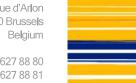


Aarlenstraat 80 Rue d'Arlon B-1040 Brussels Belgium

> Tel +32(0)2/627 88 80 Fax +32(0)2/627 88 81



**European Commission** 

- Cross Border Healthcare and Tobacco Control Directorate-General for Health and Food Safety (DG SANTE) Rue Breydel 4 (Office B232/09-007) 1049 Brussels

Brussels, 4<sup>th</sup> June 2019

Dear

## Re: Urgent - Secondary Repository processing issue causing loss of sales

We would like to urgently draw your attention to a severe and immediate problem that is occurring in several Member States, including Poland, Germany, Croatia and the Czech Republic.

Whilst BAT's tracking and tracing systems are in working order and fully compliant with the relevant requirements of the Tobacco Products Directive, it has been established that an internal processing issue at the Secondary Repository appointed by the Commission is causing our trade partners in the aforementioned countries to be unable to process and dispatch the coded products that BAT is shipping to them – i.e. when attempting to scan our trade partners receive error messages and are therefore unable to accept the goods from BAT. As a result, BAT is incurring significant losses that cannot be recuperated.

We have attempted to address and resolve the issue directly with your contractor ( ) since Monday 3 June 2019. By way of an email update dated today (4 June 2019) stated that it may be able to resolve the issue in 72 hours or latest by Monday 10 June 2019.

You will appreciate that this situation will inevitably result in severe loss of revenues for Member States, BAT and BAT's trade partners.



We respectfully but urgently request for a written communication on behalf of the Commission that provides for a formal acknowledgment of the internal processing issue at the Secondary Repository, as well as a waiver to allow for products shipped by BAT to be sold and distributed to wholesale and retail, pending the ongoing work to resolve the matter.

May I kindly ask you to respond to this letter soonest, but latest by 5 June at 13.00 hours Brussels' time. Pending your response, we of course continue to constructively collaborate with Dentsu and the competent Members State authorities.

Yours faithfully,

