Ministry of Industry, Energy and Mining

Secretary of State Please refer to 1362/22

MINISTRY OF ENVIRONMENT

MINISTRY OF THE INTERIOR
MINISTRY OF FOREIGN AFFAIRS
MINISTRY OF ECONOMY AND FINANCE
MINISTRY OF NATIONAL DEFENSE
MINISTRY OF EDUCATION AND CULTURE
MINISTRY OF TRANSPORT AND PUBLIC WORKS
MINISTRY OF INDUSTRY, ENERGY AND MINING
MINISTRY OF LABOR AND SOCIAL SECURITY
MINISTRY OF PUBLIC HEALTH
MINISTRY OF LIVESTOCK, AGRICULTURE AND FISHERIES
MINISTRY OF TOURISM
MINISTRY OF HOUSING AND TERRITORIAL PLANNING
MINISTRY OF SOCIAL DEVELOPMENT

Montevideo, September the 2nd, 2022

IN VIEW OF: the provisions of Law No. 18,256 of March 6, 2008, and Law No. 19,723 of December 21, 2018, regarding the packaging and labeling of tobacco products; **PROVIDING:** that the aforementioned Law No. 18,256 was regulated by Decree No. 120/019 of April 29, 2019.

CONSIDERING: I) that the aforementioned Decree provides, among other measures, the non-differentiation of origin in the cigarette itself, which is understood to facilitate the production and circulation of counterfeit cigarettes;

II) that likewise, by imposing the hard box as the only marketable version (carton with flip top opening), the decree excludes the soft box which has traditionally been the most widely sold in the market and whose characteristics allow it to compete more effectively with those mostly of the same type that are smuggled into the country;

III) that the aforementioned limitations affect cigarettes sold in the formal market, in the face of strong competition from smuggled cigarettes;

IV) that the entry of cigarettes and contraband or their general counterfeiting foster a significant informal market, which severely affects revenue collection and goes against the Administration's public policies as to its eradication;

V) that in order to interrupt such irregularity in the commercialization chain, it is deemed necessary to keep the identification of each unit of the product and its packaging in a soft box and to identify those who profit from the wholesale and retail sale of counterfeit and contraband cigarettes, discouraging the access to the informal product, determining applicable penalties and explaining their scope of application;

PURSUANT TO: the foregoing, to the provisions of Article 168 numeral 4 of the Constitution of the Republic, Law No. 18,256 of March 6, 2008, Law No. 19,723 of December 21, 2018, and Decree No. 120/019 of April 29, 2019;

THE PRESIDENT OF THE REPUBLIC sitting in the Council of Ministers DECREES

Article 1.- Articles 7, 8 and 10 of Decree No. 120/019 of April 29, 2019, are hereby replaced and shall read as follows:

"Article 7º- Pack of cigarettes. Cigarette packages shall be in the shape of a rectangular prism and their size shall conform to the dimensions specified below:

Height: 80 to 90 mm Width: 40 to 60 mm Depth: 15 to 25 mm

Article 8º.- Cigarette package material. If the packages are covered by cellophane-type paper or similar, they shall be transparent, without color or decorative or stamped elements, without relief, without commercial brand, and shall contain a transparent opening strip.

Article 10º.- Cigarette. On the cigarette or inside the box, the manufacturer may incorporate distinctive elements destined to determine the authenticity of the product or its traceability in order to detect and change its diversion or adulteration. The filter will be of imitation cork or white color, being biodegradable and the identification of the brand may be incorporated in it".

Article 2º.- Those who acquire, distribute, transport, or offer to the public tobacco products without the corresponding documentation or that due to their price of origin or packaging are identifiable as counterfeit or smuggled merchandise, and without prejudice of incurring in the crime of concealment as provided in Article 350 bis of the Criminal Code as applicable, shall be subject to fines and sanctions provided in Law Nº 18.256 of March 6, 2008, without prejudice of the customs and tax regulations.

Article 3º.- Be informed.

[Illegible signatures and names]