



Chair, Vice-Chair and Members of the Health and
Senior Citizen's Committee
Parliament of Denmark
Via email: suu@ft.dk



Brussels, 17 July 2017
Ref. nr.: 17.37682AA

Franklinstraat 106-108
1000 Brussels
Belgium
T + 32 2 735 83 96
F + 32 2 735 84 66
E info@pa-international.org

Dear Madam, Dear Sir,

In the next few months, DG TAXUD of the European Commission is expected to advise the EU Member States on the potential requirement to adapt Council Directive 2011/64/EU regarding tobacco taxation. An essential element currently considered is the occurrence of so-called borderline tobacco products. These products are classified in the lower taxed cigar/cigarillo category, but are perceived and consumed as cheaper substitutes for cigarettes.

Both in EU Brussels and in the capitals, the insight gains ground that in this particular case health considerations must be prioritized over tax income issues. Recently, a new Additional Preventive Tax option was formulated that prevents young and low income consumers to be tempted towards cheaper borderline products while maintaining current tobacco taxation income. This appears to be the preferred option of over 60% of over 100 interviewed health and tax experts. Please find attached the complete report of this Elite Opinion Poll that includes further details on the APT.

Following consultations with DG TAXUD, this matter has been presented to your Government. Please find attached my letter to your Prime Minister, Mr Lars Løkke Rasmussen. Potentially, a high-level roundtable conference will be organized in EU Brussels. I look forward to have your advice with regards to both the Additional Preventive Tax and your potential support for the organization of the roundtable conference.

I am gladly at your disposal for any further information.

Yours sincerely,

Prof Mark Eyskens
Chairman, PA International Foundation
Former Prime Minister of Belgium

Encl:

- Report of Elite Opinion Poll on the Taxation of Tobacco Products;
- Letter to the Prime Minister, Mr Lars Løkke Rasmussen;