The EU future of novel tobacco products
Novel tobacco products such as electronic cigarettes and heated tobacco are increasingly replacing traditional cigarettes, which according to the World Health Organisation, cost Europe nearly 700,000 deaths every year.

Citing several worldwide studies, their advocates insist these products are much less harmful compared to traditional smoking and, therefore, should be used as harm reduction products. On the other hand, the EU and a large part of the scientific community remain cautious, emphasising the lack of clear evidence regarding their long-term effects.

In this special report, EURACTIV will examine several aspects related to these products, ranging from the ongoing debate over the need for an EU-wide tobacco harm reduction strategy to the tobacco excise tax and to what extent EU policymakers rely on science when it comes to decision making.

Languages: Deutsch | Slovak | Bulgarian | Italian | Romanian
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Public health stakeholders are divided over whether the EU needs a strategy to reduce harm from smoking, which according to the World Health Organisation (WHO) costs Europe nearly 700,000 deaths annually.

Novel tobacco products have emerged as alternatives to traditional cigarette smoking, and advocates cite several studies worldwide, insisting these products are much less harmful than conventional smoking and should be used as harm reduction products.

On the other hand, the EU and a large part of the scientific community remain cautious, emphasising the lack of clear evidence regarding their long-term effects.

"Wearing your seat belt is harm reduction. You don’t forbid people using their cars because it entails some risks [...] You don’t eliminate risk, you reduce it", Dr Konstantinos Farsalinos, a research fellow at Onassis Cardiac Surgery in Greece, told EURACTIV.

David Sweanor, a Canadian lawyer and professor at the University of Ottawa, explained that everything people do carries a risk.

"We know that having sex with a stranger is still dangerous. But if you use precautions, you can greatly reduce the likelihood of a sexually transmitted illness," he said.

Sweanor said we’ve known for over 50 years that people get sick and die not from the nicotine they’re seeking but from how they get it through smoking into their lungs.
by probably close to 99%, simply by moving to non-combustion products that meet some basic standards on ingredients,” he added.

However, Cornel Radu-Loghin, a public health advocate for the European Network for Smoking and Tobacco Prevention (ENSP), disagrees in principle that “harm reduction” is used as a term in the field of tobacco control.

“It’s like when you decide not to kill people by shooting, but with ten knives. In fact, this is when we speak about tobacco. It’s just to delay the harm, not to reduce it”, he said.

Loghin insisted that no matter how much less, novel tobacco products are still harmful.

“At the end, and we can see that the new products are not on the market to help people quit traditional smoking, the new products are there to keep the business for the industry.”

“And it’s obvious that a lot of smokers decided to switch to new products and to use them only in places where they cannot use the traditional cigarettes. So, they ended up doing both,” Loghin added.

**EU Commission watches closely**

At the EU level, the Commission’s Beat Cancer Plan aims to create a tobacco-free generation by 2040, and for now, not all novel products are part of Brussels’ plans.

“The Commission is currently working on the evaluation of the Tobacco Products Directive, which regulates, among other, electronic cigarettes, refill containers and novel tobacco products.

“Any scientific evaluations concerning novel and emerging nicotine and tobacco products will be carefully considered,” the EU official added.

However, the official said as minimum requirements; these should follow the relevant WHO recommendations, such as only relying on independent data sources or analysing risks of dual use with conventional tobacco products.

“WHO highlights challenges regarding the scientific assessment of these products (e.g. wide variation of emissions, devices-content interactions, and specific features resulting in different levels of nicotine and toxicants), which should be taken fully into consideration,” the official added.

For his part, Dr Andrzej Fal, a Polish medical professor, said decision-makers always ask for more research but do not want to fund them.

“They say we need more research, but at the same time, they don’t finance any research invoking the high cost, and consequently, this research comes from the industry. And then they say it’s not reliable,” Dr Fal said.

The Polish professor said the only way to create a smoke-free society is to start educating people at birth; then, at 18, they will not buy cigarettes.

“In 18 or 20 years, we can dream of a smokeless society in Europe. Look at Norway or Sweden, which started in the late 70s and now has 5% to 7% of smokers. But it took them 40 years,” he said.

Before we reach that level, Fal said. There are quick solutions such as novel tobacco products which could be introduced and used quickly to help smokers. “In the meantime, we need to present something and describe harm reduction,” he said.

**Solution for heavy smokers?**

Centre-right MEP Maria Spyraki told EURACTIV that the objective should be dual.

First, help heavy smokers move away from traditional smoking through novel tobacco products, but the “access to these products should be done under very strict conditions”.

“You should allow heavy smokers to use these types of products, but this does not mean this is the way out”.

“The second goal is to protect younger people, so we don’t create a new generation of smokers who are related to the new products,” the EU lawmaker said.

Asked about the case of heavy smokers, Loghin from ENSP commented that novel tobacco products could be a solution for hefty smokers if a doctor recommends so.

“But again, as a public health organisation, we cannot and will not promote tobacco products. It’s a clear position inside the ENSP that any medical professional can assist the smokers in quitting in the way they consider the best for the smoker,” he concluded.
EU-wide excise tax on novel tobacco products: A tough equation to solve

By Sarantis Michalopoulos | euractiv.com

Languages: Deutsch | Slovak | Bulgarian | Italian | Romanian

The European Commission's intention to impose an EU-wide minimum excise tax on novel products, such as electronic cigarettes, heated tobacco and nicotine pouches, has divided relevant stakeholders over whether it could bring the desired results.

Some argue that heavy taxation would result in smokers not switching to novel products, which some studies claim are less harmful than traditional cigarettes.

Others insist that such a move is needed, considering that harm is still harm, and therefore, taxation is a tool to prevent people from consuming these products at all, particularly young people.

Currently, there is no EU-wide excise framework as there is for traditional tobacco products. The situation in the EU single market is quite fragmented, as member states tax e-liquids and heated tobacco products at different rates.

The EU executive now wants to regulate the market with a minimum tax rate on novel products. Asked if...
the Commission was considering postponing its proposal to increase tobacco taxation amid the worst inflation crisis since the 1980s, an EU official replied:

“The Commission publishes online the ‘Liste des points prévus’, which is the indicative agenda of topics to be discussed at each weekly meeting of the College of Commissioners. However, this is a provisional agenda which may always be subject to changes”.

Most public health advocates are fighting for the highest rate, while the tobacco industry and novel tobacco product backers pressure for the lowest excise tax possible.

Unknown health effects

The World Health Organisation (WHO) and the EU have backed increasing taxation on both tobacco and novel products to prevent people from using them.

Asked if the Commission is concerned that a possible new high excise tax on novel products will push people back to cigarettes, the EU official replied, “We have no comment to make at this stage”.

Cornel Radu-Loghin, a public health advocate for the European Network for Smoking and Tobacco Prevention (ENSP), told EURACTIV that the tobacco industry is hiding behind the argument that novel products are less harmful, so they should be taxed less.

“In the 50s, all doctors promoted tobacco, and 20 years later everything changed, who knows what will happen in 20 years. Maybe everyone will agree that these new products are very dangerous and carcinogenic […] so we cannot predict this related to taxation”, Loghin said.

Loghin added that governments are looking for money while the industry pushes forward the loss-revenue argument.

“The tobacco industry always says they are big contributors to the state budget […], but the money is not coming from them but from smokers”, he said.

“But at the end, if a person stops using tobacco products, he will spend the money on other products, so the taxes will come back to this state budget”, he added.

“So, all this discussion, to tax or not to tax at the same level, is about commercial and business interests and a way to manipulate the governments to show them that they are good contributors”.

A risk-based approach to taxation

David Sweanor, a Canadian lawyer and professor at the University of Ottawa, said the EU should avoid the “mistake” of taxing less harmful alternatives to smoking cigarettes.

“It’s like saying we really want to move away from internal combustion engines, but because we might lose money on gasoline taxes that we need revenue, we will tax electric cars, which prevents people from moving to those vehicles”, he told EURACTIV on the sidelines of the 5th Scientific Summit on Tobacco Harm Reduction conference in Athens.

Critics suggest that following the pandemic crisis and amid a war in Ukraine, EU governments are cash-strapped and looking for fresh revenue.

“If we increase a lot of the price of the novel products, that will mean that consumers will start to shy away from them. Some people who are vaping would switch back to cigarettes”, Said Emanuele Bracco, an associate professor of economics at the University of Verona.

Bracco said the evidence is still not as strong because these products are new but insisted that the health profile of novel products is very different from traditional cigarettes.

“We have good evidence that these novel tobacco products are incredibly less harmful”, he noted.

Similarly, Frederic de Wilde, president of the Philip Morris International tobacco company (PMI) in the European Union Region, told EURACTIV that most member states had adopted differentiated taxation, recognising smoke-free products, such as heated tobacco and e-cigarettes, are different from cigarettes.

“And it is common sense to treat them differently, to encourage cigarette smokers who do not quit to switch to better products. Differentiated treatment also incentivises companies to innovate and commit to change”, he said, adding that smoking is declining more quickly in countries where this differentiation was made.

De Wilde also referred to the open consultation for the Tobacco Excise Directive (TED), saying 81% of those asked, including scientists and experts, supported risk-based tax differentiation.

“In June 2020, the Council issued a recommendation that any tobacco excise review at the EU level should look at the best cases among member states, taking into account products’ different characteristics and usage,” he said.

Black markets waiting in the corner
De Wilde also stressed that a balanced tax burden does not encourage smokers to buy in the illicit market like in France, "where excessive taxation pushed illicit trade up by 30% in 2021 to more than a third of total consumption".

"The recent KPMG report clearly shows excessive tax burden incentivises illicit trade in EU countries," he said.

Following a significant tax increase, almost three times the minimum level set by the European Commission, the illicit market in France skyrocketed from 13.1% in 2017 to 29.4% in 2021.

This led to an estimated loss of €6.2 billion in tax revenue in 2021, and press reports in France suggest that the government plans a new tax increase to adjust to rising inflation.

Overall, illicit consumption in the EU increased by 3.9% or 1.3bn cigarettes in 2021, compared to 2.3% in 2020.

"Had these cigarettes been legally purchased in the countries in which they were identified, an additional €10.4bn in taxes would have been raised in the EU", the industry-funded KPMG report noted.

The problem of illicit trade also appeared in Ukraine, depriving the country of much-needed cash for its war against the Russian invasion.

The illicit tobacco trade cost the Ukrainian budget approximately €180 million, forcing President Volodymyr Zelenskyy to intervene and shut down a factory responsible for the illegal production.
Italian MEP Alessandra Moretti said scientists “know for sure” that novel alternative tobacco and nicotine products are harmful. However, some still question whether applying this approach of ‘precautionary principle’ is good for heavy smokers who cannot quit.

EU lawmaker Moretti (Partito Democratico – S&D) strongly defended the EU’s application of the precautionary principle, arguing that it should prevail in any public policy decision.

The principle implies that a policy should be dropped if it may cause harm, and its safety cannot be supported by sufficient scientific evidence; in essence, treating novel tobacco and nicotine products as harmful until proven otherwise.

“If we do not know the long-term effects with certainty, we cannot establish that they are harmless,” she told EURACTIV Italy.

“To date, we know for sure that they are harmful tools. The medium to long-term effects we will have in the short term, and unfortunately, I fear we will have scientific evidence confirming their harmfulness to health,” Moretti warned.

Novel products, such as heated tobacco, electronic cigarettes, nicotine pouches or snus, have emerged as an alternative to traditional smoking, which causes 700,000 deaths in Europe annually.

Backers of such products say they are much less harmful compared to traditional cigarettes while opponents say that they are still harmful and that, above all, we don’t know their long-term effects given they only recently entered the market.

Several member states, such as France and Germany, have recently come forward to prevent – from a tax
or product regulation perspective – the proliferation of these products.

Moretti explained that the many chemicals that are inhaled through these instruments “penetrate into all organs”.

“For example, recent studies have found a probable correlation with bladder cancer,” she added.

Moretti also stressed the effects of nicotine, such as strong addiction, increased risks for the papillomavirus, hypertension, and cardiovascular diseases.

“We know that many of these instruments use more nicotine than a traditional cigarette. Therefore, it would be good if a product was only marketed when safe, both in the short and long term.”

Similarly, Cornel Radu-Loghin, a public health advocate for the European Network for Smoking and Tobacco Prevention (ENSP), told EURACTIV that no one can guarantee that these new products are less harmful.

“We may see the effects in 5, 10, or 20 years and these will be more harmful, who knows?” he noted.

Referring to heavy smokers who cannot quit, Radu-Loghin said a public health organisation would never recommend these products as a substitute but explained that any medical professional can assist the smokers to quit “in the way they consider is the best for the smoker”.

**WHO, EU had the wrong target**

Dr Konstantinos Farsalinos, a research fellow at Onassis Cardiac Surgery in Greece, offered a different view, saying that both the EU and the World Health Organisation (WHO) mistakenly target nicotine as the main culprit, rather than smoking itself.

“Nicotine has been demonised for decades because the only way to get nicotine was smoking […] while we now know that nicotine has relatively negligible contribution to the harm caused by smoking,” he explained.
Farsalinos said the EU’s cautiousness discourages smokers from using the new products and ultimately giving up smoking.

“It gives them a false impression that they are all the same and this is false information,” Farsalinos said, adding that both the EU and WHO have adopted a “cherry-picking” approach when it comes to scientific studies over the matter.

Asked how the tobacco industry could convince anyone with these arguments, considering that in the past, it claimed that light cigarettes were less harmful than normal ones, he replied: “Obviously you won’t believe the tobacco industry”.

“These are not products invented by the tobacco industry […] when the products appeared in the market initially, the industry was making fun of them and then they all stepped in,” he said.

For its part, the European Commission says any scientific evaluations concerning novel and emerging nicotine and tobacco products will be carefully considered.

“As minimum requirements, these should follow the relevant WHO recommendations, such as only relying on independent data sources or analysing risks of dual use with conventional tobacco products,” an EU official told EURACTIV.

“WHO highlights challenges regarding the scientific assessment of these products (e.g. wide variation of emissions, devices-content interactions, and specific features resulting in different levels of nicotine and toxicants), which should be taken fully into consideration,” the official added.

For Frederic de Wilde, president of the Philip Morris International tobacco company (PMI) in the European Union Region, the best choice that any smoker can make is to stop smoking, and many already have.

But smokers who don’t quit should not be left behind.

“Most smokers, however, continue using one of the most harmful ways to consume nicotine – cigarettes. In the EU alone, about 85 million people, or 19% of the population, still smoke,” de Wilde told EURACTIV.

The second-best choice, he said, is to switch to a non-combustible reduced-risk tobacco or nicotine product backed by scientific evidence.

“There is consensus that the primary cause of smoking-related diseases lies in approximately a hundred harmful compounds found in cigarette smoke, most generated by the burning, and that nicotine, while addictive and not risk-free, is not the primary cause of these diseases,” he noted.

On the other hand, he explained, non-combustible nicotine products such as pouches, snus, e-cigarettes, or heated tobacco are not risk-free but are a better alternative to cigarettes for those who do not quit.

“Our extensive scientific research on our heated tobacco product clearly indicates that it is a reduced-risk alternative to cigarettes,” he stressed.

De Wilde said similar conclusions were reached by bodies like the Superior Health Council in Belgium, the Risk Assessment Institute in Germany (BfR), the Health and Environment Institute in the Netherlands (RIVM), the Royal College of Physicians in the U.K., or the U.S. Food and Drug Administration (FDA).

“The Superior Health Council [in Belgium], despite reaching conclusions that are similar to ours as a result of their scientific review of our heated tobacco product, decided that the same regulatory framework as for cigarettes should apply to heated tobacco,” he said.
The European Union’s plans to further increase tobacco taxation and reduce declining smoking rates across the bloc have pleased public health advocates, but the industry warns that tax revenues may be disrupted by the rise of illicit markets that flourish when taxes are high.

According to the World Health Organisation (WHO), tobacco taxation is an efficient tool, reducing tobacco consumption faster than any other single measure.

Following the WHO line, EU countries have put differentiated excise taxes on tobacco, and according to a Financial Times report, the European Commission is now considering even doubling the level of taxation in a new legislative proposal expected soon.

Some observers in Brussels suggest that this may be motivated at least partly by inflation, which has put EU budgets under pressure and in urgent need of fresh cash.
From a health point of view, Europe’s push for increased tobacco taxation has indeed resulted in reduced smoking rates. Since 2017, Eurobarometer surveys have shown an average 3% decline in tobacco consumption across the bloc.

However, the industry claims that the countries that increased excise taxes to curb smoking have simultaneously opened the backdoor to illicit tobacco trade.

According to the annual KPMG report, funded by the tobacco industry, illicit tobacco consumption in the EU increased by 3.9% or 1.3 billion cigarettes in 2021, building on the 2.3% growth in 2020.

“Had these cigarettes been legally purchased in the countries in which they were identified, an additional €10.4 billion in taxes would have been raised in the EU 27”, the KPMG report said.

Emanuele Bracco, an associate professor of economics at the University of Verona, told EURACTIV earlier this year that making tobacco products expensive opens a “huge backdoor to smuggling”.

“If you act too abruptly in these markets, even with good intentions, you may end up with unintended consequences, such as an increase in counterfeit and an occasion in smuggling,” he said.

Bracco also warned about adverse health outcomes because these products are outside the regulation and not subject to the same level of controls and standards as legal chains.

But the World Bank does not share the argument about lost tax revenues.

According to a World Bank report, increasing excise tax rates on tobacco will reduce its affordability and “as evidence shows, lower its consumption”.

“By implementing tobacco tax reforms now, policymakers can choose a fast road to healthier, more prosperous societies”, the report said.

High taxation

France and Ireland have been the two member states with the highest excise taxes on tobacco, €6.61 and €8.42, respectively, while the EU average is €3.34, and Paris was the first to impose higher taxes on cigarettes above the EU level.

Both countries saw a significant drop in smoking rates.

According to a 2017 Eurobarometer, smokers in France represented 36% of the population, while the same survey in 2020 found an eight-percentage-point decrease to 28% – the same level as in 2012, according to a special Eurobarometer, published that year.

In Ireland, 24% were smokers in 2017, while in 2020, the percentage dropped to 18%.

However, according to the KPMG report, both countries are EU champions in the illicit tobacco trade.

In 2021, illicit trade in France represented 29% of the total consumption (15.1 billion cigarettes), while in Ireland, it represented 17% of the total consumption (500 million cigarettes).

Critics suggest that cross-border shopping from neighbouring countries with lower tobacco taxes is an additional problem for Paris.

In order to face the price gap, the WHO has urged close coordination between neighbouring countries when it comes to taxing tobacco.

Poland, whose excise tax stands at €2.08, has only 5% illicit trade and has also achieved sizeable reductions in smoking rates, from 30% in 2017 to 26% in 2020.

Germany, whose excise tax is close to the EU average (€3.30), has also seen considerable decreases in the amount of illicit consumption (2% of the market) as well as a marginal 1% decrease in smoking rates (24% 2020 compared to 25% in 2017).

Greece, Bulgaria cause headaches

But the situation in Greece and Bulgaria, the two southeastern countries that top the EU list of smokers, further complicates the picture.

Athens has imposed a €2.74 excise tax, below the €3.34 EU average, but is still the second biggest illicit tobacco trade market in the EU after France (24%).

At the same time, it’s the only EU member state recording a significant increase in smoking rates (37% in 2017, going up to 42% in 2020).

For its part, Bulgaria levies the lowest excise duties (€1.81), and the illicit trade is at just 2%.

However, smoking rates increased from 36% in 2017 to 38% in 2020.

According to EURACTIV Bulgaria, the state has ended the debate over the issue while the ban on smoking indoors is poorly implemented, and state controls are almost inexisten.
**New nicotine and tobacco products**

Another important issue is what minimum level of excise tax on novel tobacco and nicotine products the European Commission will propose.

The WHO and a large part of the scientific community are pushing for high taxation to prevent people from switching to these products amid uncertainty over their safety.

On the other hand, the industry insists, quoting other scientific studies, that these new products are much less harmful than traditional tobacco and that high taxation would only discourage heavy smokers from turning to safer products.

Speaking to EURACTIV, Swedish MEP Sara Skyttedal (EPP) expressed her concerns that minimum taxes “might be set at a level so high that the chances of these novel products to replace traditional cigarettes will be limited”.

“Which indeed would go against the objectives of Europe’s Beating Cancer Plan,” she said.

She added that Sweden has the lowest tobacco-related mortality in Europe thanks to snus, a tobacco product banned in the rest of the EU.

“There are no ‘buts’ or nuances in the underlying causes: The reason for this is snus and only snus. Period. If the rest of Europe wants to reduce tobacco-related mortality to Swedish levels, the best advice I can give is to see new nicotine products as a tool in the fight against cancer,” Skyttedal noted.

But Italian MEP Alessandra Moretti (S&D) opposed this view, saying it risks “misinformation”.

“Snus probably does not cause lung cancer but is related to many other diseases such as cardiovascular diseases and other cancers of the digestive system,” she told EURACTIV Italy.

“To decrease the number of smokers, we must not condemn them to another addiction,” she added.

**Further reading**

- Special eurobarometer on attitudes of Europeans towards tobacco
- Tax Foundation: Cigarette Taxes in Europe
- WHO: Promoting taxation on tobacco products
- World Bank blogs: Confronting tobacco illicit trade: a global review of country experiences
- KPMG: Illicit cigarette consumption in the EU, UK, Norway and Switzerland
Most adults in Europe acknowledge there is a problem with illicit tobacco products in the EU. Further, they are cognizant of the negative consequences that stem from illicit trade, of which there are many.

William Stewart is President at Povaddo

We know, for example, that easy access to cheap illicit cigarettes prevents smokers from quitting smoking, or to switch to better alternatives that exist today. Moreover, the issue disproportionately impacts consumers in lower-income households, who traditionally have limited resources and opportunities to access the latest innovative products and solutions. With ongoing inflation and economic instability, there is now more urgency to address the problem of illicit trade through coordinated action between regulators, law enforcement, the
A persistent threat to public health and public finance

The research firm I lead, Povaddo, recently conducted a survey commissioned by PMI of more than 13,000 adults in 13 EU member states. In that poll, 67% of respondents believe that the illicit market is dissuading many smokers from quitting or—failing that—from switching to better alternatives. A majority (60%) also agree that government endorsement of smoke-free products can promote equality and reduce health disparities by giving adult smokers from lower socio-economic backgrounds access to better alternatives to cigarettes.

A PMI-commissioned report by KPMG from summer 2022 revealed that in the EU, illicit trade increased by about 3.9% in 2021—that equals an additional 1.3 billion cigarettes. In total, according to this report, 35.5 billion illicit cigarettes were consumed across the region in one year. In France, which represented the largest illicit EU market, illicit cigarettes comprise 29% of total cigarette consumption in this country, a significant growth from 13% in 2017. Aside from the public health implications, there are also significant public finance implications. The KPMG report suggests that had these cigarettes been legally purchased, it is estimated that an additional EUR 10.4 billion in taxes would have been raised by governments in the EU.

A booming black market of cigarettes means that many of these smokers will continue to smoke—often counterfeit cigarettes that don’t comply with even basic safety and quality standards. Generally speaking, the public viewpoint is that smokers should be given equal chances to use the latest technological advances to improve their health and adopt a better lifestyle. Instead, the rise of illicit trade has the opposite effect, curtailing opportunities to improve public health.

Ensuring innovation works for all

Several factors impact access to innovation, including awareness, affordability, and acceptability. To reap the benefits of any innovation, you must know it exists, be able to afford it, and understand how it might affect your life.

Illicit trade adds another obstacle to positive change, particularly for those more vulnerable in society. Adult smokers of lower socioeconomic groups, who have the least resources and access to social services and security, often have the greatest exposure to illicit cigarettes. This is an issue of social justice.

To address it, there needs to be on the one hand, a fair and science-based regulatory framework in place, and on the other hand, there needs to be an increased focus on awareness and education. Smokers need to understand the consequences of buying unlawful, smuggled, or counterfeit products. It is only by giving them accurate and appropriate information that we can encourage them to make better choices. This is not merely my viewpoint, but rather the viewpoint of most of the EU adults we surveyed.

What can be done?

Illicit trade is not a petty or victimless crime. It undermines public health. For governments, the revenue loss amounts to billions that could be spent on public health and safety. Illicit tobacco also encourages organized crime and corruption. Criminal networks use the profits from counterfeit cigarettes to fund other activities, such as human trafficking, drug trafficking, and even terrorism.

Society cannot be successful in addressing this issue unless governments and private sector are able to work together. It is reassuring that some countries with a history of cigarette trafficking, such as in eastern Europe and central Europe, have seen the illicit trade in cigarettes steadily decreasing. Coupled with effective enforcement of the rule of law, these countries have also been opening up to better alternatives to cigarettes.

Governments have a vital role to play. They define regulation, taxation, and law-enforcement. To that point, three-in-four (74%) survey respondents agree that governments must take into account illicit trade as an unintended consequence when deciding how to regulate and tax tobacco and nicotine-containing products.

Consumers need to be incentivized toward legal and better products, and the public is calling on government to create policies that allow smokers to access these products, so that they are not driven to the black market.