# Policy Environment Governing Tobacco Products in the Philippines

## I. National Policies

#### Add more text

1.1 Tobacco products are excisable products

Cigars – ad valorem tax of 20% of net retail price + specific tax of P5.25 per cigar starting this January 2024

Cigarettes – specific tax of P60.00 per pack of 20s, which is increased by 5% annually starting this January 2024

Earmarking provision: 5% of total collections go to tobacco producing provinces; 50% go to universal health care (80%) and health facilities enhancement program (20%)

HTPs – P32.50 plus a 5% increase annually starting on January 1, 2024, per pack of 20 units or packaging combinations of not more than 20 units Vapor products –

- a) Nicotine salt or salt nicotine P52.00 plus a 5% increase annually starting on January 1, 2024, per milliliter or a fraction thereof;
- b) Conventional freebase or classic nicotine P60.00 plus a 5% increase annually starting on January 1, 2024, per 10 milliliters or a fraction thereof

Heated tobacco products and vapor products – became subject to excise tax starting in January 2020



All revenues from the excise tax on HTPs and vapor products are earmarked:

60%, based on collections of the second preceding year, for universal health care

20% for health facilities enhancement and medical assistance

20% for the attainment of Sustainable Development Goals

# 1.2. Bans and Restrictions

- In public conveyances and public facilities like airports, trains and bus stations, restaurants, conference halls
  - In locations where fire hazards are present, like gas stations
- Within buildings and premises of hospitals, clinics, nursing homes, laboratories

Smoking and vaping in public places such as schools, youth hostels, hospitals and health centers; in elevators and stairwells; enclosed places; government offices; churches; food preparation areas;

#### 1.2. Bans and Restrictions:

- Smoking, vaping, selling or buying any tobacco product by a minor or person below 18 years of age
- Selling, distributing, advertising or promoting tobacco products in schools, playgrounds, facilities for minors, or within 100 meters of said places.
  - Only point-of-sale establishments are allowed to sell tobacco products. Restrictions are imposed upon self-serve machines with no facility to verify the age. Online selling is allowed only after age verification is made.
- Sale of nicotine shots, or sale of vapor product with nicotine content above 65 milligrams per milliliter;

# 1.3. Putting up of Designated Smoking and Vaping Areas subject to certain standards and regulations

1.4. Product packaging must follow the graphic health warning rules, BIR rules on fiscal marking, and must be child resistant, tamper resistant and protected against breakage or leakage

1.5. Consumer communication rules have been set up:

Point of sale signage: "The sale or distribution of Vaporized Nicotine and Non-Nicotine Products to or by persons below eighteen (18) years of age is illegal. These products are harmful and contain nicotine which is a highly addictive substance. It is not recommended for use by nonsmokers."

- Advertisement or promotion outside point-of-sale locations is prohibited



#### 1.6. GRAPHIC HEALTH WARNINGS ARE MANDATORY

- Picture and textual health warnings must be easily understood by the ordinary layman
- Highly visible and in full color occupying at least 50% of the front and 50% of back panel of the packaging
  - For vapor products, textual health warnings shall read as follows:

For products that contain nicotine – "This product is harmful and contains nicotine which is a highly addictive substance. It is not recommended for use by non-smokers."

For products that do not contain nicotine – "This product may contain a substance that is harmful. It is not recommended for use by non-smokers."

# 1.7. Regulatory Agencies

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Registration of industry players; implements product standards:
Department of Trade and Industry

Ensure compliance with tax and customs laws:
Bureau of Internal Revenue and Bureau of Customs under the Department of Finance

Develop intervention programs for minors who are violators: DOH and Department of Social Welfare and Development

Set technical standards for safety, consistency and quality of products: DTI and the Food and Drug Administration Lead the smoking and vaping restriction awareness campaign:
Department of Health

Educate children on the ill-effects of tobacco: Department of Education

## Local Government Policies

Local governments are mandated to enforce anti-smoking rules.

Mayors, building officials and the Philippine National Police can file criminal proceedings against violators

LGUs are enjoined to craft their own smoking cessation programs aligned with the Tobacco Regulation Law or RA 9211

### 2.1. Enactment of Local Ordinances to regulate smoking and vaping

- Smoking is prohibited in all public places
- Jeepneys, buses and tricycles must have "no smoking" signs
- Fines or community service are imposed on violators

### 2.2. Creation of Local Smoke-Free and Vape-Free Task Forces

- Develops and implements the LGU smoking cessation program
- Headed by the Mayor
- Members include LGU officials, PNP, Barangay Chairman, CSO representative, private sector representative

# 2.3. Financing of the Smoking Cessation Program

- Municipal or City Health Officer ensures that the programs are incorporated in the local budget.
- Tap General Fund to defray some expenses like printing of citation tickets
- Creation of a trust fund for proceeds from the issuance of citation tickets (Bacnotan)
- Appropriate 10% of annual budget for smoking cessation programs (Bacnotan)

#### 2.4. Incentive to enforcers

- Earmarked 15 percent of the fines as an incentive fund for deputized apprehending officers (Pasig City)

