

# SCOTTISH MINIMUM UNIT PRICING - CALCULATING THE PRICE OF A BEER

**April 2018**

## SCOPE

The Alcohol (Minimum Pricing) (Scotland) Act of 2012 will be applied in Scotland as of 01<sup>st</sup> of May 2018. It sets a floor price of alcohol below which alcohol cannot be sold, neither in the on-trade (retail) or off-trade (bars, pubs, restaurants) to consumers, irrespective of the price at which the on-trade or off-trade operators will have purchased it from the producer. It aims at reducing the harmful use of alcohol in Scotland.

The Alcohol (Minimum Pricing) (Scotland) Act 2012 will expire at the end of a six-year period starting at its application date. It can be renewed by the Scottish government between the end of a five-year period and the end of a six-year period (starting at the Act's application date) The Scottish government must also produce a report on the operations and effects of the Minimum Unit Pricing at the end of the five-year period (starting at the Act's application date)

## TIMING

2018/05/01	Minimum Unit Pricing applicable throughout Scotland
2023/05/01 to 2024/05/01	Scottish government to produce a report on operations and effects of Minimum Unit Pricing
2023/05/01 to 2024/05/01	Scottish government may renew the validity of the Alcohol (Minimum Pricing) (Scotland) Act of 2012
As of 2024/05/01	If the validity of the Act has not been renewed, the Act would expire and would not apply anymore

## CALCULATING THE ALCOHOL MINIMUM PRICING

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The Alcohol Minimum Unit Pricing is obtained by multiplying the number of units by the Minimum Unit Pricing. The number of units is obtained by multiplying the alcoholic strength (% abv) by the volume of the container (in litre).

The following formula shall be applied to calculate the Minimum Price of a drink in Scotland as of the 01<sup>st</sup> of May 2018:

$$(Alc. Strength in \% \times Volume of the container in Litre) \times Minimum Unit Pricing$$

The Minimum Unit Pricing is currently set at 0.5£.

### Examples:

Minimum Price of a 4% abv bottle of 0.5L =  $(4 \times 0.5) \times 0.5 = \underline{1£}$

⇒ This bottle cannot be sold in supermarket or in bars, pubs and restaurants below 1£.

Minimum Unit Price of a 7.5% abv bottle of 0.75L =  $(7.5 \times 0.75) \times 0.5 = \underline{2.8125£}$

⇒ This bottle cannot be sold in supermarkets or in bars, pubs and restaurants below 2.8125£

## SETTING THE MINIMUM UNIT PRICING

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The Minimum Unit Pricing is set and can be modified at any time by the Scottish Parliament upon proposal from the Scottish Government.

## ADDITIONAL INFORMATION

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- [The Alcohol \(Minimum Pricing\) \(Scotland\) Act 2012](#)
- [Guidance on the Implementation of Minimum Pricing for Alcohol For sellers of alcohol and enforcement authorities in Scotland – Scottish Government](#)
- [Scottish Wholesale Association Guidance Note for Wholesalers on Minimum Unit Pricing \(MUP\) and Licensing](#)

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