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## **NOTE**

From:	General Secretariat of the Council
To:	Delegations
Subject:	World Health Organization:
	7th Session of the Conference of the Parties (CoP7), Delhi, India
	7-12 November 2016
	- Coordination

Delegations will find in the Annex the above revised document, prepared by the Commission services.

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## Internal Document (to be discussed by the WP on Customs Union)

WHO Framework Convention on Tobacco Control (FCTC)

7th Session of the Conference of the Parties (CoP7)

7-12 November 2016, Delhi, India

Agenda item 5.1.: Status of the Protocol to Eliminate Illicit Trade in Tobacco Products

## **Suggested EU Common Approach**

The EU and its Member States would like to thank the Convention Secretariat for its comprehensive report on the Status of the Protocol to Eliminate Illicit Trade in Tobacco Products. The EU and its Member States remain fully committed to our work towards the entry into force of the Protocol and to our obligations as Parties to the FCTC.

In the EU alone, it has been estimated that the illicit trade in tobacco products leads to more than 10 billion Euro per year in lost tax and customs duties. Given the territorial limits of national legislation, only an international treaty such as the Protocol can adequately address the global phenomenon of illicit trade. The Protocol provides for effective measures in this regard. The EU considers the Protocol as the main policy tool to fight the global illicit tobacco trade, and a good complement to our current law enforcement work.

The EU has the honour and pleasure to report at this Conference that it ratified the Protocol on 24 June 2016. The EU and its Member States are fully committed to implementing the Protocol. In fact, the EU has already taken important steps towards the implementation of the Protocol. In this regard, the Tobacco Products Directive 2014/40/EU includes general legal terms for establishing an EU tobacco traceability system, by which the EU and its Member States will implement the Protocol's provisions regarding tracking and tracing- by 20 May 2019 in relation to cigarettes and roll-your-own tobacco- and by 20 May 2024 in regard to tobacco products other than cigarettes and roll-your-own tobacco. In practical terms, three legally binding acts for the implementation of the EU track and trace system are foreseen to be adopted by the European Commission by the end of 2017. We will ensure that these legal acts are fully in line with the Protocol.

The EU is also committed to raising awareness and promoting the Protocol worldwide in cooperation with the Convention Secretariat. The support provided by the EU to the Convention Secretariat for the Regional Workshop in Myanmar in December 2014, is an example. In addition the EU is planning to organise a conference in Brussels in February/March 2017, in cooperation with the Convention Secretariat, to promote the practical implementation of the Protocol with EU Member States and key neighbouring countries.

Additionally, the EU has decided to allocate, under the EU Public Health Programme 2016, a direct grant to the Convention Secretariat, which, among other things, will be used to promote the implementation of the protocol in EU Member States and key neighbouring countries.

In relation to items of future work and technical assistance, we support continuation and reinforcement of the activities of the panel of experts on relevant matters, and would welcome further discussions and guidance on the controls to be performed in the free zones. We have also noted with interest the proposal to study the economic implications of illicit trade in tobacco products.

The EU considers the Illicit Trade Protocol a milestone in public health and fight against illicit trade. It is crucial to advance the work carried out over years and ensure effective implementation of the Protocol as soon as possible. Depending on when 40 ratifications are achieved, a reflection should be held as to the best time and manner in which to convene the MOP, including the added value of convening an extra-ordinary session of the COP. This reflection should also consider the budgetary implications of the location and timing of the meeting (before or directly after COP8).

The EU considers that the Protocol can only develop its full effect if implemented by a sufficient and broad number of Parties. The success of the Protocol hinges both on wide participation and on effective implementation. The EU is fully committed towards this process and calls on all WHO FCTC Parties to ratify or to accede to the Protocol as soon as possible, so as to combat illicit trade in tobacco products, in the interest of promoting health, protecting public finances as well as fighting against organised crime.