



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Scheduled Report - public distribution

Date: 7/1/1999

GAIN Report #SW9007

Sweden

Tobacco

Tobacco Annual Report for Sweden

1999

Prepared by:

Robert C. Tetro

U.S. Embassy

Drafted by:

C. Bäckman

Report Highlights:

The Swedish government reduced the tax on cigarettes in August 1998 to lower the retail cost and curb illegal trade. Sweden is still the nation with the lowest incidence of smoking in the world with a long-term decline in consumption of smoking tobacco. A fourth of total tobacco consumption is in the form of moist snuff. Swedish Match, the sole tobacco manufacturer agreed on the sale of cigarette operations to Austria Tabak in May 1999.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Stockholm [SW1], SW

Table of Contents

Executive Summary	2
Section I: Situation and Outlook : Tobacco Products	3
Import Market	3
Unmanufactured tobacco	3
Cigarettes	3
Cigars, Cheroots and Cigarillos	3
Smoking and Cut	3
Domestic Industry and Production	3
Consumption	4
Cigarettes	4
Cigars and cigarillos	5
Smoking & Cut tobacco	5
Stocks	5
Policy	5
Marketing	6
Section II: Statistical Tables	7
PS&D Tables	7
Trade Matrices	10
Other tables	17
The U.S. share of total unmanufactured tobacco imports, percent of volume ...	17
Sales 1998 (tax based)	17
Tariffs and taxes	18
Daily smokers in Sweden 1980-1997, percentages	18

Executive Summary

Although the slowest in Scandinavia in 1997, economic growth in Sweden actually accelerated in the latter part of 1998 but remained at 2.9 over the year. The macroeconomic situation is stable and unemployment is on the decline and an increase in private consumption of 3 percent is expected in 1999. However, this will not likely affect smoking tobacco sales as the general declining trend continues.

In 1998, Sweden imported tobacco and tobacco products valued at \$100 million with unmanufactured tobacco accounting for \$29 million. This is a 30 percent increase, which in part reflects the stronger dollar in 1998 compared to 1997, but also production changes resulting in altered trade patterns. The U.S. share of imports in value was 8 percent (\$7.8 million). Sweden is a net importer of cigarettes and cigars with imports of 1.9 billion and 50 million pieces respectively in 1998. Only 135 tons of smoking & cut tobacco was imported.

Tobacco products make up 8.6 percent of the gross consumer value (cigarettes make up 72 percent of the value of tobacco products), according to the National Board of Agriculture. The total consumer value of tobacco products in 1998 was \$2.0 billion - most of which was tax. The heavy tax increase on tobacco in 1997, rendering Sweden the second most expensive cigarettes in Europe (after Norway), has encouraged people to give up smoking or change to roll-your-own, but has also encouraged smuggling to the point where the government actually enforced a tax reduction in August 1998. Cigarette sales picked up after the tax reduction and the total sales volume ended at only 5 percent down on 1997. The relatively higher price for cigarettes in Norway results in significant boarder sales to Norwegians, whereas Swedes have traditionally bought cheaper tax-free cigarettes on the ferries to Finland, Åland or the Baltics.

Swedish Match (SM) has been the sole tobacco manufacturing company in Sweden for a long time, however in May 1999 it agreed to sell the cigarette operation to Austria Tabak. SM remains the distributor for most imported and domestic tobacco products.

The Swedish Tobacco act includes legislation prohibiting smoking in facilities for child care, health care, public transportation and public meeting places, as well as an advertizing ban for tobacco products (excluding as of yet points of sale and indirect advertizing). A minimum age limit of 18 years for the purchase of tobacco products was put into effect on January 1, 1997. Later in 1997, a court ruling clarified that restaurants and bars in shopping malls were to fall under legislation for public meeting places and thus be smoke free. The Tobacco act is expected to be strengthened with regards to advertizing in the autumn of 1999.

As mentioned in earlier reports, accession to EU in 1995 with subsequent changes in registering of importers and exporters has made the official trade data available somewhat less reliable. In addition, SM is not able to supply trade or production information as in earlier years. This report is based on official trade data from Statistics Sweden and reports and press releases provided by SM, as well as information in the press. Unfortunately, official consumption data for 1998 has been delayed and was not available for this report. As a consequence, PSD's may be subject to revision as soon as this information is available.

The average exchange used in this report is
\$1=6.7035 SEK for 1996, \$1=7.6364 SEK for 1997 and \$1=7.9516 for 1998.

Section I: Situation and Outlook : Tobacco Products

Import Market

Unmanufactured tobacco

In total, Sweden imported tobacco and tobacco products valued at SEK 794 million (\$ 100 million) in 1998, with unmanufactured tobacco accounting for SEK 231 million (\$29 million). The U.S. share of imports in value was 8 percent (\$ 7.8 million). As stated in earlier reports, post is no longer provided with any statistical information for PSDs from the sole tobacco products manufacturer Swedish Match, SM. According to official trade information, 8,696 tons of unmanufactured tobacco, including 371 tons of light air cured tobacco, was imported to Sweden in 1998. This shows, as anticipated, significant growth from 1997 when a total of 3,514 tons (118 tons light air-cured) was imported. The U.S. share of imports was 17 percent of the 1998 volume. According to U.S. trade data exports for January-March 1999, Swedish imports have continued to show strong growth compared to the same period 1998. The light air-cured tobacco represents only 4 percent (up 1 % on year) of the total unmanufactured tobacco import and is therefore not found to warrant a full narrative, although special coverage is requested.

Cigarettes

Sweden imported roughly a fourth of the market or 1.9 billion cigarettes in 1998 (up 7% from 1997). Exports amounted to almost 1 billion cigarettes with Estonia as the dominating market. The bulk of the import comprises of Philip Morris brands (mainly Marlboro) from the Netherlands. The EU third country import duties on cigarettes has seriously affected trade with the U.S. In 1994 - before EU accession - Sweden imported 143 million cigarettes from the U.S., in 1998 only 969 thousand were imported (nonetheless up from 5 thousand in 1998!). However, American cigarettes produced within the EU are expected to keep or improve their market share as it is evident that internationally visible brands are favored by the local advertizing restrictions.

Cigars, Cheroots and Cigarillos

In 1998, imports of cigars have increased in total by 77% to 50 million pieces, which is partly explained by the discontinuation of domestic production. The import market for cigars and cigarillos reached SEK 42 million (\$5.3 million) in 1998. Imports from the U.S. have doubled reaching a value of SEK 595 thousand (\$75 million) in 1998 (3% of the imported volume). Imports from Finland increased temporarily following the SM acquisition - and subsequent closure - of the Reynolds Factory in Finland.

Smoking and Cut

The import market for smoking and cut seems stable at roughly 135 tons a year and reached a value of SEK 19.4 million (\$2.4 million) in 1998, whereas exports amount to roughly 500 tons per year - almost half destined for the U.S.

Domestic Industry and Production

The Swedish market for tobacco products was previously dominated by a government owned monopoly, the Swedish Tobacco Company which developed into the private company and international group SM. SM, with headquarters in Stockholm, is listed on the Stockholm stock exchange and on NASDAQ. The company is one of the world's largest cigar manufacturers with a turnover in cigar operations of SEK 900 million (\$113 million) and a recorded increase in turnover of 31 percent in 1998. Albeit a sector of focus - and growth - for SM, cigars

are yet a minor part of the Group's operation, contributing only 8 percent of the operating income in 1998 and 9 percent in the first quarter of 1999. Following the acquisition of the Reynolds cigar plant in Finland, SM has recently acquired General Cigar Holdings Inc's mass-market cigar business and cooperation includes an agreement on tobacco supply for the involved plants.

SM is the sole manufacturer of tobacco products in Sweden and is thus the only importer of unmanufactured tobacco. The Swedish market accounts for 75 percent of the Group's cigarette sales, other markets being tax-free outlets and Estonia. In 1998, its cigarette market share was 48 percent in Sweden and roughly 30 percent in Estonia. The Swedish production of cigarettes is limited to the factory in Malmo in southern Sweden. On 31st of May 1999 the news was released that SM had reached an agreement of sale of their cigarette operations to Austria Tabak in order to concentrate on non-smoking tobacco products and cigars. The sale included production facilities in Malmo, management and marketing functions in Stockholm and sales-force. In addition, the local Estonian subsidiary is included. Austria Tabak has indicated that production will continue in Sweden. SM closed down the cigar factory in Harnosand in 1995 and the factory in Finland in 1998 whereas filtered cigarillos are produced in the Malmo plant. SM cigars and other cigarillos for the Swedish market are produced in Belgium. In Gothenburg, SM has its plant for snuff production - an important segment which consumes roughly 5,500 tons of tobacco - and is growing.

SM has 10 percent of the world market for smoking & cut tobacco and intends to increase this by establishing operations in Latin America. In the northern European market, SM holds a 15 percent share. The Malmo factory produces smoking & cut tobacco - including the global brand Borkum Riff pipe tobacco. Two new smoking & cut products were launched in Sweden 1998.

Snuff is SM's fastest growing segment and is expected to continue to grow. Non-smoking tobacco is increasingly important to SM who has also established itself on the U.S. snuff market with Timber Wolf and is increasing its market share (now 5 % of market). EU has a ban on moist snuff from which Sweden is exempted as it is a traditionally used product. Sweden is allowed to produce snuff for domestic consumption but is not permitted to export within EU.

Consumption

Sweden is the only country to achieve the WHO goal of less than 20 percent smokers before the year 2000. In ten years the per capita consumption of smoking tobacco has halved reaching 0.71 kg in 1997. This, in addition to health information paying off and social pressure, can partly be attributed to the alternative offered by moist snuff. Moist snuff accounts for nearly 28 percent of the total tobacco consumption in Sweden - approximately 5,328 tons in 1997 and consumption is increasing. Female users, now over 10 percent, are increasing and SM's portion packed moist snuff is proving very successful. Unfortunately, consumption figures for 1998 have not been released at the time of writing this report.

A report on the smoking habits of pregnant women was released in February 1999. Smoking habits of mothers-to-be have been registered since 1983 and much effort has been put into education. The efforts are paying off and the number of smoking pregnant women has decreased from 31% in 1983 to 16% in 1996 - and very few take up smoking again within the first eight months of the baby's life.

Cigarettes

According to SM, domestic cigarette sales in 1998 reached 5.7 billion pieces (sales in 1997 totaled 6 billion

pieces) after having dropped 25 percent during the first six months under the excessive tax burden. Illegal trade increased substantially as did tax-free sales. According to information from the Swedish tax authorities, total cigarette sales (including tax-free and exports) amounted to 7,010 million cigarettes in 1998, reflecting a reduction in total sales of 9 percent. Consumption in 1999 is, looking at the statistics for the first few months, up by an average of 12 percent on 1998. Total distribution in the PSD is provided by the tax authorities and includes tax free sales and exports, whereas domestic sales was provided by SM which resulted in a export data in the PSD which includes tax-free sales.

According to a study carried out in 1998, Swedes are now more positive to the purchase of smuggled cigarettes, the number who had purchased illegally had increased sixfold compared to 1995. Tax-free imports have also increased as well as dubious sales via Internet mail-order. Judging from customs confiscations, the increased smuggling (which developed in 1998 after the last tax increase in 1997) seems to have maintained its market presence despite the tax slashing in August 1998. The National Council for Crime Prevention has estimated cigarette smuggling in 1998 to 540 million cigarettes - out of this 70 percent through organized channels. However, legal sales have increased in the first quarter of 1999 by 25 percent compared to the same period in 1998.

Cigars and cigarillos

Cigar and cigarillo sales are according to SM stable, however no sales data has been released for 1998. Sales of premium cigars have continued to increase in 1997 despite the overall decline in sales of smoking tobacco products of 21 percent. According to SM, 73 million cigars and cigarillos were sold in 1997 and SM hold 80 percent of the market. The largest brands are Bellman, Accent and Cortez. For 1998, the consumption figure is derived from tax authority information and includes sales to tax free outlets. The first few months of 1999 indicate a reduction in sales of 20 percent.

Smoking & Cut tobacco

Some cigarette smokers have chosen to cut costs by rolling their own cigarettes - a tax/price induced change of smoking habits. SM noted a sharp volume increase for RYO in the first quarter of 1998 but since the tax reduction in August 1998 sales have dropped. Domestic consumption for 1998 has not yet been released. Total distribution is provided by tax authorities and consumption and production derived. The distribution for the first few months of 1999 has dropped an average of 15 percent compared to 1998.

Stocks

According to information previously attained, SM uses approximately 11,000 tons of tobacco and keeps 18 months stock (approximately 17,000 tons). However, as part of company rationalization, SM aims to reduce storage quantities and costs. Since then cigar production has been moved as well which reduces their yearly tobacco use to 9-10,000 tons. We are not provided with any records of stock.

Policy

Tobacco control in Sweden is built on four pillars; legislation, information/education, advocacy and smoking cessation. The first pillar, Swedish Tobacco act, came into effect July 1, 1993. Various aspects of the law have since been strengthened. Briefly, the act prohibits smoking in facilities for child care, health care, public transportation and public meeting places, and includes an advertizing ban for tobacco products. With effect from January 1, 1997 an age limit of 18 for the purchase of tobacco products was added. A government decision on a

proposal limiting indirect advertizing has been awaiting results from EU commission discussions on harmonized tobacco legislation also limiting advertizing. Now that the EU decision has been taken, Sweden is expected to implement the proposal as soon as possible. The amendment proposal will, when taken, mean that advertizing is prohibited also at the point of sale. In addition, it proposes a selling licence for all retailers of tobacco products.

Much governmental - and other - effort is put into anti-smoking campaigns and information to keep tobacco activities on the public agenda - and to support people to quit smoking. There is a newly established "quit smoking" telephone line and the pharmacies organize quit smoking groups. Education efforts seem to be paying off - consumption was at an all time low 1997, but Sweden is considering to set its goals even higher - at a 85 percent smoke-free population - and no tobacco users under 18 - by 2015.

The Swedish tax on cigarettes was reduced from August 1998, as the EU commission approved and extended Sweden's exemption from the 57% tax rule (Directive 2658/87). A packet now costs SEK 36 (\$ 4.53) at retail . The tax cut was an extraordinary effort of the government to curtail the increased smuggling - and lack of tax revenue on legal sales. The action was heavily criticized by the Swedish Health Institute as it would encourage increased smoking. This does seem to have happened, reportedly cigarette sales are on the incline whereas sales of nicotine medical drugs are decreasing, meanwhile smuggling has not decreased as much as the Government anticipated. The National Council for Crime Prevention is now proposing to increase the custom control to deter the smugglers.

Sweden is currently implementing EU rules for trade including duties for imports from third countries. Customs duties on raw tobacco vary between 12.1 and 19.9 percent (min. 25 ecu/100 kg and max. 63 ecu/100 kg), depending on type. Developing countries are to some extent favored with special agreements.

Marketing

The EU has finally agreed on a harmonized ban on advertizing beginning on October 1, 2006. This will probably mean that Sweden will reinforce national Tobacco legislation with a ban on indirect advertizing in the autumn of 1999. Advertizing at the point of sale, which is still permitted in Sweden (as opposed to Finland), is not affected by the EU ban but may well be restricted in upcoming amendments of the Tobacco act expected this fall.

A court ruling in 1997 concluded that restaurants and cafés in shopping malls fall under prohibiting regulations applicable to public meeting places and should be smoke-free.

SM continues to act as distributor for most of the other tobacco companies on the market with three distribution centers for mass products in Gothenburg, Malmo and Stockholm. SM has recently complemented its coverage with the acquisition of Treab Distribution, a wholesaler and importer of mainly cigars, cigarillos and smoking & cut. There are approximately 17,000 points of sale for tobacco products in Sweden, out of which 6,600 are grocery stores. Most of the cigarette volume (70%) is however sold at other points such as gas stations, tobacconists and news agents. SM has lost market shares over recent years due to increased marketing & sales competition. Philip Morris and British American Tobacco are represented on the market and the Danish company Scandinavian Tobacco (House of Prince) has also been present since April 1, 1997. House of Prince took over sales of its brands manufactured on license by SM and acquired a market share of 30 percent. SM is handling R.J. Reynolds' marketing from January 1, 1998 (SM was previously only their distributor).

Section II: Statistical Tables

PS&D Tables

PSD Table						
Country	Sweden					
Commodity	Tobacco, Unmfg., Total				(HA)(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	0	0	0	0	0	0
Beginning Stocks	11054	11054	2482	3354	2500	277
Farm Sales Weight Prod	0	0	0	0	0	0
Dry Weight Production	0	0	0	0	0	0
U.S. Leaf Imports	418	418	2000	1458	0	2000
Other Foreign Imports	3096	3096	9269	7238	0	10623
TOTAL Imports	3514	3514	11269	8696	0	12623
TOTAL SUPPLY	14568	14568	13751	12050	2500	12900
Exports	914	914	200	2173	0	500
Dom. Leaf Consumption	0	0	0	0	0	0
U.S. Leaf Dom. Consum.	2000	1500	2000	1400	0	1500
Other Foreign Consump.	9172	8800	9051	8200	0	8400
TOTAL Dom. Consumption	11172	10300	11051	9600	0	9900
TOTAL Disappearance	12086	11214	11251	11773	0	10400
Ending Stocks	2482	3354	2500	277	0	2500
TOTAL DISTRIBUTION	14568	14568	13751	12050	0	12900

PSD Table						
Country	Sweden					
Commodity	Unmfg., Light Air Cured				(HA)(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Farm Sales Weight Prod	0	0	0	0	0	0
Dry Weight Production	0	0	0	0	0	0
U.S. Leaf Imports	0	0	0	0	0	0
Other Foreign Imports	118	118	120	371	0	400
TOTAL Imports	118	118	120	371	0	400
TOTAL SUPPLY	118	118	120	371	0	400
Exports	0	0	0	0	0	0
Dom. Leaf Consumption	0	0	0	0	0	0
U.S. Leaf Dom. Consum.	0	0	0	0	0	0
Other Foreign Consump.	118	118	120	371	0	400
TOTAL Dom. Consumption	118	118	120	371	0	400
TOTAL Disappearance	118	118	120	371	0	400
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	118	118	120	371	0	400

PSD Table						
Country	Sweden					
Commodity	Tobacco, Mfg., Cigarettes				(MIL PCS)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Filter Production	6300	5883	6100	5070	0	5700
Non-Filter Production	0	0	0	0	0	0
TOTAL Production	6300	5883	6100	5070	0	5700
Imports	1817	1817	1800	1940	0	2000
TOTAL SUPPLY	8117	7700	7900	7010	0	7700
Exports	2118	1701	2100	1310	0	1400
Domestic Consumption	5999	5999	5800	5700	0	6300
TOTAL DISTRIBUTION	8117	7700	7900	7010	0	7700

PSD Table						
Country	Sweden					
Commodity	Mfg., Cigar, Cheroot, Cigarell				(1000 PCS)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Production	93984	93984	100000	50729	0	50700
Imports	28282	28282	25000	50038	0	40000
TOTAL SUPPLY	122266	122266	125000	100767	0	90700
Exports	49266	49266	30000	11172	0	12000
Domestic Consumption	73000	73000	95000	89595	0	78700
TOTAL DISTRIBUTION	122266	122266	125000	100767	0	90700

PSD Table						
Country	Sweden					
Commodity	Mfg., Smoking and Cut				(MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Pipe Production	300000	300	275000	200	0	200
Cigarette Production	1180000	1180	1285000	1202	0	1160
TOTAL Production	1480000	1480	1560000	1402	0	1360
Imports	134000	134	100000	137	0	140
TOTAL SUPPLY	1614000	1614	1660000	1539	0	1500
Exports	487000	487	500000	512	0	500
Domestic Consumption	1127000	1127	1160000	1027	0	1000
TOTAL DISTRIBUTION	1614000	1614	1660000	1539	0	1500

Trade Matrices

Import Trade Matrix			
Country	Sweden		
Commodity	Tobacco, Unmfg., Total		
Time period	CY	Units:	Metric tons
Imports for:	1997		1998
U.S.	418	U.S.	1458
Others		Others	
India	889	India	1654
Zimbabwe	456	Zimbabwe	1215
Turkey	287	South Africa	779
Indonesia	280	Brazil	583
South Africa	232	United Kingdom	518
Spain	157	Thailand	406
Brazil	153	Argentina	393
Greece	147	Greece	352
Italy	143	Malawi	330
Malawi	104	Italy	301
Total for Others	2848		6531
Others not Listed	248		707
Grand Total	3514		8696

Import Trade Matrix			
Country	Sweden		
Commodity	Unmfg., Light Air Cured		
Time period	CY	Units:	Metric tons
Imports for:	1997		1998
U.S.	0	U.S.	0
Others		Others	
Zimbabwe	69	Zimbabwe	288
Belgium, Lux	28	Belgium, Lux	39
Indonesia	15	Malawi	17
South Africa	6	Indonesia	15
		South Africa	10
		Croatia	2
Total for Others	118		371
Others not Listed			
Grand Total	118		371

Export Trade Matrix			
Country	Sweden		
Commodity	Tobacco, Unmfg., Total		
Time period	CY	Units:	Metric tons
Exports for:	1997		1998
U.S.	13	U.S.	2
Others		Others	
Russia	562	Russia	1059
Norway	275	Norway	881
Belgium, Lux	33	United Kingdom	106
Netherlands	19	Netherlands	63
Iceland	11	France	31
United kingdom	1	Lithuania	23
		Poland	7
Total for Others	901		2170
Others not Listed			1
Grand Total	914		2173

Export Trade Matrix			
Country	Sweden		
Commodity	Unmfg., Light Air Cured		
Time period	CY	Units:	Metric tons
Exports for:	1997		1998
U.S.	0	U.S.	1
Others		Others	
		Poland	7
Total for Others	0		7
Others not Listed			
Grand Total	0		8

Import Trade Matrix			
Country	Sweden		
Commodity	Tobacco, Mfg., Cigarettes		
Time period	CY	Units:	1000 pieces
Imports for:	1997		1998
U.S.	5	U.S.	969
Others		Others	
Netherlands	1254552	Netherlands	1397825
Denmark	269854	Denmark	295020
Finland	158715	Finland	113952
Belgium, Lux	84521	Belgium, Lux	67170
Germany	31097	Germany	56970
Poland	10000	Turkey	3500
France	3610	France	3455
Ukraine	4001	Norway	1013
Latvia	400	Israel	201
Switzerland	202	Indonesia	120
Total for Others	1816952		1939226
Others not Listed	33		56
Grand Total	1816990		1940251

Export Trade Matrix			
Country	Sweden		
Commodity	Tobacco, Mfg., Cigarettes		
Time period	CY	Units:	1000 pieces
Exports for:	1997		1998
U.S.	13	U.S.	486
Others		Others	
Estonia	1086734	Estonia	810672
Russia	9970	Russia	23089
South Korea	12000	Turkey	20495
Denmark	218032	Denmark	17102
Albania	6710	Spain	10872
Finland	20098	Finland	10288
Lithuania	5150	Makedonia	9837
Poland	3458	Iran	9240
Armenia	4300	Netherlands	7232
Norway	5272	Norway	5584
Total for Others	1371724		924411
Others not Listed			26166
Grand Total	1371737		951063

Import Trade Matrix			
Country	Sweden		
Commodity	Mfg.,Cigar,Cheroot,Cigarell		
Time period	CY	Units:	1000 pieces
Imports for:	1997		1998
U.S.	759	U.S.	1576
Others		Others	
Netherlands	18155	Netherlands	21007
Germany	2442	Dominican Rep.	11046
Denmark	5333	Denmark	4533
Finland	160	Finland	3466
Norway	409	Mexico	734
Italy	146	Philipines	722
Cuba	303	Cuba	537
Belgium, Lux	380	Belgium, Lux	345
Austria	107	Panama	276
Cyprus	88	France	50
Total for Others	27523		42716
Others not Listed			5746
Grand Total	28282		50038

Export Trade Matrix			
Country	Sweden		
Commodity	Mfg.,Cigar,Cheroot,Cigarell		
Time period	CY	Units:	1000 pieces
Exports for:	1997		1998
U.S.	173	U.S.	50
Others		Others	
Estonia	989	Estonia	5178
Norway	7660	Norway	1885
South Korea	16000	United Arab Erim.	1672
Japan	1120	Japan	1260
Denmark	7706	Denmark	620
Finland	4193	Finland	389
Russia	2000	Russia	130
Germany	8310	Latvia	25
Netherlands	864	Iceland	12
Hongkong	150	India	1
Total for Others	48992		11172
Others not Listed	101		1
Grand Total	49266		11223

Import Trade Matrix			
Country	Sweden		
Commodity	Mfg., Smoking and Cut		
Time period	CY	Units:	Metric tons
Imports for:	1997		1998
U.S.	0	U.S.	0
Others		Others	
Netherlands	64	Denmark	58
Denmark	39	Germany	52
Germany	27	Netherlands	19
United Kingdom	3	Finland	4
Norway	1	Norway	2
		United Kingdom	2
Total for Others	134		137
Others not Listed			
Grand Total	134		137

Export Trade Matrix			
Country	Sweden		
Commodity	Mfg., Smoking and Cut		
Time period	CY	Units:	Metric tons
Exports for:	1997		1998
U.S.	174	U.S.	180
Others		Others	
Switzerland	63	Switzerland	45
Germany	30	Belgium, Lux	38
Canada	27	Canada	34
United Kingdom	23	Germany	27
Spain	22	Denmark	25
Austria	16	Spain	23
Norway	16	Italy	17
Australia	15	Australia	15
Japan	14	Japan	14
Italy	12	Austria	14
Total for Others	239		252
Others not Listed	74		80
Grand Total	487		512

Other tables

The U.S. share of total unmanufactured tobacco imports, percent of volume

Year	U.S. share, %
1993	36.3
1994	24.3
1995	19.7
1996	25.4
1997	11.9
1998	16.8

Sales 1998 (tax based)					
	Cigarettes	Cigars	Smoking	Snuff	Chewing
	pieces	pieces	kg	kg	kg
January	453144040	5912620	104956	459753	1284
February	455328260	7032248	132876	455486	1345
March	569718860	6370576	140768	505349	1597
April	583392480	9010480	136998	507092	1514
May	526526600	5987953	120687	477070	2218
June	619929560	6666274	125670	495904	1095
July	278278240	25930580	144386	144386	1230
August	699515440	8357177	140172	527412	1661
September	656274280	6375214	123712	533465	1337
October	725515240	5715431	106279	514984	1512
November	772537120	6362073	135279	489944	1323
December	670228960	7045960	126191	571012	1322
Total	7010389080	100766586	1537974	5681857	17438
Change since 1997	-8.88	-8.02	3.42	-4.68	15.80

Note: The data includes sales for export and tax free outlets and does not usually correspond to domestic sales information provided by SM

Tariffs and taxes

Product	Import Tariff	Excise tax	VAT
Unmanufactured tobacco	12.1 or 19.9% (24-61 euro/100 kg)		
Cigarettes (with or without cloves)	36.7 or 68.4%	SEK 0.20 per piece (2.52 cents)	25%
Cigars	34.7%	SEK 0.56 per piece (7 cents)	25%
Smoking & cut	88.9%	SEK 630 per kg (\$ 79.2)	25%
Chewing tobacco	49.4%	SEK 20 per kg (\$ 2.52)	25%
Snuff	49.4%	SEK 123 per kg (\$15.47)	25%

Daily smokers in Sweden 1980-1997, percentages

Year	Men	Boys	Women	Girls	All (16-84)
1980	36		29		33
1990	26	20	26	31	26
1991	26	19	24	27	25
1992	25	22	27	27	26
1993	23	20	23	26	23
1994	22	17	24	29	23
1995	22	19	24	27	23
1996	21	19	23	25	22
1997	17	17	22	25	20

