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Committee on Technical Barriers to Trade

EUROPEAN UNION – THE ESTABLISHMENT AND OPERATION OF A TRACEABILITY SYSTEM FOR TOBACCO PRODUCTS

STATEMENT BY CUBA TO THE COMMITTEE ON TECHNICAL BARRIERS TO TRADE 20 AND 21 JUNE 2018

The following communication, dated 22 June 2018, is being circulated at the request of the delegation of <u>Cuba</u>.

1. Cuba would like to once again to express its concern regarding the application of this EU legislation on tobacco products.

2. We reiterate, in this connection, the points made in our statement at the last meeting of the Committee on 21 and 22 March 2018, contained in document G/TBT/W/470.

3. We would also like to remind the EU that our national focal point is still awaiting a reply to the comments that we submitted on notification G/TBT/N/EU/507.

4. Once again, Cuba wishes to emphasize that the European legislation imposes requirements that are highly complex and costly for manufacturers and producers, and many practical aspects of its implementation still need to be established. Bearing in mind the complexity of this regulation and the time-frame for its entry into force, it is essential that those aspects should be defined as quickly as possible. Otherwise, the domestic industry could suffer irreparable damage, particularly the hand-made cigars industry, in view of its characteristics.

5. There are particularities in the manufacture of hand-made cigars that distinguish them considerably from the machine-made product. The proposed legislation could end up limiting exports of hand-made cigars to the EU by subjecting them to new and extremely stringent regulations that would make their importation into the EU too expensive and complex. In view of these particularities, Cuba feels that there should be flexibilities in the case of hand-made cigars.

6. Unless these reiterated concerns are addressed, this legislation will create serious obstacles for our domestic industry and could end up adversely affecting exports of one of Cuba's main export items, which is not only an important source of income for our country, but also the main source of livelihood for a number of rural communities and workers throughout the Island. We hope that in conformity with Article 12.9 of the TBT Agreement, due account will be taken of the difficulties that we are describing.

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