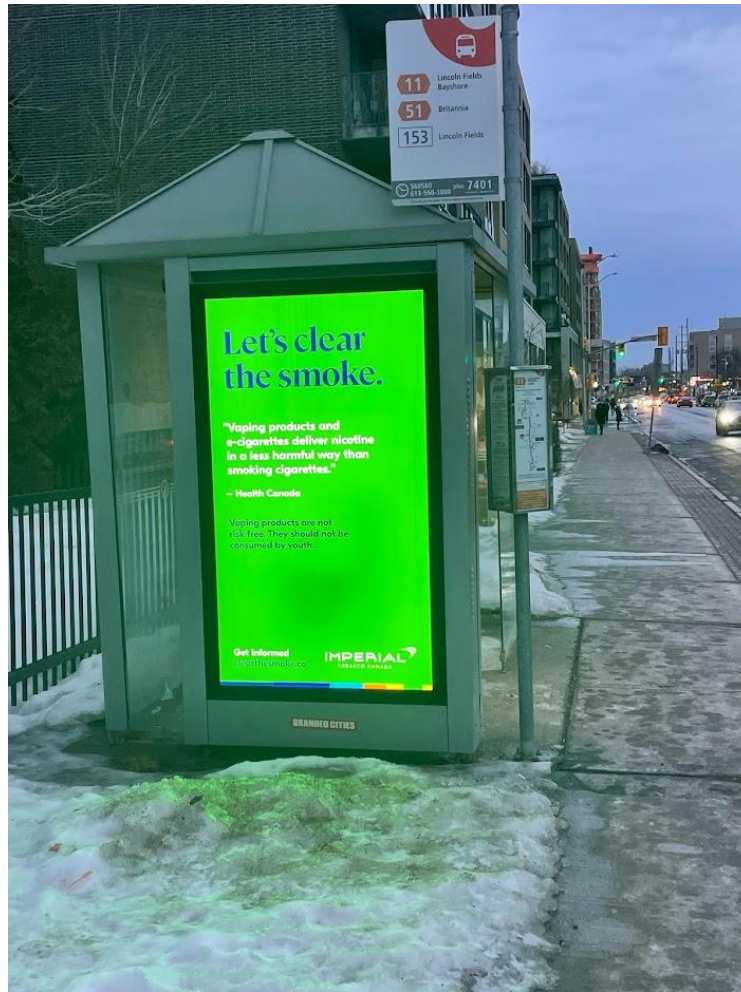


Tobacco in Canada

Addressing Knowledge Gaps Important to Tobacco Regulation
Environmental Scan – January to March 2022



Imperial Tobacco launches a health reassurance campaign for its vaping products.

March 31, 2022

Physicians *for a* Smoke-Free Canada

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I. FEDERAL GOVERNMENT ACTIVITIES

A) POLICY AND REGULATION

Regulatory and Policy developments:

- The final phase of plain packaging regulations came into force on February 6, 2022. As of that date, at retail all cigarette packages will have to be sold in the larger “slide and shell” format, as opposed to the smaller “flip-top” format. This larger package format makes the health warnings larger and thus more impactful, and also makes the packages less convenient to fit in a pocket.
- Health Canada initiated a consultation on the Legislative Review of the Tobacco and Vaping Products.¹ The consultation began on March 16, 2022 and closes on April 27, 2022. `
- Health Canada updated its Departmental Plan for 2022-23 (see box next page)²

PROGRAM ACTIVITIES

Health Canada’s advertising expenditures for 2020-2021 were made public. For the first time the amounts spent for each campaign were not identified. In 2020-2021 Health Canada spent \$2.5 million on all advertising. (The Public Health Agency spent \$65.4 million, but their campaigns did not include tobacco-related expenditures).

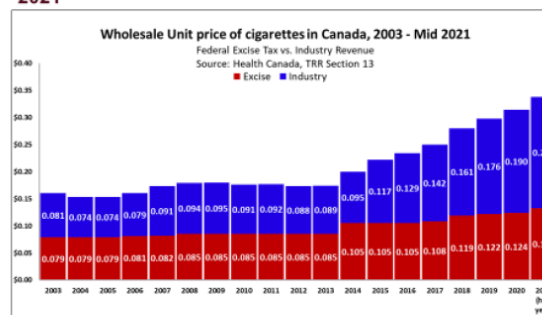
TAXATION

- On April 1, the federal tobacco tax inflationary increase came into effect (69.8 cents increase per carton as of 200 cigarettes and 43.634 cents per 100 grams of roll-your-own tobacco.)³

RESEARCH, MONITORING AND SURVEILLANCE

- The Quebec arm of the COMPASS survey finds that vaping rate has fallen in participating schools in that province – from 48% in 2019 to 38% in 2021. Reduced social interaction during the pandemic is credited with some of that progress.^{4 5}
- Results of the Rapid Response of CCHS for 2020 are released. Data shows that the drop in smoking prevalence made public in September was related to an increase in never smokers.⁶
- Health Canada releases data on average wholesale price of cigarettes in Canada (\$0.205 excluding federal tax in 2021 half year).

Wholesale Unit Price of Cigarettes in Canada, 2003-Mid 2021



1 Health Canada. Consultation on the Legislative Review of the Tobacco and Vaping Products Act, Consultation on the legislative review of the Tobacco and Vaping Products Act - Canada.ca

2 Health Canada. Departmental Plan 2022-23. <https://www.canada.ca/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2022-2023-report-plans-priorities.html>

3 Canada Revenue Agency. Excise Duty Rates. <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/edrates/excise-duty-rates.html>

4 La Presse. Moins de nouveaux jeunes vapoteurs pendant la pandémie <https://www.lapresse.ca/actualites/2022-02-23/etude/moins-de-nouveaux-jeunes-vapoteurs-pendant-la-pandemie.php>

5 Compass. Usage de la cigarette électronique chez les jeunes en temps de pandémie. https://uwaterloo.ca/compass-system/sites/ca.compass-system/files/uploads/files/rapport_cig_electronique_compass_02-2022.pdf

6 Physicians for a Smoke-Free Canada. Newly-released data shows quitting rates are stagnant -- and most vapers are not reducing harm <https://smoke-free-canada.blogspot.com/2022/03/newly-released-data-shows-smoking-rates.html>

Extract from:

Health Canada's Departmental Plan 2022- 23

Reducing tobacco use and responding to the increase in youth vaping

In 2022-23, Health Canada will take additional action to address the ongoing high rates of youth vaping, and continue to implement Canada's Tobacco Strategy – a modernized approach for successful tobacco control with the goal of achieving the target of less than 5% tobacco use by 2035. The Department will support the Minister of Health in conducting a review of the Tobacco and Vaping Products Act. This inaugural review will assess the operation of the Act and examine early evidence from its first three years to gauge the progress made towards achieving its stated vaping-related objectives. Additional reviews will follow every two years.

In cooperation with other F/P/T partners and key stakeholders, new or ongoing measures to address youth vaping will include:

- Ongoing work on the proposed Order Amending Schedules 2 and 3 to the Tobacco and Vaping Products Act (Flavours) and Standards for Vaping Products' Sensory Attributes Regulations that were pre-published in Canada Gazette Part I in June 2021;
- Proposing new regulations to amend the Tobacco (Access) Regulations to help further reduce youth access to vaping products, including via online sales;
- Proposing new regulations to require manufacturers and importers of vaping products to provide information on their products to Health Canada;
- Raising public education and awareness of the potential harms associated with vaping, particularly for youth;
- Monitoring national trends in vaping and smoking, particularly in youth and young adults, and conducting public opinion research to better understand youth use of vaping products and inform future regulatory and policy initiatives;
- Inspecting websites and social media where advertising or promotion of vaping products is



accessible to youth; inspecting retailers, manufacturers, and importers of vaping products and conducting product sampling and testing; and publishing the results of compliance and enforcement activities.

What's New?

To address the ongoing high rates of youth vaping and the health risks to all individuals, Health Canada will increase its efforts to reduce the appeal of and access to vaping products among young Canadians – including new regulatory proposals, public education, compliance and enforcement, and additional qualitative research and surveillance activities. The Department will continue to closely monitor and study

the use of tobacco and vaping products among youth and take additional actions as necessary.

In 2022-23, new or ongoing measures relating to tobacco will include:

- Proposing new regulations to update the health-related messages (including health warnings, health information, and toxicity information) that must be displayed on tobacco products;
- Exploring innovations to modernize the Pan-Canadian Quitline Initiative and developing voluntary smoking cessation standards for health care organizations, in collaboration and coordination with P/Ts and other stakeholders;
- Promoting compliance, and inspecting tobacco product retailers and manufacturers;
- Requiring tobacco manufacturers to pay for the cost of federal public health investments in tobacco control;
- Raising awareness of resources and services to help Canadians quit smoking through public education campaigns;
- Providing up to \$3.5 million for community organizations that undertake prevention, protection and/or cessation efforts vs. the use of tobacco and vaping products. Projects aim to: inform Canadians about cessation interventions for people who smoke and youth who vape; encourage and support attempts to quit; and address any information/knowledge gaps.

III. PROVINCIAL, MUNICIPAL AND OTHER ACTIVITIES

ALBERTA

- The Alberta budget reduced the tax on smokeless tobacco:
*“Tobacco Tax. Smokeless tobacco includes products that are consumed orally and are not smoked or heated, such as chewing tobacco. These products are currently taxed at the rate of 41.25 cents per gram, as part of a catch-all category that applies to several tobacco products. Alberta will move to introduce a separate category for smokeless products, similar to Saskatchewan. The tax rate for the new smokeless tobacco category will be set at 27.5 cents per gram to align with Alberta’s per cigarette tax rate. This will reduce the tax rate differential between Saskatchewan and Alberta, as well as the incentive for Albertans to purchase smokeless tobacco outside the province. This change will take effect on March 1, 2022 and is estimated to reduce revenue by \$10 million in 2022-23.”*⁷

BRITISH COLUMBIA

- B.C. Budget includes changes to tobacco taxes. As of July 1, 2022 the provincial PST will be charged in addition to tobacco tax.⁸
- New Westminster city council orders a review of smoking bylaws across the province.⁹

MANITOBA

- Manitoba announces increased investment in cessation support.¹⁰

NEW BRUNSWICK

- New Brunswick Court of Queen’s Bench rejects a request from vape store owners for an injunction to block the implementation of licence requirements.¹¹

NORTHWEST TERRITORIES

- NWT regulations banning flavours other than tobacco in e-liquids comes into effect on March 25, 2022.¹²

NUNAVUT

- A date for Nunavut’s revised tobacco act (Bill 57) to come into force was not set in this period.

ONTARIO

- France Gélinas introduces a private member’s bill Bill 85, Smoke-Free Ontario Amendment Act (Vaping is not for Kids), 2022.¹³ If adopted, the law would raise the minimum age for sale to 21, ban flavours other

7 Alberta 2022-25 Fiscal Plan (Budget 2022)
<https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/36771cab-bee0-44b5-99ad-a03d88da653c/download/budget-2022-fiscal-plan-2022-25.pdf>

8 B.C. Provincial budget tax changes
<https://www2.gov.bc.ca/gov/content/taxes/tax-changes/budget-changes>

9 New West to review smoking bylaws in B.C. municipalities New Westminster Record, Jan. 14, 2022

10 Government of Manitoba Press Release. Provincial Investment Extends Program to help More Manitobans Quit Smoking. February 22, 2022.
<https://news.gov.mb.ca/news/index.html?archive=&item=53479>

11 Global News. New Brunswick judge denies motion to lift ban on sale of flavoured e cigarettes. March 31, 2022
<https://globalnews.ca/news/8725371/nb-judge-denies-motion-lift-ban-flavoured-e-cigarettes/>

12 Northwest Territories Government. NWT Gazette. Tobacco and Vapour Products Control Regulations, amendment
https://www.justice.gov.nt.ca/en/files/northwest-territories-gazette/2022/02_2.pdf

13 Ontario Legislature. Bill 85, Smoke-Free Ontario Amendment Act (Vaping is not for Kids), 2022
<https://www.ola.org/en/legislative-business/bills/parliament-42/session-2/bill-85>

than tobacco, limit the sale of vaping products to specialty stores where children may not enter and allow taxes from vaping products to be dedicated to educational activities.

PRINCE EDWARD ISLAND

- In its budget tabled February 24, the PEI government announced increases to tobacco taxes and the introduction of a vaping tax.¹⁴ It proposes to spend \$527,300 on tobacco prevention and cessation efforts in 2022-2023, with additional expenditures on enforcement and addiction services.¹⁵ ON March 24, a bill was introduced which would increase tobacco taxes by \$4.00 per carton and \$12.48 for 100g of roll-your-own.¹⁶
- On March 24, 2022 PEI introduced a Vaping Products Tax Agreement, which would allow the province to enter into a tax agreement with the federal government over vaping taxes.¹⁷

QUEBEC

- Quebec theatre owners appeal a court ruling which rejected their request that a ban on smoking be seen as an unreasonable infringement of freedom of expression.¹⁸
- The ruling of the Quebec Court of Appeal on the province's restrictions on e-cigarette advertising¹⁹ is not appealed to the Supreme Court²⁰
- For the 8th year, Quebec introduces a budget that has no tobacco tax increases.²¹

SASKATCHEWAN

- Saskatchewan raised tobacco taxes by \$4.00 per carton of 200 cigarettes and \$8.00 per 100 grams of roll-your own, effective March 23, 2022. Government predicts this will raise revenue by \$12.1 million.²²

14 PEI. Budget Address 2022 <https://www.princeedwardisland.ca/en/information/budget-address-2022/>

15 PEI. h Estimates of Revenue and Expenditures 2022-2023 <https://www.princeedwardisland.ca/en/publication/estimates-of-revenue-and-expenditures-2022-2023>

16 Prince Edward Island. Bill 61. An Act to Amend the Tobacco Tax Act <https://docs.assembly.pe.ca/download/dms?objectId=9dcacba2-8fa1-4ff-d-aa5f-72e53ce11711&fileName=bill-61.pdf>

17 Bill 62, the Vaping Products Taxation Agreement Act,

18 Globe and Mail. Trio of Quebec theatres fighting for right to smoke on stage
Directeur des poursuites criminelles et pénales c. Théâtre du Trident inc. 2021 QCCQ 11956
<https://www.theglobeandmail.com/canada/article-trio-of-quebec-theatres-fighting-for-right-to-smoke-on-stage/>

19 Procureur général du Québec c. Gallant. 2021 QCCA 1701
<https://www.canlii.org/en/qc/qcca/doc/2021/2021qcca1701/2021qcca1701.html>

20 Association québécoise des vapoteries c. Association canadienne du vapotage. 2017 QCCA 1780

21 Press release. October 29, 2021. Règlements pour contrer l'attrait des cigarettes électroniques chez les jeunes : Parents, pédiatres, intervenants jeunesse et groupes de santé exaspérés par l'inaction du Québec

22 Saskatchewan. Press Release. March 23, 2022
<https://www.saskatchewan.ca/government/news-and-media/2022/march/23/budget-2022-23-saskatchewan-economy-and-budget-are-back-on-track>

IV. LITIGATION

- The Ontario court managing the CCAA proceedings of Canada's tobacco companies extended the litigation stay to September 30, 2022.²³ Documents filed in these proceedings provided an update on the revenues and expenditures of the companies.²⁴

Summary of Cash Flows Mid-March 2019 to Mid-March 2022 \$ MILLION				
	Imperial Tobacco <i>155 weeks</i>	Rothmans Benson & Hedges <i>150 Weeks</i>	JTI- Macdonald <i>153 Weeks</i>	Total
REVENUE				
Gross sales revenues (including excise taxes)	14,639	9,302	5,025	28,966
Government revenue (Excise, GST, PST and income taxes)	9,781	5,745	2,226	17,752
Industry revenue net of all taxes	4,859	4,204	2,798	11,861
EXPENDITURES				
Operating costs	2,592	1,405	955	4,952
• Leaf	<i>Not stated</i>	<i>50</i>	<i>17</i>	
• Salaries	<i>Not stated</i>	<i>306</i>	<i>222</i>	
• Advertising/Promotion	<i>Not stated</i>	<i>Not stated</i>	<i>332</i>	
Other costs	36	15	1150	1,201
Restructuring Fees	39.8	27	30	97
Total corporate costs	2,595	1,420	2,135	6,150
INCOME				
Net revenue	2,263	2,784	663	5,710
Opening available cash	305	1,708	154	2,167
Ending available cash	2,572	4,090	807	7,469

- New Brunswick Court of Queen's Bench rejects a request from vape store owners for an injunction to block the implementation of licence requirements.²⁵
- Canadian Vaping Association Go-Fund-Me campaign reaches \$307,176²⁶

V POLLING AND PUBLIC OPINION

- No federal consumer research was issued in this period.

²³ Ontario Superior Court. Stay Extension Order. March 22, 2022

²⁴ Physicians for a Smoke-Free Canada. Mediation to settle lawsuits with big tobacco is extended to 42 months. March 22, 2022 <https://smoke-free-canada.blogspot.com/2022/03/mediation-to-settle-lawsuits-with-big.html>

²⁵ Global News. New Brunswick judge denies motion to lift ban on sale of flavoured e cigarettes. March 31, 2022 <https://globalnews.ca/news/8725371/nb-judge-denies-motion-lift-ban-flavoured-e-cigarettes/>

²⁶ Go Fund Me. Canadian Vaping Association . <https://www.gofundme.com/f/help-us-defend-canadians-right-to-harm-reduction>

VI. SELECTED INTERNATIONAL ACTIVITIES

WORLD HEALTH ORGANIZATION

- The United Nations Environment Program and the World Health Organization (FCTC Secretariat) collaborate to raise awareness about the environmental and health impacts of microplastics in cigarette butts.²⁷
- WHO releases a report on a 2019 meeting on cigarette ventilation.²⁸
- WHO rejects the Canadian Medicigo vaccine on the basis that the company is partly owned by Philip Morris International.²⁹

WORLD TRADE ORGANIZATION

- The Technical Barriers to Trade committee of the WTO released an updated review of implementation of the TBT agreement, in which it was identified that Japan had raised concerns about Canada's capping of nicotine concentration with a short implementation time.³⁰

UNITED STATES

FDA Activities –

- Robert Califf is confirmed as FDA Commissioner (February 15, 2022)
- FDA signals its intention to soon ban menthol cigarettes.³¹
- FDA imposition of graphic health warnings is again postponed.³²
- The FDA review of applications to sell e-cigarettes remains uncompleted. Health organizations write the organization to urge action.³³
- The FDA granted marketing authorization to JTI Logic tobacco-flavoured devices, suspending decision on menthol flavour and rejecting other flavours.³⁴
- At the request of the Food and Drug Administration, the National Academies of Science Engineering and Medicine produced a report on the health effects of premium cigars.³⁵

FTC Activities

- The U.S. Federal Trade Commission released its first report on e-cigarette sales and advertising.³⁶

27 UN News. UN partnership aims to combat microplastics in cigarettes
<https://news.un.org/en/story/2022/02/1111072>

28 Report of the meeting to review the latest scientific evidence on the impact of cigarette ventilation on cigarette use

29 Weeks, C. WHO rejects Medicigo COVID-19 vaccine over Canadian company's ties to tobacco industry. *Globe and Mail*. March 24, 2022.
<https://www.theglobeandmail.com/canada/article-who-medicigo-covid-19-vaccine/>

30 WTO. Twenty-Seventh Annual Review of the Implementation and Operation of the TBT Agreement. March 2022.
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/TBT/47.pdf&Open=True>

31 FDA on Track to Take Actions to Address Tobacco-Related Health Disparities
<https://www.fda.gov/news-events/fda-voices/fda-track-take-actions-address-tobacco-related-health-disparities>

32 FDA. Cigarette Labeling and Health Warning Requirements
<https://www.fda.gov/tobacco-products/labeling-and-warning-statements-tobacco-products/cigarette-labeling-and-health-warning-requirements#a>

33 Letter to Mitch Zeller from American Academy of Pediatrics, Cancer Action Network, American Heart Association, American Lung Association, Campaign for Tobacco-Free Kids, Truth Initiative. January 14, 2022.
<https://www.lung.org/getmedia/ca8955bf-73ff-4898-aff1-088c4b7ef85e/letter-to-fda-re-need-for-action-on-flavored-products-1-14-22.pdf>

34 FDA Issues Decisions on Additional E-Cigarette Products. March 24, 2022.
<https://www.fda.gov/news-events/press-announcements/fda-issues-decisions-additional-e-cigarette-products>

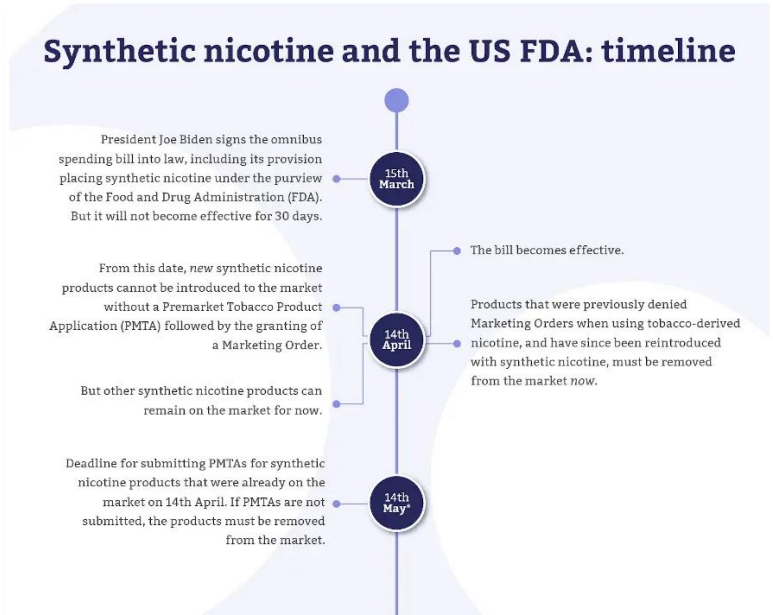
35 National Academies of Sciences, Engineering, and Medicine. 2022. Premium Cigars: Patterns of Use, Marketing, and Health Effects. Washington, DC: The National Academies Press. <https://doi.org/10.17226/26421>.

Congress

- Congress includes a ban on synthetic nicotine in a budget bill, which is signed into law on March 15.³⁷

Other

- California legislature receives a bill that would ban single-use cigarette filters, e-cigarettes and vape products. (AB 1690).³⁸



EUROPE

European Commission

- European Parliament approves the Beating Cancer Plan. The plan aims to reduce the number of smokers to less than 5% by 2040.³⁹

Belgium

- In response to comments by the European Commission on a proposed ban on disposable e-cigarettes, the Belgian health minister indicates that he will drop this element of their revised regulations, but intends to pursue it later.⁴⁰

Denmark

- The Danish Ministry of Health proposes health reforms which include a nicotine-free generation for those born after 2010.⁴¹

Finland

- A committee of Finland's legislature recommends changes to the proposed new law on vaping products.⁴²

36 U.S. FTC.E Cigarette Report 2015-2018.

https://www.ftc.gov/system/files/ftc_gov/pdf/E-Cigarette-Report-2015-2018.pdf

37 H.R. 2471, the "Consolidated Appropriations Act of 2022" <https://www.congress.gov/bill/117th-congress/house-bill/24711>

38 California Legislature. AB-1690 Tobacco products: single-use components. https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1690

39 European Parliament resolution of 16 February 2022 on strengthening Europe in the fight against cancer – towards a comprehensive and coordinated strategy https://www.europarl.europa.eu/doceo/document/TA-9-2022-0038_EN.html.

40 SudInfo. La Belgique veut interdire les mini-cigarettes électronique jetables. Mar 27, 2022

41 Denmark. Sundhedsministeriet. Health reform - Make Denmark healthier <https://sum.dk/publikationer/2022/marts/sundhedsreformen-goer-danmark-sundere>

42 Eduskunta.fi Committee report StVM 2/2022 vp HE 141/2021 vp https://www.eduskunta.fi/FI/vaski/Mietinto/Sivut/StVM_2+2022.aspx

France

- The French Haut Conseil de la santé publique makes public its revisions to guidance on the use of e-cigarettes for cessation.⁴³ “In particular, the HCSP stresses that evidence-based knowledge is insufficient to propose ENDS as smoking cessation aids in the management of smokers by health professionals.”

Hungary

- Hungary moves to address an administrative ruling that blocked plans to restrict the sale of e-cigarettes to state monopoly stores. The decision had ruled that compensation must be paid.⁴⁴ A decree was issued establishing a compensation procedure.⁴⁵

Iceland

- Iceland proposes legislative amendments to allow the restriction of vaping flavours.⁴⁶

Ireland

- Ireland holds pre-legislative hearings on a draft Public Health (Tobacco and Nicotine Inhaling Products) Bill. (This was first referred to Oireachtas in October 2019).

Italy

- A proposed increase on tax on vaping products (to €0.173719 per ml for nicotine-containing e-liquids) 47 was subsequently reduced to €0.13. This is a continuation of changes to Italy’s vaping tax policy.⁴⁸

Lithuania

- Lithuania adopts a ban on vaping flavours, effective July 1, 2022.^{49 50}

Netherlands

- EU court sides with Netherlands health organization in a challenge to the ISO method. Court rules that countries are not bound to accept the ISO measure.⁵¹

43 Haut Conseil de la Santé Publique. Avis relatif aux bénéfices-risques de la cigarette électronique <https://www.hcsp.fr/Explore.cgi/avisrapportsdomaine?clefr=1138>
<https://www.hcsp.fr/Explore.cgi/avisrapportsdomaine?clefr=1163>

44 Hungary. 3/2020. (1.3.) AB decision. <https://njt.hu/jogszabaly/2020-3-30-75>

45 Hungary 3/2022. (I. 7.) Government Decree on detailed rules for the compensation procedure for the retail sale of electronic cigarettes, refill bottles and electronic devices for imitating smoking. <https://njt.hu/jogszabaly/2022-3-20-22>

46 Lög um nikótínvörur, rafrettur og áfyllingar fyrir rafrettur. Consultation: : [https://samradsgatt.island.is/oll-mal/\\$Cases/Details/?id=3125&fbclid=IwAR3pHb3YtAPjKXIUfYQDxQd6xdQ_KLAHQoXcVF4pR0tRGaBlgKWcBlgpjGg](https://samradsgatt.island.is/oll-mal/$Cases/Details/?id=3125&fbclid=IwAR3pHb3YtAPjKXIUfYQDxQd6xdQ_KLAHQoXcVF4pR0tRGaBlgKWcBlgpjGg)
draft bill: [https://samradsgatt.island.is/Skrar/\\$Cases/GetCaseFile/?id=%7ba0a6239c-ac77-ec11-9bad-005056bcce7e%7d](https://samradsgatt.island.is/Skrar/$Cases/GetCaseFile/?id=%7ba0a6239c-ac77-ec11-9bad-005056bcce7e%7d)

47 Italy. Proposta emendativa 201.057. in V Commissione in sede referente riferita al C. 2790-bis
<http://documenti.camera.it/apps/emendamenti/getPropostaEmendativa.aspx?contenitorePortante=leg.18.eme.ac.2790-bis&tipoSeduta=1&sedeEsame=referente&urnTestoRiferimento=urn:leg:18:2790:bis:null:com:05:referente&dataSeduta=20201219&idP>
ropostaEmendativa=201.057.&position=20201219

48 Vaping 360. Italy Will Reduce E-Liquid Tax April 1st. <https://vaping360.com/vape-news/113815/italy-will-reduce-e-liquid-tax-april-1st/>

49 Transcript of the evening sitting No. 136 of the Seimas of the Republic of Lithuania
<https://e-seimas.lrs.lt/portal/legalAct/lt/TAK/141fadd0791411ecb2fe9975f8a9e52e?positionInSearchResults=0&searchModelUUID=1703cd40-d09b-4f94-b851-a825d6e8aca8>

50 Lithuania. Lietuvos Respublikos tabako, tabako gaminių ir su jais susijusių gaminių kontrolės įstatymo Nr. I-1143 9-2 straipsnio pakeitimo įstatymas
<https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/03e62b827a9311ecb2fe9975f8a9e52e?positionInSearchResults=13&searchModelUUID=610e0e7a-8bbf-4ce8-a525-494e14c0bd99>

51 Court of Justice of the European Union. PRESS RELEASE No 29/22 Filter cigarettes: the method which has been established by ISO for determining the maximum emission levels for tar, nicotine and carbon monoxide and to which EU law refers is valid and binding on

Northern Ireland

- Northern Ireland bans smoking in cars where children are present.⁵²

Norway

- Norway formally agrees to participate in the EEA Committee's decision to incorporate the new tobacco directive into the EEA agreement, as of February 4, 2022. This formalizes requirements for warnings on packaging.⁵³

Scotland

- Scotland launches a consultation on restricting the advertising and promotion of vaping products. There are proposals to restrict the advertising of these products on spaces such as billboards and bus shelters, and to limit promotional or sponsorship activities and the distribution of free or cut-price samples. The consultation runs to April 28, 2022.⁵⁴

Spain

- Spain proposes a "Comprehensive Plan for the prevention and control of smoking". Measures include a ban on flavours and monopoly control over sale of e-cigarettes. Proposals are under consultation until December 15th.⁵⁵

Sweden

- Sweden proposes for stricter regulation of nicotine products, including regulation of nicotine pouches and a ban on flavours in e-liquids. The proposed regulation would allow e-liquids on the market to remain until January 2023.^{56 57}

Switzerland

- Swiss referendum backs further restrictions on tobacco advertising.⁵⁸

Taiwan

- Taiwan's cabinet is reported to have approved draft legislation to amend the Tobacco Hazards Prevention Act (菸害防制法) to raise the minimum age for tobacco to 20 and to ban e-cigarettes.⁵⁹

cigarette manufacturers

<https://curia.europa.eu/jcms/upload/docs/application/pdf/2022-02/cp220029en.pdf>

52 Northern Ireland. Smoking and vaping regulations in Northern Ireland

<https://www.nidirect.gov.uk/articles/smoking-and-vaping-regulations-northern-ireland>

53 Regjeringen.no. Nytt tobakksdirektiv innlemmes i EØS-avtalen

<https://www.regjeringen.no/no/aktuelt/nytt-tobakksdirektiv-innlemmes-i-eos-avtalen/id2898709/>

54 Government of Scotland. Vaping products - tightening rules on advertising and promotion: consultation 2022

<https://www.gov.scot/publications/tightening-rules-advertising-promoting-vaping-products-consultation-paper-2022/>

55 Spanish News Today. https://spanishnewstoday.com/spain-considers-banning-smoking-in-cars_1694787-a.html

56 Swedish Ministry of Social Affairs. Stricter rules for tobacco-free nicotine products and e-liquids will strengthen the protection of

children and young people/Hårdare regler för tobaksfria nikotinprodukter och e-vätskor ska stärka skyddet av barn och unga

<https://www.regeringen.se/pressmeddelanden/2022/02/hardare-regler-for-tobaksfria-nikotinprodukter-och-e-vatskor-ska-starka-skyddet-av-barn-och-unga/>

57 Sweden. Draft legislation. Hårdare regler för nya nikotinprodukter. <https://data.riksdagen.se/fil/37DAC6B0-209F-4C3A-A528-E2499D118995>

58 Swissinfo. Swiss back further restrictions on tobacco advertising. February 13, 2022.

<https://www.swissinfo.ch/eng/politics/swiss-to-vote-on-protecting-children-from-tobacco-ads/47336990>

59 Focus Taiwan. Cabinet approves bill to raise legal smoking age to 20. January 13, 2022

<https://focustaiwan.tw/politics/202201130011>

Thailand

- It is reported that Thailand’s cabinet has approved a 5-year action plan for tobacco using FCTC-style measures.⁶⁰
- Thailand revamps its health warning messages. The new messages were made public in December 2021 and are required by April 11.^{61 62}



United Kingdom

- Legislation to require the UK government to impose a polluter pay tax on tobacco companies advanced to report stage in the House of Lords.⁶³
- The U.K. Department of Health and Social Care published the results of a consultation on the Tobacco and Related Products Regulations.⁶⁴ And also post-implementation reviews.^{65 66} It concluded: “The regulations were found to be fit for purpose and to be retained in their current format.”
- The U.K. launches an independent review to make recommendations on tobacco control.⁶⁷

OTHER REGIONS

Australia

- Australia issues a draft National Tobacco Strategy.⁶⁸ “This Strategy aims to achieve a national daily smoking prevalence of less than 10% by 2025 and 5% or less by 2030 in Australia, consistent with the commitments of the National Preventive Health Strategy and other countries which have announced plans and targets to eliminate tobacco.”

60 Bangkok Post. Cabinet passes Tobacco plan.
<https://www.bangkokpost.com/thailand/general/2265355/cabinet-passes-tobacco-planf>

61 The Thaiger. Thailand redesigns warning labels on cigarette packs showing extreme effects of smoking.
<https://thethaiger.com/news/thailand-redesigns-warning-labels-on-cigarette-packs-showing-extreme-effects-of-smoking>

62 Regulation. <https://www.tobaccocontrolaws.org/files/live/Thailand/Thailand%20-%20Notif.%20of%20P%26L%20Rules%202021%20-%20national.pdf>

63 U.K. Hansard. Health and Care Bill Volume 820: debated on Wednesday 16 March 2022
<https://hansard.parliament.uk/lords/2022-03-16/debates/4C817EAC-38E9-44EA-8B56-0BA0A095845D/HealthAndCareBill#contribution-8DE75179-9077-44C3-8F58-1C6AEC68100F>

64 UK. Department of Health and Social Care. Consultation outcome A consultation on the Tobacco and Related Products Regulations 2016 and the Standardised Packaging of Tobacco Products Regulations 2015
<https://www.gov.uk/government/consultations/tobacco-and-related-products-legislation-introduced-between-2015-to-2016-reviewing-effectiveness/consultation-on-the-tobacco-and-related-products-regulations-2016-and-the-standardised-packaging-of-tobacco-products-regulations-2015>

65 Department of Health and Social Care Post-Implementation Review of Tobacco Legislation The Standardised Packaging of Tobacco Products Regulations 2015
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063295/the-standardised-packaging-of-tobacco-products-regulations-2015-post-implementation-review-print-ready.pdf

66 Department of Health and Social Car Post-Implementation Review of Tobacco Legislation The Tobacco and Related Products Regulations 2016
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063225/the-tobacco-and-related-products-regulations-2016-post-implementation-review-print-ready.pdf

67 U.K. Department of Health and Social Care. Government launches landmark reviews to tackle health disparities, 4 Feb 2022
<https://www.gov.uk/government/news/government-launches-landmark-reviews-to-tackle-health-disparities#:~:text=The%20independent%20review%20into%20smoking,disparities%20associated%20with%20tobacco%20use.>

68 <https://www.health.gov.au/initiatives-and-programs/national-tobacco-strategy>
https://consultations.health.gov.au/atodb/national-tobacco-strategy-2022-2030/supporting_documents/Draft%20NTS%2020222030%20for%20consultaion%20hub.pdf

Cote d'Ivoire

- In January, the Ivorian Council of Ministers adopted two decrees against tobacco in Côte d'Ivoire. The first deals with the introduction of health warnings, packaging and labelling of tobacco products.⁶⁹ The second applies to the establishment of a tracking and tracing (T&T) system for tobacco.⁷⁰ This makes this country the first African nation to mandate plain packaging.

China

- China publishes draft regulations on mandatory national standards for electronic cigarettes.^{71 72} It proposes a ban on flavours other than tobacco. "4.3.1.1 Minors should not be induced, and the characteristic flavor of the product should not present other flavors than tobacco."

Egypt

- Egypt notifies the World Trade Organization of a decree setting standards for e-cigarettes,⁷³ likely paving the way for the legalization of e-cigarette sales in that country. (Ministerial Decree No. 516/2021 which includes the conformity with the latest version of the Egyptian Standard ES No. 8205-1 "General requirements for traditional cigarette alternatives - Part:1 Electronic Cigarettes - Electronic Liquid.")

Malaysia

- Malaysia's health minister, Khairy Jamaluddin indicates he intends to introduce legislation to ban tobacco sales to people born after 2005.⁷⁴

New Zealand

- New Zealand vaping regulations requiring notification take effect.⁷⁵

Philippines

- Philippines House of Representatives and Senate ratifies new e-cigarette law that will open the market despite concerns of President. Bill requires President Duterte's support. .

Turkey

- Turkey raised "special consumption tax" including tobacco taxes by almost 50%. Tax on a package of cigarettes is now about USD1.

69 Tobacco Free Kids, Press release. January 28, 2022. https://www.tobaccofreekids.org/press-releases/2022_01_28_plain-packaging-cote-d-ivoire

70 Ministry of Health Press release. Lutte Anti-tabac : le gouvernement institue un système de suivi, de tracabilité et de vérification fiscale des produits du tabac. 26 January 2022. https://www.gouv.ci/rss_actu_rss.php?recordID=13077

71 China. State Tobacco Monopoly Administration 关于第二次征求《电子烟》强制性国家标准（二次征求意见稿）意见的通知. Notice on the second solicitation of opinions on the mandatory national standards for "electronic cigarettes" (second solicitation draft)https://www.samr.gov.cn/bzjss/zqyj/202203/t20220311_340347.html

72 China. New Draft National Standard. <https://www.samr.gov.cn/bzjss/zqyj/202203/P020220311547163224057.pdf>

73 World Trade Organization. Notification G/TBT/N/EGY/314

74 Malay Mail. Khairy: Malaysia plans to ban sale of tobacco and other smoking products to those born after 2005. Jan 27, 2022 <https://www.malaymail.com/news/malaysia/2022/01/27/khairy-malaysia-plans-to-ban-sale-of-tobacco-and-other-smoking-products-to/2038061>

75 New Zealand Ministry of Health. Only notified vaping products permitted for sale from 11 February 2022 <https://www.health.govt.nz/our-work/regulation-health-and-disability-system/regulation-vaping-and-smokeless-tobacco-products#:~:text=From%2011%20February%2C%20all%20retailers,products%20and%20smokeless%20tobacco%20products.>

VII. CORPORATE AND MARKET DEVELOPMENTS

PUBLIC RELATIONS / INTERFERENCE/OTHER

International

- International respiratory societies respond to PMI's acquisition of Vectura by saying that it will not publish research published by employees of companies owned by the tobacco industry.⁷⁶
- BAT appoints a "Chief Medical Officer".⁷⁷
- BTOMORROW expands investments in filter company Philter Labs.⁷⁸
- BAT creates a biotech company KBIO to focus on plant-based technology.⁷⁹
- Investigative reporters add new details to BAT's management of the World Vapers Alliance.⁸⁰

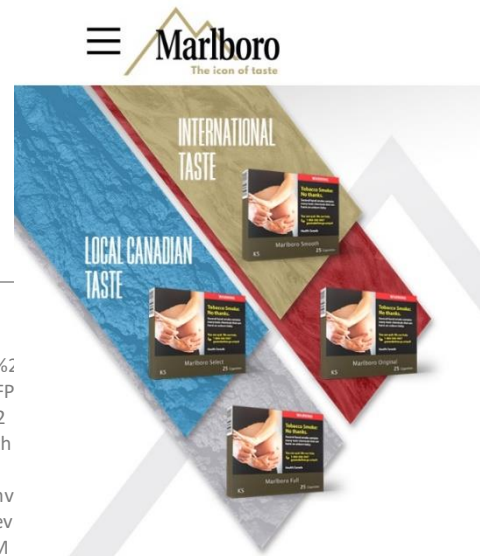
Canada

- In declaring its election expenses, Rights4Vapers disclosed that the chair of the Vaping Industry Trade Association contributed more than 95% of their campaign costs⁸¹
- Imperial Tobacco launches a "Clear the Smoke" promoting e-cigarettes as less harmful.⁸²
- The National Coalition Against Contraband Tobacco hires a former Deputy Commissioner of the Ontario Provincial Police, Rick Barnum as Executive Director.⁸³
- Companies maintain anti-regulatory campaigns, including #UNSMOKE, and FactsnotFear.⁸⁴
- UNSMOKE campaign of Rothmans, Benson and Hedges renews its granting program for cleanup projects.⁸⁵

MARKETING

International

- Philip Morris ends its sponsorship of the Ferrari F1 team.⁸⁶



76 Nature. Tobacco publishing ban for researchers at industry-owned firms

<https://www.nature.com/articles/d41586-022-00197-1#:~:text=A%20group%20of%20international%20respiratory,inhalers%20by%20a%20>

77 British American Tobacco. BAT has appointed Dr. Senthil Vel, MBBS MBA MFPM FFP

https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOCBPKM2

78 Philter Labs Announces Follow-On Investment by Btomorrow Ventures, The growth

expansion of R&D

<https://www.prnewswire.com/news-releases/philter-labs-announces-follow-on-inv>

79 BAT Press release. Jan 7, 2022 BAT creates biotech company KBio to accelerate dev

https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOCAEN9M

80 Daily Beast. Guess Who's Secretly Backing This 'Anti-Smoking' Vape Group. January 9, 2022

<https://www.thedailybeast.com/world-vapers-alliance-slams-cigarettes-big-british-american-tobacco-is-secretly-behind-it>

81 Elections Canada Third Party Financial Returns for the 44th General Election

<https://www.elections.ca/content.aspx?section=fin&dir=oth/thi/advert/tp44&document=index&lang=e>

82 Physicians for a Smoke-Free Canada. Clear the Smoke': Imperial Tobacco launches an illegal health-reassurance ad campaign. February

24, 2022. <https://smoke-free-canada.blogspot.com/2022/02/imperial-tobaccos-clear-smoke-campaign.html>

83 NCACT. Former Deputy OPP Commissioner Becomes NCACT Executive Director. <https://www.newswire.ca/news-releases/former-deputy-opp-commissioner-becomes-ncact-executive-director-873713714.html>

84 www.factsnotfear.ca; <https://www.unsmoke.ca/>

85 Rothmans, Benson and Hedges. Unsmoke Canada and The Great Outdoors Fund Expand Grant Program to Tackle Litter in Communities

Across Canada. <https://www.newswire.ca/news-releases/unsmoke-canada-and-the-great-outdoors-fund-expand-grant-program-to-tackle-litter-in-communities-across-canada-826011547.html>

86 GrandPRix. Ferrari's tobacco sponsorship definitely over. February 9, 2022

<https://www.grandprix.com/news/ferraris-tobacco-sponsorship-definitely-over.html>

Canada

- Imperial Tobacco expands its Marlboro brand to include blended and Virginia tobacco.



355 Queen St W, Toronto, ON M5V 2A4



West Edmonton Mall

- Imperial Tobacco Canada reported that it currently operated 4 VUSE specialty stores and that it anticipates opening eight additional VUSE stores across Canada by the end of the year.⁸⁷
- RBH expands VEEV e-cigarettes to 3 other provinces: Alberta (1941 stores), British Columbia (1700 stores), Ontario (3163 stores) and Quebec (3677) stores.⁸⁸



1 Bass Pro Mills Dr Vaughan Mills

INTELLECTUAL PROPERTY⁸⁹

During this period BAT (Nicoventures) registered the following trademarks: Vuse GO XL (2174079), VUSE GO PRO (2172945), VUSE GO Extra (2172906), VUSE MAKE IT TRULY YOURS (2167674), VUSE ZONE (2162197), and new flavour designs: Mountain Mint (2w169803), Spearmint (2169795) Mint Medley (2169779), XL Embassy Device (2150010), ExtraOrdinary (2114087)

Philip Morris registered the following trademarks: VEEBA, logo and design (2175110, 2163391, 2163389), Black Yellow (2161152), Terea Coral Pearl (2161983)

OTHER

- British American Tobacco launched a new biotech company, KBio Holdings Limited. ⁹⁰
- As a result of the invasion of Ukraine, BAT and Philip Morris announced their withdrawal from Russia ^{91 92}
- TAAT announces that it will sell “heat not burn” products. ⁹³
- PODA announces that it has acquired equipment and will manufacture in Canada. ⁹⁴

⁸⁷ www.veev-vape.com/ca/store-locator/en

⁸⁸ RBH Press Release. Rothmans, Benson & Hedges Launches New Smoke-Free Product in Push to Lead a New Era of Responsible Vaping <https://www.newswire.ca/news-releases/rothmans-benson-amp-hedges-launches-new-smoke-free-product-in-push-to-lead-a-new-era-of-responsible-vaping-809425816.html>. www.veev-vape.com

⁸⁹ See Canadian Trademark Database. <https://www.ic.gc.ca/app/opic-cipo/trdmrks/srch/home>

⁹⁰ BAT News Release. BAT creates biotech company KBio to accelerate development of existing plant-based technology. 7 January 2022 https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOCAEN9M

⁹¹ PMI Press release. Philip Morris International Inc. (PMI) Announces Concrete Steps to Scale Down Operations in the Russian Federation and Its Intention to Exit the Market. March 24, 2022 <https://www.pmi.com/media-center/press-releases/press-details/?newsId=25011>

⁹² BAT. Russia business update and revised guidance. March 11, 2022 https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOCCEKV9

⁹³ Taat Global. TAAT™ is planning to launch a heat-not-burn offering in the United States, which is to consist of heatable TAAT™ sticks in Original, Smooth, and Menthol flavours, as well as a white-labelled heat-not-burn device that is reverse-compatible with competitors' heated tobacco sticks. <https://taatglobal.com/blogs/feb-22-pr/taat%E2%84%A2-begins-development-of-a-heat-not-burn-offering-with-a-u-s-subsi-dary-of-shanghai-shunho-new-materials-technology#:~:text=TAAT%E2%84%A2%20is%20planning%20to,with%20competitors%20heated%20tobacco%20sticks.>

⁹⁴ PODA holdings. PODA Acquires Manufacturing Equipment and IP. March 11, 2022. <https://poda-holdings.com/wp-content/uploads/2022/03/2022-03-11-PODA-Acquires-Manufacturing-Equipment-and-IP.pdf>