



BRUSSELS

Wednesday 28 September, 2016

Contact: David Roach/Emma Ruttle

Media Liaison, GTNF 2016

Email: david.roach@cardewgroup.com / emma.ruttle@cardewgroup.com

Tel: +44 (0)7939 694 437 / +44 (0)7766 231520

Tobacco Style Regulation leading to Black Market in Alcohol, Food and Soft Drinks

High taxes driving evasion

Chris Snowdon, Head of Lifestyle Economics at the Institute of Economic Affairs, will today attend the Global Tobacco & Nicotine Forum ('GTNF') in Brussels where he will warn EU regulators to learn the lessons from "over regulating" tobacco to avoid creating a black market in alcohol, food and soft drinks.

Snowdon will use his speech to remind regulators of the correlation between heavy regulation and excessive taxation, and the buoyancy in the black market trade which we are witnessing in Western Europe. He will say that we can expect the illegal market to open up as tobacco-style regulation is extended to alcohol, food and soft drinks.

- San Francisco (USA) already has tobacco-style health warnings on fizzy drinks
- In Canada, the Ontario Medical Association is proposing graphic warnings on pizza boxes
- Mexico and Hungary have a soda tax
- Food and drink advertising is under threat around the world

The slippery slope of nanny state legislation which Public Health officials denied would ever happen has well and truly arrived, Snowdon says, and the EU and governments around the world must prepare themselves for unintended consequences if they follow the tobacco-style template which Public Health activists are pushing.

The British Medical Association has been calling for graphic warnings on alcohol since 2008 and there are growing calls for tobacco-style labelling and plain packaging to be extended to sugary drinks, alcohol and so-called 'junk food'.

Chris Snowdon, Head of Lifestyle Economics at the Institute of Economic Affairs will comment: *'It is well established that sin taxes on alcohol lead to tax evasion, home-brewing and illegal sales. Sin taxes on soft drinks are just beginning, and the British government anticipates a new illicit market opening up as a result, which raises the question: why do it? As tobacco-style labelling begins to appear on alcohol, food, and soft drinks, we are moving ever closer towards Public Health's ultimate aim of plain packaging, and taxing the poor out of the market. Regulators in Brussels and in governments around the world may not be Big Tobacco, Alcohol, Soda, or Food's best friends, but they most certainly are the black market's. They punish legitimate businesses, and drive unsuspecting customers in to the hands of criminals. Why repeat the same mistakes again?'*

About the GTNF

The GTNF (Global Tobacco and Nicotine Forum), organized by Tobacco Reporter magazine, is the world's leading conference on tobacco and next-generation nicotine products. The Forum is the largest global gathering of industry leaders, politicians, think-tanks, retailers, other FMCG companies, law enforcement agencies, commentators, and journalists, all of whom meet for three days of discussions. The GTNF debuted in Rio de Janeiro, Brazil, in 2008 and has subsequently been held in Bangalore, India (2010), Antwerp, Belgium (2012), Cape Town, South Africa (2013), West Virginia, USA (2014) and Bologna, Italy (2015). This year it takes place in Brussels, the Capital of the EU. For more information, visit: www.gtnf-2016.com