



EUROPEAN COMMISSION
HEALTH AND CONSUMERS DIRECTORATE-GENERAL
Directorate C - Public Health and Risk Assessment
C6 – Health Law and International

Meeting with stakeholders on the study "Assessing the Impacts of Revising the Tobacco Products Directive" prepared by RAND Europe

Summary record

Meeting date: 20 October 2010, 14.30
Brussels, Rue Froissart 101, 08/120

1. Welcome and introduction

The chairman welcomed the present representatives and there was a short presentation of the participants.

2. Adoption of the draft agenda

The draft agenda was adopted without amendments.

3. Presentation of the RAND report

A short presentation on the study "Assessing the Impacts of Revising the Tobacco Products Directive" prepared by RAND Europe was given. The chairman explained the ongoing work consisting of a public consultation with the objective to get the views of all stakeholders on the problem definitions and policy options for addressing these problems effectively which was launched on 24 September. The extended deadline for the public consultation until 17 December 2010 was announced.

The chairman underlined that the RAND study is independent, and that it does not express the views of the Commission. As the RAND study will be one of the sources of information used for the Commission's Impact Assessment, therefore further comments from all stakeholders on the RAND report are very important.

The participants were invited to send comments not only rejecting certain data, but also proposing alternative data as it is crucial that the Commission uses accurate data for its Impact Assessment. All comments sent in before the end of the year will be taken into consideration.

4. Discussion

The representatives were invited to comment on the RAND report. The chairman asked for constructive comments specifically on economic facts and figures. The most common remarks on the report regarded areas which the representatives felt were insufficiently analysed and missing and/or inaccurate facts and figures.

4.1 Insufficient analysis

- The RAND report does not sufficiently analyse the impacts on the functioning of the internal market. All areas should be analysed with reference to the effects on the internal market, both on a legal and an economical point of view.
- EU competence is not mentioned or evaluated.
- The report lacks a thorough examination of the questions of subsidiarity, proportionality and legal basis.
- There is no analysis of areas such as; illicit trade, employment, IP-rights, competition and consumer choice.
- An analysis of the relation between illicit trade and employment was requested.
- Oral tobacco is not covered by the report. A proper economic evaluation is required.
- Effects on SME:s are not covered by the report. It was emphasized that the effects will not be the same for SME:s as for big tobacco companies.
- There is an insufficient analysis of the possible effects of the proposals on tobacco growers. The same was mentioned for secondary suppliers.
- Chapter 10 on ingredients does not provide enough evidence on scientific data to allow regulation.
- The report does not provide a proper economic evaluation of the effects on retailers.
- The section in the report where the cigar sector is discussed has been improved. There was a request for acknowledgement of the fact that some of the proposed changes will create a disproportionate burden for the cigar industry.

4.2 Inaccurate data/ analysis

- Figures on tax revenues and employment are inaccurate.
- The definition of ingredients is wrong. A ban of additives will most likely put barley and oriental tobacco out of the market.
- The report predicts a 50 percent lower death rate due to a decline in smoking prevalence. This can not be explained by decrease in prevalence alone. How a product is smoked etc also have to be taken into account.
- There is no evidence that smoking bans will reduce smoking prevalence. Ireland has adopted rigorous smoking bans - yet smoking has increased.
- The model on health costs is inaccurate as age is not without disease.

- The analysis of the effects of plain packaging is inaccurate. Introduction of plain packaging will most likely increase the amount of counterfeit goods. It will also reduce the possibilities to protect IP-rights and make it harder for consumers to make an informed purchase.
- Banning vending machines in some Member States (while they are still allowed in others) will have a negative effect on the functioning of the internal market. There is no evidence that smoking behaviour is related to the existence of vending machines.

4.3 Procedural issues

- The methodology of the report is weak, and the analysis is poor.
- Scientific issues are analysed although none of the authors to the report is an expert in this area.
- The figures used in the study are not always taken from primary sources. Sometimes even from summaries of summaries.
- The report does not show enough evidence; many conclusions are based on estimations.
- Some of the participants expressed that facts and figures earlier submitted to RAND had not been taken into account in the report.
- A concern regarding the fact that the RAND report will be one of the sources of information used for the Commission's Impact Assessment report was expressed.

4.5 Concluding remarks

- The participants asked for an assurance that their comments will be taken into account in impact assessment.
- While several of the participants submitted additional material during the meeting, further comments and material will be submitted.
- The chairman concluded that all information will be taken into account when performing the Impact Assessment to make sure that the Impact Assessment report is based on accurate data.

Annex I – List of Participants

Tobacco Industry

European Travel Retail Council (ETRC)
European Cigar Manufacturers Association (ECMA)
Ritmeester Cigars (ECMA)
GITES a.s.b.l (GITES)
European Confederation of Tobacco Retailers (C.E.D.T)
Phillip Morris International EU Office
European Rolling Paper Association (ERPA)
European Tobacco Wholesalers Association (ETV)
European federation of Tobacco Processors (FETRATAB)
Confederation of European Community Cigarette Manufacturers (CECCM)
Swedish Trade Federation EuroCommerce
Copa-Cogeca
European Smokeless Tobacco Council (ESTOC)
European Federation for Food Agriculture & Tourism Unions
International Relations Department in BUSIENSSEUROPE
GAMA
Forest
SWM-International
Nordic Travel Retail Group
Business Action to Stop Counterfeiting and Piracy (BASCAP)
European Smoking Tobacco Association (ESTA)
Swedish Food Federation
German Association of the Flavour Industry (DVAI)

Commission services:

Mr Antti Maunu	DG SANCO C6 (Chair)
Ms Terje Peetso	DG SANCO C6
Ms Anna Eva Ampelas	DG SANCO C6
Ms Anna Jassem-Staniecka	DG SANCO C6
Ms Magdalena Ahlberg	DG SANCO C6
Ms Rossella Chiodo	DG SANCO 02
Ms Mathilde Reynaldi	DG SANCO 02
Mr Dalibor Mladenka	DG SANCO 02