	7.2	3.3	0	3.3	**13.8**	▲1
28	Germany	5.5	2.7	0	3.5	**11.7**	▼1

best

Alcohol

The alcohol category includes taxation (40%), advertising restrictions (20%), minimum pricing (10%), and other (30%).

Taxation is divided into three categories of alcohol duty: beer, wine and spirits. Each has equal weighting. The data come from the European Commission (wine and spirits) and the British Beer and Pub Association (beer). Tax rates are adjusted for purchasing power. The country with the highest rate of tax scores 100. The other countries' scores are based on their tax rate as a percentage of the highest taxing country. Calculations are made for each of the three types of drink, leaving a score out of 300 which is converted into a score out of 40.

Advertising is divided into three categories: TV/radio advertising, outdoor advertising and sponsorship. These are subdivided into two further categories: wine/spirits and beer (wine and spirits tend to be subject to the same advertising restrictions). Each of the six resulting subcategories is given a score out of 10, with 10 representing a full ban and 0 representing no significant restrictions. This leaves a score out of 60 which is converted to a score out of 20.

Minimum pricing is a new category in the Index following its introduction in Scotland and its looming introduction in Wales and Ireland. It is worth up to ten points.

Other is made up of the following five subcategories with a total value of 30 points:

Retail monopoly. Some countries have a state-owned monopoly on alcohol retail, thereby restricting competition, reducing availability and raising prices. Monopoly = 5 points. No monopoly = 0 points.

Statutory closing time in the on-trade. Some countries force bars and restaurants to stop serving alcohol and/or close at a certain time of night. These countries score 10 points, those which allow the proprietor to decide when to close receive 0 points.

Zero or near-zero drunk driving limit. Most EU countries have a drunk driving limit of 0.05% blood alcohol concentration. In some countries, however, the limit is set so low as to be more of temperance measure than a road safety measure. A limit of 0.02% or lower is well below the range at which driving becomes dangerous and has the effect of discouraging people from consuming alcohol if they are driving the following morning. Countries which set the limit at 0.02% or lower are given 5 points in the index.

Ban on promotions. Some countries restrict or ban the use of sales promotions such as happy hour or two-for-one deals. No restrictions = 0 points. Partial restrictions: up to 9 points. Full ban: 10 points.

Drinking age. Countries which have a higher alcohol purchasing age than 18 get ten points.

		Tax	Advertising	Other	Minimum pricing	TOTAL	Change since 2017
	worst	out of 40	out of 20	out of 30	out of 10	out of 100	
1	Finland	40	15.7	17.3	0	73	—
2	Sweden	28	13	22.5	0	63.5	—
3	Lithuania	18	20	22.5	0	60.5	▲5
4	Estonia	25	13.3	11.3	0	49.6	▲3
5	Ireland	21	9.3	11.3	0	41.6	▼2
6	UK	29	0	7.5	1	37.5	▼2
7	Latvia	15	17	3.8	0	35.8	▼1
8	France	8	18	3.8	0	29.8	▼3
9	Slovenia	11	10.7	7.5	0	29.2	▲1
10	Poland	10	15.3	3.8	0	29.1	▼1
11	Croatia	7	15	4.5	0	26.5	—
12	Malta	7	8	7.5	0	22.5	▲2
13	Austria	7	6.7	8.3	0	22	—
14	Netherlands	9	4.7	7.5	0	21.2	▼2
15	Greece	18.4	2	0	0	20.4	▲3
16	Cyprus	6	2	11.3	0	19.3	—
17	Denmark	12	3.3	3.8	0	19.1	—
18	Portugal	8	10	0	0	18	▲8
19	Romania	5	7.7	3.8	0	16.5	▲2
20	Italy	6	2.3	7.5	0	15.8	▼5
21	Hungary	8	3	3.8	0	14.8	▼2
22	Slovakia	6	4.7	3.8	0	14.5	▲2
23	Spain	4	6	3.8	0	13.8	▲5
24	Bulgaria	5	8.7	0	0	13.7	▼1
25	Luxembourg	2	4	7.5	0	13.5	▼3
26	Belgium	12	0.7	0	0	12.7	▼6
27	Germany	4	2.7	3.8	0	10.5	—
28	Czech Rep.	5	1.3	3.8	0	10.1	▼3

best

E-cigarettes

The e-cigarette category includes product bans (up to 30 points), advertising restrictions (up to 10 points), taxes (20 points) and vaping bans (up to 40 points) with a total of 100 points available.

Product ban. Up to 30 points are given for bans on certain types of e-cigarettes and/or fluids. Full prohibition or the regulation of e-cigarettes as medical products would give 30 points, but e-cigarettes are now legal in all EU countries subject to different degrees of regulation. The EU's Tobacco Products Directive sets limits on tank sizes, fluid strength, bottle size and several other product features, meaning that all TPD-compliant countries score at least 10 points. Further points are awarded for bans on flavours (up to 5 points), refillable e-cigarettes (5 points) and cross-border sales (5 points).

Advertising. Points are awarded according to the size and scope of advertising restrictions. All countries have to ban any form of e-cigarette advertising that can cross borders under the EU's Tobacco Products Directive and therefore score at least 6 points. Further points are awarded for bans on purely domestic e-cigarette advertising.

Tax. Countries which place a specific tax on e-cigarettes (in addition to standard sales tax) score up to 20 points. Points are awarded according to the size of the tax as a proportion of the highest tax (adjusted for purchasing power), with the highest tax jurisdiction scoring 20.

Vaping ban. Up to 40 points are awarded for bans and restrictions on e-cigarette use (vaping) in public places. In countries where vaping is classed as smoking for the purpose of smoking bans, the score from the smoking ban subcategory in the tobacco index is used.

		Product ban	Advertising	Specific tax	Indoor ban	TOTAL	Change since 2017
	worst	out of 30	out of 10	out of 20	out of 40	out of 100	
1	Hungary	20	10	13	25.6	**68.6**	▲1
2	Finland	20	10	14	20.8	**64.8**	▼1
3	Greece	20	10	8	23.2	**61.2**	—
4	Cyprus	15	10	7	26.4	**58.4**	▲14
5	Slovenia	15	9	15	19.2	**58.2**	▲10
6	Estonia	15	9	13	18	**55**	▲18
7	Portugal	15	7	20	12.8	**54.8**	▼1
8	Lithuania	15	10	0	20.8	**45.8**	▼1
9	Latvia	15	6	7	17.6	**45.6**	▲1
10	Poland	15	9	0	19.2	**43.2**	▼2
11	Belgium	15	9	0	18.4	**42.4**	▼6
12	Luxembourg	15	9	0	17.6	**41.6**	▼3
13	Croatia	15	10	0	14.4	**39.4**	—
14	Romania	15	9	9	2	**35**	—
15	Slovakia	10	10	0	12	**32**	▼4
16	Spain	15	7	0	6	**28**	▼12
17	France	10	9	0	8	**27**	▲4
18	Sweden	11	6	9	0	**26**	▲10
19	Italy	15	6	4	0	**25**	▼7
20	Denmark	10	10	0	2	**22**	▼1
22=	Austria	15	6	0	0	**21**	▼5
22=	Bulgaria	15	6	0	0	**21**	▼5
24=	Czech Republic	10	6	0	4	**20**	—
24=	Malta	10	10	0	0	**20**	▼2
25	Ireland	10	6	0	2	**18**	—
28=	Germany	10	6	0	0	**16**	▼6
28=	Netherlands	10	6	0	0	**16**	▼1
28=	UK	10	6	0	0	**16**	▼1

best

Food and soft drinks

This category is made up of five categories with a total score of 100.

Taxation. This includes any taxes (in excess of normal sales tax) placed on food products, soft drinks or specific ingredients. Scores are given according to the number of products taxed and the size of the tax. Up to 10 points for sugary drinks, 3 points for energy drinks, 2 points for zero-sugar drinks and up to 20 points for food = a maximum of 35 points.

Advertising restrictions. Up to 25 points are awarded according to the scope and severity of advertising restrictions.

Energy drinks. Some countries regulate caffeinated cold drinks ('energy drinks') more severely than traditional, caffeinated hot drinks. Restrictions on advertising these drinks are included in 'advertising restrictions' above but a further five points are awarded for a total ban on the sale of energy drinks to people aged under 18 years.

Vending machines. Up to 10 points are awarded for bans on food vending machines and/or bans on certain food/drink products being sold from vending machines. Scores depend on the scope of the ban (eg. schools, hospitals) and the number products affected.

Mandatory Limits. Up to 25 points are awarded for legally enforced limits on ingredients in food. Note: some countries have 'voluntary agreements' with industry with regards to levels of salt, fat and sugar. As these are not statutory, we do not include them as part of the Index, despite the fact that these 'voluntary' agreements are frequently backed up with the threat of legislation.

		Taxes	Vending machines	Energy drinks	Advertising	Mandatory ingredient limits	TOTAL	Change since 2017
	worst	out of 35	out of 10	out of 5	out of 25	out of 25	out of 100	
1	Hungary	25	0	0	0	4	29	—
3=	Ireland	10	0	0	10	0	20	▲7
3=	UK	10	1	0	9	0	20	▲1
4	Latvia	5	0	5	3	2	15	▼1
5	France	7	4	0	1	0	12	▼3
7=	Estonia	10	0	0	0	0	10	▲22
7=	Finland	10	0	0	0	0	10	▼1
10=	Belgium	7	0	0	0	2	9	▼2
10=	Lithuania	0	1	5	3	0	9	▼4
10=	Portugal	7	0	0	0	2	9	▲7
11	Denmark	3	0	0	0	5	8	▼4
12	Bulgaria	0	0	0	0	6	6	▼2
14=	Greece	0	0	0	0	4	4	▼2
14=	Slovenia	0	4	0	0	0	4	▼2
15	Sweden	0	0	0	3	0	3	▼2
19=	Austria	0	0	0	0	2	2	▼2
19=	Italy	0	2	0	0	0	2	▼2
19=	Netherlands	0	0	0	0	2	2	▲10
19=	Poland	0	2	0	0	0	2	▼3
20	Spain	1	0	0	0	0	1	▲8
28=	Croatia	0	0	0	0	0	0	—
28=	Cyprus	0	0	0	0	0	0	—
28=	Czech Republic	0	0	0	0	0	0	—
28=	Germany	0	0	0	0	0	0	—
28=	Luxembourg	0	0	0	0	0	0	—
28=	Malta	0	0	0	0	0	0	—
28=	Romania	0	0	0	0	0	0	—
28=	Slovakia	0	0	0	0	0	0	—

best

Tobacco

The tobacco category includes taxation (30%), advertising (10%), smoking ban (30%), packaging restrictions (10%), retail display ban (10%), oral tobacco ('snus') prohibition (5%) and vending machine bans (5%).

Taxation. Calculated in a similar way to alcohol taxation (see above). Tax rates are taken from the European Commission and adjusted for purchasing power. The highest taxing country scores 100. Other countries are scored as a percentage of the highest tax. The score out of 100 is then adjusted to make a score out of 30.

Advertising. Scored out of 10. A total ban scores 10 points, a total ban except at point of sale scores 9 points. If other advertising is permitted, a lower score is awarded, but all TPD-compliant countries score at least 6 points.

Smoking ban. Divided into five subcategories, each scoring up to 10 points. These are: bar, restaurant, workplace, cars and outdoors. Points are awarded according to the size and scope of the ban with the final score out of 50 adjusted to make it a score out of 30.

Packaging. Regulation of tobacco packaging in excess of TPD provisions can earn additional points. Countries with a full ban on branding ('plain' or 'standardised' packaging) get ten points.

Display ban. Countries which prohibit retailers from displaying tobacco products behind their counter are awarded ten points.

Vending machine ban. Prohibition of cigarette vending machines earns five points.

Snus. Prohibition of this form of oral tobacco earns five points. The EU bans snus in every member state except Sweden.

		Tax	Advertising	Packaging	Display ban	Smoking ban	Vending	Snus	TOTAL	Change since 2017
	worst	out of 30	out of 10	out of 10	out of 10	out of 30	out of 5	out of 5	out of 100	
1	UK	30	10	10	10	20.4	5	5	90.4	—
2	Ireland	19	10	10	10	19.8	0	5	73.8	—
3	France	22	10	10	0	18	5	5	70	—
4	Finland	21	10	0	10	15.6	5	5	66.6	—
5	Greece	20	9	0	8	17.4	5	5	64.4	—
6	Hungary	14	9	10	0	19.2	5	5	62.2	▲4
7	Slovenia	13	10	0	10	14.4	5	5	57.4	▲10
8	Croatia	16	10	0	10	10.8	5	5	56.8	▼2
9	Bulgaria	18	9	0	0	19.2	5	5	56.2	▼1
10	Cyprus	15	9	0	0	19.8	5	5	53.8	▲5
11	Romania	15	9	0	0	19.2	5	5	53.2	▼4
12	Malta	17	10	0	0	19.8	0	5	51.8	▼3
13	Estonia	16	10	0	0	13.8	5	5	49.8	▲6
14	Latvia	16	10	0	0	13.2	5	5	49.2	—
16=	Netherlands	15	9	3	0	16.8	0	5	48.8	▲5
16=	Spain	15	9	0	0	19.8	0	5	48.8	▼5
18=	Lithuania	13	10	0	0	14.4	5	5	47.4	▼4
18=	Poland	14	9	0	0	14.4	5	5	47.4	▼7
19	Italy	14	9	0	0	16.8	0	5	44.8	▼3
20	Czech Republic	11	9	0	0	18	0	5	43	▲8
21	Belgium	15	9	0	0	13.8	0	5	42.8	▼3
22	Portugal	17	9	0	0	10.2	0	5	41.2	▲1
23	Slovakia	13	9	0	0	9	5	5	41	▼1
24	Denmark	13	9	0	0	9.6	0	5	36.6	▼1
25	Sweden	13	9	0	0	12.6	0	0	34.6	▲1
26	Germany	13	6	0	0	9	0	5	33	—
28=	Austria	11	9	0	0	7.2	0	5	32.2	▼2
28=	Luxembourg	5	9	0	0	13.2	0	5	32.2	▼1

best

Better than in 2017
-2

Austria

Overall ranking 26=

Alcohol	13
Food and soft drinks	17=
Tobacco	28=
E-cigarettes	22=

Population: 8,752,000

PPP adjusted GDP per capita: US$ 50,000

Current government: Federal Chancellor Christian Kurz (Austrian People's Party)

Economic Freedom Index Ranking: 27 of 162 (7.58)

Austria has a good record of resisting nanny state interference. Its tobacco tax is amongst the lowest in Western Europe and it is one of the 14 EU member states that have no duty on wine (except sparkling wine). Taxes on beer and spirits are relatively low.

Tobacco advertising is only allowed at point of sale, but there is no ban on cigarette vending machines, no display ban and no serious talk of plain packaging.

Austria was due to introduce a wide-ranging smoking ban in 2018 which would have included vaping but this plan was dropped by the new government in December 2017. Its only concession was to introduce a ban on smoking in cars with passengers under the age of 18. This ban includes e-cigarettes but there are no other major restrictions on where people can vape in Austria.

E-cigarettes were once classified as medicinal products and effectively banned. That is no longer the case. E-cigarettes and vape juice are available as consumer products and there is no specific tax on e-cigarette fluid. Cross-border sales are banned, however.

Austria takes a firm line on spirits advertising which is banned on television, radio and on billboards. Alcohol sponsorship is also banned outright, but beer and wine can be advertised in all media.

Calls to interfere with people's diets have largely fallen on deaf ears in Austria, although trans fats are limited in food by law to two per cent (by weight) or, in some products, four per cent.

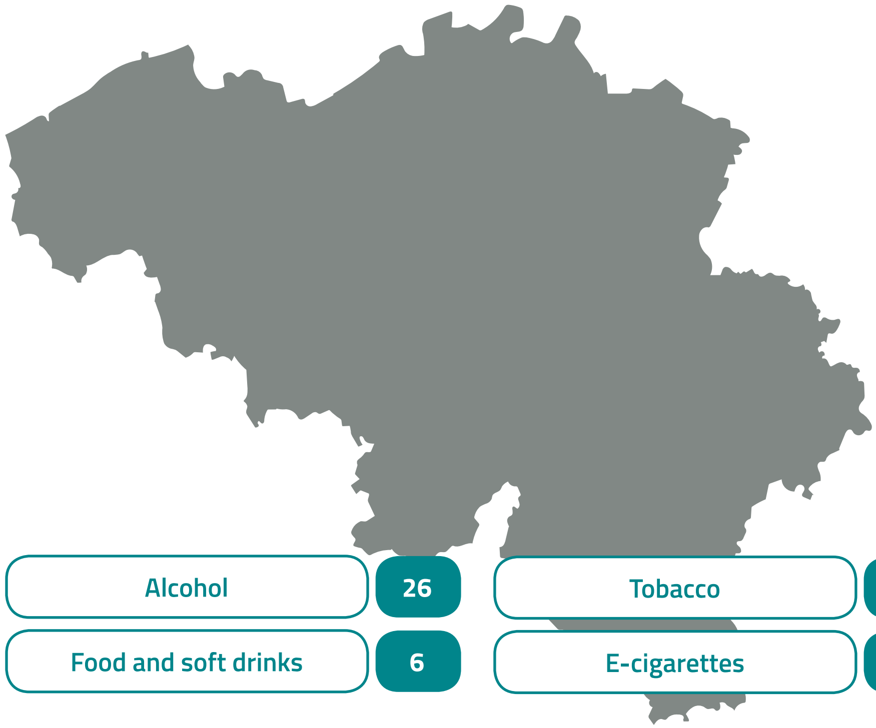
Thanks to the Friedrich A. von Hayek Institut

Better than in 2017

-4

Belgium

Overall ranking 16



Alcohol	26	Tobacco	21
Food and soft drinks	6	E-cigarettes	11

Population:	11,498,000
PPP adjusted GDP per capita:	US$ 46,600
Current government:	Prime Minister Charles Michel (Reformist Movement)
Economic Freedom Index Ranking:	52 of 162 (7.32)

Belgium appears towards the middle of the Nanny State Index and its scores on every criteria are average to good. It performs particularly well on alcohol, with relatively low taxes on beer, wine and spirits, and only modest restrictions on alcohol advertising.

Belgium's smoking ban, like that of most EU countries, allows designated smoking rooms in most venues, including the European Parliament. By law, smoking rooms have to be quite basic, with no televisions or pool tables, for example. Cigarette vending machines are legal and there is no display ban or plain packaging.

E-cigarettes were legalised as consumer products in 2016, but internet sales and e-cigarette advertising are banned (except in bookstores and specialised sales outlets). Vaping is banned wherever smoking is banned with possible fines ranging from €208 to €8,000. This means it is illegal to vape in an e-cigarette shop. A new law banning vaping (and smoking) in vehicles carrying children is expected in 2019.

A tax on soft drinks of €0.03 cents per litre was introduced in 2016 and has since been raised to €0.12 per litre. Although the government describes this as a 'health tax', it applies to drinks which contain no sugar or calories.

Belgium has had legal limits on the amount of salt that can be put into bread since 1985 (two grams of salt per 100 grams of bread).

With thanks to Wannes de Roeck, Students for Liberty

Bulgaria

Overall ranking 18

Alcohol	24	Tobacco	9
Food and soft drinks	12	E-cigarettes	22=

Population:	7,037,000
PPP adjusted GDP per capita	US$ 21,800
Current government:	Prime Minister Boyko Borissov (European Development of Bulgaria)
Economic Freedom Index Ranking:	46 of 162 (7.41)

+2
Worse than in 2017

Bulgaria takes a relatively liberal approach to vaping and drinking. There are no restrictions on vaping indoors and e-cigarettes can be freely bought and sold domestically although cross-border sales are now banned. Its taxes on beer and spirits are relatively low and there is no wine duty. There are few restrictions on beer and wine advertising but spirits advertising is prohibited on TV and radio except in a heavily regulated form after 10pm.

Tobacco regulation is much tougher. There are few exemptions to Bulgaria's tobacco advertising ban and the sale of cigarettes from vending machines is prohibited. Moreover, Bulgaria's smoking ban is among the most severe in Europe with no exemptions in bars, restaurants or workplaces and some restrictions outdoors. The ban is poorly enforced in practice, however, and although EU law now bans the sale of cigarettes in anything less than packs of 20, smaller numbers can be bought on the illicit market. Tobacco taxes in Bulgaria are the lowest in the EU in cash terms but are the sixth highest after adjusting for income.

In 2017, Bulgaria adapted a new tax regulation for heat-not-burn products. Decree No. 163 adds heated, smokeless tobacco products to the Excise Duties and Tax Warehouse Act; thus, products such as IQOS will be taxed according to the weight of tobacco at 152 Levs per kilogram (€77). This has been in force since 1st January 2018.

There have been legal limits on salt levels in manufactured bread, cheese and meat products since 2011. There was talk of Bulgaria introducing taxes on 'junk food' and energy drinks in 2015 but the Finance Ministry opposed the idea and it came to nothing.

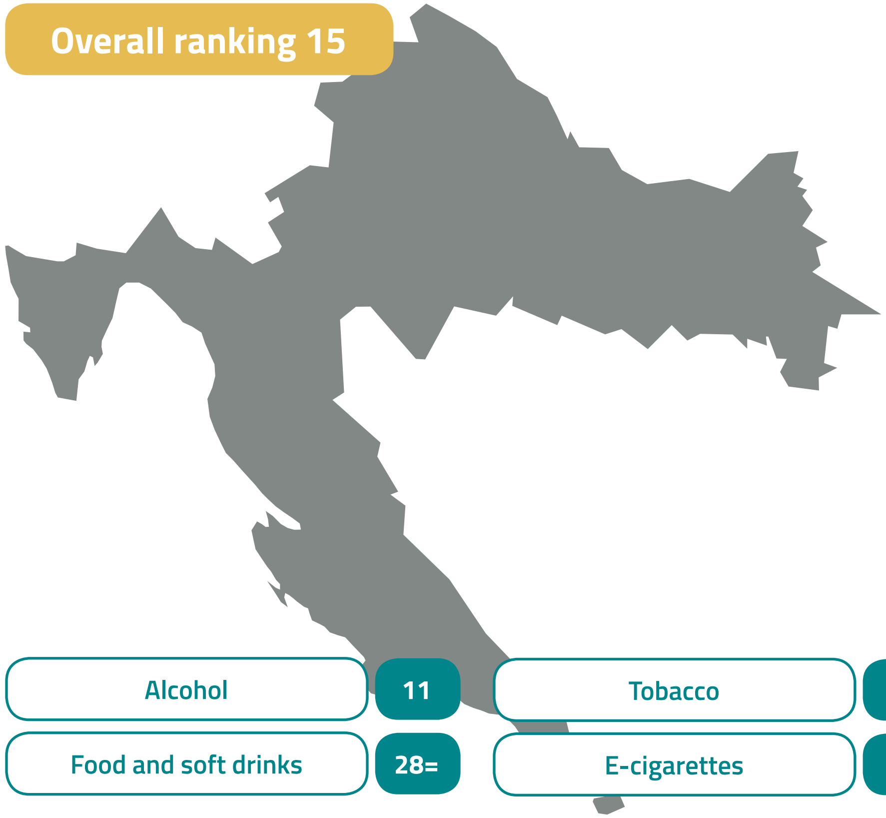
With thanks to Dimitar Kolichev

Better than in 2017

-1

Croatia

Overall ranking 15



Alcohol	11
Food and soft drinks	28=
Tobacco	8
E-cigarettes	13

Population:	4,165,000
PPP adjusted GDP per capita:	US$ 24,700
Current government:	Prime Minister Andrej Plenkovic (Croatian Democratic Union)
Economic Freedom (Ranking):	75 of 162 (6.96)

Croatia appears bang in the middle of the Nanny State Index league table with average taxes on beer and tobacco, very low tax on spirits and no duty on wine.

A comprehensive smoking ban was repealed in 2009 after damaging the hospitality industry and the current law is relatively liberal by European standards. Smoking is banned in restaurants but there are exemptions for small bars, and larger premises can have ventilated smoking rooms. Croatia is one of five EU countries to have a tobacco retail display ban.

There is no tax on e-cigarette fluid but vaping is banned indoors wherever smoking is banned.

Croatia takes a tough stance on advertising. Wine cannot be advertised in any broadcast media and spirits, e-cigarettes and tobacco cannot be advertised at all. There are no such restrictions on beer.

Bars in urban areas must close at midnight, but municipal, city or county authorities can issue permission to certain areas where bars can open longer (up to 2 am), or even restrict closing hours earlier than midnight.

Cyprus

Overall ranking 13

Alcohol	16
Tobacco	10
Food and soft drinks	28=
E-cigarettes	4

Population:	1,189,000
PPP adjusted GDP per capita:	US$ 37,200
Current government:	President Nicos Anastasiadies (Democratic Rally)
Economic Freedom Index Ranking:	18 out of 162 (7.71)

+2
Worse than in 2017

Cyprus has jumped up the league table since 2017 thanks to its assault on smokers and vapers. Until recently, smoking areas were permitted in bars and restaurants but a more draconian ban was narrowly passed in February 2017 removing these exemptions and extending it to some outdoor places. These rules also apply to vaping. Despite an amendment relaxing restrictions in 'open areas' - defined as spaces which have one open side - the smoking/vaping ban remains harsh. Businesses and individuals who breach it risk a fine of up to €850. Only vape shops are exempt. Smoking is also prohibited in cars carrying children under the age of 16.

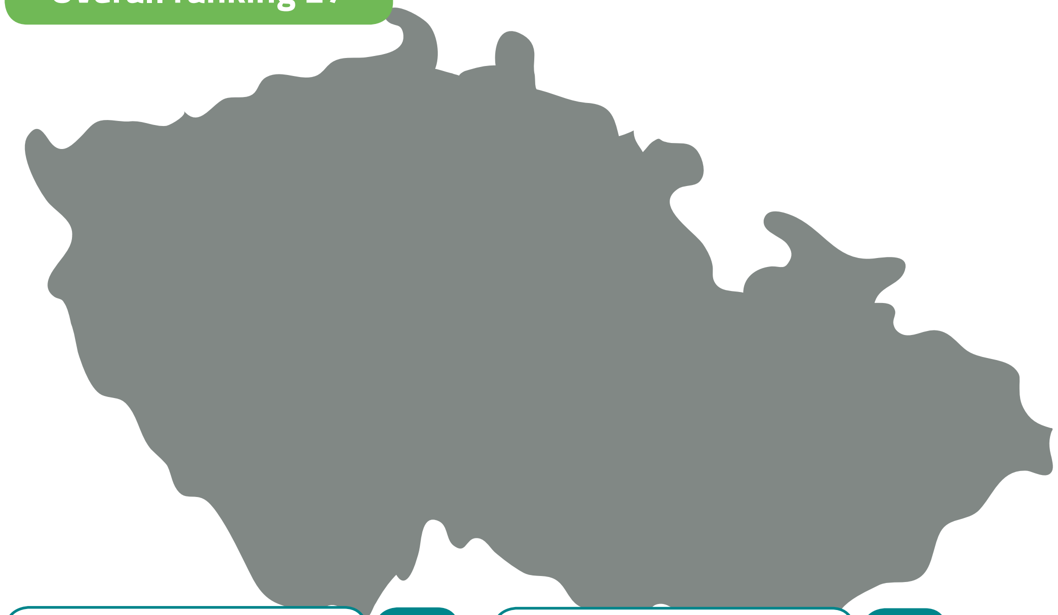
Tobacco and e-cigarette advertising is restricted to point of sale and cigarette vending machines are banned, but there is no display ban. Alcohol advertising is largely permitted although television and radio advertisements cannot air in the daytime.

Cyprus has no nanny state laws regulating food and soft drinks. Its tax on spirits is relatively low and it is one of fourteen EU countries to have no wine duty.

In September 2017, Cyprus passed an excise tax on e-cigarette fluid of €0.12 per millilitre (€1.20 per standard bottle), even if it does not contain nicotine. It also created a new category for heat-not-burn products with a tax of €150 per kilogram. Tobacco duty is about average for an EU country.

Czech Republic

Overall ranking 27



Alcohol	28	Tobacco	20
Food and soft drinks	28=	E-cigarettes	24=

Population: 10,625,000

PPP adjusted GDP per capita: US$ 35,500

Current government: Prime Minister Andrej Babiš (Action of Dissatisfied Citizens)

Economic Freedom Index Ranking: 30 of 162 (7.56)

+1
Worse than in 2017

The Czech Republic's reputation as a haven of liberty took a knock in May 2017 when an extensive smoking ban came into effect. The ban allows for no designated smoking rooms and no exemptions, except for shisha. A survey conducted at the end of 2017 found that 58 per cent of Czechs thought the ban was too extreme.[2] Despite an attempt by dozens of politicians to partially relax it in February 2018, it remains in place. Fines of 5,000 CZK (€185) can be imposed on individuals who break the law and the owners of venues can be fined up to 50,000 CZK (€1,850).

The introduction of the smoking ban is the main reason why the Czech Republic loses its crown to Germany as the most liberal EU country in the 2019 Nanny State Index. Otherwise, however, it remains a largely free country when it comes to lifestyle. E-cigarettes can be advertised within the confines of EU law and vaping is only prohibited in a limited number of public places such as airports and public transport. There are no taxes on vape juice, food or soft drinks, and alcohol advertising is largely unrestricted except in some outdoor areas (eg. outside schools).

Taxes on beer and spirits are well below average for an EU country and there is no wine duty at all. There are no national restrictions on when bars and restaurants can stop serving alcohol.

Tobacco taxes, adjusted for income, are the second lowest in the EU. Cigarettes can be displayed in shops and bought from vending machines but the sale of alcohol from vending machines was banned in 2018.

With thanks to Peter Kotka

---

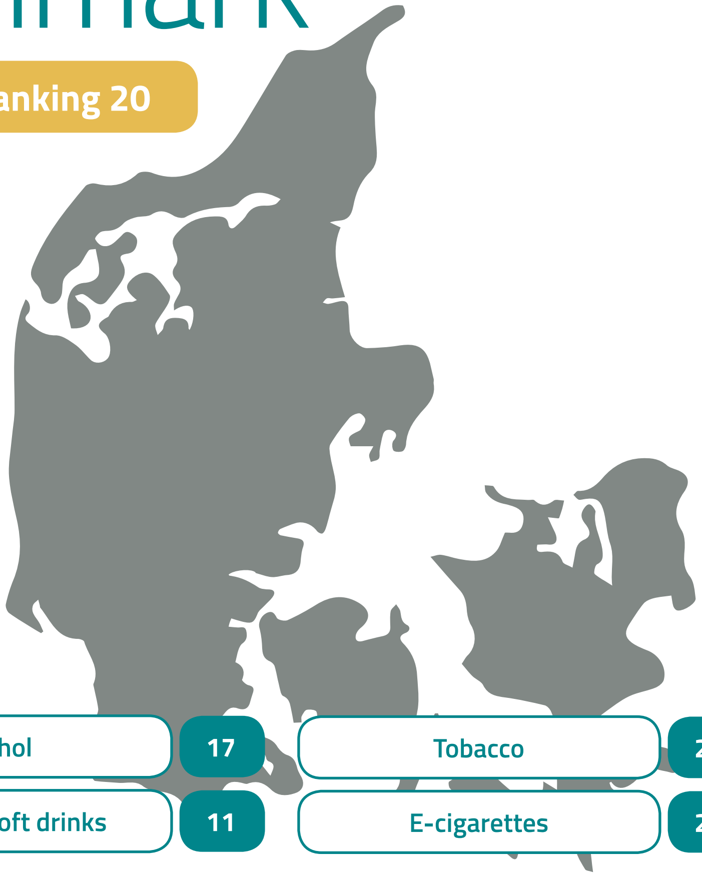
2 https://www.radio.cz/en/section/curraffrs/poll-most-czechs-want-easing-of-smoking-ban

Better than in 2017

-2

Denmark

Overall ranking 20



Alcohol	17
Tobacco	24
Food and soft drinks	11
E-cigarettes	20

Population:	5,754,000
PPP adjusted GDP per capita:	US$ 50,100
Current government:	Prime Minister Lars Lokke Rasmussen (Venstre, Denmark's Liberal Party)
Economic Freedom Index Ranking:	16 of 162 (7.77)

At the risk of damning it with faint praise, Denmark is the most liberal Scandinavian country with more tolerant smoking laws and lower taxes on alcohol and tobacco than its neighbours to the north. Rates of tax on beer and spirits are less than half of those imposed on consumers in Sweden and Finland. In November 2018, the Danish People's Party agreed to freeze tobacco duty and lower beer and wine duty, partly in order to tackle cross-border shopping. Denmark is the only Nordic country that does not have a statutory closing time for bars.

Until 2016, one of the few dark spots on Denmark's record was its effective prohibition of e-cigarettes. Classified as medical products, they were unavailable to the public but this changed in May 2016 when the Danes legalised the sale of e-cigarettes and vaping fluids as consumer products. Vaping has always been permitted in public places (except public transport) and there is no tax on vape juice. However, advertising, promotion and sponsorship of e-cigarettes is prohibited in all media regardless of whether the fluid contains nicotine or not.

Loose snus, which escaped earlier EU laws, was banned in January 2016 but there has been no further legislation for tobacco or e-cigarettes since Denmark transposed the EU Tobacco Products Directive into law a few months later. The Socialist People's Party introduced a resolution for plain packaging in December 2017 but it had no government support and was rejected. A ban on cigarette vending machines is in place but there is no retail display ban (although some of the bigger retailers cover up their tobacco products voluntarily).

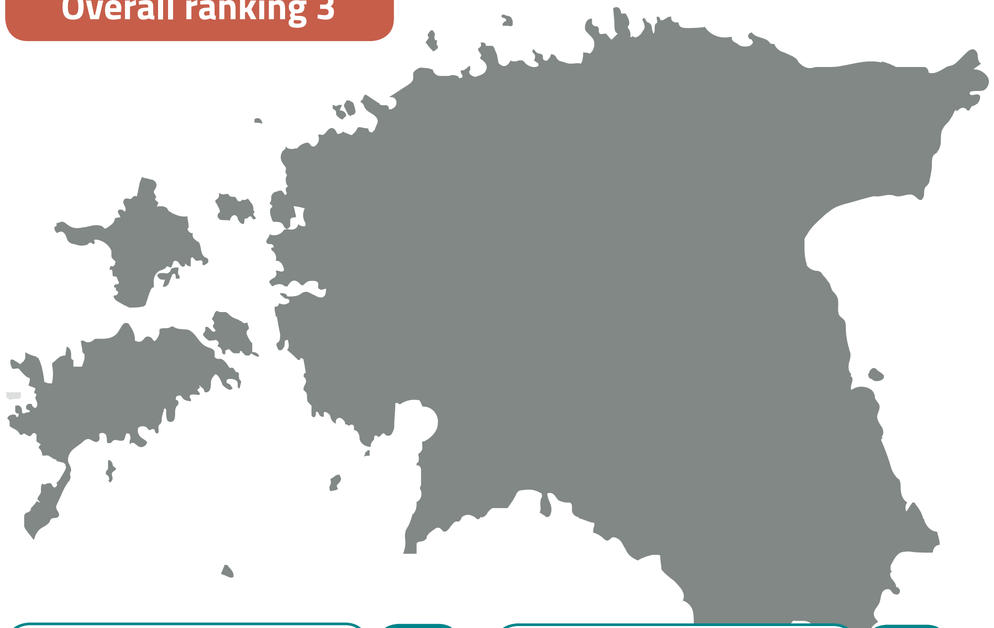
More importantly for smokers, indoor use is much less restricted than in most EU countries and tobacco is relatively affordable with duty set at a similar rate to that of Germany. Although smoking is generally prohibited indoors, there is an exemption for small pubs, and smoking rooms of any size are permitted in bars, restaurants and workplaces.

Denmark's brief experiment with the unpopular 'fat tax' came to an end in 2013, after which the government abandoned its plans for a sugar tax, abolished its tax on sugary drinks and cut its beer duty. A tax on confectionary is still in place, however, and trans fats are effectively banned in food.

With thanks to Klaus K.

Estonia

Overall ranking 3



Alcohol	4	Tobacco	13
Food and soft drinks	6	E-cigarettes	6

Population:	1,307,000
PPP adjusted GDP per capita:	US$ 31,700
Current government:	Prime Minister Jüri Ratas (Centre Party)
Economic Freedom Index Ranking:	13 of 162 (7.86)

+12
Worse than in 2017

Life has been getting worse for consumers in Estonia in recent years as the country slides down the slippery slope of nanny state interference. It is the biggest mover since the 2017 Index was published, jumping from mid-table into the top three.

The main reason is alcohol. Estonia's taxes on beer, wine and spirits have been higher than the EU average for years and have risen sharply since the first Nanny State Index was published. Between 2016 and 2018, spirits duty rose by 30 per cent, wine duty rose by 50 per cent and beer duty doubled. This has led to a textbook illustration of the Laffer Curve as Estonians travel to neighbouring Latvia for their booze shopping and Finns - who have long made the trip to Estonia for theirs - go elsewhere. The government expected alcohol revenues to rise from €251 million in 2016 to €276 million in 2017. In fact, the tax rise caused revenues to fall to €229 million and had a devastating impact on small shops in poor regions close to Latvian border which relied on alcohol sales.

It has been a sobering experience for the Estonian government which has now dropped plans to introduce further tax hikes on alcohol in 2019 and 2020. Nevertheless, the country still has the third highest beer tax, fourth highest spirits tax and sixth highest wine tax in the EU, after adjusting for income.

When he was Minister for Health, Jevgeni Ossinovski said his goal was 'to ban [alcohol] advertising, just like tobacco advertising has been banned for 15 years already. I don't see any reason to treat tobacco and alcohol differently.' Ossinovski is now the leader of the Social Democratic Party which has been part of the ruling coalition since 2015. The Advertising Act, introduced in January 2018, bans all outdoor advertising for alcohol, and the watershed for TV and radio advertising has been pushed back to 10pm. What little alcohol advertising remains can only provide minimal, factual information about the product. Happy hours and alcohol tastings in shops have been banned. Shops must display their alcoholic drinks away from the rest of their groceries and cannot be visible from the street.

A tax on soft drinks was introduced in January 2018. Although the Estonian president, Kersti Kaljulaid, claimed that the aim of the tax was 'to guide the people of Estonia, and first and foremost children and youth, to consume less sugar', it applies to artificially sweetened drinks which contain no calories as well as to sugary drinks. It is a tiered system with artificially sweetened drinks and drinks containing up to 10 grams of sugar per 100ml taxed at €0.10 per litre and drinks with more than 10 grams of sugar taxed at €0.20 per litre. For reasons that are not entirely clear, if a drink contains more than 10 grams of sugar per 100ml and also contains artificial sweeteners, the tax rate is €0.30. The government plans to move the upper threshold from 10 grams of sugar to 9 grams in 2019 and then down to 8 grams in 2020.

Estonia's smoking restrictions are less severe than most EU countries, but a ban on smoking in cars with children was introduced in 2016 (with maximum fines of €300) and a ban on smoking in prisons came into effect in October 2017. Estonia has the highest tobacco taxes in Eastern Europe. There is a full ban on tobacco advertising, and cigarettes cannot be sold from vending machines. A tobacco display ban is due to take effect in July 2019.

A law that effectively prohibited the sale of e-cigarettes was overturned in 2013 and they can now be sold as consumer products. An excise tax on e-cigarette fluid was introduced in 2017 at the rate of €0.20 per millilitre (€2.00 per standard bottle). Estonia's Tobacco Act views e-cigarettes as 'products used similarly to tobacco products' and includes them in the smoking ban.

With thanks to Meelis Kitsing, Estonian Business School

Finland

Overall ranking 1

Alcohol	1	Tobacco	4
Food and soft drinks	7	E-cigarettes	2

Population: 5,542,000

PPP adjusted GDP per capita: US$ 44,500

Current government: Prime Minister Juha Sipilä (Centre Party)

Economic Freedom Index Ranking: 22 of 162 (7.65)

–
No change since 2017

Finland retains the dubious honour of being the EU's number one nanny state with a commanding lead. It has the highest taxes on beer and wine in the EU and its spirits duty is only exceeded - by a whisker - by neighbouring Sweden. It has the third highest rate of tobacco duty as well as having taxes on sugary drinks and e-cigarette fluids.

Finland is unusual in having a state monopoly on alcohol sales. Recent years have seen a degree of liberalisation with a new Alcohol Act, which came into effect in March 2018, allowing the sale of alcoholic drinks of up to 5.5 per cent to be sold in grocery stores. It also permits restaurants to advertise their happy hour discounts, and restaurant opening hours have been relaxed. Finland's state-owned retailer Alko has had its closing time pushed back from 8pm to 9pm.

These modest measures, which were opposed by many campaigners, represent the limits of Finnish liberalisation. Nearly all alcohol advertising outdoors was banned in 2015. Spirits cannot be advertised in any media. Wine and beer can only be advertised on television after 10pm.

Finland's Tobacco Act, which came into force on August 15th 2016, banned smoking in cars carrying children under the age of 15. All smokeless tobacco has been banned and e-cigarettes are subject to the same regulation as tobacco, including a full advertising ban. Not only does this ban include e-cigarettes, it also includes products that resemble tobacco products, such as liquorice pipes. Shops have to buy a licence to sell tobacco and the price of the licences has risen sharply since 2016 in a deliberate attempt to discourage retailers from selling it. The new Tobacco Act also allows housing corporations to apply for a licence to make smoking illegal on their balconies and outdoor areas.

E-cigarettes used to be illegal in Finland but the prohibition ended on May 20th 2016. A punitive tax on e-cigarette fluid of €0.30 per ml (€3.00 per standard bottle) was introduced on 1st January 2017 and applies to 'nicotine free liquids intended for vapourisation' as well as nicotine-containing fluids. Internet and cross-border sales of e-cigarettes have been illegal since June 2017. Finland is one of the few European countries to have major restrictions on flavours. Only tobacco-flavoured and unflavoured fluid is allowed to be sold.

Perhaps due to the cold climate, Finland has a less draconian smoking ban than some EU countries and permits designated smoking rooms, but vaping is banned wherever smoking is banned and some outdoor areas are included. In addition to a total ban on tobacco advertising, there is a retail display ban and a vending machine ban. Another wave of anti-smoking policies could be on its way. In October 2018, a working group of the Ministry of Social Affairs and Health put forward a raft of new measures including raising the purchasing age to 20, banning smoking (and vaping) in parks, beaches and bus stops, and reducing the amount of snus that can be brought into the country for personal use from one kilogram to 100 grams.

Finland abolished its tax on confectionery, chocolate and ice cream in January 2017. A tax on fizzy drinks remains in place at a rate of €0.22 per litre of sugar-sweetened drinks and €0.11 per litre of non-sugary drinks.

Better than
in 2017
-4

France

Overall ranking 10

Alcohol	8	Tobacco	3
Food and soft drinks	5	E-cigarettes	17

Population:	65,233,000
PPP adjusted GDP per capita:	US$ 44,100
Current government:	President of France Emmanuel Macron (La République En Marche!)
Economic Freedom Index Ranking:	57 of 162 (7.25)

The assault on lifestyle freedoms that began under Hollande's Socialist government shows no sign of abating under President Macron. There is a full ban on tobacco advertising and a near-total ban on e-cigarette advertising. The latter is only legal in vape shops. There is also an extensive ban on smoking in bars, restaurants and workplaces (some smoking rooms are permitted). Smoking is banned in cars carrying passengers under the age of 18 and, in 2018, Paris and Strasbourg started banning smoking in public parks. There has even been talk of banning the depiction of smoking in films, a proposal that was welcomed by the European Commission.

A tobacco display ban is in place and France is one of four EU countries to have introduced plain packaging. Large increases in tobacco taxation in the last decade have left the French with the second highest cigarette duty in the EU after adjusting for income and the third highest in cash terms. Heat-not-burn tobacco is also taxed at a high rate in France: €21.5/kg plus 48.1% of retail sales price ad valorem. Despite very high rates of tobacco duty and a slew of other anti-smoking policies, France's smoking rate is higher than that of more liberal neighbours, such as Germany and Luxembourg.

In July 2018, France changed its system of taxing soft drinks. It had previously levied a tax of €0.0753 per litre on all sweetened drinks and energy drinks, including low calorie varieties. It now taxes sweetened drinks which contain no sugar at a lower rate of €0.03 per litre and this rate rises in proportion to sugar content. For example, a litre of a drink which has five grams of sugar per 100ml is taxed at €0.055 per litre and a drink with 10g/100ml is taxed at €0.135. Free refills of soft drinks in restaurants were banned in January 2017.

All television adverts for food that is processed or contains added sugar, fat, sweeteners and/or salt must be accompanied by a message from the National Institute of Health Education (eg. 'For your health, avoid snacking between meals'). A 2004 ban on sweets and sugary drinks being sold from vending machines had no effect on children's calorie intake.[3] Undeterred by failure, the government banned all food and drink vending machines from schools in 2017.

The French government considered a ban on vaping in public places in 2013 but decided against it. Vaping is currently legal in bars and restaurants but since October 2017 it has been prohibited in educational institutions, public transport and open plan offices. People who flout the ban can be fined between €35 and €150. In places where vaping is permitted, legislation obliges the owner to put up a sign telling customers what their vaping policy is.

Although per capita alcohol consumption in France has been falling since the 1970s, it remains amongst the highest in the world. In 1991, France introduced some of the world's most restrictive laws on alcohol advertising, banning it entirely on television and heavily restricting what companies can say about their product in other media. Some radio advertising is permitted but only late at night. These laws were intended to reduce underage drinking and 'le binge drinking' (the English term is commonly used) but failed. The government subsequently raised the purchasing age (to 18) and introduced a law making it illegal to encourage binge drinking.

It is not all bad news, however. Of the 14 EU countries that tax wine, France has the lowest rate - just €0.03 per bottle.

With thanks to Institut Économique Molinari

3 https://www.ncbi.nlm.nih.gov/pubmed/29320810

Better than
in 2017
-1

Germany

Overall ranking 28

Alcohol	27	Tobacco	26
Food and soft drinks	28=	E-cigarettes	28=

Population:	82,294,000
PPP adjusted GDP per capita:	US$ 50,800
Current government:	Chancellor Angela Merkel (Christian Democratic Union)
Economic Freedom Index Ranking:	20 of 162 (7.69)

Germany is the best country to drink, smoke, vape and eat in the EU, although some parts are better than others if you are a smoker. There is no tax on e-cigarette fluid, no sugar tax and it has a largely liberal advertising regime. There is no wine duty and tax on beer and spirits are well below the EU average. Tobacco taxes in Germany are lower than the EU average after adjusting for income.

Like most European countries, Germany displays a somewhat hostile attitude towards smokers, but most federal states have tolerant legislation on smoking indoors. Smoking restrictions vary by region but bans are generally less draconian than those of other European countries. Only three of the sixteen states have a comprehensive smoking ban. The other 13 have significant exemptions based on the size of the premises, the status of the establishment (eg. private club) and whether or not food is served. The result is that in the majority of German states some bars have a designated smoking room at the minimum.

There is no vending machine ban or display ban for cigarettes and although most tobacco advertising is banned under EU law, German law permits it in cinemas, outdoors and at point of sale. Germany allows alcohol advertising in all its forms, including on television after 6pm, and there is no statutory closing time for bars.

E-cigarettes can be sold and used without restriction. There is no excise tax on vape juice, cross-border sales are legal and e-cigarette products can be advertised within the confines of EU legislation.

Germany has no nanny state policies on food and soft drinks, but the government has recently entered a 'voluntary' agreement with industry to reformulate food products. The plan is to achieve a reduce in sugar consumption of at least 10 per cent by 2025.

With thanks to Max Molden, Prometheus Institute

Better than in 2017

-1

Greece

Overall ranking 11

Alcohol	15	Tobacco	5
Food and soft drinks	13	E-cigarettes	3

Population: 11,142,000

PPP adjusted GDP per capita: US$ 27,800

Current government: Prime Minister Alexis Tsipras (Syriza)

Economic Freedom Index Ranking: 107 of 162 (6.6)

Greek sin taxes are punitive, especially once they are adjusted for income. Taxes on spirits and beer are the EU's third and fourth highest respectively. Greece's tobacco duty is the fourth highest in the EU after adjusting for income. The Syriza government introduced a tax on wine for the first time in 2016, but this was annulled by Greece's supreme administrative court in September 2018 and was abolished in January 2019.

A tax on e-cigarettes came into effect in January 2017 (at €0.10 per ml) and, as the government tries to balance the books, there have been tax rises on beer, cigarettes, coffee and 'electronically heated tobacco products' in recent years (the latter is €156.70 per kilogram).

Despite potential fines of up to €10,000, Greece's smoking ban is notorious for being ignored by the public and the authorities alike. Officially, smoking is prohibited in nearly all workplaces, bars and restaurants. There is an exemption for casinos and bars larger than 300 square metres which can allow smoking in designated areas no larger than half of the total floor space. Smoking in taxis and public transport is forbidden as well as in private vehicles if there is a passenger under 12 years old.

Tobacco retail displays are banned with the exception of specialist tobacco outlets such as kiosks and duty-free shops. The sale of cigarettes from vending machines was banned in 2009. Greece has the highest smoking rate in the EU.

E-cigarettes are legal but the Greek government banned zero-nicotine fluids in 2018 in an attempt to stop vapers mixing their own fluid. Greeks cannot buy e-cigarettes or vaping fluids from other EU countries by mail order. E-cigarette advertising is banned everywhere except at point of sale and a tax on e-cigarette fluid of €0.10 per ml was introduced in January 2017. Vaping has been banned wherever smoking is banned since 2016. In March 2018, Greece's High Court upheld the ban on vaping indoors.

There have been mandatory limits on the amount of salt that can be put in manufactured bread, tomato juice and tomato concentrates since 1971. Until August 2014, Greek law stated that bread must be sold in pieces of 250, 350, 500, 750 or 1000 grams, but that rule has been replaced by a law dictating that each piece of bread must be weighed for the consumer to pay the exact amount according to the price per kilo.

Alcohol advertising is mostly unrestricted although it cannot be broadcast on TV and radio during programmes that are aimed at children.

With thanks to Constantinos Saravakos, KEFIM - Centre for Liberal Studies

Better than
in 2017
-1

Hungary

Overall ranking 5

Alcohol	21	Tobacco	6
Food and soft drinks	1	E-cigarettes	1

Population:	9,689,000
PPP adjusted GDP per capita:	US$ 29,600
Current government:	Prime Minister Viktor Orbán (Fidesz – Hungarian Civic Alliance)
Economic Freedom Index Ranking:	59 of 162 (7.22)

Under the authoritarian government of Viktor Orbán, Hungary has introduced some of the most intrusive 'public health' policies on food, tobacco and e-cigarettes in Europe. It has an extensive system of food and soft drink taxes, a full ban on smoking indoors and a tax on e-cigarette fluid. Hungary is at the top of both the food/soft drink league table and the e-cigarette league table. If it had Scandinavian levels of alcohol taxation it would be a strong contender for the number one spot in the Nanny State Index, but neither its beer tax nor its spirits duty is particularly high and there is no duty tax on wine.

The Public Health Product Tax (commonly known as the 'chips tax') was introduced in September 2011 and levies sin taxes on a host of foods that are deemed to be high in salt, sugar and/or caffeine. The rates were increased by 20 per cent in January 2019 and include: sweets - 160 Forints (€0.50) per kilogram, soft drinks - 15 Forints (€0.05) per litre, energy drinks - 300 Forints (€0.93) per litre, condiments - 300 Forints (€0.93) per kilogram, jam - 600 Forints (€1.87) per kilogram, salty snacks - 300 Forints (€0.93) per kilogram. There are legal limits on the amount of trans-fats that food can contain and limits on the amount of salt that can be put into bread (a maximum of 1.57 grams of salt per 100 grams of bread).

Hungary's health minister, János Lázár, wishes to ultimately prohibit smoking by stopping anybody born after 2020 from ever buying tobacco. He has also expressed a desire to ban smoking in all cars even if there is nobody in it but the smoker. Tobacco is heavily regulated with a vending machine ban and a ban on retailers displaying tobacco products in a manner that makes them visible from outside the shop. Since May 2018, all newly manufactured tobacco products must be in 'standardised' packaging and it will be illegal to sell a conventional, branded pack of cigarettes to the public from 31st December 2021.

There is a zero-exemption ban on smoking in bars, restaurants and workplaces, and smoking is even banned in some outdoor areas. Tobacco retailing is a state monopoly, with licences allegedly handed out to party loyalists. Since May 2016, these shops have also had a monopoly on selling e-cigarettes. It has been reported that the government plans to turn the alcohol retail business into a similar state monopoly.

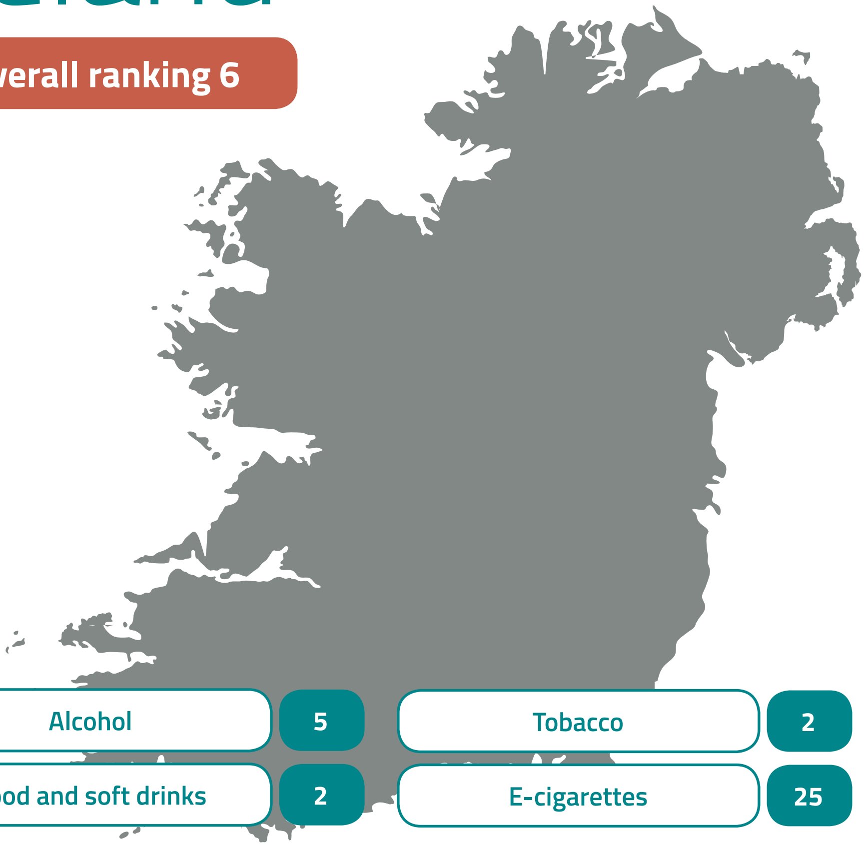
Until 2016, nicotine-containing e-cigarette fluid was effectively prohibited but it has since been legalised as a consumer product. A tax of 65 Hungarian Forints (€0.20) per ml was introduced on January 1st 2017 and was due to rise to 70 Forints in July 2017 but the government backtracked and reduced it to 55 Forints (€0.17). E-cigarette advertising is banned and vaping is prohibited wherever smoking is prohibited unless the vaping device was prescribed by a doctor (which is most unlikely). Cross-border sales are banned and all e-cigarette flavours apart from 'tobacco flavour' are prohibited.

With thanks to the Hungarian Free Market Foundation

Better than in 2017
-3

Ireland

Overall ranking 6



Alcohol	5
Food and soft drinks	2
Tobacco	2
E-cigarettes	25

Population:	4,804,000
PPP adjusted GDP per capita:	US$ 73,200
Current government:	Prime Minister Leo Varadkar (Fine Gael)
Economic Freedom Index Ranking:	5 of 162 (8.07)

Irish politicians pride themselves on being at the forefront of 'public health' paternalism. Ireland became the first country to introduce a full smoking ban in 2004 and it was the first European country to pass legislation for plain packaging of tobacco in 2015. In recent years it has concentrated on alcohol and the next step is to interfere in people's diets.

After three years of negotiations, the Public Health (Alcohol Bill) was passed in October 2018 and is expected to come into effect on 12 November 2019. The law contains a range of neo-temperance policies similar to those seen in some Eastern European countries. They include an extensive advertising ban combined with heavy restrictions on advertising content which limits ads to basic, factual information about the product. There will be a display ban of sorts with grocery shops required to conceal alcoholic beverages behind a screen or curtain. There will also be mandatory cancer warnings on alcohol packaging which could see Ireland coming into conflict with the EU, given that the European Commission says this could violate EU law.[4] Worst of all for drinkers, a minimum unit price of €1 per Irish unit (€0.80 per UK unit) will also be introduced.

None of this has happened yet, but Ireland already has a host of other nanny state policies for food, tobacco and alcohol, and can boast some of the world's highest sin taxes. It has the highest rate of wine duty, the second highest rate of beer duty and the third highest rate of spirits duty, although they appear more affordable when adjusted for Ireland's suspiciously high GDP. Ireland's tax on sparkling wine is by far the highest in the EU, at €8.50 per litre, and only Britain can rival its huge tobacco taxes. A ban on smoking in cars if a person under the age of 18 is present came into effect on 1st January 2016 with a potential fine of €100.

Ireland introduced a tax on sugary drinks in May 2018, one month after the UK did the same. As in the UK, the tax is two-tiered with a rate of €0.30 per litre for drinks that have more than 8 grams of sugar per 100ml and €0.20 per litre for drinks that have between 5 and 8 grams per 100ml. Recently, a high-profile senator for the governing party called for a broad-reaching 'sugar bill' developed along the same lines as the aforementioned Public Health (Alcohol) Bill but aimed at food.

Advertising and sponsorship of food deemed to be high in fat, sugar and/or salt is already banned during television and radio programmes that are mostly watched by people under the age of 18. Such commercials cannot make up more than 25 per cent of advertising time during the rest of the day. Spirits cannot be advertised on TV or radio at all.

Although the Irish government has not endorsed the use of e-cigarettes, it has not gone out of its way to deter smokers from switching to them. E-cigarettes can be advertised within the confines of EU law, there is no tax on vape juice and e-cigarettes can be used everywhere except on public transport. Cross-border sales are legal.

4 https://www.irishtimes.com/news/politics/european-commission-criticises-parts-of-alco-hol-health-warning-plan-1.3481940

Italy

Overall ranking 23=

Alcohol	20	Tobacco	19
Food and soft drinks	17	E-cigarettes	19

Population: 59,291,000

PPP adjusted GDP per capita: US$ 38,200

Current government: Prime Minister Giuseppe Conte (Five Star Movement)

Economic Freedom Index Ranking: 54 of 162 (7.27)

+6
Worse than in 2017

Taxes on beer and spirits are relatively low in Italy and there is no duty on wine. There is a near-total ban on tobacco marketing but alcohol advertising is largely unrestricted.

Italy has had a near-total ban on smoking in public places since 2005. In 2016, the ban was extended to private vehicles if a passenger is pregnant or younger than 18. Smoking is also banned in some parks. Italy does not have a retail display ban for tobacco but graphic warnings were introduced in February 2016 in advance of the EU's Tobacco Products Directive. Italy taxes the heated tobacco product IQOS at a rate of €1.27 per pack (€63.32 per 1,000 heat sticks).

Vaping has been under attack in Italy for years. In 2014, Italy became the first EU country to tax e-cigarette fluid after Italian MPs complained about losing tobacco revenue. Initially set at a punitive rate of €0.38 per ml (€3.80 per standard bottle), the tax was subsequently raised to €0.3976 and linked to the Weighted Average Price (WAP) of cigarettes. This was the highest rate in the EU and was a significant constraint on Italy's vaping scene. Fortunately, the government agreed to slash it in November 2018 and the rate has been €0.08 per ml since January 2019, with a lower rate of €0.04 per ml for fluids that do not contain nicotine. Of the twelve EU countries that tax vape juice, Italy now has the lowest rate.

Cross-border sales of e-cigarette fluid are banned but a ban on domestic internet sales was repealed in January 2019. It seems that Italy may have turned the corner on vaping. It has always been legal to use e-cigarettes indoors with few restrictions and the government never gold-plated the Tobacco Products Directive's advertising laws.

There is little in the way of food control policy in Italy although food and drinks that are 'high in sugar, fat and caffeine' were banned from school vending machines in 2014. A tax on sugary drinks has been discussed, but has not been passed at the time of writing.

With thanks to Istituto Bruno Leoni

Latvia

Overall ranking 7

Alcohol	7	Tobacco	14
Food and soft drinks	4	E-cigarettes	9

Population:	1,930,000
PPP adjusted GDP per capita:	US$ 27,700
Current government:	Prime Minister Krišjānis Kariņš (New Unity)
Economic Freedom Index Ranking:	23 of 162 (7.64)

– No change since 2017

Like its neighbours Estonia and Lithuania, Latvia taxes spirits heavily and takes a tough line on alcohol marketing, but its taxes on wine and beer are significantly lower.

Tobacco advertising is illegal in all forms. Cigarette vending machines are prohibited and smoking is banned in all bars, restaurants, casinos and airports except for designated smoking areas. Smoking is banned at public transport stops and within ten metres of government buildings, as well as in parks, squares and playgrounds except designated areas. The ban includes outdoor places within 10 metres of government buildings, public transport stops, apartment stairwells/corridors, balconies, and around children. If someone asks you to stop smoking near them, you must do so by law. The same rule applies to vaping.

E-cigarettes are classified as consumer products and can be sold to anyone over the age of 18, but their use is prohibited wherever smoking is banned. In 2016, the government introduced a €0.01 per ml tax on e-cigarette fluid, plus €0.005 per mg of nicotine, amounting to 90 cents on a standard bottle of 16mg/ml fluid. Heated tobacco is taxed at €66 per kilogram.

Latvia banned the sale of energy drinks to people aged under 18 in June 2016. There are also restrictions on energy drink advertising (it is banned in schools, on children's television, on public buildings and it cannot be associated with sport). Advertisements must carry a warning about the supposed risks of drinking them. Energy drinks must be displayed separately from other food items in shops.

In May 2016, new limits on trans fats were introduced (2g per 100g of total fat content). Sweetened soft drinks, including those with zero calories, are taxed at €0.074 per litre.

Wine and beer adverts are banned entirely on billboards, and spirits cannot be advertised on television, radio or outdoors. Alcohol sponsorship was almost entirely prohibited in 2014.

Lithuania

Overall ranking 2

Alcohol	3
Food and soft drinks	9
Tobacco	18=
E-cigarettes	8

Population: 2,876,000

PPP adjusted GDP per capita: US$ 32,400

Current government: Prime Minister Saulius Skvernelis (Lithuanian Farmers and Greens Union)

Economic Freedom Index Ranking: 13 of 162 (7.86)

+6
Worse than in 2017

Lithuania has shot up to second place in the Nanny State Index as a result of paternalistic regulation across every criteria. Alcohol regulation in Lithuania has been getting tougher for years but since the coalition government of the Peasant and Greens Union and the Social Democrats introduced the Law on Alcohol Control in 2018 the country has had the most draconian laws in the EU. The legal drinking age was raised to 20 in January 2018, making it the only country in the EU where 18 and 19 years olds cannot legally buy alcohol. Alcoholic beverages can no longer be sold in shops before 10am or after 8pm (3pm on Sunday); the previous opening times were 8am to 10pm. No alcoholic drinks stronger than 13 per cent can be sold in outdoor cafés or at outdoor cultural events. From 2020, the sale of alcohol will be forbidden on beaches and at sports events.

Alcohol taxes have been rising in recent years, with wine duty doubling since 2017. The sale of alcohol at petrol stations was banned in January 2016 and there has been talk of restricting sales to state-owned shops, as in Finland. Various alcohol promotions, including prizes, coupons, gifts, free samples and discount campaigns were banned in 2016, but Lithuania has taken the assault on marketing several steps further with a total ban on alcohol advertising in all forms. Importers of foreign newspapers and magazines now need to employ people to cover up alcohol ads with stickers before they reach the shops. Customers even have to cover up their alcohol purchases before they leave the shop.

Tobacco duty is low by EU standards but smoking is banned in most indoor public places and on parts of some beaches. Although smoking rooms are permitted indoors, some municipalities declare certain outdoor public places, such as town squares and bus stops, smoke-free zones and there are plans to ban smoking on café terraces, private balconies and beaches. The government also plans to introduce a tobacco display ban in 2019 and plain packaging in 2022.

The Tobacco Products and Related Products Control Law of 2016 subjects e-cigarettes to the same heavy restrictions as tobacco products. Advertising, promotion and sponsorship of e-cigarettes are banned in nearly all venues and media. Vaping is banned in places where smoking is banned and cross-border sales of e-cigarettes and nicotine fluids are prohibited. Heat-not-burn tobacco is taxed at a rate of €54.16/kg but there is no tax on vape juice.

Like Latvia, Lithuania is strangely preoccupied with energy drinks (except coffee). It has been illegal to sell them to people aged under 18 since January 2015 and the advertising of energy drinks is banned in educational institutions, concert or sports venues, theatres, cinemas and in any media aimed at children.

The only good news for consumers in Lithuania arrived in January 2018 when the government announced that it would not be introducing a sugar tax, preferring to work with industry on 'voluntary' food and drink reformulation instead.

With thanks to the Lithuanian Free Market Institute

Luxembourg

Overall ranking 24

Alcohol	25	Tobacco	28=
Food and soft drinks	28=	E-cigarettes	12

Population:	590,000
PPP adjusted GDP per capita:	US$ 105,100
Current government:	Prime Minister Xavier Bettel (Democratic Party)
Economic Freedom Index Ranking:	25 of 162 (7.6)

+1
Worse than in 2017

In most respects, Luxembourg performs well in the Nanny State Index, partly because its high level of wealth makes its sin taxes relatively affordable. Even without adjusting for income, taxes on beer and spirits are the third lowest and seventh lowest in the EU respectively, and there is no wine duty. Tobacco taxes are average in cash terms and low relative to average incomes. The government even intends to legalise cannabis in the next few years.

There is no retail display ban for tobacco, nor is there a vending machine ban. Restrictions on alcohol advertising are relatively trivial. There are no nanny state policies for food and soft drinks.

Luxembourg's partial smoking ban means that smoking is permitted in designated rooms and in licensed cigar bars. In August 2017, a ban was introduced on smoking in vehicles in which a child under 12 years is travelling, and smoking was banned in and around children's playgrounds.

Although there is no tax on vape juice, Luxembourg's regulation of e-cigarettes leaves much to be desired. Luxembourg's former health minister, Lydia Mutsch, took a dim view of vaping, believing it to be a gateway to smoking.[5] E-cigarette advertising is banned everywhere except at point of sale and cross-border sales are illegal. As part of the process of implementing the EU's Tobacco Products Directive, the Luxembourg government decided to apply the same rules to vaping indoors and e-cigarette advertising as it applies to tobacco (ie. a partial ban and a near-total ban, respectively). E-cigarette companies must pay a fee of €5,000 to put a new product on the market.

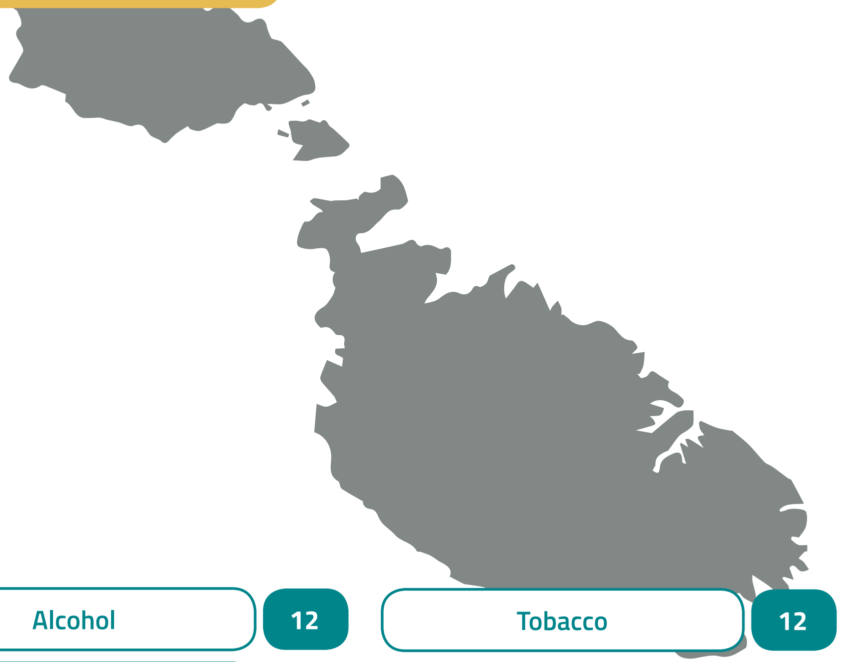
With thanks to Bill Wirtz, Consumer Choice Center

5 https://blog-vape.com/en/2017/07/11/new-taxes-on-vaping-products-in-luxembourg/

Better than in 2017
-2

Malta

Overall ranking 19



Alcohol	12	Tobacco	12
Food and soft drinks	28=	E-cigarettes	24=

Population:	432,000
PPP adjusted GDP per capita:	US$ 41,900
Current government:	Prime Minister Joseph Muscat (Labour Party)
Economic Freedom Index Ranking:	17 of 162 (7.73)

Malta is not a great country for drinkers, smokers or vapers, at least in theory. It was one of the first countries in the world to ban smoking indoors (in 2004) and the legislation was toughened up in 2013 to make it among Europe's most draconian 'smoke-free' laws. In practice, the ban is widely ignored except in restaurants. Smoking (and vaping) in cars with passengers aged under 18 was banned in January 2017 with fines of €50.

Alcohol commercials cannot be broadcast before 9pm and there is a total ban on tobacco and e-cigarette advertising. There is no excise tax on vape juice and cross-border sales of e-cigarettes are legal.

Vaping is relatively common in Malta, but there has been confusion about whether e-cigarettes, which are regulated as tobacco products on the island, are banned in public places. Some health groups have claimed that they are but, in 2015, a woman who had been fined €233 for vaping in an enclosed place had her conviction overturned on appeal. The court confirmed that the smoking ban only applies to tobacco products, not e-cigarettes.

Tobacco duty is high but taxes on beer and spirits are about average for an EU country. A tax on wine was introduced for the first time in 2015, at a rate of €0.15 per bottle. In 2018, Malta reduced its drink-driving limit to the EU average of 0.05g of alcohol per 100ml litre of blood. It is one of only two EU countries to have a prohibition on heat-not-burn tobacco products.

Netherlands

Overall ranking 21

Alcohol	14	Tobacco	16=
Food and soft drinks	18	E-cigarettes	28=

Population:	17,084,000
PPP adjusted GDP per capita:	US$ 53,900
Current government:	Prime Minister Mark Rutte (People's Party for Freedom and Democracy)
Economic Freedom Index Ranking:	18 of 162 (7.71)

+3
Worse than in 2017

The Netherlands' reputation as one of the world's most liberal countries has taken a beating in recent years and could soon be shattered. The current health minister, Paul Blokhuis, fast-tracked plain packaging and a display ban for tobacco through the Dutch parliament in 2019, with both to come into force in 2020. He wants to introduce minimum pricing on alcohol so that the price of a crate of beer doubles from €10 to €20 and raise the price of a pack of cigarettes to €10 by 2023. He hopes to emulate the UK's food reformulation programme and intends to copy Chile's ban on the use of recognisable characters on food packaging. As if that were not enough, he wants to ban smoking on terraces, stop supermarkets selling cigarettes and include e-cigarettes in both the country's smoking ban and plain packs legislation.

Mr Blokhuis is from the Christian Union, a socially conservative political party which came eighth in the 2017 election with 3.4 per cent of the vote. Although it only won five of the 150 seats in parliament, it became part of the governing coalition after protracted talks. Their price for going into coalition was that Mr Blokhuis be made health minister so he could introduce a 'National Prevention Agreement' with a raft of nanny state measures.

None of his policies are in force at the time of writing but the Netherlands already has more paternalistic lifestyle policies than you might expect. In 2017, it moved towards plain packaging with an unusual law banning 'holograms, sparkles, shiny and glamorous colours, embossing or expressions referring to a specific theme' on cigarette packs. Alcohol advertising can only be broadcast after 9pm and happy hours have been banned since 2014.

A ban on smoking was introduced in 2008 but was overturned for small bars in 2010 before being reintroduced in 2014. This left smoking banned in the vast majority of indoor venues, although there was an exemption for marijuana, and some smoking rooms were permitted. However, following a court case in February 2018, designated smoking rooms in restaurants, bars and cafés have now been banned. Marijuana is still exempt and smoking rooms in the workplace are allowed, although the government intends to remove them by 2023.

Things are better for vapers. For the time being, e-cigarettes are legal to use indoors. A ban on e-cigarette advertising was overturned in 2012 and cross-border sales of vaping products are still legal. There is no vape tax. Taxes on alcohol and tobacco are neither high nor low by EU standards. Heat-not-burn tobacco is taxed at €99.25/kg.

The Dutch government has been gradually lowering the legal limit of salt in bread. The initial limit was 2.5 grams of salt per 100 grams of bread in 2009. The current limit is 1.8 grams.

Better than in 2017

-3

Poland

Overall ranking 12

Alcohol	10	Tobacco	18=
Food and soft drinks	19	E-cigarettes	10

Population:	38,105,000
PPP adjusted GDP per capita:	US$ 29,600
Current government:	Prime Minister Mateusz Morawiecki (Law and Justice Party)
Economic Freedom Index Ranking:	54 of 162 (7.27)

Like most countries in Eastern Europe, Poland takes a tough line on alcohol. Wine and spirits advertising is banned entirely and beer can only be advertised on television after 8pm. A bill to extend the beer advertising watershed to 11pm was drawn up by the Ministry of Health in 2017 but has not been passed. Drinking is illegal on streets and in parks unless municipal authorities specifically allow it in designated places. In February 2018, the government passed a law allowing local authorities to limit the number of liquor stores and restrict sales after 10pm.

Poland has a near-total ban on tobacco advertising and a ban on cigarette vending machines, but there is no display ban. It has a severe, but not total, ban on smoking in bars, restaurants and workplaces.

Sin taxes on alcohol and tobacco are fairly average for an EU country. In December 2017, the government passed a tax of 0.5 złoty (€0.12) per ml of e-cigarette fluid and a hefty tax on heated tobacco of 141.29 złoty (€34) per kilogram plus a 31.41% ad valorem tax. The vape tax was due to be introduced in January 2019 but has been delayed until June 2020.

Until recently, e-cigarettes could be used anywhere and were legal to buy and advertise, but in September 2016, Poland banned e-cigarette advertising, cross-border sales and vaping indoors in places where smoking is banned, including bus stops.

In September 2015 new restrictions on what can be sold in school shops and served in school canteens were introduced, leading to the closure of some outlets. It also led to many absurdities such as preventing schools from selling water in large bottles. Thanks to the new limits on salt and sugar in canteens, children sometimes do not want to eat their meals (or bring their own salt and sugar from home). There were even cases of students bringing illegal sweets and snacks to school and selling them to other students in a small black market.

At the beginning of September 2016, these rules were liberalised somewhat. Legislators still strictly define the amount of salt and sugar in food available for students as well as dictate what can be sold in school shops, but now allow certain products, such as buns and sweetened coffee. New limits on salt and sugar are slightly less restrictive. Poland's Ministry of Finance and Ministry of Health have expressed interest in taxing so-called 'junk food' but fortunately nothing has come of this yet.

With thanks to the Civil Development Forum (FOR)

Portugal

Overall ranking 14

Alcohol	18	Tobacco	22
Food and soft drinks	10	E-cigarettes	7

Population: 10,291,000

PPP adjusted GDP per capita: US$ 30,500

Current government: Prime Minister António Costa (Socialist Party)

Economic Freedom Index Ranking: 36 of 162 (7.51)

+6
Worse than in 2017

Portugal has performed quite well in previous editions of the Nanny State Index, but it seems to be on a gradual downward trajectory. Its socialist government hit consumers of soft drinks with a two-tiered sugar tax in 2017. Drinks with more than 8 grams of sugar per 100 ml are taxed at €0.16 per litre. Drinks with fewer than 8 grams pay a tax of €0.08 per litre. The government has also started interfering in the food supply. As of January 2019, there are legal limits on how much salt can be put into bread. The limit is 1.2 grams of salt per 100 grams of bread. This will be lowered to 1.2 grams of salt in 2019, 1.1 grams in 2020 and 1 gram in 2021.

By EU standards, Portugal's smoking ban is mild but it is expected to get tougher by 2021. At the moment, it is generally forbidden to smoke in cafes, restaurants, bars and nightclubs of less than 100 square metres, but the owner may choose to provide separate smoking areas of up to 30 per cent of floor space, or physically separated smoking rooms of up to 40 per cent of floor space. Smoking is also illegal in places where children congregate, including outdoor spaces such as playgrounds. Smokers who flout the law can be fined up to €750 and establishments which permit illegal smoking can be fined up to €250,000.

Vapers have been clobbered by the nanny state in Portugal. Vaping is banned wherever smoking is banned and e-cigarette fluid is subject to a tax of €0.31 per millilitre, adding €3.10 to the price of a standard bottle. Although this was cut from €0.60 in January 2017, the tax is still one of the highest in Europe.

Life is better for drinkers. Alcohol can be sold in shops between 8.00am and midnight and there are no national restrictions on opening hours in bars and restaurants, although there has been a tendency towards greater regulation in some municipalities. Taxes on beer and spirits are about average for the EU and there is no wine duty. Alcohol can only be advertised on TV and radio after 10.30pm and sponsorship is heavily restricted.

Tobacco duty is set at a similar rate to that of other southern European countries but is the eighth highest in the EU after adjusting for income. Tobacco can only be promoted at point of sale but there is no display ban and no vending machine ban.

With thanks to Jorge Teixeira, Consumer Choice Center

Romania

Overall ranking 17

Alcohol	19	Tobacco	11
Food and soft drinks	28=	E-cigarettes	14

Population: 19,580,000

PPP adjusted GDP per capita: US$ 24,600

Current government: Prime Minister Viorica Dăncilă (Social Democratic Party)

Economic Freedom Index Ranking: 20 of 162 (7.69)

+5
Worse than in 2017

Romania does not suffer too greatly from sin taxes. There is no wine duty and the country has the lowest rate of beer duty and the third lowest rate of spirits duty in the EU. Even after adjusting for affordability, these taxes are well below the EU average. Tobacco duty is low in cash terms and about average after adjusting for income. Unfortunately, a tax on sugary drinks is on its way, but at the time of writing it is awaiting a vote from the Chamber of Deputies and is unlikely to come into force before 2020.

There is a ban on cigarette vending machines and, since March 2016, Romania has had one of Europe's toughest bans on smoking in workplaces, including all bars and restaurants. Only airports and prisons are exempt. After protests from the public, parliament looked at amending the ban to provide designated smoking sections but this was rejected.

Vaping is not included in the smoking ban but it is banned on public transport. E-cigarettes are legal to buy, but 2016 saw the introduction of an e-cigarette tax of €0.10 per ml of fluid which has since risen to €0.11. Cross-border sales of e-cigarette fluid are banned and heat-not-burn tobacco is taxed at 383.78 RON/kg, equating to €87 per kilogram.

Advertising of spirits is banned on television before 10pm and on billboards, but beer and wine can be advertised at any time.

With thanks to Dino Landa

Slovakia

Overall ranking 26=

Alcohol	22	Tobacco	23
Food and soft drinks	28=	E-cigarettes	15

Population: 5,450,000

PPP adjusted GDP per capita: US$ 33,100

Current government: Prime Minister Peter Pellegrini (Direction – Social Democracy)

Economic Freedom Index Ranking: 53 of 162 (7.3)

No change since 2017

Slovakia's tax rate on beer is low and there is no duty on wine, although sparkling wine is taxed at €0.80 per litre. Duty on spirits is higher but still below the EU average. Tobacco duty is well below average and the Slovakian smoking ban allows owners of bars and restaurants to accommodate smokers in separate sections. Cigarettes cannot be bought from machines but there is no display ban. Nor are there any restrictions on where and when alcohol can be advertised.

Slovakia's approach to social freedoms is sounder than most, but it is far from perfect. Although smoking is only partially banned indoors, vaping is prohibited wherever smoking is banned. E-cigarette advertising and sponsorship is banned, as are cross-border sales. Slovakia is also one of only four EU member states where it is illegal to drink any quantity of alcohol before driving. Until January 2017, this zero tolerance approach also applied to cyclists on cycle lanes but the law has since been changed to allow cyclists to consume one pint of beer (ie. the blood alcohol concentration limit has been raised to 0.05%).

In a further act of mild liberalisation, the government legalised domestic distilling in January 2019. Slovakians are now permitted to produce up to 25 litres of ethyl alcohol in their own home each year - enough to produce around 50 litres of spirits - so long as they use homegrown fruit and register with the government. These drinks cannot be sold to others.

In May 2017, Slovakia introduced a specific tax of €73.90 per kg on 'smokeless tobacco' to cover new heat-not-burn products. This rose to €76.70 in February 2019. There is currently no excise tax on e-cigarette fluid.

With thanks to Radovan Durana, Institute of Economic and Social Studies

Slovenia

Overall ranking 9

Alcohol	9	Tobacco	7
Food and soft drinks	14	E-cigarettes	5

Population:	2,081,000
PPP adjusted GDP per capita:	US$ 34,500
Current government:	Prime Minister Miro Cerar (Modern Centre Party)
Economic Freedom Index Ranking:	71 of 162 (7.05)

+2
Worse than in 2017

Slovenia has endured several years of creeping authoritarianism in the field of lifestyle regulation. The government passed the Restriction of the Use of Tobacco and Related Products Act in February 2017, legislating for plain packaging (due to be introduced January 2020), a total ban on tobacco advertising, a display ban and a licensing regime for retailers.

Since March 2017, e-cigarettes have been regulated as tobacco products. This bans vaping wherever smoking is banned and prohibits the cross-border sale of e-cigarette products. E-cigarette advertising is also subject to a tobacco-style ban. A €0.18 per ml tax on e-cigarette fluid was introduced in April 2016 with the explicit aim of discouraging smokers from switching to vaping.

Cigarette vending machines are banned nationwide and it is illegal to 'show and use tobacco, tobacco products and related products on television and in public performances intended for persons younger than 18'. On the plus side, Slovenia has stopped short of introducing the kind of draconian smoking ban that is common in Anglo-Saxon countries. It allows designated smoking rooms of up to twenty per cent of the surface area of the premises, although patrons cannot bring food or drink into them.

Slovenia has entirely banned advertising for alcoholic drinks which are above 15 per cent ABV. Commercials for beer and wine, if below 15 per cent, can be broadcast on TV and radio between 9.30pm and 7am, and in cinemas after 10 pm. No advertising of alcoholic products is permitted on billboards within 300 metres of a school or kindergarten. Beer taxes are high but there is no wine duty and taxes on spirits are close to the EU average.

The government has passed little legislation under the pretext of obesity prevention although food vending machines are banned in schools.

Better than in 2017

-4

Spain

Overall ranking 23=

Alcohol	23	Tobacco	16=
Food and soft drinks	20	E-cigarettes	16

Population:	46,398,000
PPP adjusted GDP per capita:	US$ 38,400
Current government:	President Pedro Sánchez (Socialist Worker's Party)
Economic Freedom Index Ranking:	30 of 162 (7.56)

Low alcohol taxes and relaxed licensing laws make Spain one of the best places in Europe to be a drinker. It has the EU's third lowest beer duty, the fifth lowest spirits duty and, as in most southern European countries, there is no duty on wine. Some local councils have banned happy hours and/or bulk buys but there are no national prohibitions on either.

Life is not so good for consumers of nicotine. Traditionally a smoker-friendly country, Spain has had a workplace smoking ban since 2005 and a total ban on smoking in bars and restaurants since 2011. Smoking is banned in a few outdoor areas as well, including schools, hospitals and playgrounds. In April 2016, the Basque Country Parliament banned smoking and drinking in sports stadia. Tobacco taxes are about average for an EU country.

More than most countries, Spain has seen a campaign of scaremongering about e-cigarettes that has held tobacco harm reduction back. The e-cigarette market crashed in 2014 after false reports about the health risks of vaping made headlines.[6] According to the Spanish National Vaping Association, this led to a 70 per cent decline in e-cigarette sales. The market has since rallied and stabilised, but it seems likely that the campaign against vaping has been partly responsible for smoking rates rising in recent years. More Spanish smoke today than they did in 2005.[7]

Vaping is banned in various state-owned places, such as in schools and on public transport, but is left to the owner's discretion in private workplaces, bars and restaurants. Cross-border sales are also banned but there is no excise tax on vape fluid.

In December 2016, the Spanish government announced that it would be introducing a tax on soft drinks to help reduce the national deficit but the government later shelved the idea because it did not want to hurt the working class. However, the region of Catalonia has had a soft drinks tax since May 2017. The rate is two tiered with drinks containing 5 to 8 grams of sugar per 100ml taxed at €0.08 per litre while drinks which have more than 8 grams of sugar per 100ml are taxed at €0.12 per litre.

Alcohol advertising is quite rigidly regulated in broadcast media. Spirits cannot be advertised on television or in places where alcohol consumption is not permitted. Beer and wine can only be advertised after 8.30pm.

With thanks to Juan Ángel Soto at Civismo

6 https://www.thelocal.es/20141103/spain-turns-back-on-e-cigarettes-ance-who
7 https://elpais.com/elpais/2018/12/11/inenglish/1544523691_230754.html

Better than in 2017

-3

Sweden

Overall ranking 8

Alcohol	2
Food and soft drinks	15
Tobacco	25
E-cigarettes	18

Population:	9,983,000
PPP adjusted GDP per capita:	US$ 51,200
Current government:	Prime Minister Stefan Löfvén (Sweden's Social Democratic Worker's Party)
Economic Freedom Index Ranking:	43 of 162 (7.44)

One of only two EU countries to have a state-run alcohol retail monopoly, Sweden has the highest spirits duty in the EU both in cash terms and when adjusted for income. Its rates of beer and wine duty are also in the top five.

Alcohol advertising is completely banned on television and radio. Outdoor alcohol advertising is also prohibited. Since 1991, all television advertising that is perceived to be aimed at children aged under 12 has been illegal and no advertising can be shown before, during or after programmes aimed at children.

By contrast, Sweden's tobacco regulation is more liberal than that of many European countries. Cigarette advertising is banned outright but snus, a smokeless tobacco product, can be marketed to a limited extent and is taxed at a lower rate than cigarettes. Sweden is the only EU country in which snus can be legally bought thanks to an exemption it negotiated when joining the EU in 1995.

Sweden's smoking ban allows for designated smoking rooms in all workplaces, bars and restaurants, although new legislation passed in December 2018 will ban smoking in many outdoor spaces. There is no ban on cigarette vending machines, no retail display ban and no plain packaging (the government has said that the latter would be unconstitutional). Sweden has by far the lowest smoking rate in Europe.

Sweden belatedly transposed the Tobacco Products Directive into law with the Act on Electronic Cigarettes and Refill Containers (2017/425), effective from 1 July 2017. This ended a period of accidental *laissez-faire* which began in February 2016 when the Supreme Administrative Court ruled that e-cigarettes were not medical products and therefore could not be regulated - and effectively banned - by the Medical Product Agency.

The new law bans all e-cigarette sponsorship, but permits cross-border sales and indoor vaping. Selling vape juice with a nicotine content greater than 1.7mg/ml requires a licence. In July 2018, a tax on e-cigarette fluid of two krona (€0.21) per ml came into effect. Visitors should note that the tax-free allowance for anybody entering the country is just 20ml of fluid (and 200g of heat-not-burn tobacco). Worst of all, an indoor vaping ban was passed in December 2018 which will apply to all places where smoking is banned.

Recent years have seen a minor panic about alcoholic ice cream which has a similar alcohol content as a standard beer but is not classified as an alcoholic beverage and can be sold in regular grocery stores to adults. A process is now underway to have it regulated in the same way as alcoholic drinks, possibly including a ban on alcoholic ice cream advertising on social media.

With thanks to Timbro

Better than
in 2017
-2

United Kingdom

Overall ranking 4

Alcohol	6
Food and soft drinks	3
Tobacco	1
E-cigarettes	28=

Population:	66,574,000
PPP adjusted GDP per capita:	US$ 44,300
Current government:	Prime Minister Theresa May (Conservative Party)
Economic Freedom Index Ranking:	9 of 162 (8.00)

The United Kingdom has slipped out of the top three for the first time, but this is because of a surge of nanny state legislation in Lithuania and Estonia rather than any liberalisation in Britain. Like Ireland, the UK takes a common sense approach to e-cigarettes but is highly paternalistic on food, soft drinks, tobacco and alcohol.

Its smoking ban, introduced in 2007 (2006 in Scotland), allows fewer exemptions than that of almost any other country and was extended to cars carrying passengers under the age of 18 in 2015 (2016 in Scotland). In 2008, Britain became the first EU country to mandate graphic warnings on cigarettes. In 2011, cigarette vending machines were banned. A full retail display ban followed in 2015. In May 2016, the UK and France became the first European countries to ban branding on tobacco products ('plain packaging') in May 2016.

The UK has some particularly punitive sin taxes. Adjusted for affordability, it has the highest rate of tobacco duty, the second highest rates of tax on wine and beer, and the fifth highest rate of tax on spirits. Scotland introduced minimum pricing for alcohol at 50p per unit in May 2018, with Wales expected to follow suit in summer 2019. Off trade alcohol discount deals such as buy-one-get-one-free are also banned in Scotland.

Recent years have seen food and soft drinks caught up in the nannies' web. Food deemed to be high in fat, sugar or salt (HFSS) cannot be advertised during programmes that are mostly watched by the under-16s. This ban was extended to digital media in December 2016 and will be extended to all programmes shown before 9pm if the Conservative government's obesity strategy is implemented in full. Ostensibly aimed at children, the strategy includes a ban on HFSS food multi-buy discounts, a ban on displaying HFSS food at the entrance and checkout of shops, mandatory calorie counts on all products in the out-of-home sector, and a ban on the sale of energy drinks (except coffee) to people aged under 18. The Scottish government has published a near-identical plan.

A UK-wide tax on sugary drinks came into effect in May 2018 at a rate of 24p for drinks with more than 8 grams of sugar per 100ml and 18p for those with between 5 and 8 grams per 100ml.

Britain's score in the Nanny State Index does not reflect the full extent of the government's meddling in the food supply. Under a putatively voluntary agreement with the food industry, Public Health England has been leading a reformulation scheme aimed at reducing the amount of sugar in food by 20 per cent by 2020 and the number of calories in food by 20 per cent by 2024. The full impact of this endeavour has not yet been realised but consumers have started to notice various popular products becoming smaller and/or less tasty. Since the scheme is technically voluntary, it does not get any points in the index.

The only slivers of liberalism in Britain involve alcohol advertising - which is not banned in any media although there are strict guidelines on content - and e-cigarettes which UK health authorities recognise as beneficial for smoking cessation. A proposal by the Welsh government to ban vaping in 'public' places fell apart in 2017, but the idea - and several other nanny state schemes - may rear its head again now that its chief proponent, Mark Drakeford, is the First Minister for Wales. No such law has been seriously proposed in England, Scotland or Northern Ireland.

There has been no gold-plating of the EU's Tobacco Products Directive with regards to e-cigarettes. Cross-border sales are legal and although the Scottish government has granted itself powers to ban domestic e-cigarette advertising it has not yet done so.

Alcohol advertising

worst	Spirits TV (out of 10)	Spirits sponsorship (out of 10)	Spirits outdoors (out of 10)	Beer/ wine TV (out of 10)	Beer/wine sponsorship (out of 10)	Beer/wine outdoors (out of 10)	TOTAL (out of 50)
Lithuania	10	10	10	10	10	10	**60**
France	9	10	8	9	10	8	**54**
Latvia	10	9	10	3	9	10	**51**
Finland	10	10	10	8	0	9	**47**
Poland	10	10	10	6	5	5	**46**
Croatia	10	10	10	5	5	5	**45**
Estonia	7	3	10	7	3	10	**40**
Sweden	10	2	10	10	2	5	**39**
Slovenia	10	2	10	7	2	1	**32**
Portugal	8	5	2	8	5	2	**30**
Ireland	10	5	0	8	5	0	**28**
Bulgaria	9	0	9	6	0	2	**26**
Malta	7	5	0	7	5	0	**24**
Romania	8	5	10	0	0	0	**23**
Austria	10	10	0	0	0	0	**20**
Spain	10	0	1	6	0	1	**18**
Netherlands	7	0	0	7	0	0	**14**
Slovakia	8	0	0	6	0	0	**14**
Luxembourg	0	2	4	0	2	4	**12**
Denmark	0	0	0	0	10	0	**10**
Hungary	2	0	3	1	0	3	**9**
Germany	4	0	0	4	0	0	**8**
Italy	2	5	0	0	0	0	**7**
Cyprus	3	0	0	3	0	0	**6**
Greece	1	1	1	1	1	1	**6**
Czech Republic	0	0	2	0	0	2	**4**
Belgium	0	0	0	0	0	2	**2**
UK	0	0	0	0	0	0	**0**

best

Alcohol, other

	Retail monopoly	Closing time in on trade	Promotions (eg. happy hour)	Driving limit <0.03	Drinking age >18	TOTAL
worst	Out of 5	Out of 10	Out of 10	Out of 5	Out of 10	**Out of 40**
Lithuania	0	10	10	0	10	**30**
Sweden	5	10	10	5	0	**30**
Finland	5	10	8	0	0	**23**
Cyprus	0	10	0	5	0	**15**
Estonia	0	0	10	5	0	**15**
Ireland	0	10	5	0	0	**15**
Austria	0	10	1	0	0	**11**
Italy	0	10	0	0	0	**10**
Luxembourg	0	10	0	0	0	**10**
Malta	0	10	0	0	0	**10**
Netherlands	0	0	10	0	0	**10**
Slovenia	0	10	0	0	0	**10**
UK	0	10	0	0	0	**10**
Croatia	0	3	3	0	0	**6**
Czech Republic	0	0	0	5	0	**5**
Denmark	0	0	5	0	0	**5**
France	0	0	5	0	0	**5**
Germany	0	0	5	0	0	**5**
Hungary	0	0	0	5	0	**5**
Latvia	0	0	5	0	0	**5**
Poland	0	0	0	5	0	**5**
Romania	0	0	0	5	0	**5**
Slovakia	0	0	0	5	0	**5**
Spain	0	0	5	0	0	**5**
Belgium	0	0	0	0	0	**0**
Bulgaria	0	0	0	0	0	**0**
Greece	0	0	0	0	0	**0**
Portugal	0	0	0	0	0	**0**

best

Smoking ban

worst	Out of 10 Bar	Out of 10 Restaurant	Out of 10 Workplace	Out of 10 Vehicles	Out of 10 Outdoors	Out of 50 **Total**
UK	10	10	10	3	1	**34**
Cyprus	10	10	10	2	1	**33**
Ireland	10	10	10	3	0	**33**
Malta	10	10	10	3	0	**33**
Spain	10	10	10	0	3	**33**
Bulgaria	10	10	10	0	2	**32**
Hungary	10	10	10	0	2	**32**
Romania	10	10	10	0	2	**32**
Czech Republic	10	10	10	0	0	**30**
France	8	8	8	3	3	**30**
Greece	8	10	10	1	0	**29**
Italy	8	8	8	3	1	**28**
Netherlands	10	10	8	0	0	**28**
Finland	7	7	7	2	3	**26**
Lithuania	8	8	5	2	1	**24**
Poland	8	8	8	0	0	**24**
Slovenia	7	7	7	3	0	**24**
Belgium	7	7	7	0	2	**23**
Estonia	7	7	7	2	0	**23**
Latvia	6	6	6	0	4	**22**
Luxembourg	6	7	7	1	1	**22**
Sweden	7	7	7	0	0	**21**
Croatia	5	7	5	0	1	**18**
Denmark	5	5	5	0	1	**16**
Portugal	5	5	5	0	1	**16**
Germany	5	5	5	0	0	**15**
Slovakia	5	5	5	0	0	**15**
Austria	3	3	3	3	0	**12**

best