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Committee on Technical Barriers to Trade

NOTIFICATION

The following notification is being circulated in accordance with Article 10.6

Notifying Member: <u>HUNGARY</u>
If applicable, name of local government involved (Article 3.2 and 7.2):

2. Agency responsible:

Ministry of Human Resources Department of Health Policy Law Budapest V. Arany János u. 6-8 H-1051

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Name and address (including telephone and fax numbers, email and website addresses, if available) of agency or authority designated to handle comments regarding the notification shall be indicated if different from above:

- 3. Notified under Article 2.9.2 [X], 2.10.1 [], 5.6.2 [], 5.7.1 [], other:
- 4. Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable): Tobacco and manufacture tobacco substitutes (HS: 24). The proposal for draft government Decree relates to the packaging, market placement and control of tobacco products as well as the application of the health-protection fine.
- 5. Title, number of pages and language(s) of the notified document: Proposal for Government Decree on the amendment of Government Decree No. 39/2013 (of 14 February 2013) on the manufacture, placement on the market and control of tobacco products, combined warnings and the detailed rules for the application of the health-protection fine (21 pages, in Hungarian)
- 6. Description of content: The Decree relates to the packaging (introducing of plain packaging), market placement and control of tobacco products as well as the application of the health-protection fine. Upon enactment, the Decree will give effect in part to the Directive 2014/40/EU of the European Parliament and of the Council on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco and related products and repealing Directive 2001/37/EC is 20 May 2016.

The amendment of Government Decree 39/2013 (of 14 February 2013) on the manufacture, placement on the market and control of tobacco products, combined warnings and the detailed rules for the application of the health-protection fine is a transposition of the above described directive.

7. Objective and rationale, including the nature of urgent problems where applicable: In Hungary, the tobacco-related mortality among males, in line with the European trend, is decreasing however the rate of the mortality is still higher compared to other countries of the European Union. With regard to the smoking habits in Hungary over the last few decades, Hungary was in a disadvantaged situation regarding prevalence of smoking as compared to other European countries.

The latest survey from 2013 showed that 30% of the Hungarian population was smoking, which is 2% less than in 2012, but it was still 4% more than the European average. In comparison to the WHO Health For All (HFA) Database the prevalence of smoking in Hungary is not decreasing, the rate of daily smokers is still above 30%. The results of Eurobarometer survey in 2014 were the same as the results of the HFA Database.

Smoking was the third risk factor following the nutrition risk and high blood pressure, causing the biggest life-year loss in 2010. The data showed that health loss was mainly caused by active smoking and the health loss caused by second hand smoking was decreasing compared to the active smoking. In addition to this in Hungary smoking caused the greatest economic loss among the risk factors in 2010.

Hungarian data on smoking habits, prevalence and trend are worse than data of other countries of the European Union. In order to make further impacts on the smoking prevalence in Hungary, particularly on smoking initiation among young people, additional initiatives are required in order to build positive effects experienced so far deriving from Hungary's operative Decree on tobacco control and also from public health policies.

There is wealth of evidence to support the amendment of the decree for the purpose of enhancing health protection in Hungary by introduction of additional measures for tobacco control. The amendment of Government Decree 39/2013 (of 14 February 2013) on the manufacture, placement on the market and control of tobacco products, contain combined warnings and detailed rules for the application of the health-protection fine will be a leap forward to achieve positive impact on the smoking prevalence in Hungary and enhance health protection of the population.

The ground and reason of introduction of plain packaging:

The guidelines for implementation of Articles 11 and 13 of the WHO Framework Convention on Tobacco Control (FCTC) (Packaging and labelling of tobacco products) propose considering the introduction of requirements for the standardisation of the packaging of tobacco products.

The guidelines for implementation of Article 11 of the WHO Framework Convention on Tobacco Control (Packaging and labelling of tobacco products) state the following regarding plain packaging:

"Parties should consider adopting measures to restrict or prohibit the use of logos, colours, brand images or promotional information on packaging other than brand names and product names displayed in a standard colour and font style (plain packaging). This may increase the noticeability and effectiveness of health warnings and messages, prevent the package from detracting attention from them, and address industry package design techniques that may suggest that some products are less harmful than others."

According to the guidelines for implementation of Article 13 of the WHO Framework Convention on Tobacco Control (Tobacco advertising, promotion and sponsorship):

The effect of advertising or promotion on packaging can be eliminated by requiring plain packaging: black and white or two other contrasting colours, as prescribed by national authorities; nothing other than a brand name, a product name and/or manufacturer's name, contact details and the quantity of product in the packaging, without any logos or other features apart from health warnings, tax stamps and other government-mandated information or markings; prescribed font style and size; and standardised shape, size and materials. There should be no advertising or promotion inside or attached to the package or on individual cigarettes or other tobacco products. The Directive also enables Member States to introduce requirements in relation to plain packaging. Tobacco products are in and of themselves capable of influencing consumption; therefore plain packaging may play a vital role.

Plain packaging helps reduce smoking: it prevents cigarette packets and roll-your-own tobacco pouches from being used as mobile advertisements to influence smokers, non-smokers and young people.

The health warnings on packaging exert a greater impact if they are more visible on a plain background.

Plain or standardised packaging will limit misleading perceptions such as that light coloured packaging is less harmful or that brands differ in terms of their harmfulness.

With plain packaging, the impact of health warnings combined with images improves, the proportion of potential misunderstandings regarding tobacco products decreases, particularly the significance of marketing impacts on young people and young adults.

The introduction of plain packaging could lead to further reduction in the prevalence of smoking.

- **8. Relevant documents:** Government Decree 39/2013 (of 14 February 2013) on the Manufacture, Placement on the Market and Control of Tobacco Products, Combined Warnings and the Detailed Rules for the Application of the Health-Protection Fine
- 9. Proposed date of adoption: After 22 March 2016Proposed date of entry into force: 20 May 2016
- 10. Final date for comments: 22 March 2016
- 11. Texts available from: National enquiry point [X] or address, telephone and fax numbers and email and website addresses, if available, of other body:

Hungarian Technical Notification Centre and TBT Contact Point Ministry of Justice

Budapest,

Kossuth tér 2-4.

H-1055

Tel: (361) 795-5733

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or web-site address (notification 2015/529/HU):

http://ec.europa.eu/growth/tools-

databases/tris/en/search/?trisaction=search.detail&year=2015&num=529