

### IEVA Contribution to TRIS notification 2021/202/HU

IEVA would like to express its concerns regarding the amendment to Act XLII of 1999 on the protection of non-smokers and certain regulations on the consumption and distribution of tobacco products, notified by the Hungarian authorities to the European Commission on the 31st of March 2021<sup>1</sup>.

### The amendment in particular:

- Extends the authorisation granted by Act XLII of the ministers in charge of healthcare system and taxation to set an administrative service fee in order to compensate for certain costs relating to placing on the market and registration of e-cigarette, refill containers and electronic devices imitating smoking. Under the amendment, such a fee may also be levied on nicotine-free refill containers and smoking-substitute nicotine-containing tobacco products;
- 2. Extends the provisions pertaining to combined **health warnings and health warning to nicotine-free refill containers** and smoking-substitute nicotine-containing tobacco products

# Introduction of an administrative service fee for e-cigarette and refill containers

The number of European smokers willing to quit is high. But quitting is not that easy, and smokers need a safe and less harmful alternative. In this regard, vaping is significantly less harmful than traditional tobacco products, as demonstrated by numerous independent and publicly-funded research institutes such as the <u>Institut Pasteur of Lille</u>, the <u>Royal College of Physicians</u>, or the <u>German federal office for drugs</u>. The governmental agency <u>Public Health England</u> for instance showed that vaping is 95% safer than traditional cigarettes.

Against this background, vIEVA is deeply concerned about the possible introduction of an additional administrative service fee to register and place e-cigarette products and nicotiine-free refill containers on the market.

IEVA is opposed to any tax for nicotine-free e-liquids for e-cigarette. E-cigarette is a harm reduction tool that can help smokers quit traditional cigarettes and switch for a

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<sup>&</sup>lt;sup>1</sup> TRIS notification 2021/202/HU - <u>URL</u>

less harmful alternative. Introducing such a fee could have negative consequences both for the consumers and the retailers, as it would raise the price of the products and make them less accessible in comparison to more harmful traditional tobacco products.

IEVA recommends the Hungarian authorities to take into account the significant differences in risk profile between tobacco cigarette and e-cigarette. We believe that any excise levied on any nicotine-containing and nicotine-free products should be reflective or proportional to the harm that it causes to individual and public health.

## Health warning to nicotine-free refill containers and smoking-substitute nicotine-containing tobacco

IEVA believes that the introduction of additional labelling and packaging requirements (health warnings) for nicotine-free refill containers does not adequately serve smokers, vaping consumers and public health policy's interest.

The manufacturing, production and distribution of vaping products is already strictly regulated by the Tobacco Product Directive (Article 20). Commercial communications about vaping products and refills and liquid are highly restricted while most forms of advertising are prohibited:

- Recital 43 of TPD requires Member States to adopt "a restrictive approach to advertising electronic cigarettes and refill containers".
- Recital 48 adds that "the presentation and advertising of those products should not lead to the promotion of tobacco consumption or give rise to confusion with tobacco products".
- Article 20(5) of TPD is exclusively dedicated to commercial communication rules for e-cigarettes. It clearly prohibits related communication on information society services, on audio-visual platforms, in the press or other printed publications, on the radio, and in any public event or activity.

Current advertising rules are very clear and strict regarding refill containers - they do not need to be further strengthened. IEVA stresses that responsible communication by companies in the vaping industry is important. The members of the association are committed to run their businesses with respect to the <u>Guidelines for responsible e-cigarette advertising</u>. Communication aims to help consumers make an informed choice and consumers with information about their products, but also harm reduction potential.

Additional labelling and packaging for nicotine-free liquids would send the wrong message to all smokers as it would undermine the harm reduction benefits of vaping products and potentially prevent them from switching from e-liquids containing nicotine to nicotine-free liquids.

IEVA believes that the Hungarian authorities should encourage citizens to stop smoking by providing them with the right incentives i.e. rendering the least harmful smoking alternative more accessible.

### Conclusion

For all these reasons, IEVA respectfully calls on the European Commission to assess the measures proposed by the Hungarian authorities to strengthen the regulatory framework around e-cigarette and e-liquids.

#### **About IEVA**

The Independent European Vape Alliance (IEVA) is a trade body that brings together Europe's small and medium sized producers and retailers of vaping products. The vast majority of vaping companies are run by self-funded entrepreneurs who saw a problem in society, cigarette smoking; and created vaping products as part of the solution. We are independent and not influenced by tobacco companies. We remain available anytime for any further questions or comments you may have:

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