

30th June 2015

Pierre Moscovici
Economic and Financial Affairs, Taxation and Customs
European Commission

Re: Your participation in the Eurasia Tax Forum, 30 June-2 July 2015

Dear Commissioner Moscovici,

I am writing to you as a member of the European Parliament, former Shadow Rapporteur on the Tobacco Products Directive and Rapporteur on the Protocol to Eliminate Illicit Trade in Tobacco Products to draw to your attention my concerns related to Commission participation to the Eurasia Tax Forum 2015 organised by the International Tax and Investment Center (ITIC)¹ in Brussels, tomorrow the 1st July 2015.

The European Union as a Party to the WHO Framework Convention on Tobacco Control (FCTC) is legally bound to protect its policies from the commercial and vested interests of the tobacco industry. The guidelines to Article 6 of the WHO FCTC on tobacco taxation clearly state that tax policies are included in the obligations set out in Article 5.3.² The ITIC is an organisation funded and steered by the tobacco industry, indeed four of the major transnational tobacco companies (PMI, BAT, JTI, and ITG) are listed as sponsors³ and three of them are listed as represented on the Board of Directors⁴ of ITIC.

Since its establishment, ITIC has produced many publications on areas related to tobacco taxes and prices, investment and illicit trade in tobacco products and attempted to weaken the provisions of the Guidelines on article 6 of the FCTC⁵, as well as those of the current Tobacco Tax Directive⁶ and Tobacco Products Directive⁷. There is further

¹ <http://www.iticnet.org/images/ETF2015webagenda.pdf> (agenda last accessed 12 May 2015)

² [Guidelines for the implementation of Article 6 of the FCTC](#) (last accessed 18 May 2015)

³ http://iticnet.org/Sponsors_Roster (last accessed 13 May 2015)

⁴ http://iticnet.org/Sponsors_BoardOfDirectors (last accessed 13 May 2015)

⁵ For example, see <http://www.iticnet.org/file/document/watch/3835>

⁶ For example, see “The Illicit trade on Tobacco Products and How to Combat it, 2011, <http://iticnet.org/file/document/download/2759> (last accessed 13 May 2015);

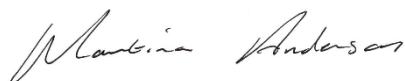
evidence of a long history of ITIC activities on behalf of the tobacco industry documented by researchers on the Tobacco Tactics site⁸. This history was also referred to in a *Note Verbale* by the FCTC Secretariat ahead of the Sixth Conference of the Parties for the FCTC in Moscow⁹, discouraging Parties from attending ITIC-sponsored events. Recently, concerns about the role played by the tobacco industry in ITIC led to the withdrawal of the World Bank from the ITIC-sponsored 2015 Asia-Pacific Tax Forum¹⁰. Finally, in a statement of 16 May 2015, the WHO urged all governments to “*follow a non-engagement policy with ITIC*”.¹¹

Recommendation 2.1 of the guidelines to Article 5.3 of the WHO FCTC specifically states that “*Parties should interact with the tobacco industry only when and to the extent strictly necessary to enable them to effectively regulate the tobacco industry and tobacco products*”. The participation of the European Commission in such a conference is not “strictly necessary”. DG TAXUD has already had a stakeholder consultation on 28 May 2015, which gave ample opportunity for the tobacco industry to make its voice heard on the subject of tobacco taxation.

To my knowledge Mr Heinz Zourek, Director General for Tax and Customs Union, will be attending the Forum. I urge you, as European Commissioner in the area of taxation, to encourage Mr Zourek and other colleagues in the Commission to withdraw from the Eurasia Tax Forum. This would send a very strong signal to the health community worldwide that the EU is taking its legal obligations under the FCTC seriously.

I look forward to your response.

Yours sincerely,



Martina Anderson MEP

⁷ ITIC presentation to Kangaroo Group Meeting on 30 May 2011, <http://iticnet.org/file/document/download/2839> (last accessed 13 May 2015); and http://www.tobaccojournal.com/ITIC_warns_on_growing_illicit_tobacco_trade.50570.0.html

⁸ http://www.tobaccotactics.org/index.php/International_Tax_and_Investment_Center (last accessed 13 May 2015)

⁹ CSF/NB/14/25, as distributed in hard copy to all Delegations at COP5, Moscow, November 2014

¹⁰ <http://timesofindia.indiatimes.com/india/World-Bank-exits-event-funded-by-tobacco-companies/articleshow/47127313.cms> (last accessed 13 May 2015)

¹¹ <http://www.theguardian.com/business/2015/may/16/uk-tax-chief-smoking-health-dave-hartnett-tobacco-hmrc> (last accessed 18 May 2015)