PHILIP MORRIS PRODUCTS S.A.

To: [redacted]

Copy: [redacted]

January 4, 2021

Dear [redacted]

PMI Response: "The Sin Tax: How the Tobacco Industry's Heated-Tobacco Health Offensive is Sapping State Revenues – 8th December 2020" (the 'Article')

We write following your recent publication of the Article discussing taxation for smoke-free tobacco products.

While the Article concerns Philip Morris International (PMI) and our product, *IQOS*, contrary to fundamental standards of journalism, it was published without seeking our views on the subject of the Article's headline, nor were we provided with an opportunity to respond to the inaccurate, accusatory statements made by third parties in the Article.

There was no legitimate reason for your journalists not to approach PMI for a comment on this topic. This is troubling not least because, on November 6th 2020, PMI provided your outlet with a detailed and factually accurate response to your questions about the U.S. Food and Drug Administration's (the **FDA**) Modified Risk Tobacco Product (**MRTP**) authorization for *IQOS*, which you selectively quoted in the same article.

As a result, the Article contains a number of factual inaccuracies, misrepresentations of PMI's position and decontextualized statements.

For example:

1. You have inaccurately misrepresented PMI's position on this topic based on a single statement made by a former tobacco industry analyst (i.e. not even by PMI) more than a quarter of a century ago (1994). This falsely attributed statement is not representative of PMI's position.

2. The premise of the Article is logically flawed. You stated that "*heated tobacco products (HTPs) are taxed less than cigarettes, on the basis that they do less damage to people's health*" but then you argue that governments are deprived of higher revenues from cigarette sales through adults switching to heated tobacco products at lower tax rates than cigarettes.

It appears that OCCRP are suggesting that continued cigarette sales are necessary to maintain government funding streams. Is this accurate?

This would be against the interests of public health, which is why many governments who recognize the concept of tobacco harm reduction are willing to distinguish between the most harmful forms of nicotine consumption (such as cigarettes) and alternatives to continued

smoking which have the potential to be significantly less harmful. The World Health Organization's IARC 2019 paper entitled *"Reducing Social Inequalities in Cancer: Evidence and Priorities for Research"* recognized that tobacco and nicotine products exist on a continuum of risk and that differential taxation was therefore in the interests of public health:

"The guidelines for implementation of Article 6 of the WHO Framework Convention on Tobacco Control provide countries with a set of best practices for tobacco taxation (WHO, 2018). One of the key recommendations is that countries should tax tobacco products in a comparable way to ensure that increases in taxes and prices do not result in the substitution of cheaper categories of products. In the case where products have similar levels of harm, this is an appropriate strategy. However, as less harmful products have become more prevalent, and a continuum of risk or harm is present, it is appropriate to differentiate taxes according to relative risks (Chaloupka et al., 2015). The overriding focus remains the reduction of demand for the most harmful products." ([p.158]).

3. We also note that you have significantly misrepresented the FDA MRTP Marketing Orders for *IQOS*. We made you aware in our letter of November 6th that in granting its MRTP Orders, the FDA stated that: *"[…]**a measurable and substantial reduction in morbidity or mortality among individual tobacco users is reasonably likely in subsequent studies, and issuance of an order is expected to benefit the health of the population as a whole taking into account both users of tobacco products and persons who do not currently use tobacco products***" (emphasis added). Critically, the FDA determined that the *IQOS* Tobacco Heating System is ***"appropriate to promote the public health"*** (emphasis added).

We ask that you publish a full copy of the FDA's statement, which you purport in the Article to have been given. If the FDA did not give you any such statement for this Article, please correct the Article to appropriately reference where you have selected the attributed text from and explain why you incorrectly cited a US government agency as having given a statement if (in fact) they had not.

4. We attach a document at Appendix One outlining examples of inaccuracies in the Article.

Basic journalistic standards require that you do not publish inaccurate, misleading or distorted information, including headlines not supported by the text or the facts. Further, it is a basic standard of journalism to offer a fair opportunity to reply to significant inaccuracies. We have outlined the significant inaccuracies below, along with proposed corrections to remedy them.

In keeping with our approach to transparency, we reserve the right to publish this response including on our website www.pmi.com.

Yours sincerely,

Dr. Moira Gilchrist

Vice President Strategic and Scientific Communications

PHILIP MORRIS PRODUCTS S.A.

Appendix One – Significant Errors in the Article

This list is non-exhaustive and all rights are reserved:

Ref	Quote	Issue	Proposed Correction
1.	*Tobacco control experts have criticized the FDA's decision, arguing it "amounts to endorsing HTPs"*	The FDA decision is clear and there is no endorsement by FDA. Moreover, it is notable that FDA specifically stated in its' press release authorizing *IQOS* as a modified risk tobacco product: *"…these products are not safe nor "FDA approved." The exposure modification orders also do not permit the company to make any other modified risk claims or any express or implied statements that convey or could mislead consumers into believing that the products are endorsed or approved by the FDA, or that the FDA deems the products to be safe for use by consumers."* The MRTP process is a statutory process, defined in US law and the *IQOS* Tobacco Heating System was authorized as a Modified Risk Tobacco Product with reduced exposure information within the law. We, as the manufacturer of *IQOS*, are not permitted to mislead consumers into believing that the products are endorsed by the FDA and it is our view that others should not be permitted to do so either. As such, we advise against repeating the statements of those who	Should you decide to keep the statement, please supplement it by including the FDA's quote as shown. There is no ambiguity as to what FDA's position is.

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		incorrectly position FDA's decision as an "endorsement".	
2.	"***The letter highlighted the U.S. Food and Drug in Administration's (FDA) decision that month to allow Philip Morris International (PMI) to market its flagship heated tobacco device, IQOS, as exposing users to fewer harmful substances than traditional cigarettes."***	The reference to "fewer harmful substances" is inaccurate and misleading. The FDA were clear that IQOS "significantly" reduces exposure to harmful and potentially harmful chemicals: *"Today's action pertains to the separate MRTP applications for these products and further authorizes the manufacturer to market these specific products with the following information:* *AVAILABLE EVIDENCE TO DATE:* • *The IQOS system heats tobacco but does not burn it.* • *This significantly reduces the production of harmful and potentially harmful chemicals.* • *Scientific studies have shown that switching completely from conventional cigarettes to the IQOS system significantly reduces your body's exposure to harmful or potentially harmful chemicals."*	Amend to accurately quote the MRTP Orders and state that the FDA permitted the IQOS system to be marketed with information including that *"Scientific studies have shown that switching completely from conventional cigarettes to the IQOS system significantly reduces your body's exposure to harmful or potentially harmful chemicals".*
3.	*"…even though there is insufficient evidence to prove*	The source quoted for this false statement is an incorrect and misleading opinion piece written on behalf of one of your highly partial funding partners, by	Clarify that this is an opinion of Professor Anna Gilmore and in the interests of balance include what the FDA actually said in their press release:

	they benefit the health of the population"	Professor Anna Gilmore, a spokesperson for Stopping Tobacco Organizations and Products, part of Vital Strategies, for the British Medical Journal. The BMJ article received rapid response comments both from ourselves and two independent commentators immediately after publication. It is not true to say there is 'insufficient evidence' and the FDA MRTP decision for *IQOS* is clear on their review of the evidence, but is misrepresented by the authors of the BMJ article and now by OCCRP through selective quotation. See also our request for corrections sent to Tobacco Tactics of Bath University for their accompanying article.	*"There are two types of MRTP orders the FDA may issue: a "risk modification" order or an "exposure modification" order. The company had requested both types of orders for the IQOS Tobacco Heating System. After reviewing the available scientific evidence, public comments and recommendations from the Tobacco Products Scientific Advisory Committee, the FDA determined that the evidence did not support issuing risk modification orders at this time but that it did support issuing exposure modification orders for these products.* ***This determination included a finding that issuance of the exposure modifications orders is expected to benefit the health of the population as a whole****."* (emphasis added) FDA's authorization also *states that, "[t]he scientific evidence that is available without conducting long-term epidemiological studies demonstrates that a measurable and substantial reduction in morbidity or mortality among individual tobacco users is reasonably likely in subsequent studies (section 911(g)(2)(A) of the FD&C Act)."*
4.	*"depriving governments of hundreds of millions of dollars of potential revenue"*	Taxation of different products in a certain way and at certain levels, remains the right of sovereign governments and parliaments, in light of overall government policy objectives and priorities.	We suggest to rephrase the sentence.

		As outlined in our cover letter, this statement represents a flawed logic that governments would benefit (in revenue) from people continuing to smoke. We and many others firmly believe that existing adult smokers who do not quit should be incentivized to switch away from the most harmful forms of nicotine consumption such as cigarettes to achieve a better public health outcome. Quitting smoking results in zero ongoing tax revenue for those smokers who quit, and this is absolutely acceptable to governments, as it should be.	
5.	*"PMI has used sponsored scientific studies, lobbying and now the FDA's decision to this end."*	This statement is misleading and false. All of PMI's published science is peer-reviewed and clinical trials are registered with http://www.clinicaltrials.gov/ . Our practices are inspired by the pharmaceutical industry and are aligned to the draft guidance issued by U.S. FDA's Center for Tobacco Products in 2012. FDA also considered independent studies in their consideration of our MRTP applications. Your choice of the phrase 'sponsored' suggests an irregularity when it is perfectly normal for FDA applicants in all sectors, whether food, pharmaceuticals or tobacco, to fund their own studies. The reason we conduct scientific studies is to demonstrate that smoke-free products like *IQOS* are fundamentally different from cigarettes and have the potential to reduce the risk of	Delete the sentence

		smoking related harms, not to deprive governments of revenue.	
6.	*Even though the agency and its advisory committee have twice declined to classify IQOS as less risky for consumers*	As we have told you before, this statement is false. FDA's Tobacco Product Scientific Advisory Committee (TPSAC) was asked to vote on advisory recommendations – not make a decision. The FDA, not TPSAC, has the statutory authority to decide whether a product should be designated as a "modified risk tobacco product". In July 2020 it decided that IQOS merited that designation. The FDA has to date only made one MRTP decision relating to *IQOS* and stated in its' order "…*that the evidence did not support issuing risk modification orders <u>at this time</u> but that it did support issuing exposure modification orders for these products"* (emphasis added). By way of additional background on TPSAC: During the meeting to discuss the MRTP applications for the *IQOS* system (the TPSAC Meeting), TPSAC did not make the recommendation as stated. TPSAC was requested to vote on a number of important questions. The TPSAC Meeting Materials and Information, including transcripts and minutes confirm this. On January 24 and 25, 2018, experts from Philip Morris International Inc. (PMI) and Philip Morris USA Inc. presented to the TPSAC as part of the FDA's review of PMI's request to commercialize *IQOS* in the U.S. as a "Modified Risk	Delete 'twice'. Please also correct the statement about TPSAC's recommendations accordingly to make these important facts clear to readers. The U.S. Federal Food, Drug, and Cosmetic Act (FDCA) does not recognize the term 'less risky' as used in the Article. The FDCA refers to '*modified risk tobacco products*' (MRTP), see FDCA section 911(b)(1). When addressing the correction above, please utilize the official terminology from FDCA section 911(b)(1) to address this inaccuracy.

		Tobacco Product". The FDA reviews modified risk tobacco product applications (MRTPAs) and it is FDA that makes the determination as to whether to authorize an MRTP. FDA takes into consideration TPSAC recommendations, along with public comments and other information made available to them, before making a determination on any MRTP application.	
7.	*Outside the U.S., she said PMI's marketing around "the reduced risk of IQOS products compared to continued smoking" was in line with local laws and regulations.*	You misquoted our statement thereby changing its context. The quote we provided you with was: "*Outside the US, PMI communicates messages about the reduced risk of IQOS products compared to continued smoking—which are based on the totality of our published scientific research—in line with local laws and regulations.*"	Please correct to include the full text.
8.	*The FDA said it had authorized the use of IQOS in the U.S. after a "rigorous science-based review" which found "the products produce fewer or lower levels of some toxins than combustible cigarettes." However, it said PMI had not proved the device posed a "reduced risk of tobacco-related disease or harm."*	As per our cover letter, please provide the full FDA statement you state was provided to you. If none was provided, please include the correct source for these comments which appear to be edited and decontextualized from the MRTP Order.	Use the entire statement that FDA provided you. Or, if none was provided for this article, clarify the full breadth of FDA's decision, including that PMI applied for both "risk modification" and "exposure modification" orders, and that while '*the FDA determined that the evidence did not support issuing risk modification orders at this time'*, it did '*support issuing exposure modification orders for these products. This determination included a finding that issuance of the exposure modifications orders is expected to benefit the health of the population as a whole*." and further

	"There is no direct clinical or epidemiological evidence of risk reduction, and the available evidence is insufficient to demonstrate that IQOS … will significantly reduce harm and risk to individual users and benefit the health of the population," the agency told OCCRP		stated that it "*is reasonably likely based on demonstrated reductions in exposure (e.g. a finding that a reduction in morbidity or mortality among individual users is reasonably likely in subsequent studies; a finding that issuance of an order is expected to benefit the health of the population as a whole).*"
9.	*"That wasn't just for altruistic reasons. Developing alternatives would also help avoid the high taxes applied to traditional tobacco products."*	This is false. The tobacco consumables used with *IQOS* are taxed by national governments according to local law and policy. PMI applies the applicable taxes due to all products – there is no 'avoidance'. Someone can easily find out that even different tobacco products for smoking (e.g. Roll-Your-Own tobacco, cigars, cigarillos, pipe tobacco, oral smokeless snus etc.) are taxed differently in numerous countries around the world. This does not constitute tax avoidance. Novel tobacco and nicotine products are very different from traditional tobacco products for smoking and the approach of governments varies widely. For example, in many countries e-cigarettes and nicotine pouches are also either taxed differently, or no excise tax applies at	Rephrase the opinion so as not to falsely imply that PMI is engaged in activities that avoid taxes legally due.

		all (in the majority of cases). These examples also do not constitute tax avoidance.	
10.	*Our view remains that the amount of the excise tax increase is inexorably tied to the costs of healthcare reform: as the latter goes down, so will the former," reads one document from PMI from 1994 held in the Truth Tobacco Industry Documents archive.*	This statement is false. Neither the document cited nor the author quoted are from PMI. It is an extremely outdated analyst report from a former tobacco industry analyst Gary Black.	Correct the attribution to link this quote to Mr Gary Black, not to PMI.
11.	*"If you tax a product a certain way, that is to raise revenue that pays for the societal cost," added Ulrik Boesen, a senior policy analyst with the Tax Foundation, a U.S. think tank. "If you get it wrong, you'll end up hurting not only public health, but also the taxpayers."*	We note that this commentator is on record as being supportive of differential taxation of smoke-free alternatives to cigarettes and his statement appears taken out of context. See for example some of his other views: "*To encourage harm reduction (consumers switching from more harmful cigarettes to less harmful vapor products), the products should be taxed relative to harm. Thus, excise taxes on vapor products should be relatively low compared to those on combustible tobacco products as cigarettes and vapor products are economic*	Please accurately clarify Ulrik Boesen's position on the taxation of smoke-free alternatives to cigarettes.

		substitutes, which means that increased prices on either may encourage consumers to switch to the other." "*…consider including a Modified Risk Tobacco Product (MRTP) provision. Five states already have provisions in their tax code that automatically lower the tax rate for products designated as MRTPs by the Food and Drug Administration (FDA).*" Oregon Measure 108: Tobacoo and E-Cigarette Tax Increase (taxfoundation.org)	
12.	*In 2018, the 182 countries that signed up to the Framework Convention on Tobacco Control (FCTC) agreed HTPs should not be treated differently from other tobacco products. Toma, from Smoke Free Partnership, said this means they should be taxed like cigarettes*	There are a number of inaccuracies in this statement: • In FCTC Article 6 Guidelines, the first guiding principle is that "*determining taxation policies is the sovereign right of Parties*". • Although the decision recognized that "*heated tobacco products are tobacco products and are therefore subject to the provisions of the WHO FCTC,*" it did not deem HTPs as cigarettes. As a matter of fact, the Parties to the FCTC requested the FCTC Secretariat "*to advise, as appropriate, on the adequate classification of novel and emerging tobacco products such as heated tobacco products to support regulatory efforts and the need to define new product categories;*" • Most importantly, the OCCRP statement omits the fact that through the COP8 decision, the Parties	Correct the statement to be factually accurate as per our comments that no decision on taxation was taken and correct the number of countries to 181.

		acknowledged that more evidence was needed and invited the WHO to prepare a report (and submit it to COP9 or consideration) with scientists, experts, and national authorities to "***subsequently propose potential policy options***"[1] (emphasis added). • Finally, in 2018 there were 181 Parties to WHO FCTC (not 182). The last Party to ratify the treaty was Andorra, which entered into force in 2020. Current number of signatories is 168 (here)	
13.	*OCCRP's Blowing Unsmoke series found the company has courted doctors in Italy and Romania, presented at medical conferences, and sought to take advantage of legislative gray areas to market IQOS. This year, PMI has even tried to leverage the coronavirus pandemic to convince more people to switch to using the*	See our previous comments on these articles where you have failed to address the factual errors notified to you.	Please correct the errors identified.

[1] See Page 2 of FCTC COP8 decision on Novel and Emerging Tobacco Products dated 6th October 2018 which states: *"(a) to prepare a comprehensive report, with scientists and experts, independent from the tobacco industry, and competent national authorities, to be submitted to the Ninth session of the COP on research and evidence on novel and emerging tobacco products, in particular heated tobacco products, regarding their health impacts including on non-users, their addictive potential, perception and use, attractiveness, potential role in initiating and quitting smoking, marketing including promotional strategies and impacts, claims of reduced harm, variability of products, regulatory experience and monitoring of Parties, impact on tobacco control efforts and research gaps, and to subsequently propose potential policy options to achieve the objectives and measures outlined in paragraph 5 of the present decision;"*

	"healthier" heated tobacco device		
14.	*PMI has relied on sponsored scientific studies to back its claims — even in its submission to the FDA.*	See our comments in paragraph 5 above relating to funding of research. This statement is little more than attempt to smear the credibility of our research which follows the well-established practices of the pharmaceutical industry (including Good Laboratory Practice and Good Clinical Practice) and published Guidance from the U.S. FDA for MRTP applications. It includes laboratory research, clinical studies among adult smokers, and research to understand the potential benefits of the product for the public health, including how smokers perceive the product's risk and how they use the product in real-life conditions. We also study actual use once the product is on the market. Simply speaking, FDA could not have granted the MRTP Order for *IQOS* unless it was sufficient to justify granting an order within the statutory requirements. This statement is incorrect and a simple fact check of the FDA docket for *IQOS* shows there are far more studies (both PMI funded and third party studies) than the authors cite. PMI initially submitted 17 non-clinical studies, 8 clinical studies and referenced over 180 other publications during our presentation to the FDA's	Either delete the sentence or re-word it to be clear that PMI followed the normal statutory process in making its' MRTP application to the FDA.

	Reporters found that nine out of the 12 articles and other material referenced in the body's decisions were written by people with links to the tobacco industry or draw on other studies on HTPs and e-cigarettes sponsored by the industry	TPSAC. These numbers were supplemented with further studies from PMI and FDA also considered independent evidence.	
15.	*"despite the lack of reliable evidence that they reduce the risk to people's health…"*	This statement is false. *IQOS* is fundamentally different to cigarettes. In addition to our own studies, there is a significant and growing body of independent research, including from other government agencies such as Public Health England[2], which support key elements of our scientific findings.	In the interests of balance the Article should set out the existing evidence which supports the view that *IQOS* is fundamentally different to cigarettes and cite whose opinion this is that there is a '*lack of reliable evidence,*' rather than stating it as fact.

[2] See for example the 2018 Evidence review by Public Health England which states "*the available evidence suggests that heated tobacco products may be considerably less harmful than tobacco cigarettes and more harmful than e-cigarettes*".

		Whilst the FDA "*determined that the evidence did not support issuing risk modification orders at this time but that it did support issuing exposure modification orders for these products"* (emphasis added), in granting the MRTP exposure modification orders, the FDA stated that: *"[…]**a measurable and substantial reduction in morbidity or mortality among individual tobacco users is reasonably likely in subsequent studies, and issuance of an order is expected to benefit the health of the population as a whole taking into account both users of tobacco products and persons who do not currently use tobacco products***". Critically, the FDA determined that the *IQOS* Heated Tobacco System is **"*appropriate for the promotion of public health*".**	
16.	*OCCRP and our partners spent months trying to find reliable data on how HTPs, and tobacco products in general, are taxed. This proved difficult for several reasons. Different countries measure excise taxes in different ways, so data is hard to compare. Countries also apply these taxes in different ways through*	This statement is false and the Article wrongly concludes the tax system is 'untransparent' (*sic*) simply because it was evidently too complex or time consuming for the reporters to reach accurate conclusions. One of the commentators cited in the Article who has links to your funders, Associate Professor J Robert Branston, has written extensively on tax matters and could no doubt have assisted OCCRP in finding that taxation is transparent and a matter of public record. In one article from 2016 he states:	Delete the last sentence: "*This dearth of data means that in many countries the tax regime is often untransparent, which is bad for the public and good for the tobacco industry."*

	different regulatory bodies. This dearth of data means that in many countries the tax regime is often untransparent, which is bad for the public and good for the tobacco industry.	*"It is time for governments to add some nice cop to the nasty; time to guide the world's major tobacco firms away from their core business with economic incentives that encourage the marketing of less harmful alternatives."* See also one of his other articles on taxation approaches to smoke-free alternatives. Tobacco companies need to know precisely what tax is due on any particular product before it is placed on the market so the idea that it is bad for the public and good for the industry is false. The setting of excise tax on all excisable goods (including tobacco and nicotine products), usually occurs as part of the annual national budget discussions, they are public debates, after which the final decisions or amendments to the tax legislation are published in the relevant gazette of the government (or public websites). Furthermore, in countries such as the UK, there were public consultations to determine the appropriate excise tax system for heated-tobacco products. The below link provides, all public sources and explanations about the tax system for heated tobacco products in the UK for example:	

		Tax treatment of heated tobacco products - GOV.UK (www.gov.uk) Furthermore, in the UK, the House of Commons Science and Technology Committee published a report on "E-cigarettes", which stated the following about the taxation of conventional cigarettes, e-cigarettes and heated tobacco products. *"The level of taxation on smoking-related products should directly correspond to the health risks that they present, to encourage less harmful consumption. Applying that logic,* ***e-cigarettes should remain the least-taxed and conventional cigarettes the most, with heat-not-burn products falling between the two****".* *[Paragraph 82] of the Report found in the link below.* *https://publications.parliament.uk/pa/cm201719/cmselect/cmsctech/505/505.pdf* Heated tobacco products are taxed differently than cigarettes in most countries. E-cigarette taxation follows the same approach with also many countries not taxing e-cigarettes at all (aside from any value added / sales taxes). Many countries have historically applied different tax rates to different types of smoking tobacco products,	

		and for example, Roll-Your-Own tobacco typically bears a lower tax burden than factory-made cigarettes. Even within the cigarette category, different excise tax levels apply to different cigarette brands depending on their price level. It has long been our view that, from a health point of view, all combusted tobacco products (for smoking) should be taxed at a comparable tax level. When it comes to tax treatment of smoke-free products, the WHO International Agency for Research on Cancer (IARC) has taken an approach that we concur with: "*The guidelines for implementation of Article 6 of the WHO Framework Convention on Tobacco Control provide countries with a set of best practices for tobacco taxation (WHO, 2018). One of the key recommendations is that countries should tax tobacco products in a comparable way to ensure that increases in taxes and prices do not result in the substitution of cheaper categories of products. In the case where products have similar levels of harm, this is an appropriate strategy. However, as less harmful products have become more prevalent, and a continuum of risk or harm is present, it is appropriate to differentiate taxes according to relative risks (Chaloupka et al., 2015). The overriding focus remains the reduction of demand for the most harmful products*." [p.158] link here	

17.	*In Italy, Tobacco Endgame calculates IQOS are taxed at 14 percent, compared to 58 percent for cigarettes. A tax expert confirmed OCCRP's calculations that the difference equates to an annual loss of some 400 million euros of government revenue.* *A recent proposal to Romania's Parliament estimated the government would raise 200 million more euros by 2024 if it taxed the two products at the same rate.* *In Ukraine, Tobacco Free Kids estimated more than 8 million euros of government revenue was lost through lower taxation on HTPs in 2018.* *In Japan, cigarettes are all taxed at around 63 percent, but HTPs are taxed at wildly*	We have no way of knowing whether your calculations, and even more your assumptions about the impact of different tax scenarios are correct. Tax decisions are made by sovereign states as a matter of public record and the involvement of government experts, such as in the UK where a public consultation took place. See our response to paragraph 16 above.	

	different rates. IQOS, which by conservative estimates has a 70 percent share of the HTP market, is taxed the highest at 49 percent. If these 3.7 million IQOS users paid the same rate of tax as on cigarettes, OCCRP calculates the government would raise 1.1 billion euros more a year. *Attempts to raise taxes on HTPs have also failed. In Romania, an amendment that would have increased excise duties on them to 80 percent of the amount imposed on normal cigarettes by 2024 was rejected by MPs in October. The proposal for the amendment predicted it would raise over 200 million euros per year for the national budget over four years.*		

	Italian lawmakers also voted down a proposal to raise HTP taxes to a level approaching cigarette taxes during the coronavirus pandemic, which would have gone towards a 300-million-euro fund to provide home nursing care for the elderly, disabled, and other at-risk populations. It was rejected twice, even though Italian authorities had turned down PMI's application to have IQOS classified as less risky than cigarettes.		

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