

# SUBMISSION BY CONSIDERATE POUCHERS SWEDEN

to the Ministry of Finance Consultation on Proposal [Fi2025/01535]

Directive 2011/64/EU – Excise Duties on Tobacco and Tobacco-Related Products

## 1. ABOUT CONSIDERATE POUCHERS SWEDEN

Considerate Pouchers Sweden is part of a global consumer-led initiative advocating for evidence-based harm reduction strategies in nicotine policy. Our mission is to defend the rights of adult consumers to access safer nicotine alternatives, such as nicotine pouches, while promoting public health outcomes by reducing tobacco-related harm.

Sweden's unique history with oral nicotine products has delivered some of the lowest smoking rates, tobacco-related diseases, and mortality in Europe. We work directly with policymakers, scientists, and consumers to ensure regulations reflect both scientific evidence and consumer realities, while safeguarding Sweden's successful harm reduction model.

## 2. EXECUTIVE SUMMARY

We welcome the opportunity to respond to the consultation on the European Commission's proposal to recast Directive 2011/64/EU on excise duties.

While the stated goals of harmonisation, public health protection, and prevention of illicit trade are legitimate, we are deeply concerned that the proposal:

- Extends excise taxation to tobacco-free products, such as nicotine pouches and even nicotine-free e-liquids, despite their significantly lower risk profile.
- Introduces minimum excise levels that, in the Swedish context, would raise taxes on white snus/ nicotine pouches by more than 600%, according to Svenskt Näringsliv.
- Risks undermining decades of Swedish harm reduction success by making smoke-free alternatives less affordable and less attractive relative to cigarettes.

We urge the Ministry of Finance to carefully consider Sweden's evidence-based model before endorsing measures that would harm consumers, public health, and the integrity of the internal market.

### 3. HARM REDUCTION AND THE SWEDISH EXPERIENCE

Sweden is the only EU country that has almost reached the European Cancer Plan's goal of a "smoke-free" population (under 5% smoking prevalence). This success is directly linked to the availability of oral nicotine products such as snus and, more recently, nicotine pouches.

Key outcomes include:

- Daily smoking prevalence below 6% – the lowest in the EU.
- 44% lower tobacco-related mortality compared to the EU average.
- Lowest lung cancer incidence in Europe.
- Declining rates of ischemic heart disease and stroke compared to neighbouring countries.

These achievements did not result from high taxation or prohibition, but from consumer access to affordable, appealing, and regulated smoke-free alternatives. To impose disproportionate taxes on these very products would contradict Sweden's successful public health approach.

### 4. RISKS OF THE COMMISSION'S PROPOSAL

#### 1. Nicotine-Free Products

Including nicotine-free e-liquids and similar products within excise taxation has no scientific justification. They pose no addiction risk and no measurable public health burden. Taxing them purely on the basis of "consumption patterns" risks setting a dangerous precedent of regulating lifestyle products absent of harm.

#### 2. Excessive Minimum Excise on Pouches

The proposed minimum levels translate into more than six times Sweden's current tax on white snus/nicotine pouches. This would:

- Undermine affordability for adult consumers.
- Push price-sensitive groups back toward cigarettes or illicit channels.
- Penalize Sweden's proven harm reduction model while offering no additional health benefits.

#### 3. Unintended Substitution Effects

If safer alternatives are taxed at levels approaching or exceeding combustible tobacco, consumers - especially young adults and low-income smokers - may substitute back to cigarettes. This is the opposite of the intended public health outcome.

#### 4. Illicit Market Growth

Excessive taxation creates strong incentives for illicit trade. Sweden has already observed illicit inflows of tobacco products from neighbouring countries. Expanding high excise to nicotine pouches will replicate the same dynamic, undermining revenue goals and product safety.

## 5. POLICY RECOMMENDATIONS

We respectfully recommend that the Swedish Government and EU institutions:

1. Exclude nicotine-free products from the Directive. Regulation should be evidence-based and proportionate to health risk.
2. Apply differentiated and proportionate taxation for smoke-free alternatives such as nicotine pouches, ensuring they remain more affordable than combustible tobacco.
3. Safeguard Sweden's harm reduction model, which has delivered world-leading reductions in smoking prevalence and disease. Sweden should not be penalized for success.
4. Reject excessive minimum excise levels that would impose a 600% tax increase on white snus/ nicotine pouches. Such measures are economically and socially disproportionate.
5. Conduct impact assessments on consumer behaviour, substitution effects, and public health outcomes before setting new excise levels.
6. Promote consistency with the Beating Cancer Plan, which seeks to reduce smoking. Making safer alternatives less accessible runs counter to this objective.

## 6. CONCLUSION

Sweden's experience proves that harm reduction works. Adult consumers, when given access to affordable, appealing, and regulated alternatives, will choose them over cigarettes - saving lives and reducing disease burden.

The Commission's current proposal, however, risks dismantling this success by overtaxing smoke-free products and taxing nicotine-free variants without justification. This would harm consumers, undermine public health, and fuel illicit markets.

We urge the Ministry of Finance to defend Sweden's evidence-based approach and advocate for proportionate, risk-based taxation at EU level.

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