

# Combating illicit trade in tobacco products: Statement by Commissioner Andriukaitis on the EU's adoption of an EU-wide track and trace system

*Today the EU has taken a big step forward in combatting the illicit trade in tobacco products. The new EU-wide track and trace system adopted today will ensure that tobacco products in the EU are easily traceable with a [unique identifier](#) for each product. In addition, we are also making sure that tobacco products meet specific security requirements, with at least five types of authentication elements required per packet.*

*The track and trace system and the security requirements should be in place **by 20 May 2019** for cigarettes and roll-your-own tobacco and **by 20 May 2024** for all other tobacco products (such as cigars, cigarillos and smokeless tobacco products).*

*Tobacco still remains the biggest avoidable cause of premature death in the EU, and the illicit trade in tobacco facilitates access to cigarettes and other tobacco products, including for children and young adults. In addition, millions of euros in tax revenues are lost every year as a result of the illicit trade. I am confident that these measures will improve public health and deliver significant economic benefits for the EU and its citizens.*

## **Background**

The [Tobacco Products Directive \(2014/40/EU\)](#) provides for the establishment of an **EU-wide track and trace system** for the legal supply chain of tobacco products and a system of **security features** to help citizens and authorities detect illicit products.

The legal acts adopted today lay out the measures that must be taken by EU Member States and economic operators in order to establish and operate a traceability system for tobacco products, ensuring that all packets of tobacco produced in, destined for, or placed on the EU market, are marked with a unique identifier. They also set out the requirements for the obligatory security features to be applied to tobacco products.

The legal acts adopted today are in line with the [Framework Convention on Tobacco Control \(FCTC\) Protocol to Eliminate Illicit Trade in Tobacco Products](#), which the EU ratified in 2016.

## **More information**

[1] <http://www.who.int/fctc/protocol/en/>

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## Netherlands: EIB finances OMO association's sustainable buildings

Today in Tilburg, the European Investment Bank (EIB) signed a financing agreement with the Ons Middelbaar Onderwijs (OMO) association. The EUR 60 million financing will enable OMO to undertake the sustainable refurbishment or new construction of a number of schools in the province of North Brabant.

In the coming years various new construction sites will be launched. In addition, individual school buildings will have to be refurbished and/or enlarged in the short term. In both the new construction and refurbishment works OMO will pay great attention to nearly zero-neutral public building requirements, such as energy efficiency and the creation of a healthy indoor environment.

“This is the first time that we support secondary education in the Netherlands” said EIB Vice-President **Pim van Ballekom**. “Having modern and adequate buildings stands in direct relation to students’ learning performance and the Bank is very happy to be able to contribute to the creation of good facilities in which students can prepare for their future. For the EIB, energy efficiency is an important part of the fight against climate change and the buildings’ expected performance was therefore one of the decisive factors in granting the loan.”

OMO’s CEO **Eugène Bernard** added: “Providing good education for our students – that is what drives us. And for that we need good facilities. In all our school buildings, we strive to ensure sustainability. Refurbishment and new construction projects like these require very substantial investment, so this loan is vital.”

Because the EIB is a not-for-profit European institution it is frequently able to offer lower interest rates and longer maturities than those found in traditional financing. In OMO’s case the loan has a maturity of 15 years.

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## ESMA updates its CSDR Q&A

The CSDR Q&As provide common answers to question regarding practical issues on the implementation of the new CSDR regime. The new Q&As cover updates on organisational requirements regarding membership of user committee and record keeping requirements in respect of settlement banks.

Q&As are an important tool to promote common supervisory approaches and

practices in the application of CSDR The content of this document is aimed at competent authorities under the Regulation to ensure that in their supervisory activities, their actions are converging along the lines of the responses adopted by ESMA. It should also help investors and other market participants by providing clarity on the CSDR requirements.

The aim of CSDR is to harmonise certain aspects of the settlement cycle and settlement discipline and to provide a set of common requirements for CSDs operating securities settlement systems across the EU.

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## **ESMA updates MAR Q&As**

The Q&A clarifies the time span for the calculation of the CO2 equivalent emissions and rated thermal input that should be considered to determine whether a participant in the emission allowance market is subject to MAR.

This Q&A document is a practical tool to promote common supervisory approaches and practices in the application of MAR and its implementing measures. ESMA will periodically review these Q&A and update them where required.

MAR is intended to guarantee the integrity of European financial markets and increase investor confidence. Any unlawful behaviour in the financial markets is prohibited. The concept of market abuse typically consists of insider dealing, unlawful disclosure of inside information, and market manipulation.

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