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Health Panel
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear LegCo Health Panel Chairman,

**Views on the proposal to amend the graphic health warnings on
packets and retail containers of tobacco products**

Philip Morris Asia Limited ("PMAL") appreciates the opportunity to provide our views on the proposal to amend the health warnings on packets and retail containers of tobacco products.

PMAL recognizes the need for the Government to revisit and revise the relevant tobacco control regulation with an aim to reduce the harm caused by cigarette smoking. We believe there are much more effective ways to achieve this than the proposal to amend the health warnings on packets and retail containers of tobacco products being put forward by the Government.

International experience does not support the proposition that increasing the size of health warnings will have a public health benefit. In Thailand, the first country to increase the health warnings size to 85%, the early evidence appears to show the opposite. Cigarette consumption in Thailand continues to increase. In fact, in the first quarter of 2015 (with 85% health warnings) retail cigarette sales increased by 281 million sticks compared to the first quarter of 2014 (with 55% health warnings).

This experience is in line with a 2012 United States court decision which addressed the potential impact on smoking prevalence of health warnings covering 50% of the front and back panels of cigarette packs.¹ Even the US Food and Drug Administration (FDA), which proposed the warnings in question, predicted that increasing health warnings to 50% of the front and back of tobacco packs from the current side panel text warning would have an effect of only 0.088%, which the FDA admitted was "*not statistically distinguishable from zero.*"²

¹ *R.J. Reynolds et al. v. FDA*, No. 11-5332 (D.C. Cir. Aug. 24, 2012), available at [http://www.cadc.uscourts.gov/internet/opinions.nsf/4C0311C78EB11C5785257A64004EBFB5/\\$file/11-5332-1391191.pdf](http://www.cadc.uscourts.gov/internet/opinions.nsf/4C0311C78EB11C5785257A64004EBFB5/$file/11-5332-1391191.pdf).

² *Ibid.*

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Canada has required 50% health warnings on the front and back of cigarette packs from 2000, and 75% since 2012. Despite these much stricter requirements than in the United States, in 2014 smoking rates in Canada remained **above** the United States, and smoking prevalence in Canada has fallen no faster than in the United States³.

Having deliberated over a significant period of time, the European Parliament issued a Directive in 2014 that strikes a sensible balance between the need to communicate to consumers about the health risks of smoking whilst allowing product manufacturers sufficient pack space to display trademarks. In terms of international experience on this matter, DIRECTIVE 2014/40/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (usually referred to as the EU Tobacco Product Directive or the "EU TPD") is a more balanced position than any arbitrary call to increase health warnings to as large a size as possible. Under the EU TPD:

1. Smoked tobacco products carry a combined (graphic and text) health warning covering 65% of both front and back of the pack, an information message comprising 50% of one side of the pack, and a general warning comprising 50% of the other side of the pack;
2. Member States may exempt smoked tobacco products (other than cigarettes, roll-your-own tobacco and waterpipe tobacco) from the combined health warnings and the information message. Exempted products carry the general warning covering 30% of the most visible surface, and a text warning covering 40% of the next most visible surface; and
3. Tobacco packaging and labelling must not include any information about nicotine, tar or carbon monoxide content of the product.

PMAL recognises the health effects caused by combustible cigarettes, and the best way to avoid the harms of smoking is never to start, or to quit. The smoking incidence in Hong Kong is one of the lowest in the world at about 10%. The introduction of the health warning labels and subsequent size increases has not changed this percentage significantly in the last 10 years. PMAL believes it is time for the Government to consider other avenues to complement the effort, ones that have the potential to address the individual risks and population harm caused by cigarette smoking.

Technological innovation is transforming the tobacco industry with a wide range of non-combustible tobacco products that have been scientifically proven to significantly reduce health risks compared to continued smoking.

In addition to these non-combustible tobacco products, there has been major advancements in evidence to support e-cigarettes and nicotine replacement therapies (NRT's). Earlier this month, Cancer Research UK issued a press release⁴ on research funded by them on long term use of e-cigarettes. Dr Lion Shahab, senior lecturer in the department of epidemiology and public health at University College London, and lead author of the publication, said: "Our study adds to existing evidence showing that e-cigarettes and NRT are far safer than smoking, and suggests that there is a very low risk associated with their long-term use."

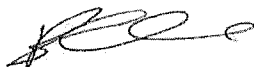
³OECD (2017), Daily smokers (indicator): <https://data.oecd.org/healthrisk/daily-smokers.htm>

⁴ <http://www.cancerresearchuk.org/about-us/cancer-news/press-release/2017-02-06-e-cigarettes-safer-than-smoking-says-long-term-study>

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We strongly believe that if regulated appropriately, i.e. prohibition on sales to minors, restrictions on advertising and marketing, etc. these alternatives to cigarettes have a significant role to play in making Hong Kong smoke-free. Philip Morris International has been, and will continue to be, a driving force in this transformation. Our ambition is to lead a full-scale effort to ensure that non-combustible products ultimately replace cigarettes to the benefit of adult smokers and society.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Brett Cooper', with a stylized flourish at the end.

Brett Cooper