

HEALTH APRIL 10, 2019 / 1:54 PM / UPDATED 18 HOURS AGO

## Exclusive: India trade ministry says no legal basis to ban e-cigarette imports - document

Aditya Kalra, Neha Dasgupta

NEW DELHI (Reuters) - India's trade ministry says it cannot impose a ban on electronic cigarette imports as there is no legal basis for doing so, an internal government memo viewed by Reuters shows, in a boost for those looking to tap into the country's growing vaping market.



FILE PHOTO: A woman holds a Juul e-cigarette while walking in New York, U.S., September 27, 2018.  
REUTERS/Brendan McDermid/File Photo

This comes amid repeated calls for a ban from the country's health ministry, which urged states and government agencies last year in an "advisory" to step up efforts to halt sales and imports, warning vaping devices pose a "great health risk".

The country has 106 million adult smokers, second only to China, making it a lucrative market for firms such U.S.-based Juul Labs and Philip Morris International that plan to launch e-smoking devices in the country.

India's Jubilant group, one of whose units has the franchisee for Domino's Pizza and Dunkin' Donuts outlets in the country, is already exploring importing Juul's vaping device, a company letter shows.

Halting imports of e-cigarettes into India will be against multilateral commitments with the World Trade Organization, according to the internal government memo dated March 18.

The country must first prohibit local sales through federal regulations that "can stand the scrutiny of law", the memo adds.

Once that is done, the Directorate General of Foreign Trade (DGFT) can announce an “import ban”, the memo said.

As of now, the health ministry’s “advisory” cannot be a legal basis for a ban, the trade ministry, which has the power to impose import bans, said in the memo that is not yet public.

The DGFT did not respond to a request for comment.

A health ministry official said the ministry will work with the DGFT to explore how a ban can be imposed.

## **JUBILANT & JUUL**

India’s \$12 billion cigarette market is dominated by companies such as ITC and Godfrey Phillips, both of which also sell e-cigarettes.

Its vapor-products market was valued at \$15.6 million in 2017 and is seen growing nearly 60 percent annually in the next few years, Euromonitor International estimates.

Keen to tap into this growth, Juul has hired new executives in India and plans to launch its products in the country by late 2019, Reuters has previously reported.

But India's health ministry has called to block Juul's entry, saying its product was "harmful" and could undermine India's tobacco-control efforts.

A Jubilant unit, however, said in a letter to the health ministry dated Jan. 11, that it had identified Juul as a “highly safe” product which has “benefited millions of consumers”.

Jubilant Offshore said in the letter it was in “advanced stages” of importing and selling e-cigarettes in the country.

A Jubilant spokesman said “we believe there is demonstrable scientific evidence” that such products are a viable alternative to cigarettes and that the group is “exploring the category”.

Juul said it was in the process of evaluating India by having conversations with stakeholders.

The benefits of e-cigarettes, most of which vaporize a liquid containing nicotine, have been a topic for much debate in the global public health community.

Some say it helps shift smokers to less harmful products, but others argue it could create a new generation of addicts.

As of 2016, e-cigarettes were banned in 30 of World Health Organization’s 195 member states. In India, about a third of its 29 states currently ban e-cigarette sales.

The country, home to the world’s second-largest population at 1.3 billion, has tough laws to deter tobacco use, which the government says kills more than 900,000 people annually.

**Source:** <https://in.reuters.com/article/us-india-ecigarettes-import-exclusive/exclusive-india-trade-ministry-says-no-legal-basis-to-ban-e-cigarette-imports-document-idINKCN1RM0UO>