

## **MEDIA INFORMATION**

For immediate release

### **JTI Philippines cautions against increasing “normalization” of illegal tobacco**

**Intramuros, Manila, July 08, 2024** – A major finding from a new study commissioned by JTI covering four countries shows that more and more adult smokers are now finding it “normal” or acceptable to buy illicit cigarettes.

Citing the JTI study during the EJAP Midyear Economic Forum, Robert Eugenio, JTI Philippines Director for Fiscal and Regulatory Affairs, said while 50% of the smokers interviewed for the study felt that illicit tobacco trade is a threat to their country, 43% of them would be ‘comfortable buying cigarettes that they know to have been produced or sold illegally’.

In the Philippines, about 33% of adult Filipino smokers covered by the study said they would be willing to patronize illegal cigarettes.

Eugenio said illicit trade in tobacco is a global problem that world governments need to address before it becomes “normalized.”

The study entitled “Fighting the Dark Underworld” was participated in by adult smokers in France, United Kingdom, Canada and the Philippines, which examines how geo-political environments, fragile economies and a lack of serious deterrents create the ideal conditions for a surge in criminal activity and increased profits for criminal networks.

Addressing the participants in the economic forum, Eugenio disclosed that validating the results of the JTI study is the fact that smuggled and non-tax paid cigarettes are being sold openly in stores and other public areas.

“In some areas in Mindanao, eight out of 10 cigarettes sold come from illegal sources,” he said.

Government revenues from the tobacco industry have dramatically fallen from a record high tax collection of P176 billion in 2021 to just P135 billion in 2023, which can be partly attributed to rampant tobacco smuggling, according to Eugenio.

The JTI Philippines Fiscal and Regulatory Affairs Director nevertheless lauded Congress for approving the Anti-Agricultural Economic Sabotage bill, which classifies tobacco smuggling as an act of economic sabotage, that can boost government's campaign against tobacco illicit trade.

He also cited that the recent directive of President Ferdinand Marcos Jr. to all government agencies to intensify the fight against the illicit tobacco trade has already provided a strong impetus even before the bill is signed into law.

Aside from a consistent and intensified enforcement of the laws up to prosecution and conviction, he also cited tightened border controls and a re-examination of the country's excise tax laws as other possible policy considerations.

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**About JTI in the Philippines:**

JTI in the Philippines is a global tobacco company with close to 40 branch offices across the country. It is the distributor of international brands Winston, Camel, Mevius, LD, and local brands Mighty and Marvels. New to its Philippine portfolio is its smoke-free, vapor-free nicotine product, Nordic Spirit, which is a leading brand of nicotine pouches. With its market headquarters and a global business services center in Taguig City alongside its manufacturing facility in Malvar, Batangas, the company employs close to 5,500 people and has been awarded Top Employer for the third consecutive year. Furthermore, the company is now in receipt of EY's Global Equality Standard (GES) certificate for equality, diversity and inclusion excellence. For more information, visit [www.jti.com/asia/philippines](http://www.jti.com/asia/philippines).

**About JTI:**

JTI is a leading international tobacco and vaping company selling its products in more than 130 countries. It is the global owner of both Winston, the number two cigarette brand in the world, and Camel, outside the USA. Other global brands include MEVIUS and LD. JTI is also a major player in the international vaping market with its heated tobacco brand, Ploom, and e-cigarette brand, Logic. Headquartered in Geneva, Switzerland, the Company employs about 46,000 people and was awarded Global Top Employer for the tenth consecutive year in 2024. JTI is a member of the JT Group of Companies. For more information, visit [www.jti.com](http://www.jti.com).