



BRUSSELS

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Mark Littlewood, Institute of Economic Affairs Attends GTNF 2016

Who should make tobacco policy? Councils, Assemblies, Nation States, or the EU?

Answer: Definitely not the last!

Mark Littlewood, Director General of the Institute of Economic Affairs will today attend the Global Tobacco & Nicotine Forum ('GTNF') taking place in Brussels, where he will call upon the 28 member states of the EU to "take back control" of the competency for tobacco, vaping, and related public health policies.

He will argue at the tobacco and nicotine industry's largest annual gathering that, like most social and economic policy, tobacco policy should be decided at the national level. There are vanishingly few reasons why the EU should be stepping in to ensure that tobacco policy is the same in Ireland as it is in Greece. It is national politicians, who better understand local concerns and can be held accountable for their decisions, who should make these decisions. The EU is surplus to requirements and simply adds yet another layer of regulation.

Littlewood will further argue that EU regulators have proved they do not understand the complexities of the different 28 markets across the EU following the introduction of the Tobacco Products Directive 2 ('TPD2') in 2014. This directive, which has banned the sale and manufacture of packs of under 20 cigarettes, hand-rolling pouches of under 30gms, and menthols, will result in significant economic costs for some, with questionable health benefits for others.

TPD2 which came into force in May 2016 will in particular heavily impact the UK, Italian and Polish markets. Half of the UK market is at risk, with many customers who seek to manage their consumption losing out as packs of 10 cigarettes and 12.5gms pouches of tobacco are taken off the market, while hundreds of jobs have already been lost by JTI closing its factory in Lisnafillan as a consequence of the Directive.

Likewise, Littlewood will warn that the once legitimate Polish menthol sector could end up being replaced by a black market trade meeting the ever present demand for menthol cigarettes throughout the EU. The ban on menthols, combined with Poland's long borders with Ukraine and Belarus (where there is already significant manufacturing of illicit white tobacco (replica brands which are exported illegally)) will only increase smuggling and crime.

Worse, Mark will argue, is that the unintended consequences of regulations such as TPD2 often lead to worse health outcomes – particularly regarding next generation nicotine products. In Italy, the number of regular e-cigarette users collapsed by more than 50% during 2014/15, with most of these users returning to normal cigarettes.

He will go on to say that equally damaging mistakes are likely to occur in the future should the EU retain competency for such decision making, and that Brussels should learn the lessons from this and Brexit. He will argue that now the UK is leaving the European Union, Brexit could lead to the unwinding of EU tobacco regulations in the UK, including the Directive, which would cease to be legal in the independent sovereign jurisdiction once Article 50 of the Lisbon Treaty is invoked.

Littlewood will also say that post-Brexit Britain should also devolve more powers to local councils, particularly around lifestyle issues and tobacco regulation. Why should local councils in Manchester be bound by the same rules on smoke- and vape-free premises as London? By taking this further radical step, Mark will argue, Britain can show the rest of Europe how much more effective Tobacco and Vaping policies can be when they are devolved down towards local governments, providing others Nation States with a model for where competency should lie.

Mark Littlewood, Director General of the Institute of Economic Affairs will comment: *‘The idea that tobacco policy is an issue which requires EU-wide legislation is laughable. Elected politicians in member states, or indeed local authorities within them, should be making decisions about the size of the warning label on a packet of cigarettes or where smokers can indulge in their perfectly legal activity.*

The EU knows very little about Tobacco, Vaping and Public Health, and what it does know has led to damaging economic consequences on markets it doesn’t understand. One of the great positives of Brexit is that Britain will have the opportunity to free itself from this red tape within the next few years and will unwind the damage the EU has done. In the meantime, it is necessary for ALL Nation States across Europe to take back control and empower their local governments who are better placed than Brussels to regulate or deregulate in their own backyards.’

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) and West Virginia, USA (2014). This year it takes place in Brussels, the Capital of the EU. For more information, visit: www.gtnf-2016.com