[Ukrainian State Emblem]

LAW OF UKRAINE

On the Introduction of Changes to Some Legislative Acts of Ukraine on the Prohibition of the Advertising, Sponsorship and Promotion of the Sale of Tobacco Products

The Verkhovna Rada of Ukraine resolves:

- I. To introduce changes to some legislative acts of Ukraine:
- 1. In the Code of Ukraine on Administrative Offenses (Official Reports of the Verkhovna Rada of Ukraine, 1984, supplement to No. 51, pg. 1122):
 - 1) To supplement article 156^3 with the following contents:

"Article 156³. Violations of requirements established by law for the prohibition of advertising and sponsorship of tobacco products

Advertising, as well as any other activity involving advertising of tobacco products, trademarks for goods and services, other objects of intellectual property rights, under which tobacco products are issued, with violation of the requirements of the current law on advertising

- entails imposition of a fine on citizens of from five to ten times the untaxed minimum income of citizens and on officials of the advertiser and/or the distributor of the advertising – from one hundred to two hundred and fifty times the untaxed minimum income of citizens.

The advertising of any goods or services (other than advertising of tobacco products), which contains images of tobacco products or tobacco products being smoked,

- entails imposition of a fine on officials of the advertiser and/or distributor of the advertising from one hundred to two hundred and fifty times the untaxed minimum incomes of citizens.

The sponsorship of any events with the use of trademarks for goods and services, other objects of intellectual property rights, under which tobacco products are issued, with violation of the requirements of the current law on advertising

- entails imposition of a fine on officials of the advertiser and/or distributor of advertising from one hundred to two hundred and fifty times the untaxed minimum incomes of citizens.

Actions stipulated by the first, second or third parts of this article, committed by a person, who during the year received an administrative fine for such offenses,

- entail imposition of a fine on citizens from fifty to twenty five times the unpaid minimum of incomes of citizens and on officials of the advertiser and/or distributor of the advertising from two hundred to three hundred and fifty times the untaxed minimum of incomes of citizens;"
 - 2) part one of article 244⁴ after the number "156²" to add the numbers "156³".
- 2. In article 22 of the Law of Ukraine "On Advertising" (Official Reports of the Verkhovna Rada of Ukraine, 2004, No. 8, pg. 2008, No. 18, page 197):
 - 1) to set forth part one as follows:
 - "1. Advertising of tobacco products, advertising of trademarks for goods and services, other

objects of intellectual property rights, under which tobacco products are issued, is prohibited:

on radio and television, including cable, satellite, IP television, online television, mobile television, digital television and other types of signal broadcasting;

in scientific, popular science, educational, social and political, reference, literary and artistic publications, publications for children and adolescents, publications for leisure and recreational activities, sports and other publications, including in all printed mass media;

in indoor advertising;

on transportation;

using events of an advertising nature (besides special exhibitions of tobacco products under the condition that only employees of enterprises that have a license for the wholesale trade of tobacco products or the production of tobacco products are admitted to such events);

in outdoor advertising;

in places where public events of a political, educational, religious or sports nature and entertainment events intended for minors; and

on the Internet, except for websites intended for adults, where preliminary identification of the age of users is a mandatory condition for access."

2) to supplement part three with a thirteenth paragraph as follows:

"prohibited is the placement of images of tobacco products, trademarks for goods and services, under which tobacco products are issued, on any other goods, except for placement on goods (items) associated with the use of tobacco products, lighters and ashtrays";

- 3) to set forth parts five and six as follows:
- "5. Advertising of any goods or services should not contain images of tobacco products or of tobacco products being smoked.

6. The following types of activities are prohibited with the advertising of alcoholic beverages and tobacco products, trademarks for goods and services, other objects of intellectual property rights, under which alcoholic beverages and tobacco products are issued:

sponsorship of events intended primarily for persons under the age of 18, with the use of trademarks for goods and services, other objects of intellectual property rights, under which tobacco products and alcoholic beverages are issued;

distribution and sale of any goods (except goods which are associated with the use of tobacco products, lighters, matches, ashtrays) with the use of trademarks for goods and services, other objects of intellectual property rights, under which tobacco products and alcoholic beverages are issued;

holding of events with the exchange of tobacco products for any other goods, work, services:

provision of the right to participate in lotteries, games, competitions and other recreational events, if a condition for provision of the right to participate is the purchase of tobacco products;

depiction of tobacco products, trademarks for goods and services, other objects of intellectual property rights under which

tobacco products are issued, in places where recreational events are held for minors or on vehicles; depiction of tobacco products, trademarks for goods and services, other objects of intellectual property rights, under which tobacco products are issued, or of tobacco products being smoked, on packages or during advertising of any other goods or services, which are not associated with the use of tobacco products;

the sale of tobacco products in a package with any other goods, which are not associated with the use of tobacco products; and

sending messages to the public by mail, email, mobile communications."

- 4) to include in paragraph two of part seven the words "outdoor advertising and."
- 3. In the Law of Ukraine "On Measures for the Prevention and Reduction of the Use of Tobacco Products and their Harmful Effect on the Health of the Population" (Official Records of the Verkhovna Rada of Ukraine, 2005, No. 52, pg. 565; 2006, No. 26, pg. 213; 2009, No. 49, pg. 730; 2010, No. 11, pg. 111):
- 1) to supplement article 1 with paragraphs as follow: "advertising and promotion of the sale of tobacco any type of transfer of commercial information, recommendation or actions, the goal and result or the likely result of which is the promotion of the sale of a tobacco product or use of tobacco, directly or indirectly;

tobacco sponsorship – any type of contribution to any action, event or individual, the goal or result or likely result of which is the promotion of the sale of a tobacco product or use of tobacco, directly or indirectly;"

2) to set forth article 16 as follows:

"Article 16. Prohibition of Advertising, Promotion of the Sale and Sponsorship of Tobacco Products

Prohibited are any advertising and promotion of the sale of tobacco products, trademarks for

goods and services, other objects of intellectual property rights, under which tobacco products are issued, including:

holding free events, including for marketing research and tasting, exchange of tobacco products for tobacco products or any other goods, work, services;

use of tobacco products to obtain goods, work, services; offering or providing any direct or indirect reimbursement for the purchase or use of tobacco products;

offering or providing bonuses, prices, return of cash, rights to participate in any games, lotteries, competitions, actions, directly or indirectly associated with tobacco products, or if a condition of the provision or participation in which is the purchase or use of tobacco products;

the sale of tobacco products in a package with any other goods or services;

placement of information on the manufacturer of tobacco products and/or tobacco products in places where these products are sold or provided to the consumer, including on the elements of the leading supplier and/or on the structure of a trading venue, with the exclusion of one poster no larger than 40 x 30 cm on one trading venue site, in which text information is provided on tobacco products offered for sale and their prices;

placement of information to promote the sale of tobacco directly on tobacco products and/or their packages, including: pictures and other images, which are not a part of the protected trademark; the address of websites, email; attached to the package of tobacco products; text or graphic information on the transparent wrapper of the tobacco product package;

placement of information on tobacco products, trademarks for goods and services, other objects of intellectual property rights, under which tobacco products are issued, in places where recreational events are held, in places where retail trade is conducted, on vehicles and equipment;

sending messages by mail, email, messages to mobile telephones, dissemination of video discs, video materials, compact discs, computer and other games, placement of information on the Internet in order to promote the sale of tobacco products;

the sale, offer for sale, supply or advertising of non-tobacco products, services, the advertising or packaging of which contains an inscription, picture or any other image, message, which is completely or partially identified or associated with a tobacco product, a trademark for tobacco goods or services or with the manufacturer of tobacco products; and

other measures for the direct or indirect promotion of the sale of tobacco products and the use of tobacco.

Tobacco sponsorship is prohibited, including:

the sponsorship of television broadcasts, radio broadcasts, theater and concert events, sports and other events, programs and individuals or sponsorship using trademarks for the goods and services, other objects of intellectual property rights under which tobacco products are issued;

the provision by manufacturers of tobacco products or organizations associated with them of financial or other support to events, activities, individuals or groups, including political parties or politicians, sportsmen or sports teams, artists or artist groups, educational institutions of any form of ownership; and

the conduct of informational campaigns or events for the public, including in order to prevent smoking among young people, with the direct or indirect financial support of the manufacturers of tobacco products or organizations associated with them."

3) to supplement part two of article 20 with a paragraph as follows:

"violation of the prohibition on advertising, the promotion of the sale and sponsorship of tobacco products – from thirty thousand hrivnyas to fifty thousand hrivnyas for each instance of advertising on an individual advertising medium or each individual event in order to promote the sale of tobacco products."

II. Final Provisions

- 1. This law goes into effect within six months from the date of its publication.
- 2. The Cabinet of Ministers of Ukraine shall bring its regulatory legal acts into compliance

with this Law.

Head of the Verkhovna Rada of Ukraine

[Signature]

V. LITVIN

Kiev September 22, 2011 No. 3778-VI