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LAW NO. 13

of January 24, 2008

Which Adopts Measures to Control Tobacco

and its Harmful Effects on Health

THE NATIONAL ASSEMBLY

HEREBY ORDERS:

Chapter I

General Provisions

Article 1. The purpose of this Law is to adopt measures to protect the health of the Panamanian people from the harmful effects and damage tobacco has on health pursuant to the Political Constitution.

Article 2. The Ministry of Health will be responsible for reporting on the health consequences, addictive nature and deadly threat that tobacco use and the exposure to tobacco smoke pose for human beings. Consequently, the Federal Government will set aside the respective budgetary items.

Article 3. With the participation of civil society, the Government shall prepare the appropriate policies to prevent, control and reduce tobacco use, nicotine addiction and the exposure to tobacco smoke and take steps as necessary to effectively apply these policies to public health.

Article 4. For purposes of this Law, the following terms shall be understood thus:

- I. Enclosed work environment. Area in which no natural ventilation exists and where one or more workers perform production activities involving the exposure to chemical, physical, biological, sanitary and psychosocial risks.
- 2. Tobacco control. Strategies to reduce the supply and demand of tobacco products as well as the harm they produce for the purpose of improving public health and eliminating or reducing the use of tobacco products and exposure to its smoke.
- 3. Outside packaging and labeling. The boxes, cartons and similar used in tobacco products for retail sale.
- 4. Tobacco industry. Comprises the manufacturers, distributors, wholesalers and importers of tobacco products.
- 5. *Tobacco sponsorship*. Contribution that directly or indirectly promotes a tobacco product or its use in any action or activity or to any person.
- 6. Tobacco product. Product prepared totally or partially by using tobacco leaves as raw material and which is designed to be smoked, sucked, chewed or used as snuff.
- 7. Tobacco advertising and marketing. Any form of communication, recommendation or commercial action that directly or indirectly promotes a tobacco product or its use.
- 8. Cross-border tobacco advertising, promotion and sponsorship. Any form of communication, recommendation or commercial action, such as contributing to any act or activity or person, which originates outside the Panamanian Republic and can be captured by technological means on the national territory to directly or indirectly promote a tobacco product or its use.

Chapter II

Measures Related to Reducing

The Demand For Tobacco

Article 5. Tobacco use and the use of its products are prohibited in:

- 1. National, provincial, district and local public and private offices.
- 2. Means of public transportation in general and land, sea and air transport terminals.
- 3. Enclosed places with public access where people congregate.
- 4. Public and private, open and enclosed environments designed for sporting activities.
- 5. Common areas of public and private buildings of commercial and domestic use.
- 6. Enclosed work environments.
- 7. Public and private educational and health institutions.

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Managers or persons in charge of public or private establishments will be responsible for making the general public and their employees comply with the provisions of this Law and if necessary may request help from the National Police.

Article 6. Tobacco product packages and wrappers must bear the following printing:

- 1. The warning: "SMOKING MAY CAUSE DEATH". This warning must appear on one side of the tobacco product package or wrapper in clear, visible, legible and contrasting color letters.
- 2. An additional health warning on the front and back lower sections of each tobacco product package or wrapper with an image or pictogram, as provided by Law.
- 3. Information on the product's origin, production and expiration date, the place where the product will be sold, the lot and registration. The product bar codes may not appear adulterated or have labels affixed over them.

Article 7. With regards to the provisions of Number 2 in the above article, additional health warnings established by the Ministry of Health shall be shown in the following manner:

- 1. Rotating annually.
- 2. Clear, visible and legible
- 3. Written in the Spanish language.

Article 8. With regards to Number 3 of this Law's Article 6, this information must be printed on one side of the tobacco product labels, packages or wrappers, must appear so that it stands out and must be protected from adulteration by a bar code.

Similarly, tobacco products must carry printing on their toxic content, especially nicotine and tar, as well as content on their emissions, especially carbon monoxide and benzopyrene. This information must be on one side of the tobacco product labels, packages or wrappers in clear, visible and legible letters, inserted in a box.

Laboratories that analyze and verify tobacco product chemicals must be accredited and approved by the Ministry of Health.

Article 9. Warnings that must be made according to this Law shall contain information on health risks and damages, shall occupy fifty percent (50%) of the front and back faces of the tobacco product package and be printed on the package and not on the discardable outside wrapper.

Health warnings shall be placed on the lower portion of the packs with the exception of their bottoms. The physical area will be distributed between the package's main faces and side borders. The pictogram and written warning message must appear on both main faces.

During each rotating period five health warnings shall circulate throughout the national market, distributed proportionately to the volume of packages.

Article 10. Warnings must be clearly visible, written in Arial letter font in contrasting primary colors that facilitate their reading and be no smaller than fourteen point in size. The health warning text shall be inserted in a box.

Article 11. Printing of the images or pictograms on the packages and wrappers of tobacco products shall use the separation of colors technique, and their minimum size shall be sixty percent (60%) of the space set aside for health warnings as established by the Ministry of Health.

Article 12. Topics contained in health warnings and pictograms shall be established by the Ministry of Health. The tobacco industry or its subsidiaries shall reproduce them on all tobacco product packages aimed at the end consumer.

Article 13. Advertising of tobacco products on its labels, packages or wrappers shall not be done in a false, questionable or deceptive manner that might lead to error concerning its characteristics or effects on health, risks or emissions.

Consequently, the use of terms, descriptive elements, manufacturer's or business trademarks or figurative or any other type of symbols that may directly or indirectly create the false impression that a particular tobacco product is less harmful than another is prohibited.

Article 14. Any kind of marketing, advertising and sponsorship of tobacco and its products is totally prohibited, whether through indirect or subliminal means, aimed at minors or those of majority age. Equally prohibited are all forms of cross-border advertising, promotion and sponsorship of tobacco and its products that may penetrate the national territory.

Article 15. The Government shall design and apply programs promoting tobacco use cessation. It will consequently take the measures needed for the public health sector to facilitate anti-tobacco dependency treatment, including drug products, in order to reduce people's dependence on tobacco.

Chapter III

Measures Related to Reducing

the Tobacco Supply

- **Article 16.** The sale of imported products derived from tobacco not expressly aimed at the Panamanian market is prohibited.
- **Article 17.** It is forbidden to distribute, sell, give away or market any type of tobacco product introduced into the country which has not complied with the prevailing Customs paperwork and is not meant for distribution within the country.
- **Article 18.** The Government shall adopt and apply regulatory measures in all special economic areas or free trade zones to specifically monitor, document and control the storage and distribution of tobacco products which are in or out of a system of suspended taxes or rights.

Individuals or companies who fail to comply with the obligations derived from this article shall be monetarily penalized according to the gravity of the misdemeanor and, in the case of recidivism, shall have their operating license revoked.

Article 19. The sale of tobacco products to minors is prohibited, and as such, the following measures are adopted:

- 1. Providers and vendors of tobacco products shall be obliged to place at their cost visible, clear and outstanding signs inside their sales venues indicating that the sale of tobacco products to minors is prohibited.
- 2. No retail sales grocery may have tobacco products in places directly accessible to the customer.
- 3. The manufacture, importation and sale of sweets, snacks, toys and other objects with the shape and design of tobacco products and which may be attractive to minors is prohibited.
- 4. Merchants selling tobacco products are required to check that the person acquiring them is of legal age. The check will be made through presentation of the personal identity card, driver's license, passport or any other valid official identification.
- 5. The Ministry of Health and municipalities shall set aside a telephone line so that people can make reports on violations of this provision.
- **Article 20.** The sale of loose cigarettes or those in small packages containing fewer than twenty cigarettes that make this product more accessible to minors is prohibited.
- Article 21. Minors may not sell tobacco products or be employed by other persons for such a purpose.
- Article 22. The use of vending machines or tobacco dispensers is prohibited.
- **Article 23.** Once this Law has taken effect, the sale of products derived from tobacco in public or private sporting, educational and health establishments is prohibited. This provision includes the vendors located therein.
- **Article 24.** Failure to comply with the prohibition on advertising and health warnings contained in the Law constitutes an involvement of national public health and carries with it the seizure and destruction of the tobacco products and advertising materials. In the event of recidivism, authorities shall revoke the respective license.
- **Article 25.** Study plans and programs for general basic education and middle education in both modalities must consider objectives and contents designed to educate and instruct students about the damages the use of products made with tobacco and exposure to its smoke produce in the body together with its addictive nature.

Chapter IV

Breaches

Article 26. Breaches of the provisions of this Law shall be constituted by the following:

- 1. Smoking in places where it is totally prohibited.
- 2. In establishments where the sale of tobacco products is authorized, not displaying in a visible location the signs reporting the prohibition of tobacco sales to minors and warning about the damages of tobacco use on health.
- 3. Not reporting the prohibition of smoking at the entrance to the establishments.
- 4. Allowing smoking in places where it is totally prohibited.
- 5. Handing out or distributing samples, whether free or not, of any tobacco product.
- 6. Selling or giving minors tobacco products or imitation tobacco products that may lead to smoking, are shaped like tobacco products and which may be attractive to minors.
- 7. Marketing tobacco products using the name, brand name, symbol or any other distinctive mark of any other good or service other than those permitted by this Law.
- 8. Selling, giving away or supplying tobacco products under circumstances other than those permitted by this Law.
- 9. Advertising, promoting or sponsoring tobacco products in all means of communication.

Article 27. The amount of sanctions imposed shall be regulated bearing in mind the risk created to health, the offender's economic capacity, the social repercussion of the offense, the benefit the sanctioned conduct may yield to the offender, whether the offender is a minor and the offender's recidivism.

Article 28. When the offense has to do with advertising, the advertising company and the beneficiary of the advertising shall be considered jointly responsible, with the latter being understood as the owner of the advertised brand or product, as well as the owner of the establishment of the area in which the announcement is issued.

Article 29. Breaches of this Law may be reported to the competent authorities by any person and will be sanctioned by the Ministry of Health in accordance with the provisions of the Health Code.

Article 30. Funds obtained from fines from breaches of this Law will be used to implement prevention programs, for advertising and education with regards to tobacco's harmful effects.

Chapter V

Final Provisions

Article 31. Article 171 of the Health Code is thus:

Article 171. Any form of advertising or propaganda referring to hygiene, preventive and curative medicine, drugs and products of hygiene or medicinal use, cosmetics or beauty products not previously approved by the Ministry of Health is prohibited. The Ministry of Health shall object to all propaganda aimed at deceiving or exploiting the public or that in any form may be damaging to health.

It is deceptive or damaging to the public to recommend through any propaganda method medical services not officially authorized or that disagree with scientific facts, praising medicine and attributing properties to it that it does not possess and that are not among those acceptable by the Ministry at the time of registration, and misconstruing the pre-established legal provisions in any manner.

Through the Ministry of Health or by Law, the Government shall prohibit any type of advertising, marketing or sponsorship of drugs, even when legal, whenever it is scientifically shown that they are damaging to human health and constitute a threat to public health.

- **Article 32.** The Executive Body shall have a period of no longer than three months from enactment in which to regulate this Law.
- Article 33. This Law amends Article 171 of the Health Code and revokes Executive Order 17 of March 11, 2005.
- Article 34. This Law shall take effect three months following its enactment.

THIS IS HEREBY ORDERED MADE KNOWN AND OBEYED..

Draft Bill 25 of 2004, approved in third debate at the Justo Arosemena Palace, Panama City, on the third day of December in the year two thousand seven.

President,
[Signature]
Pedro Miguel González P.

Secretary General

[Signature]

Carlos José Smith S.

NATIONAL EXECUTIVE BODY. PRESIDENCY OF THE REPUBLIC. PANAMA, REPUBLIC OF PANAMA, ON THE $\underline{24}^{th}$ OF $\underline{JANUARY}$, 2008

[Signature]

MARTÍN TORRIJOS ESPINO President of the Republic

[Signature]

ROSARIO TURNER MONTENEGRO Minister of Health