Tobacco Products Directive
2014/40/EU

European Commission's
Directorate General for Health and Food Safety, Unit D4

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Outline

1. Introduction – facts and figures
2. Rationale for the new Directive
3. Main elements of the new Directive
4. Implementation calendar
1. Introduction - facts and figures (I)

**Tobacco consumption**

- Eurobarometer 2012: 28% of European citizens still smoke
- Big divergence between Member States
- 70% of smokers start under 18 years (94% under 25 years)
- Some Member States have recently seen an upwards trend in smoking prevalence in young people, e.g. CZ, HU, IT, SK, ES, SE, LT, RO
1. Introduction - facts and figures (II)

**Effects of smoking**

- Tobacco is the largest avoidable health threat in the EU
  - Causes nearly 700,000 premature deaths per year
  - Half of all smokers die prematurely (on average 14 years)
  - Smokers have more life years in poor health conditions (cancer, cardiovascular, respiratory diseases)
- Annual EU public healthcare expenditure on treating diseases caused by tobacco: 25 bEUR per year
- Productivity losses due to tobacco: 8.5 bEUR per year
- Governments' revenues from excise duty on the sale of tobacco products in the EU exceeded 79 bEUR in 2010, contributing to almost 3% of the total government revenue
1. Introduction - facts and figures (III)

**EU Tobacco Market**

- 4 big players in cigarettes and Roll-Your-Own tobacco. Other tobacco products - mostly smaller companies
- Cigarettes represent 89% of the market value, Roll-Your-Own tobacco 7%
  - Main focus of the new Directive: cigarettes/RYO
- The total value of the EU Tobacco Market at retail level including taxes is 136.5 bEUR
2. Rationale for the new Directive (I)

Main reasons of the revision

Previous Tobacco Products Directive dated from 2001– since then:

- Market developments (new marketing strategies/new products);
- Scientific developments (new studies);
- International developments (EU/MSs Parties to WHO FCTC).

**The main objective** is to guarantee proper functioning of the internal market, while ensuring a high level of health protection, Art. 114 TFEU

**Internal market**

- Update and modernise already harmonised areas
- Remove divergences of national provisions
- Address circumvention (safeguards of TPD should reach consumers)

**Health**

- Limit smoking initiation, in particular by young people
2. Rationale for the new Directive (II)

**Socioeconomic impact of the revision**

- The new Directive is expected to lead to a drop of tobacco consumption of 2% within five years. This corresponds to 2.4 million smokers less in the EU;
- Reduction of health care expenditure of 506 mEUR annually;
- Reduction of productivity losses of 165 mEUR annually;
- Possible losses for tobacco industry mitigated by savings through harmonisation and by measures against illicit trade (current tax losses: 10 bEUR annually);
- Overall, positive impacts on employment.
3. Main elements of the new Directive (I)

**Ingredients**

- Ban of characterising flavours;
- 4 year transitional period for flavoured products with market share > 3% (e.g. menthol);
- Certain additives (vitamines, caffeine, etc.) are prohibited;
- Reporting obligations for all ingredients and enhanced reporting obligations for additives on a so-called priority list;
3. Main elements of the new Directive (II)

Packaging and labelling

- Mandatory combined (picture and text) warnings (65%) on both sides of the unit packet;
- No ban of slim cigarettes;
- Pack standardisation to ensure visibility warnings;
- No promotional elements;
- MS can introduce plain packaging.

Future pack of cigarettes
3. Main elements of the new Directive (III)

**Illicit trade**
- EU-wide tracking and tracing system at unit pack level;
- Independent third party to provide the data storage facility;
- In addition (anti-counterfeit) security features on all packs;
- Longer transitional period for products other than cigarettes and RYO.

**Smokeless tobacco products (STP)**
- Ban on oral tobacco (e.g. snus) maintained;
- Reinforced labelling provisions (both sides of the pack);
- No ingredients regulation for snus; limited regulation for other STPs.
3. Main elements of the new Directive (IV)

**Electronic cigarettes**

- MS may choose to subject e-cigs to pharma legislation if justified;
- All other e-cigs fall under TPD rules, including: safety and quality requirements, notification obligation, rules on packaging and labelling, rules on advertising, and monitoring and reporting on market developments;
- Special rules for "refillables".
3. Main elements of the new Directive (V)

Cross border distance (internet) sales
- Notification obligation for cross border distance retailers and age verification system;
- Member States are entitled to ban cross border sales.

Novel tobacco products

Herbal products for smoking

Internal market clause
4. Implementation calendar

- 10 acts for adoption before May 2016
- 3 acts for adoption by mid-2017
Thank you!

Any questions?

Further Information