

For immediate release

MEDIA STATEMENT

VPASA welcomes Taxation of Electronic Nicotine and Non-Nicotine Delivery Systems Workshop, hosted by National Treasury and the Department of Health

Pretoria, 28 April 2022: On Friday, 22 April, the Vapour Products Association of South Africa (VPASA), together with other interested parties, participated in a joint workshop hosted by National Treasury and the Department of Health on the proposed taxation of electronic cigarettes. The workshop followed the publication on 15 December 2021 of a Discussion Document on the Taxation of Electronic Nicotine and Non-Nicotine Delivery Systems published by Treasury.

VPASA welcomes Government's facilitation of this workshop, which provided an opportunity for interested parties to highlight their concerns about the proposed vaping product taxation.

Key among the concerns raised were:

- The haste at which Government is going through the consultation process and the timing being given to interested parties to respond. It is starting to become apparent that the 1 January 2023 implementation date may be overly ambitious given the amount of consultation which is still needed.
- The lack of modelling of the proposed taxes' impact on vaping behaviour, including how many people are expected to be discouraged from vaping and how many vapers are likely to revert to smoking if vaping becomes unaffordable.
- The lack of credible verifiable evidence of how the tax is going to affect the vaping industry's ability to compete with combustible cigarettes.
- The lack of credible data from government to back up its contention that the tax will deter youth vaping. This is difficult to quantify in the absence of clear information about the current state of youth vaping in the country.

VPASA CEO Asanda Gcoyi, who was one of the stakeholders present at the workshop, says: "VPASA maintains that vaping is significantly less harmful than smoking, as demonstrated by a growing body of scientific evidence. South Africa should adopt vaping as part of our national tobacco harm reduction strategy, and as a revolutionary scientific breakthrough to reduce smoking rates in the country."

"Vaping is not only significantly less harmful than smoking, it is also an effective smoking cessation aid. This is based on reviews of the available evidence as well as numerous independent public health authorities' considerations. Nicotine is not found in all vaping liquids, and nicotine by itself is a mild stimulant which does not cause cancer," Gcoyi said.

The vaping industry is not opposed to regulation, explained Gcoyi. "VPASA is ready and willing to work with Government to developing a risk-proportionate and evidence-based regulatory regime for vaping in South Africa. We hope that this workshop is the first of many engagements on this important matter," she concluded.

ENDS