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Confronting industry challenges



TFWA MEADFA Conference
Dubai, 30 January 2018

FCTC Illicit Trade Protocol



World Health Organization



FCTC

WHO FRAMEWORK CONVENTION
ON TOBACCO CONTROL

- Illicit Trade Protocol (ITP) – Legally binding protocol to the Framework Convention of Tobacco Control (FCTC)
- WHO starting assumption is that duty free retailers are a major source of illicit trade
- ITP clause calls for study into “the extent to which” duty free contributes to illicit trade

FCTC Illicit Trade Protocol

ITP comes into force once 40 countries have ratified (34 as of January)

2018

- **MOP1 (October 2018) initiates duty free research**

2020

- **Amends ITP to call for ban / restriction of duty free tobacco**

2021

- **66% of countries that have ratified ITP vote to make it legally binding**

- Study on duty free must commence within 5 years of ITP coming into force
- Study findings may lead to call for a ban or further restrictions on the sale of DF tobacco products
- There is risk of a domino effect of FCTC ITP for other product categories, e.g. alcohol, food

FCTC Illicit Trade Protocol

- Essential that duty free industry campaigns to delay study and influence governments to reject a ban on Duty Free tobacco
- **Parties that have ratified the ITP in MEADFA Region**

Congo

Madagascar

Ivory Coast

Mali

Gabon

Niger

Gambia

Saudi
Arabia

Iraq

Senegal

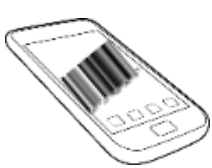
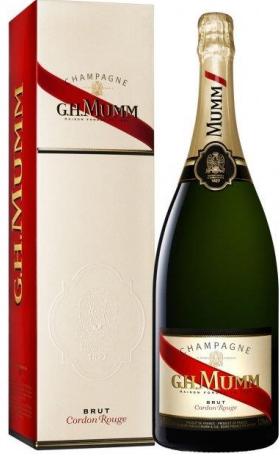
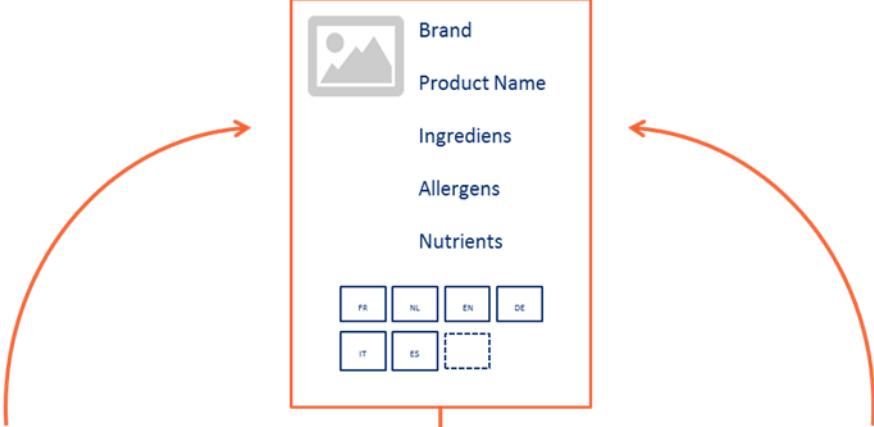
15 additional countries have signed but have yet to adopt national legislation to ratify the Protocol, including **Kuwait** and **Qatar**

Increasing legislation on product information



- At national and regional level such as Halal certification requirements in GCC countries
- Affecting all product categories

ETRC pilot for a digital platform on product information



Mobile



In-store terminal



Tackling carry-on baggage restrictions



Edinburgh Airport

- Some Middle East airlines imposing weight limit, sometimes as low as 7/8 kilos including airport shopping
- Deterrent effect on airport shopping
- Airports encouraged to secure agreement with airlines and communicate rules to passengers



Thank you



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