

# **Taxpayers Association of Europe**

# TAE warns EU ahead of COP11: No radical measures that jeopardise European taxpayers, SMEs and economic stability

The Taxpayers Association of Europe (TAE) expresses deep concern about the European Commission's draft mandate for COP11 (Conference of Parties) within the WHO FCTC Protocol (WHO Framework Convention on Tobacco Control). Under the guise of health policy, the Commission is pushing a radical agenda that risks destroying the "Made in Europe" value chain, undermining the rights of Member States, driving up unemployment and damaging local businesses, while imposing massive new burdens on taxpayers and the most vulnerable groups in society.

"The EU Commission's actions leave me stunned and furious. This regulatory frenzy is beyond comprehension. It threatens to destroy an entire industry and drive it into the shadow economy," said President Michael Jäger. "This frontal attack on small and medium-sized enterprises must be stopped," Jäger continued.

### **Background:**

COP11 is the 11th official meeting of the countries (known as "contracting parties") that have signed or ratified the WHO Framework Convention on Tobacco Control (FCTC) in their member states. Accordingly, the WHO and the COP have legal implications for the EU and its member states. It will take place from 17 to 22 November 2025 in Geneva, Switzerland. At COP11, countries will discuss and vote on new global control measures for tobacco and nicotine-containing products, including:

- Ban on cigarette filters
- Radical reduction in the number of retail outlets selling tobacco and nicotine products
- Adults born after a certain date will no longer be allowed to purchase tobacco and nicotine products.

### Why is the COP rarely mentioned in the media?

The COP meets behind closed doors and is not very transparent, as participation is limited to carefully selected delegates, making it one of the global but opaque policy forums. Media accreditation is subject to strict scrutiny, deliberately making the process complex. As a result, media representatives and other interested parties are excluded from attending the meetings. Documents are often only published after decisions have been made, and real-time access to the negotiations is not possible.

#### What role will the EU play?

The EU itself, alongside its Member States, is a party to the WHO Framework Convention on Tobacco Control. This means that both the EU and the individual Member States will participate in COP11, but will speak with one voice rather than individually.

This requires coordination and the adoption of a common EU position in the run-up to the COP.

The spokesperson and the EU mandate, which defines the EU's voting behaviour during the COP, will be proposed by the European Commission and confirmed by the EU Member States at EU Council level. Negotiations and consultations with the representatives of the European states will therefore only take place during the COP on new points or amendments.

The meeting to present and vote on the European Commission's draft will take place on 9 October 2025.

#### Call to action!

It is right and important for the EU to protect public health as a common goal. However, it should avoid promoting such radical and harmful measures at all costs. Ultimately, these will only lead to a shift in consumption to the shadow economy and massive tax losses. At the same time, this will jeopardise economic growth in Europe, budgetary discipline and the interests of taxpayers in the EU.

The Taxpayers Association of Europe therefore calls for:

- Transparent and comprehensive impact assessments for all new measures.
- Protection of the rights of European taxpayers, especially the most vulnerable groups in society.
- Defence of legal businesses and jobs that contribute to public finances.
- The reduction of bureaucracy and excessive regulatory measures no additional burdens on taxpayers and SMEs.
- Respect for the sovereignty of Member States and democratic processes.

# What is at stake for taxpayers?

- Over 1 million jobs and billions in tax revenue are at risk. The sector concerned contributes significantly to the EU's GDP, equivalent to that of a medium-sized Member State.
- The proposed measures will place a burden on public finances, reduce tax revenues and force governments to find new sources of revenue. It is therefore foreseeable that the tax shortfalls will be offset by tax increases elsewhere.
- The Commission's approach carries the risk of higher costs for consumers, reduced purchasing power and rising inflation, which will hit the most vulnerable sections of the population hardest.

#### A dangerous precedent: fiscal and democratic risks

The EU Commission appears to be attempting to use the results of COP11 as "global commitments" to pressure the EU Council and the EU Parliament into approving democratically questionable measures. Specifically, the aim is to water down the revision of the TPD/TED without debate or genuine impact assessment. This borders on abuse of power, undermining sovereignty, democratic legitimacy and fiscal transparency. International forums must not be used to circumvent national parliaments and the interests of taxpayers.

### **COP11 – Impact on taxpayers**

#### 1. Decline in retail businesses

- Thousands of SMEs, often family-run, licensed businesses, are threatened with insolvency, job losses and declining tax revenues.
- The elimination of legal retailers leaves the market to criminals and undermines public order and tax collection.

#### 2. Ban on incentives for retailers

• Incentives for retailers ensure the survival of small shops. Their abolition will drive many into insolvency, especially in rural areas, and further weaken the local economy and tax base.

# 3. Ban on cigarette filters

This measure ignores existing EU law and practical solutions. A ban on filters will not improve public health, but will disrupt legal markets, reduce tax revenues and encourage illegal trade.

#### 4. Generational sales ban

- This is a sales ban that is staggered according to age, leading to the absurdity that, for example, you must be 30 years old to buy tobacco products but can participate in democratic elections at 18.
- This paternalistic measure is doomed to failure and will fuel illegal trade, reduce legal sales and cost governments billions in tax revenue. Ultimately, taxpayers will bear the costs.

# **FCTC Protocol:**

Forward-looking tobacco control measures (in relation to Article 2.1 of the WHO FCTC)

Leak of the EU Commission proposal endorsing the key proposals of the FCTC:

Exclusive: EU's Leaked COP11 Position Signals Harsh Crackdown on Safer Nicotine Products - Clearing the Air

Brussels/Munich, 8 October 2025 Rudolf G. Maier, Press Officer

# **Enquiries**

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