

## **Appendix 1. EU T&T Policy Background**

### **The Tobacco Products Directive Revision (2014) (TPD)**

In 2009, the European Commission began a review of the 2001 Tobacco Products Directive (which aimed to strengthen EU legislation around the manufacture, presentation, and sale of tobacco products<sup>1</sup>) to update it given new developments including the EU's signing of the Framework Convention on Tobacco Control (FCTC). The 2014 Tobacco Products Directive (TPD) was adopted in April 2014 and became applicable in EU Member States on 20 May 2016.

The TPD stated that a T&T system should be developed at the EU-level and used by Member States, with a deadline of May 2019 for cigarettes and roll-your-own tobacco.<sup>2</sup> This system was required to include marking tobacco products with a non-removable identification marking, known as a unique identifier, both visible and invisible security features and the recording, transmitting, and storing of data in an accessible location.<sup>2</sup>

### **Timeline of EU Track & Trace (T&T) policy developments:**

The European Commission played a key role in operationalising the TPD, which included the following steps:

2015: Feasibility Assessment released<sup>3</sup> and an implementation analysis commissioned.<sup>4</sup>

May 2015: Stakeholder consultation.<sup>5</sup>

July 2016: Public consultation begins<sup>6</sup> and inception impact assessment is released.<sup>7</sup>

September 2017: Publication of draft secondary legislation with 4 week public consultation to collect feedback.<sup>6</sup>

December 2017: Adoption of implementing and delegated regulations that provide the technical standards for the system.<sup>8,9</sup> To ensure that T&T is executed and implemented uniformly across the EU, each Member State's national authorities are required to implement a system based on these requirements, with the Commission monitoring compliance.

April 2018: Release of finalised implementation analysis.<sup>4</sup>

May 2019: T&T became operational in the EU.<sup>10</sup>

<b>Appendix 2. Sector coding</b>	
Governmental organisation	Organisations which form part of a government.
Health advocacy	Groups aiming to promote health by influencing decisions within political, socio-economic, and social systems and institutions.
Marketing agency	Organisations hired to organise and provide advertising, promotion and marketing for their clients.
Non-manufacturing tobacco-related company	Organisations whose business involves tobacco-related trade other than manufacturing e.g. retail, wholesale, packaging.
Non-manufacturing tobacco-related company trade association	Organisations that represents tobacco-related trades not related to manufacturing e.g. retail, wholesale, packaging.
Other corporation	Organisations that operate across various sectors which don't match any of the other sector definitions.
Other trade association	Organisations representing trades not captured by the other categories of trade association.
Research agency	Organisations offering market research services to clients.
Technology supplier	Vendors which sell technological goods or services.

Think tank	Bodies of experts providing advice and ideas on specific political or economic issues.
Tobacco distributor (non-retail)	Non-retail organisations that distribute tobacco.
Tobacco manufacturer	Corporations who business practices include the manufacture of tobacco for sale.
Tobacco manufacturer's trade association	Organisations founded by/representing businesses involved in the manufacturing of tobacco products.
Academia	Higher-level educational institutions where academic research is produced and students study for degrees.

<b>Appendix 3. Investigative process for identifying respondent's financial links to the tobacco industry</b>	
<b>Process</b>	<b>Description</b>
Source	Check consultation submission for any acknowledgement of financial links.
EU Transparency Register / Lobbyfacts database	Check if the respondent has an EU Transparency register entry and, if so, if any financial links are disclosed within. <a href="http://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&amp;reset=">http://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&amp;reset=</a> ( <a href="https://lobbyfacts.eu/">https://lobbyfacts.eu/</a> )
Previous research	Check relevant pre-existing research for evidence of respondent's financial links.
Companies House	If the respondent operates in the UK, check their Companies House entry for financial links. <a href="https://beta.companieshouse.gov.uk/?_ga=2.10729020.905773240.1570545004-1359591257.1559432777">https://beta.companieshouse.gov.uk/?_ga=2.10729020.905773240.1570545004-1359591257.1559432777</a> )
Corporate monitoring databases	Search TobaccoTactics.org ( <a href="https://www.tobaccotactics.org/index.php?title=Main_Page">https://www.tobaccotactics.org/index.php?title=Main_Page</a> ), Sourcewatch ( <a href="https://www.sourcewatch.org/index.php?title=SourceWatch">https://www.sourcewatch.org/index.php?title=SourceWatch</a> ), Spinwatch ( <a href="http://spinwatch.org/">http://spinwatch.org/</a> ) and Powerbase ( <a href="http://powerbase.info/index.php/Main_Page">http://powerbase.info/index.php/Main_Page</a> ) for information on the respondent and their financial links.
Legacy Library	Search for the respondent in the legacy library of historic tobacco industry documents. ( <a href="https://www.industrydocuments.ucsf.edu/tobacco/">https://www.industrydocuments.ucsf.edu/tobacco/</a> )

Respondent's website / historic website data	Search for TTCs- British American Tobacco (BAT), Japan Tobacco International (JTI) Philip Morris International (PMI), Imperial Tobacco (now Imperial Brands) (IT) and key terminology (e.g. 'track and trace') and search for a membership list where applicable. WayBack Machine can be used to search older versions of certain webpages.
Who.is	Enter the respondent's website (if applicable) into Who.is to receive information on domain and IP ownership, which may indicate a financial link. <a href="https://who.is/">(https://who.is/)</a>
TTC websites	Search for the respondent on BAT, PMI, JTI and IB's websites.
Google	Search for the respondent and key terminology.*
Respondent's social media	Search the respondent's 50 most recent Twitter and/or Facebook posts (where applicable) using key terminology.
Email confirmation	If there is a perceived likelihood or possibility of a financial link, if possible, email the respondent for confirmation.**

*\*Google settings were set to show 100 results per page. Page titles and extracts were read and opened if potentially relevant. This process was followed until search results were exhausted or 500 results had been viewed.*

*\*\*9 respondents were emailed, none of whom responded.*

<b>Appendix 4. Definitions for financial link and transparency coding</b>	
Type of link	Definition
Indirect link	Respondent has been indirectly paid by tobacco manufacturers (e.g. parent company of an organisation with financial links)
Industry supply chain	Respondent is part of the tobacco supply chain, including tobacco farmers, processors, wholesalers, exporters, and retailers (but excluding tobacco manufacturers).
Membership fees (company)	A tobacco company is a corporate member of the respondent.*
Membership fees (tobacco trade associations)	A tobacco trade association is a member of the respondent.*
No apparent connection identified	No apparent relationship between the respondent and the tobacco industry was identified.
Other TTC client	Respondent has been commissioned by a tobacco company for services not captured by other sectors (e.g. legal, public relations, and consultancy).
Research funding	Respondent has received funding from a tobacco company to conduct research.
Technology supplier	A non-government respondent which provides technology used on tobacco products.
Tobacco company	Respondent is a tobacco manufacturer.
Tobacco industry association	Respondent is an association representing interests of tobacco manufacturers.
Unknown	Insufficient information is available to determine whether respondent has a financial link to the tobacco industry.

Transparency of link (if found)	
Somewhat or fully transparent	There was a declaration in the consultation submission (or a link to a website featuring such a declaration) of one or more of the above financial links to the tobacco industry*
Not transparent	There was no declaration in the consultation submission (or link to a website containing a declaration) of any of the above financial links to the tobacco industry but a financial link was identified during the investigative process.

*\*It is assumed that membership is fee-based.*

*\*\*This definition does not indicate that a respondent was fully-transparent e.g. they may have disclosed that they represent tobacco manufacturers yet did not disclose which ones.*



<b>Appendix 5: Geography of respondents</b>		
Country	Total number of respondents	Number of respondents with financial link to the tobacco industry
Austria	3	3
Belgium	15	9
Bulgaria	2	1
Cyprus	1	1
Czech Republic	6	4
Denmark	8	4
Finland	3	2
France	11	7
Germany	17	13
Greece	15	12
Hungary	2	1
Italy	7	3
Latvia	4	2
Lithuania	2	0
Malta	1	1
Netherlands	7	6
Norway	1	0
Poland	20	11
Portugal	3	0
Republic of Ireland	6	6
Romania	3	3
Slovakia	1	1
Slovenia	1	0
Spain	19	15
Sweden	7	5
Switzerland	8	7
Ukraine	1	1
United Kingdom	23	12
United States	2	1

<b>Appendix 6. Sector, number and percentage of respondents with tobacco industry financial links</b>		
Sector	Total: number (percentage)	With financial link to tobacco industry: number (percentage)
Governmental organisation	13 (6.5%)	0 (0%)
Health advocacy	29 (14.7%)	0 (0%)
Marketing agency	1 (0.5%)	1 (0.5%)
Non-manufacturing tobacco-related company	15 (7.6%)	15 (7.6%)
Non-manufacturing tobacco-related company trade association	28 (14.2%)	28 (14.2%)
Other corporation	1 (0.5%)	1 (0.5%)
Other trade association	13 (6.5%)	0 (0%)
Research agency	1 (0.5%)	1 (0.5%)
Technology supplier	18 (9.1%)	14 (7%)
Think tank	1 (0.5%)	0 (0%)
Tobacco distributor (non-retail)	7 (3.5%)	7 (3.5%)
Tobacco manufacturer	14 (7%)	14 (7%)
Tobacco manufacturer's trade association	44 (22.3%)	44 (22.3%)

Tobacco retailer	6 (3%)	6 (3%)
Academia	3 (1.5%)	0 (0%)
Unknown	3 (1.5%)	0 (0%)
<b>Total</b>	<b>197 (100%)</b>	<b>131 (66.4%)</b>

<b>Appendix 7. Number and percentage of identified types of respondent financial links to the tobacco industry and transparency of links</b>		
Type of financial link	Total number of organisations with financial link	Number (percentage) of non-transparent links
Indirect link	1	1 (100%)
Industry supply chain	52	6 (11.5%)
Membership (tobacco trade association)	4	1 (25%)
Membership (company)	31	12 (39%)
Other TTC client	1	1 (100%)
Research funding	2	2 (100%)
Technology supplier	13	5 (38%)
Tobacco company	12	0 (0%)
Tobacco industry association	19	2 (10.5%)
Total	131	29 (22%)

<b>Appendix 8. Trade associations with TTC members* that submitted to the consultation and the transparency of their TTC links</b>					
Trade Association	Transnational tobacco company				Not transparent about being financially linked to the tobacco industry**
	British American Tobacco	Philip Morris International	Japan Tobacco	Imperial	
Adelta					
Association of Convenience Stores					
Association of Suppliers of Smoking Tobacco (AFTF)					
Business Action to Stop Counterfeiting and Piracy (BASCAP)					
Business Europe					
Canary Islands Industrial Association (ASINCA)					
Coalition Against Illicit Trade (CAIT)					

Confederation of European Community Cigarette Manufacturers (CECCM)					
Confederation of Entrepreneurs of Santa Cruz de Tenerife (CEOE Tenerife)					
Confederation of Industry of the Czech Republic					
Convenience Stores Sweden					
Czech Association for Branded Products					
Digital Coding and Tracking Association (DCTA)					
Employers of Poland					
European Cigar Manufacturers Association (ECMA)					

European Smoking Tobacco Association (ESTA)					
Finnish Tobacco Industries' Federation					
German Cigarette Association (DZV)					
Hellenic Confederation of Enterprises (SEV)					
Imported Tobacco Products Advisory Council					
Institute of Centromarca for the fight against counterfeiting (INDICAM)					
Irish Tobacco Manufacturers' Advisory Committee (ITMAC)					
Krakowie Tobacco Manufacturers Association (KSPT)					

Latvia Traders Association					
Latvian Chamber of Commerce					
Mesa Del Tabaco					
Polish Confederation Lewiatan					
Slovak Association of Commerce and Tourism					
Slovak Associations for Branded Products (SZZV)					
Spanish Association of Business Organisations (CEOE)					
Tobacco Manufacturer's Association (TMA)					
Zwiazek Przedsiębiorcow I Pracodawcow					
Zwiazek Pracodawcow Business Centre Club					
<b>Total (33)</b>	<b>22</b>	<b>19</b>	<b>20</b>	<b>17</b>	<b>10</b>



*\*shaded cells indicate that trade association's membership includes that TTC*

*\*\*In line with the definition in Table 3, a dotted cell here denotes that a financial link to the tobacco industry was not identifiable from the association's consultation submission (or a webpage linked within) but that investigative work revealed one.*

<b>Appendix 9. Consultation respondents with identical consultation answers to JTI</b>	
<b>Name of respondent</b>	<b>Evidence of financial link to tobacco industry</b>
Business Against Shadow Economy (BASE)	NO
Confederation of European Community Cigarette Manufacturers (CECCM)	YES
Confederation of Finnish Industries	NO
COSCO Greece S.A.	YES
Deutscher Zigarettenverband e.V. (DZV)	YES
DHL Solutions GmbH	YES
DOS SANTOS SAU	YES
Employers Confederation of Latvia	NO
Employers of Poland	YES
ESKEE	YES
Eurocash Serwis sp. Zoo	YES
Federation des fabricants de cigars	YES
Fundacja "Instytut Badań nad Demokracją i Przedsiębiorstwem Prywatnym"	NO
HURTOWNIA KING	YES
Instytut Bezpieczeństwa Obrotu Gospodarczego S.A.	NO
Irish Tobacco Manufacturers Advisory Committee (ITMAC)	YES
Izba Przemysłowo – Handlowa w Tarnowskich Gorach	NO
Krajowe Stowarzyszenie Przemysłu Tytoniowego	YES
Latvia Traders Association	YES
Latvian Chamber of Commerce and Industry	YES
Lewiatan Holding S.A.	YES

M & P O'Sullivan	YES
M&S Security systems	YES
Mesa del Tabaco	YES
National Dutch Tobacco Retail Organization	YES
Nightline Logistics Group	YES
Opsec Spolka z Organiczona Odpowiedzialnoscia	NO
Polish Chamber of Commerce	NO
Polish Confederation Lewiatan	YES
Polska Izba Handlu (Polish Chamber of Trade)	YES
Polska Organizacja Handlu I Dystrybucji	NO
PT Dystrybucja S.A.	YES
Sc Admir Botosani	YES
SCA PR Polska Sp. Zoo	YES
Tobacco Manufacturers' Association (TMA)	YES
TZN	YES
Zwiazek Pracodawcow Business Centre Club	YES
Zwiazek Przedsiębiorcow I Pracodawcow	YES

<b>Appendix 10. Results of statistical analysis of each question</b>				
<b>Question topic</b>	<b>Question number &amp; overview*</b>	<b>Chi-square</b>	<b>P value</b>	<b>Cramér's 's V</b>
Potential governance model of the system	<b>Q1:</b> Which governance model (industry, third party, mixed) do you consider most suitable for operating the system?	85.811	<0.0001	0.657
	<b>Q2:</b> Do you agree that the industry-operated model will require, on the part of the public authorities, additional control measures to ensure traceability of tobacco products?	68.308	<0.0001	0.586
	<b>Q3:</b> Can T&T only be achieved on condition that the supply chain is controlled by an independent third party?	89.990	<0.0001	0.672
	<b>Q4:</b> If an industry and third party governed system are to be compared in terms of their overall impact on cost per pack of product (excluding potential additional monitoring and enforcement costs for an industry system), which is cheaper?	72.231	<0.0001	0.602
	<b>Q5:</b> Do you agree that a mixed model of governance, in which the choice of governance is separately made with respect to each distinct technological block/process... can both provide for full traceability... and mitigate the overall public-private cost of... the system?	0.705	0.703	0.060
Where data collected from the system should be stored	<b>Q7:</b> Is centralised or decentralised data storage most suitable?	28.972	<0.0001	0.382
	<b>Q8:</b> Do you agree that centralised data storage can provide for important economies of scale... in particular given the related costs of interconnectivity and interoperability present in the option of decentralised data storage?	5.695	0.058	0.169
	<b>Q9:</b> Which type of data storage represents higher risks in terms of time required to access data and/or potential downtimes?	15.791	0.001	0.282

	<b>Q10:</b> In the case of a decentralised data storage, how should data be split among individual data storages?	28.271	<0.0001	0.377
	<b>Q11:</b> If the option of geographic decentralisation of data storages is considered, where should relevant product data be stored?	13.559	0.004	0.261
What the barcode/s (data carriers) used for the system should be	<b>Q13:</b> Out of the three options for data carriers (single data carrier, limited variety of data carrier, free system allowing any existing data carrier) which one do you consider most suitable for operating the system?	4.143	0.246	0.144
	<b>Q14:</b> Do you agree that a system with a single data carrier may offer insufficient flexibility in view of different requirements of various economic operators?	1.653	0.437	0.091
	<b>Q15:</b> Do you agree that a free system (allowing any existing data carrier) introduces a risk that certain data carriers will not be readable by all the scanners installed in the system and that its functioning... may not be technically feasible and/or economically viable?	50.684	<0.0001	0.505
How much of a delay in the reporting of supply chain events should be permitted	<b>Q17:</b> Which delay in reporting events (real-time/limited delay, once daily reports, once weekly reports) do you consider most suitable for operating the system?	75.433	<0.0001	0.616
	<b>Q18:</b> Do you agree that real-time reporting (or limited delays of maximum several minutes), would be particularly efficient to track products in transit as it would avoid duplicating scanning operations?	89.252	<0.0001	0.670
	<b>Q19:</b> Do you agree that real-time reporting or limited delays of maximum several minutes, would support effective real-time risk analysis so that controls by competent authorities can be better targeted on illicit trade?	60.31	<0.0001	0.550

	<b>Q20:</b> Do you agree that the once-daily frequency of data uploads provides for important cost savings for the economic operators as compared to the option of real-time reporting/limited delays?	45.802	<0.0001	0.480
	<b>Q21:</b> Do you agree that the once-weekly frequency of data uploads provides for important cost savings for the economic operators as compared to the option of once-daily reporting?	5.032	0.081	0.159
How security features (e.g. holograms, microprint, molecular tags) should be added to product packaging	<b>Q23:</b> Which option for the method of adding a security feature (affixing, printing or integrating through a different method, any method) is most suitable for securing the product?	9.113	0.028	0.214
	<b>Q24:</b> Do you agree that by broadening the range of available methods, it will be easier for economic operators... to obtain the necessary level of security in a cost-efficient manner?	18.190	<0.0001	0.302
	<b>Q25:</b> How do you rate the importance for consumers of having visible security features on unit packs of tobacco products?	71.488	<0.0001	0.599
	<b>Q26:</b> Do you consider that enabling individual consumers to decode and verify a serialized unique identifier with mobile devices (e.g. smartphones) would bring added value to the effectiveness of the system?	40.172	<0.0001	0.449

\*Given length of the consultation questions, this column features summary text- see the original consultation<sup>6</sup> for exact wording of questions.

## References

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