

The Premium Cigar Association is writing to express our concerns regarding TRIS notification 2024/0314/NL on the Amendment to the Tobacco and Smoking Products Decree in connection with standard packaging for cigars and electronic vaping products.

1 – Inappropriate inclusion of cigars with e-cigarettes

E-cigarettes are marketed as nicotine delivery products to consumers seeking alternatives to traditional cigarettes, which are deeply inhaled. By contrast, cigars are specialty tobacco products that by their material, construction and method of use limit nicotine absorption. As a result, the preponderance of scientific evidence conducted by governmental bodies, such as the National Institutes of Health and the Food and Drug Administration in the United States, illustrate that consumer usage patterns for cigars is inconsistent with addiction and that typical use patterns have nominal affect on all cause mortality at the population level.

The cigar industry consists mostly of small and medium family-owned companies rather than large multinational corporations. These small operations, using artisanal labor, are both culturally and economically significant to many regions, particularly Central and Latin America. Due to its artisanal nature, in the United States and Europe the cigar industry is also a significant employer in specialized retail and distribution. Given the unique nature of the cigar industry supply chain, it should be treated differently from mass-market tobacco and nicotine products in terms of legislation and regulation.

Cigars require a wholly different manufacturing approach than standardized mass-market tobacco products, resulting in a higher number of SKUs. There is a wide range of blends, sizes, shapes, and packaging for cigars, which further highlights their unique nature. As such, the compliance burden is significantly higher, yet produces nominal benefit to health at the population level, and therefore is unlikely to reduce the costs of public health.

Considering the unique nature of cigars, they remain a marginal and declining component of overall smoking prevalence across the EU. Figures across the EU consistently demonstrate that cigars hold little interest to younger legal-age consumers. In this regard, the 2023 Eurobarometer survey, released in June 2024, consistently found that only 1% of EU smokers smoke cigars on a daily basis, and they are more likely to be smoked on an occasional basis or tried only once or twice. This stands in stark contrast to cigarettes and emerging products, like e-cigarettes which in very few years have experienced an expansive increase of experimentation from young people around the globe. Considering the Directive's focus on young people, niche tobacco products like cigars were granted conditional exemptions from certain requirements relating to ingredients, packaging, and labeling as long as there is no substantial change of circumstances in terms of

sales volumes or consumption patterns among young people. As the EU Commission did not report such change, cigars should continue to benefit from these exceptions.

The inclusion of cigars with e-cigarettes in a possible upcoming legislation to extend plain packaging to tobacco products is therefore unjustified and inappropriate.

2 – Inappropriate references to US market developments

The Dutch government refers to the "popularity of cigars in the United States among young people' as one of the justifications to extend plain packaging to the cigar category.

This statement, referencing the U.S. health authority (FDA), omits the fact that the FDA has been recently found in Federal Court to have acted "arbitrarily and capriciously" for acting on similar claims without addressing the preponderance of conflicting data. For example, the latest report of the U.S. Population Assessment of Tobacco and Health, the national longitudinal study sponsored by the same FDA in partnership with the U.S. National Institutes of Health found that cigar consumption among U.S. middle and high school students has decreased in the last few years to an 'all time low.'

We must also highlight that in 2022, an FDA commissioned study conducted by the U.S. National Academies of Science, Engineering and Medicine, reiterated the existence of "differences in risk between cigarette smoking and cigar smoking [...] to be related to the differences in patterns of use of those two tobacco products, principally non-daily use and less inhalation among cigar smokers".

Furthermore, the Food & Drug Administration acknowledges that premium cigars are the "lowest enforcement" priority for the agency given their lack of youth appeal.

3 – Impossibility to comply with the proposed date of entry into force

As an association representing American and Central American cigar manufacturers, we also feel compelled to stress that the proposed amendment to the Tobacco and Smoking Products Decree "does not in itself lay down any technical requirements". As plain packaging requirements include trade barriers, non-European manufacturers are in an disproportionate situation considering the additional time necessary to import products into Europe. Without knowing the technical requirements to be set in upcoming Ministerial Regulation, 1 January 2025 can only be described as an unrealistic deadline.

In conclusion, we urge the EU Commission to take into account the unique nature of the cigar industry when considering legislation and regulation. The cigar industry is culturally significant, employing hundreds of thousands of people in developing nations, and more across the world. It consists mostly of small and medium family-owned companies. Cigars have few physical similarities to cigarettes and other tobacco products, resulting in different usage patterns and risk to public health. A one-size-fits-all approach to legislation for nicotine delivery devices, including e-cigarettes, and cigars is not justified. We hope that the EU Commission will consider our concerns and request the Netherlands to amend this proposal to conserve the unique and important cigar industry.

For Further Information Contact:

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About the Premium Cigar Association:

Founded in 1933 as the Retail Tobacco Dealers of America, the Premium Cigar Association (PCA) is the oldest, largest and most active trade association representing and assisting retailers of premium tobacco products and their suppliers based in Washington, DC in the United States of America.

The PCA represents nearly 3,000 retail stores who employ 30,000+ retail workers. As a full-service premium tobacco organization, we fight for our members against onerous, business-killing regulations and taxes, provide business-enhancing professional development, and help strengthen business relationships through our best-in-class trade show and other business-to-business offerings. The PCA is the premium cigar and pipe industry's center of excellence.