

To: [REDACTED] (TAXUD); [REDACTED] (TAXUD); [REDACTED] (TAXUD)
Subject: Meeting report CECCM December 4 2018

Meeting with CECCM, December 4, 2018:

The meeting was requested in September by CECCM to present its views on:

1. the ongoing evaluation of Directive Directive 2011/64/EU (the Tobacco Excise Duty Directive)
2. the CJEU Eko – tabak judgement

Participants:

CECCM:

- [REDACTED] (British American Tobacco)
- [REDACTED] (Japan Tobacco International)
- [REDACTED] (Imperial Brands)
- [REDACTED] (CECCM)

EC Taxud C2: [REDACTED]

Main issues presented by CECCM :

- **Review and evaluation of the Directive:**
CECCM asked for clarification of the timing of the external study and the evaluation of the Directive
Participants noted their contribution in the Open Public Consultation
We noted that the OPC summary report was published on CIRCABC and that it very much reflects the different opinions of various stakeholders, with no clear convergence.
- **E-cigarettes:**
Participants presented their views on the e-cigarettes markets and cautioned against regulatory intervention
They referred to the situation in Italy and warned against the impact on the market and illicit trade due to the impact on affordability for users
They argued that as established business, they were the main contributors to the tax collected in IT
They mention the on going discussions in IT parliament to amend the tax
They referred to the development of the JUUL products noticing the high level of nicotine and the different flavours
They also mentioned the recent acquisition by Altria of JUUL shares.
- **Heated Tobacco:**
All participants confirmed being active in this growing market. In particular, Imperial Brands announced the recent launch of its own product
Participants noted the rise of counterfeited heated tobacco products from China.
- **Raw Tobacco:**
Participants noted that they all use the same importer in the port of Antwerp
They were of the opinion that there is still confusion after the Ekko Tabak CJEU judgement with the definition of smoking tobacco (notably in DE, SE).

- **Minimum Rates**

We noted that participants positions on a possible review of the rates was clear, as based on their respective submissions to the OPC.

- **Horizontal Directive:**

Participants asked for an update of the on going revision of the Horizontal Directive.

[REDACTED]
Policy Officer



European Commission

Directorate General for Taxation and Customs Union
Unit C2 - Indirect taxes other than VAT

Rue de Spa [REDACTED]
B-1049 Brussels, Belgium
+32-2-[REDACTED]

[REDACTED]@ec.europa.eu