

AGBIZ SUBMITS COMMENTS ON TOBACCO AND ELECTRONIC SYSTEMS DELIVERY CONTROL BILL

Background

The Tobacco and Electronic Delivery Systems Bill was published for comment on 21 June 2023. The due date for comments was 4 August 2023 and has been extended to 4 September.

The objectives of the Bill are to:

- regulate smoking;
- regulate the sale and advertising of tobacco products and electronic delivery systems;
- regulate the packaging and appearance of tobacco products and electronic delivery systems and to make provision for the standardisation of their packaging;
- provide for standards in respect of the manufacturing and export of tobacco products and electronic delivery systems;
- prohibit the sale of tobacco products and electronic delivery systems to children;
- prohibit the free distribution of tobacco products and electronic delivery systems;
- prohibit the sale of tobacco products and electronic delivery systems by means of vending machines.

Some of the proposed amendments appear to be quite drastic, for example the fact that the Bill will do away with designated smoking areas in public places, and the complete ban on the display of tobacco products as well as the plain packaging requirements. Wide-ranging powers are also afforded to the Minister of Health to regulate on all aspects of tobacco products

Agbiz comments

In its submission, which was submitted to the Portfolio committee on Health on 3 August, Agbiz makes the point that the tobacco value chain is an important source of income for many families and communities in South Africa. There are various services associated with the global and local tobacco value chain, including seed provision, the supply of fertilizers, herbicides and pesticides, financing and banking services, research and development, farm equipment and infrastructure maintenance and insurance, transport and warehousing. All of these service providers have an interest in the sustainability of the tobacco industry.

The Bill never went through a proper line-by-line engagement at NEDLAC, which Agbiz considers to be a procedural deficiency in the consultation process.

In the submission Agbiz raises important points regarding the contribution of the tobacco industry to employment, the economy and the tax revenue of the country.

Agbiz then also comments on specific clauses in the Bill that are considered to be problematic.

Conclusion

Tobacco products are legal products. Whilst the potential harmful consequences of smoking are recognised, this kind of restriction on advertising, promotion and display does not apply to any other product that is legally sold in South Africa. This constitutes a very severe restriction on the free market. The Bill is likely to have a substantial impact on the tobacco industry, the agricultural value chain, and the retail industry.

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