

Press statement 03 September 2012

ETRC sets out clear agenda for 2013 & beyond

Sarah Branquinho, the newly elected President of ETRC, today called for coordinated industry mobilisation and support in the face of serious issues facing the duty-free and travel retail industry.

Branquinho stressed the importance of the industry maintaining effective dialogue with the European institutions but also at national Government level, and the complexity in attempting to address issues, often over months and years. She paid tribute to Frank O'Connell, ETRC's outgoing President, who had made ETRC a respected industry partner around the negotiating table, and to the many companies who, as corporate members and members of the national associations which form ETRC, have given ETRC the support it needs to resource itself to tackle an ever-bigger agenda.

Specific issues will be to the forefront in the year ahead and ETRC and its members need to be ready to defend our industry, both in Brussels and in all EU capitals.

The so called 'one bag rule' remains the biggest single threat affecting all product categories, and deterring passengers from shopping at Europe's airports. Aer Lingus 's recent attempt to follow the example set by some low cost carriers, appears to have been averted but this clearly demonstrates that the problem is not likely to remain purely an is sue for passengers travelling with low cost carriers. The practice threatens to seriously undermine airport commercial revenues and ETRC is seeking a permanent legislative solution to the problem. ETRC's campaign is at a critical stage, with legislation on passenger rights due towards the end of the year. Over the coming months, it is vital that our industry does all it can to convince governments that safeguarding airport commercial revenue is of paramount importance.

Tobacco retailing in Europe will be coming under greater scrutiny in the coming year as the European Commission brings forward proposals for a review of the Tobacco Products Directive. This proposal will have implications for duty-free and travel retail operators throughout Europe and will require proactive engagement across Europe to find and promote workable solutions to meet the policy objectives of the Commission.

In addition to European developments, the World Health Organisation is expected to adopt the Protocol on Illicit Trade. Once adopted this will form part of the Framework Convention on



Tobacco Control. The Protocol calls for evidence based research to be conducted to determine the extent to which the duty-free industry contributes to illicit trade.

The duty-free industry must engage with national governments to ensure that such research is conducted to the highest standards and is open and transparent, and most importantly, that the industry itself is a contributor and participant.

A prolonged period of indecision and false starts has frustrated the resolution of the debate on the lifting of restrictions for carrying Liquids, Aerosols and Gels (LAGs). The deadline for lifting restrictions has been delayed once again and it is now extended to 2014. As the pressure increases to find a compromise on this issue we must ensure that the duty-free and travel retail industry interests and concerns remain a part of the debate and do not get side-lined in the pursuit for a deal.

Over the coming months the European Commission will carry out a review of the existing Alcohol Strategy which will feed into the adoption of a new EU strategy in mid-2013. The new strategy will build on the existing activities and will take into account the WHO EURO Region 'Action Plan to Reduce the Harmful Use of Alcohol' in Europe. It is important that the duty-free and travel retail industry is part of this process and contributes to the debate to guard against the promotion of policies that would negatively impact on our business.

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