REPORTING INSTRUMENT

1. Origin of the report

| (a) Name of Contracting Party | Hungary |
|---|--|
| (b) Information on National Contact/Focal Point | |
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| (c) Information on contact officer submitting the national report if different from the above | |
| Name and title of contact officer | |
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| Telephone number | |
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| (d) Signature of the officer responsible for submitting report | |
| Name and title of officer | dr. Rapi Katalin Secretary of State for Health Policy |
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| (e) Period reported | 27th February 2005 - November 2006 |
|-----------------------------------|------------------------------------|
| (f) Date the report was submitted | |

2. Demographics

(a) Age and sex:

| Year (latest available) | 2006 | | | | | | | | |
|--|------|-------|-------|-------|-------|-------|-------|-------|------|
| Age groups | 0-9 | 10-19 | 20-29 | 30-39 | 40-49 | 50-59 | 60-69 | 70-79 | 80-x |
| Percentage of <i>male</i> population | 10.4 | 12.9 | 15.9 | 15.8 | 13.3 | 14.3 | 9.3 | 5.9 | 2.2 |
| Percentage of <i>female</i> population | 8.9 | 11.2 | 13.9 | 13.9 | 12.5 | 16.6 | 11.4 | 9.1 | 4.6 |
| Percentage of <i>total</i> population | 9.6 | 12 | 14.5 | 14.8 | 12.9 | 14.5 | 10.4 | 7.6 | 3.4 |

(b) Ethnicity (optional):

| Name of ethnic group | | | |
|--------------------------------|--|--|--|
| Percentage of total population | | | |

3. Tobacco use

i. Prevalence (ref. Articles 19.2(a) Article 20.2 and Article 20.3(a))

(a) Smoking tobacco:

| | Age groups ¹ (adults) | Tobacco products included | Year of data (latest available) | Prevalence (%) |
|----------------------------|----------------------------------|---------------------------|---------------------------------|----------------|
| Male | | | | |
| Daily smokers ² | 18-24 | cigarettes | 2003 | 45,1 |
| | 25-34 | | | 41,8 |
| | 35-44 | | | 42,5 |
| | 45-54 | | | 40,7 |
| | 55-64 | | | 32,9 |

¹ Preferably by ten-year categories, e.g. 25-34, 35-44, etc.

| 65-74 | |
|--|------------------------------|
| Occasional smokers¹ 18-24 7,2 25-34 5,8 35-44 4,2 45-54 1,7 55-64 2,5 65-74 0,5 75+ 0 Female Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 25-34 5,8 4,2 45-54 1,7 55-64 0,5 75+ 0 18-24 30,9 25-34 36,8 45-54 30 55-64 18,8 65-74 75+ 2,3 2,3 18,8 18,8 15-4 2,3 18,8 | |
| 35-44 4,2 45-54 1,7 55-64 2,5 65-74 0,5 75+ 0 Female Daily smokers ² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | asional smokers ¹ |
| 45-54 1,7 2,5 0,5 0,5 | |
| 55-64 2,5 65-74 0,5 75+ 0 Female Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 65-74 0,5 75+ 0 Female Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 75+ 0 Female Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| Female Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| Daily smokers² 18-24 30,9 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 25-34 33,5 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | ale |
| 35-44 36,8 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | y smokers ² |
| 45-54 30 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 55-64 18,8 65-74 7,4 75+ 2,3 | |
| 65-74 7,4 75+ 2,3 | |
| 75+ 2,3 | |
| | |
| | |
| Occasional smokers ² 18,24 5,8 | asional smokers ² |
| 25-34 4,6 | |
| 35-44 4,5 | |
| 45-54 4 | |
| 55-64 1,8 | |
| 65-74 0,7 | |
| 75+ 0 | |
| Total (males and females) | ıl (males and fem |
| Daily smokers ² 18-24 38,3 | y smokers ² |
| 25-34 37,7 | |

¹ Definitions to be provided by the Parties.

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| | 35-44 | | 39,7 |
|---------------------------------|-------|--|------|
| | 45-54 | | 35,2 |
| | 55-64 | | 24,9 |
| | 65-74 | | 11,5 |
| | 75+ | | 5,6 |
| Occasional smokers ² | 18-24 | | 6,6 |
| | 25-34 | | 5,2 |
| | 35-44 | | 4,3 |
| | 45-54 | | 2,9 |
| | 55-64 | | 2,1 |
| | 65-74 | | 0,6 |
| | 75+ | | 0 |

If available, please provide the average number of cigarettes smoked per day by the smoking population:

| | Age groups ¹ (adults) | Tobacco products included | Year of data (latest available) | Average number of cigarettes smoked per day |
|-----------------------------|----------------------------------|---------------------------|------------------------------------|---|
| Male smokers ² | | | | |
| Female smokers ² | | | | |
| Total smokers ² | | | | |

(b) Smokeless tobacco, including snuff and chewing tobacco (optional):

| | Age group ¹ | Tobacco products included | Year of data (latest available) | Prevalence (%) |
|-------------|------------------------|---------------------------|------------------------------------|----------------|
| Male | | | | |
| Daily users | | | | |

¹ Preferably by ten-year categories, e.g. 25-34, 35-44, etc.

| Occasional users ¹ | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| Female | | | | | | |
| Daily users | | | | | | |
| Occasional users ² | | | | | | |
| Total | | | | | | |
| Daily users | | | | | | |
| Occasional users ² | | | | | | |

(c) If prevalence data is appropriate and available for ethnic groups, please provide.

| | Ethnic group | Tobacco products included | Year of data (latest available) | Prevalence (%) |
|-------------------------------|--------------|---------------------------|---------------------------------|----------------|
| Daily users | | | | |
| Occasional users ² | | | | |

¹ Definitions to be provided by the Parties.

(d) If prevalence data is appropriate and available for youth groups, please provide.

| | Youth groups ¹ | Tobacco products included | Year of data (latest available) | Prevalence ² (%) |
|---------|------------------------------|---------------------------|---------------------------------|-----------------------------|
| Males | 11-17 years | cigarettes | 2006 | 15,8 |
| Females | 11-17 years | | | 16,9 |

Definition of prevalence: those who smokes at least once a week

Source: Health Behaviour in School-aged Children (HBSC), a WHO-collaborative cross-national Study, Hungary

| | Youth groups ³ | 2 | | Prevalence ⁴ (%) |
|---------|---------------------------|------------|------|-----------------------------|
| Males | 13-16 years | cigarettes | 2003 | 34,3 |
| Females | 13-16 years | | | 32,5 |

Definition of smoking status: current smokers at least one cigarette smoked in the past 30 days Source: Global Youth Tobacco Survey (GYTS) 2003 Hungary National Report,

ii. Supply

(a) Licit supply of tobacco (ref. Article 20.4(c), and Article 15.4(a) in accordance with Article 15.5)

| | Domestic production | Exports | Imports |
|------------------------------------|---------------------|----------------|-------------------|
| Year (latest available) | 2005 | 2005 | 2005 |
| Quantity (specify product and | 8200 | 1033 | 7017 |
| unit; e.g. millions of cigarettes) | million sticks of | million sticks | million sticks of |
| unit, e.g. mimons of eigarettes) | cigarette | of cigarette | cigarette |
| Cigar, cigarillo | 89,31 | 0,44 | 5,48 |
| Cigar, Cigarino | million sticks of | million sticks | million sticks of |
| | cigarette | of cigarette | cigarette |
| Smoking tobacco (fine cut and | 1 374 910 kg | 630 kg | 952 410 kg |

¹ Definitions to be provided by the Parties.

² Parties should provide definition for youth smoking; e.g. at least one cigarette in the past 30 days.

³ Definitions to be provided by the Parties.

⁴ Parties should provide definition for youth smoking; e.g. at least one cigarette in the past 30 days.

| (1) | | |
|--------|--|--|
| other) | | |
| other) | | |
| | | |

Note: licit supply = domestic production + (imports - exports)

(b) Please provide information regarding duty-free sales volumes, if available.

Duty free sale of tobacco exists in the territory of Budapest-Ferihegy airport, but not significant.(11 396 000 pieces of cigarettes in 2005)

(c) Seizures of illicit tobacco (ref. **Article 15.4(a)** in accordance with **Article 15.5**)

| | Cigarettes | Other tobacco products (optional; please specify product) |
|--|---------------------------------------|---|
| Year (latest available) | 2005 | 2005 |
| Quantity seized (specify unit; e.g. millions of pieces) | 275 140 460 sticks of cigarette | Fine cut tobacco: 54 kg Other smoking tobacco: 143 kg |

(d) Please provide information regarding illicit or smuggled tobacco (optional)? (Ref. Article 15.4.(a) in accordance with Article 15.5)

Substantial amount of tobacco product is smuggled to Hungary mainly from the eastern neighbours of the country (from Ukranie and Romania). The major part of the smuggled cigarette consists of genuine (not counterfeit) tobacco products.

In consequence of significant tax increase on cigarette in the past 5 years in Hungary, the retail price of cigarette has increased considerably. As the consequence of that the price difference between Hungary and the country's eastern neighbours has widened considerably what was the main reason of the recent growth of illegal trade.

The prospect of the growth of illicit trade and tax evasion forced the Hungarian Customs and Finance Guard to take unambiguous counter measures, particulary in the region of the Hungarian-Romanian and Hungarian-Ukrainian border which were successful. In the near future the greatest challenge in this field is the accession of Romania to the EU. In 2007 Hungary will break off the customs control towards Romania and therefore the growth of illegal trade and smuggling of tobacco can be expected. (It is to be feared that the perpetrators will try to circumvent the strong control of Hungarian-Serbian and Hungarian-

Ukrainian border, and attempt to deliver the smuggled Ukrainian, Moldavian, Serbian cigarette through Romania using the opportunity of the open border. Furthermore it is highly probable that the smugglers and some of the duty free shops in the region prepare for the commencement of the open border by stock accumulation.)

4. Taxation

(a) Please provide your rates of taxation for tobacco products for all levels of government, and be as specific as possible (specify the type of tax: excise, VAT or sales, import duties). (Ref. Article 6.3)

Excise tax on cigarette: 7240 HUF/1000 unit + 27,5 % of the retail price but minimum 13090 HUF/1000 unit

Excise tax on fine cut smoking to bacco: 52 % of the retail price but minimum 4320 HUF/kilogram

Excise tax on other smoking tobacco: 32,5 % of the retail price but minimum 4320 HUF/kilogram

Excise tax on cigars, cigarillos: 28,5 % of the retail price

VAT: 20 %

There is also import duty on tobacco products. The rate of import duty on the cigarette is 57,6%.

(b) Please attach the relevant documentation. (Please provide documentation in one of the six official languages, if available.) (Ref. **Article 6.3**)

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

97.§

- (2) The tax rate:
- a) for cigarettes is 7,240 forints per thousand units and 27,5 per cent of the retail price, or 13,090 forints per thousand units, whichever is higher;
- b) for cigars, cigarillos is 28,5 per cent of the retail price
- c) for fine cut tobacco is 52 per cent of the retail price, or 4,320 forint/kilogram, whichever is higher.
- d) for other smoking tobacco is 32,5 per cent of the retail price, or 4,320 forint/kilogram, whichever is higher.

Act LXXIV of 1992 on Value Added Tax rules the amount of tax 28. §

(1) With due respect to the exceptions set forth in Subsections (2) and (3) and in Section 29, the amount of tax to be charged shall be 20 per cent of the tax base.

Commission regulation (EC) No 1719/2005 of 27 October 2005 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff rules the rate of the duties.

(c) Please provide retail prices for the 3 most popular brands of domestic and imported tobacco products in your jurisdiction, and the relevant year. (Ref. Article 6.2(a))

Cigarette:

MPPC category in 2005: 440 HUF (20 units per pack) 2nd most popular category: 420 HUF (20 units per pack) 3rd most popular category: 460 HUF (20 units per pack)

Fine cut smokung tobacco:

MPPC category in 2005: 340 HUF (40g) 2nd most popular category: 349 HUF(40g) 3rd most popular category: 399 HUF(40g)

Other smoking tobacco:

MPPC category in 2005: 304 HUF (40g) 2nd most popular category: 332 (40g) 3rd most popular category: 310 (40g) Cigars - boxed (Szivar - dobozos) MPPC category in 2005: 390 HUF 2nd most popular category: 360 HUF 3rd most popular category: 535 HUF

Cigars-single:

MPPC category in 2005: 150 HUF

2nd most popular category: 590 HUF 3rd most popular category: 370 HUF

Cigarillos:

MPPC category in 2005: 249 HUF 2nd most popular category: 189 HUF 3rd most popular category: 279 HUF

5. Legislative, executive, administrative and other measures

i. Core questions

It should be noted that the measures identified below are not exhaustive, but reflect the spirit and intent of the FCTC.

Please check yes or no. For affirmative answers, you are asked to attach a brief summary and the relevant documentation. (Please provide documentation in one of the six official languages, if available.)

| Article | Pursuant to Article 21.1(a) , have you adopted and implemented legislative, executive, administrative and/or other measures on: | Yes (please attach a brief summary and relevant documents) | | | |
|---|--|--|------|--|--|
| Price and | tax measures | | | | |
| 6.2(b) | Prohibiting or restricting sales to and/or importations by international travellers of tax- and duty-free tobacco products? | Yes ^{A001} | | | |
| Protection from exposure to tobacco smoke | | Full/Partial/ | None | | |
| 8.2 | in indoor workplaces? | X | | | |
| | - government buildings | X | | | |
| | - health care facilities | X | | | |
| | - educational facilities | X | | | |
| | - private workplaces | X | | | |
| | - other | | | | |
| | in public transport? | X | | | |
| | in indoor public places? | X | | | |

| - cultural facilities | X | | |
|------------------------|---|---|--|
| - bars and night clubs | | X | |
| - restaurants | | X | |
| - other | | | |

If you responded "Partial" to the measures outlined in Article 8.2, please provide specific details of the partial ban here:

Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products

Fundamental Provisions on the Consumption of Tobacco Products

Section 2.

- (1) With the exception of areas designated for smoking and with the deviation contained in Subsection (3)- smoking is prohibited
- a) in confined areas, which are open to persons using the services of public institutions;
- b) on means of public transport;
- c) at events held in confined spaces;
- d) at places of work, in the cases defined in a separate legal regulation and according to the instructions of the employer.
- (2) Smoking areas may not be designated
- a) at the premises of medical institutions providing basic health services or outpatient care, or departments of medical institutions offering such services, and in the customer areas of pharmacies, furthermore, in buildings of providers of health services providing inpatient care principally to children;
- b) in nursery schools;
- c) in areas within public education institutions, other than those referred to in Paragraph b), that are also used by students;
- d) in institutions of child care and child protection;
- e) in communal areas of social institutions offering personal solicitude services;
- f) on means of local public transport, local and suburban railways and on scheduled intercity buses;
- g) in the confined areas of sports facilities serving the performance of sport activities.
- (3) In derogation of the provisions set forth in Subsection (1)- if not prohibited by any fire regulations smoking may be conducted without the designation of a smoking area
- a) in the public and guest areas of restaurants and other establishments of the entertainment and hospitality industry which are designated exclusively for serving foodstuffs and beverages for guests, if hot and cold food as well as pastries are not served there to be consumed on the premises, or are served only as a supplementary service in accordance with the sphere of business activities;
- (4) A smoking area may only be designated in the same premises if the air space thereof can be separated from the other part of the premises or if the separation can be resolved

satisfactorily with the use of an air control device. The area designated for smoking may only be in a confined space if the required ventilation conditions are met by means of doors and windows or with the installation of other technical equipment, and the presence in such space of other non-smoking persons arising from the function of the premises - in addition to the execution of tasks in the course of employment activities, with due consideration of the provisions of Act XCIII of 1993 on Labor Safety - is not required.

Section 4.

(6) An operator of a public institution providing entertainment or hospitality services may declare the institution a non-smoking establishment. In this case there is no need to designate a smoking area in the institution. The non-smoking status of the institution must be displayed in an easily visible manner using unambiguous wording or signs at the entrance to the institution open to the general public, as well as in all places used by guests.

| Regulation | on of tobacco product disclosures | |
|-------------|--|-----------------------------------|
| 10 | Requiring manufacturers and/or importers of tobacco products to disclose to governmental authorities information about contents? | Yes ^{A002} |
| Illicit tra | de in tobacco products | |
| 15.2(a) | Requiring marking of packaging to assist in determining the origin of the product? | Yes ^{A003} |
| | and to assist in determining whether the product is legally for sale on the domestic market? | Yes ^{A003} |
| 15.3 | Requiring that marking is in legible form and/or appear in its principal language or languages? | Yes ^{A004} |
| 15.4(b) | Enacting or strengthening legislation against illicit trade in tobacco products? | Yes ^{A005} |
| 15.4(e) | Enabling the confiscation of proceeds derived from the illicit trade? | Yes ^{A006} |
| 15.7 | Licensing or other actions to control or regulate production and distribution? | Yes ^{A007} |
| Sales to a | and by minors | |
| 16.1 | Prohibiting the sales of tobacco products to minors? | Yes Specify legal age:18 |
| 16.2 | Prohibiting or promoting the prohibition of the distribution of free tobacco products to the public and especially minors? | Yes ^{A008} |

| 16.3 | Prohibiting the sale of cigarettes individually or in small packets? | Yes ^{A009} |
|-----------|--|---------------------|
| 16.6 | Providing for penalties against sellers and distributors? | Yes ^{A010} |
| 16.7 | Prohibiting the sales of tobacco products by minors? | Yes ^{A011} |
| Liability | | |
| 19.1 | Dealing with criminal and civil liability, including compensation where appropriate? | Yes ^{A012} |

ii. Optional questions

It should be noted that responses to these questions are not required at the time of Group 1 reports, but may be answered at this time if applicable.

| Article | Have you adopted and implemented legislative, executive, administrative and/or other measures on: | Yes (please attach a brief summary and relevant documents) ¹ | No |
|------------|---|---|----|
| Regulation | of the contents of tobacco products | | |
| 9 | Testing and measuring the contents of tobacco products? | Yes ^{A013} | |
| | Testing and measuring the emissions of tobacco products? | Yes ^{A013} | |
| | Regulating the contents of tobacco products? | Yes ^{A013} | |
| | Regulating the emissions of tobacco products? | Yes ^{A013} | |
| Packaging | and labelling of tobacco products | | |
| 11.1(a) | Requiring that packaging and labelling do not promote a product by any means that are false, misleading, deceptive or likely to create an erroneous impression? | Yes ^{A014} | |
| 11.1(b) | Requiring that packaging and labelling also carry health warnings describing the harmful effects of tobacco use? | Yes ^{A015} | |
| 11.1(b)(i) | Ensuring that the health warnings are approved by the | Yes ^{A016} | |

¹ Please provide these documents in one of the six official languages, if available, and please specify sections of your legislation related to each yes response.

| | competent national authority? | | |
|--------------|--|---------------------|--------------------|
| 11.1(b)(ii) | Ensuring that the health warnings are rotating? | Yes ^{A017} | |
| 11.1(b)(iii) | Ensuring that the health warnings are large, clear, visible and legible? | Yes ^{A018} | |
| 11.1(b)(iv) | Ensuring that the health warnings occupy no less than 30% of the principal display areas? | Yes ^{A019} | |
| 11.1(0)(11) | Ensuring that the health warnings occupy 50% or more of the principal display areas? | No ^{A019} | |
| 11.1(b)(v) | Ensuring that the health warnings are in the form of, or include, pictures or pictograms? | No ^{A020} | |
| 11.2 | Requiring that packaging and labelling contains information on relevant constituents and emissions of tobacco products? | Yes ^{A021} | |
| 11.3 | Requiring that the warnings and other textual information appear on each unit package, and on any outside packaging and labelling in your principal language or languages? | Yes ^{A022} | |
| Tobacco ad | vertising and sponsorship | | |
| 13.2 | Instituting a comprehensive ban of all tobacco advertising, promotion and sponsorship? | | No ^{A023} |
| | including on cross-border advertising, promotion and sponsorship originating from its territory? | Yes | |
| 13.3 | Applying restrictions, in the absence of a comprehensive ban, on all tobacco advertising, promotion and sponsorship? | | No |
| | Restricting or instituting a comprehensive ban on cross-border advertising, promotion and sponsorship originating from its territory? | | No |
| 13.4(a) | Prohibiting all forms of tobacco advertising, promotion and sponsorship that promote a tobacco product by any means that are false, misleading, deceptive or likely to create an erroneous impression? | Yes | |
| 13.4(b) | Requiring that health or other appropriate warnings or messages accompany all tobacco advertising and promotion and sponsorship? | Yes | |
| 13.4(c) | Restricting the use of direct or indirect incentives that encourage the purchase of tobacco products by the public? | Yes | |

| 13.4(d) | Requiring the disclosure to relevant governmental authorities of expenditures by the tobacco industry on advertising, promotion and sponsorship not yet prohibited? | | No |
|---------|---|-----|----|
| 13.4(e) | Restricting tobacco advertising, promotion and sponsorship on radio, television, print media and other media, such as the Internet? | Yes | |
| 13.4(f) | Prohibiting or restricting tobacco sponsorship of international events, activities and/or participants therein? | Yes | |

| If you have any | <i>i</i> additional | legislation | or other | measures | not | covered | ın (| Question | ٥, | you | may |
|------------------|---------------------|-------------|----------|----------|-----|---------|------|----------|----|-----|-----|
| provide addition | nal details h | ere: | | | | | | | | | |
| | | | | | | | | | | | |

6. Programmes and plans

i. Core questions

It should be noted that the measures identified below are not exhaustive, but reflect the spirit and intent of the FCTC.

| | Yes (please attach the relevant documents) ¹ | No |
|---|---|----|
| Have you developed and implemented comprehensive multisectoral national tobacco control strategies, plans and programmes? (Article 5.1) | Yes ^{A024} | |
| If no, have some partial strategies, plans and programmes been developed and implemented? (Article 5.1) | | |

If you responded yes to either of the first two questions, which of the following do these strategies, plans and programmes cover? Please check, and provide a brief summary. (Please provide the summary in one of the six preferred languages.)

¹ Please provide these documents in one of the six official languages, if possible.

| General obligations | | |
|--|---|---------------------|
| 5.2(a) | A national coordinating mechanism or focal point(s) for tobacco control? | |
| 5.3 | Protection of policies from the commercial and other vested interests of the tobacco industry? | Yes ^{A026} |
| Education, communi | cation, training and public awareness | |
| 12(a) | Broad access to effective and comprehensive educational and public awareness programmes on the health risks? | |
| | targeted at adults and/or the general public? | Yes |
| | targeted at children and youth? | Yes ^{A027} |
| 12(b) | Public awareness about the health risks of tobacco consumption and exposure to tobacco smoke, and about the benefits of the cessation of tobacco use and tobacco-free lifestyles? | Yes |
| 12(c) | Public access to a wide range of information on the tobacco industry? | Yes ^{A028} |
| 12(e) | Awareness and participation of public and private agencies and nongovernmental organizations not affiliated with the tobacco industry in developing and implementing intersectoral programmes and strategies for tobacco control? | |
| Demand reduction m | easures concerning tobacco dependence and cessation | |
| Comprehensive and integrated guidelines based on scientific evidence and best practices to promote cessation of tobacco use and adequate treatment for tobacco dependence? | | Yes ^{A029} |
| 14.2(d) | 4.2(d) Facilitation of accessibility and affordability for treatment of tobacco dependence including pharmaceutical products? | |
| Provision of support | for economically viable alternative activities | |
| 17 | Promotion of economically viable alternatives for tobacco workers, growers and, as the case may be, individual sellers? | No |

| Research, surveillance and exchange of information | | |
|---|---|-----|
| Research that addresses the determinants and consequences of tobacco consumption and exposure to tobacco smoke as well as research for identification of alternative crops? | | No |
| 20.4(b) | Updated data from national surveillance programmes? | Yes |

ii. Optional questions (to be drawn from above)

| Education, communication, training and public awareness | | | | |
|---|---|---------------------|--|--|
| Appropriate training or awareness programmes on tobacco control addressed to persons such as health, community and social workers, media professionals, educators, decision-makers, administrators and other concerned persons? | | No | | |
| 12(f) | Public awareness of and access to information regarding the adverse health, economic, and environmental consequences of tobacco production and consumption? | Yes ^{A031} | | |
| Demand reduction measures concerning tobacco dependence and cessation | | | | |
| 14.2(a) | Design and implementation of programmes aimed at promoting the cessation of tobacco use, in such locations as educational institutions, health care facilities, workplaces and sporting environments? | | | |
| 14.2(b) | 4.2(b) Diagnosis and treatment of tobacco dependence and counselling services on cessation of tobacco use in national health and education programmes, plans and strategies, with the participation of health workers, community workers and social workers? | | | |
| 14.2(c) | Establishment in health care facilities and rehabilitation centres of programmes for diagnosing, counselling, preventing and treating tobacco dependence? Yes ^{A033} | | | |
| Protection of the environment and the health of persons | | | | |
| 18 | Due regard to the protection of the environment and the health of persons in relation to the environment in respect of tobacco cultivation and manufacture | Yes | | |

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| | within its territory? | | |
|--|---|---------------------|--|
| Research, surveillan | ce and exchange of information | | |
| 20.1(b) | Training and support for all those engaged in tobacco control activities, including research, implementation and evaluation? | | |
| 20.2 | Programmes for national, regional and global surveillance of the magnitude, patterns, determinants and consequences of tobacco consumption and exposure to tobacco smoke? | Yes ^{A035} | |
| 20.3(a) | A national system for epidemiological surveillance of tobacco consumption and related social, economic and health indicators? | | |
| 20.4 | The exchange of publicly available scientific, technical, socioeconomic, commercial and legal information, as well as information regarding practices of the tobacco industry and the cultivation of tobacco? | No | |
| An updated database of laws and regulations on tobacco control, and information about their enforcement, as well as pertinent jurisprudence? | | Yes ^{A037} | |

7. Technical and financial assistance

The goal of this section is to assist the Secretariat in facilitating the coordination of available skills and resources with identified needs.

Pursuant to Article 21.1(c), have you either provided or received financial or technical assistance (be it through unilateral, bilateral, regional, subregional or other multilateral channels, including relevant regional and international intergovernmental organizations and financial and development institutions) for the development and strengthening of multisectoral comprehensive tobacco control programmes of developing country Parties and Parties with economies in transition in any of the following areas:

| | Assistance provided (please give details below) | Assistance received (please give details below) |
|---|--|--|
| Development, transfer and acquisition of technology, knowledge, skills, capacity and expertise related to | □Yes / ⊠ No | ⊠Yes / □ No |

| tobacco control? (Article 22.1(a)) | | |
|--|-------------|-------------|
| Provision of technical, scientific, legal and other expertise to establish and strengthen national tobacco control strategies, plans and programmes? (Article 22.1(b)) | □Yes / ⊠ No | □Yes / ⊠ No |
| Appropriate training or sensitization programmes for appropriate personnel in accordance with Article 12? (Article 22.1(c)) | □Yes / ⊠ No | □Yes / ⊠ No |
| Provision of the necessary material, equipment and supplies, as well as logistical support, for tobacco control strategies, plans and programmes? (Article 22.1(d)) | □Yes / ⊠ No | □Yes / ⊠ No |
| Identification of methods for tobacco control, including comprehensive treatment of nicotine addiction? (Article 22.1(e)) | □Yes / ⊠ No | □Yes / ⊠ No |
| Promotion of research to increase the affordability of comprehensive treatment of nicotine addiction? (Article 22.1(f)) | □Yes / ⊠ No | □Yes / ⊠ No |
| Other. Specify: | | |
| | | |

Additional details:

If you answered no to any of the above, please identify any financial or technical assistance that may be under consideration.

If you answered yes to any of the above, please identify the country or countries from/to which assistance was received/provided.

A Hungarian expert has visited the MD Anderson Cancer Center (Houston, USA) and has been introduced to the 'A Smoking Prevention Interactive Experience' ASPIRE program, dedicated for youngsters and received information on the program's innovation and evaluation experience which can be used in developing the similar Hungarian program. The experts agreed in sharing experience and in common evaluation of the programs.

Pursuant to **Article 21.3**, have you either provided or received financial or technical assistance to support developing country Parties and Parties with economies in transition in meeting reporting obligations?

| Assistance provided | ☐Yes / ☒ No (please give details below) | Assistance received | ☐Yes / ☒ No (please give details below) |
|--|---|---------------------|---|
| Additional details: | | | |
| If you answered no to any of the above, please identify any financial or technical assistance that may be under consideration. | | | al or technical assistance |
| If you answered yes to any of the above, please identify the country or countries from/to | | | or countries from/to |

| wh | ich assistance was received/provided. | | |
|-----------------------------------|---|--|--|
| Hav | e vou identified any specific gans het | ween the resources available and the needs assessed, | |
| | the financial and technical assistance I | | |
| ☐ Yes (please give details below) | | | |
| Ad | ditional details: | | |
| | | | |
| 8. | Priorities for implementation of the | he Framework Convention on Tobacco Control | |
| | at are the priority areas for implement trol in your jurisdiction? (Article 21.1) | ation of the Framework Convention on Tobacco 1(b)) | |
| ade | | a policy to create the possibility of continuous and on and cessation programs aiming tobacco control. | |
| Cei | | I of 1999 on the Protection of Non-Smokers and tion and Distribution of Tobacco Products more posure to tobacco smoke) | |
| | at, if any, are the constraints or barrier f. Article 21.1(b)) | rs you have encountered in implementing the FCTC? | |
| | | | |
| 9. | Additional comments | | |
| Plea | se provide any relevant information n | not covered elsewhere that you feel is important. | |
| | | | |
| 10. | Questionnaire feedback | | |
| | (a) Please provide feedback for in | mprovement of the Group 1 questionnaire. | |
| | | | |

| (b) | Please provide input for the future development of the Group 2 questionnaire. |
|-----|---|
| | |

(Draft) A/FCTC/COP/1/13

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6.2(b)

The regulations of the international travelers' country restrict the quantity of tobacco products they can purchase and import tax-free in their country.

Concerning travelers coming to Hungary, the following regulations are in force:

From a third country (not from another Member State) 200 pieces of cigarettes can be imported by natural persons themselves for personal use, namely not for commercial use without paying excise duty, value added tax and customs – i.e. tax- and duty-free. This tax and duty exemption doesn't concern travelers under age 17. They cannot import tobacco products tax- and duty-free to Hungary. From another Member State of the European Union, 800 pieces of cigarette can be imported tax-free for personal use.

Ad 1) – 200 cigarettes – from a third country

COUNCIL REGULATION (EEC.) NO 918/83 OF 28 MARCH 1983 SETTING UP A COMMUNITY SYSTEM OF RELIEFS FROM CUSTOMS DUTY and COUNCIL DIRECTIVE of 28 May 1969 on the harmonisation of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel (69/169/EEC) rule the quantitative limits of cigarette imported free of customs duty and taxes from third countries (200 pieces of cigarette).

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods Section 9.

(2) Excise goods imported free of customs duty from third countries under Articles 29-31, 45-46 and 112 of Council Regulation No. 918/83/EEC shall be tax exempt.

COUNCIL REGULATION (EEC) NO 918/83 OF 28 MARCH 1983 SETTING UP A COMMUNITY SYSTEM OF RELIEFS FROM CUSTOMS DUTY

Article 45

- 1. Subject to Articles 46 to 49, goods contained in the personal luggage of travellers coming from a third country shall be admitted free of import duties, provided such imports are of a non-commercial nature
- 2. For the purposes of paragraph 1:
- (a) 'personal luggage' means the whole of the luggage which a traveller is in a position to submit to the customs authorities on his arrival in the customs territory of the Community., as well as any luggage submitted to this same authority at a later date, provided that evidence can be produced to prove that it was registered, at the time of the traveller's departure, as accompanied luggage with the company which transported it into the customs territory of the Community from the third country of departure.

Without prejudice to Article 112 (1) (b), portable containers holding fuel shall not constitute personal luggage:

- (b) 'imports of a non-commercial nature' means imports which:
- are of an occasional nature, and

— consist exclusively of goods for the personal use of the travellers or their families, or of goods intended as presents; the nature and quantity of suchgoods should not be suchas might indicate that they are being imported for commercial reasons.

Article 46

1. The relief referred to in Article 45 (1) shall, in respect of the goods listed below, apply subject to the following quantitative limits

per traveller:

(a) tobacco products:

200 cigarettes, or

100 cigarillos (cigars of a maximum weight of three grams each),

or

50 cigars, or

250 grams of smoking tobacco, or

a proportional assortment of these different products;

(2) No relief for the goods referred to in paragraph 1 (a) and (b) shall be granted to travellers under 17 years old.

COUNCIL DIRECTIVE of 28 May 1969 on the harmonisation of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel (69/169/EEC) rules the quantitative limits of cigarette imported free of taxes in the personal luggage of travellers coming from a third country equally to the quantitative limits of COUNCIL REGULATION (EEC) NO 918/83 OF 28 MARCH 1983 SETTING UP A COMMUNITY SYSTEM OF RELIEFS FROM CUSTOMS DUTY.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

Section 122.

Within the framework of Section 3 of Act I of 1994 promulgating the Europe Agreement establishing an association between the Republic of Hungary and the European Communities and their Member States, signed in Brussels on 16 December 1991, this Act contains regulations that may be approximated with the following legislation of the European Communities:

i) Council Directive 69/169/EEC on the harmonization of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel, last amended by Council Directive 2000/47/EC.

Directive 69/169/EEC:

Article 4

1. Without prejudice to national provisions applicable to travellers whose residence is outside Europe, each Member State shall set the following quantitative limits for exemptions from turnover tax and excise duty of the goods listed below:

Travel between third countries and the Community

(a) Tobacco products: cigarettes 200 or

cigarillos (cigars of a maximum weight of 3 grammes each) 100 or cigars 50 or smoking tobacco 250 g

Ad 2) - cigarettes 800 items - in the Member States

COUNCIL DIRECTIVE 92/12/EEC of 25 February 1992 on the general arrangements for products subject to excise duty and on the holding, movement and monitoring of such products rules the tax free transporting by private individuals for their own use in the Member States.

Article 8

As regards products acquired by private individuals for their own use and transported by them, the principle governing the internal market lays down that excise duty shall be charged in the Member State in which they are acquired.

Article 9

- 1. Without prejudice to Articles 6, 7 and 8, excise duty shall become chargeable where products for consumption in a Member State are held for commercial purpose in another Member State. In this case, the duty shall be due in the Member State in whose territory the products are and shall become chargeable to the holder of the products.
- 2. To establish that the products referred to in Article 8 are intended for commercial purposes, Member States must take account, inter alia, of the following:
- the commercial status of the holder of the products and his reasons for holding them,
- the place where the products are located or, if appropriate, the mode of transport used,
- any document relating to the products,
- the nature of the products,
- the quantity of the products.

For the purposes of applying the content of the fifth indent of the first subparagraph, Member States may lay down guide levels, solely as a form of evidence. These guide levels may not be lower than:
(a) Tobacco products

cigarettes 800 items
cigarillos (cigars weighing not more than 3 g
each) 400 items
cigars 200 items
smoking tobacco 1,0 kg;

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

- 29 § (1) Excise goods released for free circulation in other Member States and purchased and held by natural persons not engaged in economic activities for personal use and imported by the natural person themselves shall be exempt from excise tax.
- (2) In the application of Subsections (1)-(2) of Section 27, Subsection (1) of Section 28 and Subsection (1) of this Section, determination as to whether the excise goods imported to or exported from, the domestic territory is for commercial purposes or for personal use, shall be made in consideration of all of the following and what is contained in Subsection (3):
- a) the holder of the excise goods is an economic operator [Paragraph c) of Section 685 of Act IV of 1959 on the Civil Code of the Republic of Hungary, as amended] who received the excise goods in question for commercial purposes;

- b) the reason for holding the excise goods;
- c) mode of transport, and the place of storage;
- d) the documents of the excise goods;
- e) the quantity of the excise goods, in the latter case in due consideration of the commercial quantities described in Subsection (5) of Section 110 of this Act.
- 110. § (5) For the purposes of this Act, commercial quantity shall be understood to mean the quantity in excess of:
- a) 40 liters of motor fuel other than that in the fuel tank of the motor vehicle, 20 liters of other gasoline (petrol), 50 liters of petroleum, 100 liters of diesel oil other than that in the fuel tank of the motor vehicle or power equipment, 3,500 liters of household heating oil, 3,500 kilograms of of heating oil and 100 liters of bio-diesel in respect of mineral oil products;
- b) 800 cigarettes;
- c) 200 cigars and 400 cigarillos;
- d) 1000 grams of smoking tobacco;
- e) 110 liters of beer;
- f) 20 liters intermediate alcohol products;
- g) 10 liters of alcohol products;
- h) wine and sparkling wine, 90 liters on the aggregate (with maximum 60 liters of sparkling wine).
- 122. § Within the framework of Section 3 of Act I of 1994 promulgating the Europe Agreement establishing an association between the Republic of Hungary and the European Communities and their Member States, signed in Brussels on 16 December 1991, this Act contains regulations that may be approximated with the following legislation of the European Communities:
- a) Council Directive 92/12/EEC on the general arrangements for products subject to excise duty and on the holding, movement and monitoring of such products, last amended by Council Regulation 106/2004/EC;

10

Sections 17 and 18, on Supply of Data of Decree of the Minister of Agriculture and Rural Development No. 102/2005. (X.31) FVM on the Manufacture, Distribution and Monitoring of Tobacco Products (hereinafter: Tobacco Decree No. 102/2005) make manufacturers, registered/non-registered distributors and the licensee of tax warehouse of tobacco products to submit lists containing ingredients used in course of manufacture and in tobacco products, as follows:

"Tobacco Decree No. 102/2005 Supply of Data Section 17

- (1) The manufacturer, the importer, the registered/non-registered distributor and the licensee of storing tax warehouse of tobacco products shall submit the lists specified in subsections (2) to (4) (hereinafter referred to as "lists") to the Ministry in printed and electronic form until 30 November each year; these shall contain all the ingredients used in the course of manufacture and contained in tobacco products, as well as the quantities thereof.
- (2) The manufacturer, the importer, the registered/non-registered distributor and the licensee of storing tax warehouse of tobacco products shall prepare aggregated lists relating to all the tobacco products manufactured or distributed by them in respect of the tobacco additives contained in tobacco products. This list shall contain the tobacco additives in alphabetical order and shall also state their maximum quantities (based on the highest level occurring in the product) and their functions in the form stated in Schedule 6.
- (3) The manufacturers, importers, registered/non-registered distributors and the licensees of storing tax warehouse of tobacco products shall prepare aggregated lists relating to all the tobacco products manufactured or distributed by them in respect of any ingredients, other than those referred to in subsection (2). This list shall contain the maximum quantities of the ingredients contained in each group (based on the highest level occurring in the product) and shall also state their functions in the form stated in Schedule 7.
- (4) The manufacturer, the importer, the registered/non-registered distributor and the licensee of storing tax warehouse of tobacco products shall prepare a product list for each product manufactured or distributed by them, specifying brand names and types, in respect of the tobacco additives contained in and onthe given tobacco product. This list shall contain the name of each additive, with the contents specified in Schedule 8.
- (5) Lists specified in subsections (3) and (4) shall contain the individual components of the products in decreasing sequence of their mass.
- (6) In addition to submittal of the lists it shall be explained why it is required to mix the individual components into the tobacco product, furthermore the purpose and type of components shall be indicated. The lists shall be supplemented with toxicological data relating to the ingredients and their combustion products generated by virtue of their functions if they are at the disposal of the manufacturer or importer, the registered/non-registered distributor and the licensee of storing tax warehouse with special regard to their influence on human health, considering among others the danger of development of dependency.

Section 18

- (1) In the interest of informing consumers, the Ministry shall publish the list as per Annex 8 on its internet homepage each year, further it shall also inform the Ministry of Health, the Ministry of Economy and Transport, furthermore the Ministry of Youth, Family, Social Affairs and Equal Opportunities.
- (2) The Ministry shall send the data specified in subsection (1) to the European Commission."

15.2(a)

Marking of packaging determining the origin of products is strictly regulated by Section 6 of the above referred Decree No. 102/2005. (X.31) FVM dealing with labelling as follows:

"Tobacco Decree No. 102/2005 Labelling Section 6

The following shall be stated on the consumer packaging unit:

- c) name of manufacturer or distributor, registered/non-registered distributor, licensee of storing tax warehouse enabling identification.
- d) the country of origin of the tobacco product shall be indicated, if the products' country of origin is outside the European Economic Area,
- h) date (stating year, month and day) and place of manufacture, or item number or code, on the basis of which place and date of manufacture may be established,..."

This regulation clearly entails that referred markings on origin of manufacturing should be in a legible form thus easily understood by relevant authorities.

In Hungary tobacco products legally may be put into free circulation legally only with a tax seal affixed. The tax seal shall be claimed by the customs authority. On the tax seal among others the retail price of the individual retail package is also indicated. In retail trade tobacco products may only be sold at this indicated price.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

- 98. § (1) Tobacco products may only be released for free circulation, including consumption within the tax warehouse and the customs clearance of imported tobacco products before being released for free circulation, if the importer did not deposit the imported product into a tax warehouse, but not including the tobacco product imported as a product sample from third countries or admitted in intra-Community transaction, with a tax seal affixed, on which the retail price is indicated. Tobacco products may be sold in a transit tax warehouse to a traveller whose final destination is within the Community only with a tax seal affixed, or to a traveller whose final destination is in a third country only if no tax seal is affixed.
- 99.§ (1) The tax seal shall be attached on the individual packaging units of tobacco products in a manner so as to prevent having it removed without compromising its integrity, and for the seal to be broken when the package is opened.
- 99. § (3) The tax seal shall include:
- a) the description of the tobacco product (cigarette, cigar, cigarillo, fine cut smoking tobacco, smoking tobacco not elsewhere classified):

- b) the quantity of the tobacco product in the individual retail package (number of units, kilogram);
- c) the retail price of the individual retail package;
- d) the serial number of the tax seal.
- (4) The excise seal is manufactured by order of the State of Hungary and is furnished by the customs authority to those described in Subsection (3) of Section 98.

15.3

Marking of packaging determining the origin of products is strictly regulated by Section 6 of the above referred Decree No. 102/2005. (X.31) FVM dealing with Labelling as follows:

"Tobacco Decree No. 102/2005 Labelling Section 6

The following shall be stated on the consumer packaging unit:

- c) name of manufacturer or distributor, registered/non-registered distributor, licensee of storing tax warehouse enabling identification.
- d) the country of origin of the tobacco product shall be indicated, if the products' country of origin is outside the European Economic Area,
- h) date (stating year, month and day) and place of manufacture, or item number or code, on the basis of which place and date of manufacture may be established,..."

15.4(b)

If <u>a</u> natural person produces excise goods in a place other than a tax warehouse, or holds, transports and sells tobacco products which were not produced in a tax warehouse or, in respect of import (import from a third country) tobacco products, which did not clear customs, he/she shall pay excise penalty based on the quantity of the excise goods. This is the case for example, if the natural person cannot prove that the tax has been paid for the tobacco product or he/she illegally imports (without paying tax) tobacco products from other Member States or a third country. The forging tax seals or the possession, selling, receiving or using of forged, counterfeit or illegally obtained tax seals is also to be punished. (Furthermore see answers to the questions 15.4 e) and 15.7.)

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

- 114.§. (1) Natural persons, other than private entrepreneurs conducting business activities with excise goods, shall be liable to pay an excise penalty according to the quantity of excise goods, if:
- a) producing excise goods in a place other than a tax warehouse; or
- b) holding, transporting, selling or using excise goods that were not produced in a tax warehouse or, in respect of imported excise goods, that did not clear customs.
- (2) The following shall also fall within the scope of Subsection (1):
- a) excise goods that may only be produced in a tax warehouse as prescribed by this Act, if produced in a place other than a tax warehouse;
- b) excise goods whose owner, supplier, seller or user is unable to present an invoice, simplified invoice, accompanying document, wine accompanying document, simplified accompanying document, procurement note or customs document, or cannot in any other credible manner prove whether or not the tax has been paid for the product, or that it is transported under tax suspension arrangements;
- c) alcohol products without an excise seal, official seal or tax seal in spite of one being required under this Act, and alcohol products, wine in casks or jugs, and tobacco products with a forged, counterfeit or illegally obtained excise seal, official seal or tax seal;
- e) excise goods received from other Member States in violation of the provisions of this Act, on which no tax has been paid in accordance with this Act;
- f) excise goods imported illegally from a third country without customs treatment, and alcohol products imported from a third country under full relief from duty without excise seal, furthermore, tobacco products without the tax seal affixed, if sold;...
- (3) The excise penalty described in Subsection (1) shall be based on the quantity of excise goods under tax evasion and on the tax calculated by the current tax rate, or the tax rate specified under Paragraph a) of Subsection (1) of Section 52 with respect to the excise goods referred to in Paragraph g) of Subsection (2) as being under tax evasion. The excise penalty shall be double the penalty base, or five-times the penalty base but no less than 20,000 forints, if it involves excise goods in commercial quantities.
- (4) Private entrepreneurs conducting business activities with excise goods and other economic organizations [Paragraph c) of Section 685 of Act IV of 1959 on the Civil Code, as amended] if involved in the activities described in Paragraphs a) and b) of Subsection (1) or in connection with commercial quantities shall be liable to pay five-times or ten-times the penalty base described in Subsection (3), respectively, as an excise penalty. The minimum amount of the excise penalty shall be 100,000 forints. The excise penalty may not be imposed upon agricultural users registered in

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accordance with specific other legislation, if the customs authority has checked the refund of excise tax on gas oils they have used before the payment was made.

- 115. § (2) Forging tax seals or the possession, selling, receiving, using or trading of forged, false counterfeit or illegally obtained tax seals shall be punishable in the amount being five-times the amount of the tax payable on the found tax seals, or minimum 200,000 forints.
- (5) Selling dried tobacco or fermented tobacco other than to a fermentation facility or to a tobacco factory, and the sale, purchase or possession of such directly for consumption shall be punishable by an excise penalty of 1,000 forints per kilogram.

15.4(e)

Excise penalty shall be paid on the tobacco products under tax evasion (so also on the illegal distributed tobacco products). The excise penalty can be ten-times as much as the excise tax. In course of its excise proceeding, the customs authority shall seize the tobacco products under tax evasion, the forged, counterfeit or illegally obtained tax seals, the illegally owned, means used for manufacturing and storing of excise products under tax evasion, of forged, counterfeit or illegally obtained tax seals. The means for transporting tobacco products and tax seals shall also be seized. Seizure – among others – can be terminated, if in the respective excise case, an excise penalty is not imposed. However in all cases, the tobacco products under tax evasion and the forged, counterfeit or illegally obtained tax seals shall be confiscated, if an excise penalty is imposed by final decision in the respective excise case. No tax shall be levied on goods that have been confiscated.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

- 114.§. (1) Natural persons, other than private entrepreneurs conducting business activities with excise goods, shall be liable to pay an excise penalty according to the quantity of excise goods, if:
- a) producing excise goods in a place other than a tax warehouse; or
- b) holding, transporting, selling or using excise goods that were not produced in a tax warehouse or, in respect of imported excise goods, that did not clear customs.
- (3) The excise penalty described in Subsection (1) shall be based on the quantity of excise goods under tax evasion and on the tax calculated by the current tax rate, or the tax rate specified under Paragraph a) of Subsection (1) of Section 52 with respect to the excise goods referred to in Paragraph g) of Subsection (2) as being under tax evasion. The excise penalty shall be double the penalty base, or five-times the penalty base but no less than 20,000 forints, if it involves excise goods in commercial quantities.
- (4) Private entrepreneurs conducting business activities with excise goods and other economic organizations [Paragraph c) of Section 685 of Act IV of 1959 on the Civil Code, as amended] if involved in the activities described in Paragraphs a) and b) of Subsection (1) or in connection with commercial quantities shall be liable to pay five-times or ten-times the penalty base described in Subsection (3), respectively, as an excise penalty. The minimum amount of the excise penalty shall be 100,000 forints. The excise penalty may not be imposed upon agricultural users registered in accordance with specific other legislation, if the customs authority has checked the refund of excise tax on gas oils they have used before the payment was made.
- 119. (1) In the course of its excise proceedings, the customs authority may order seizure for the conclusion of facts and in order to enforce confiscation as specified in this Act.
- (2) The customs authority shall have powers to seize:
- a) excise goods under tax evasion;
- b) illegally produced sugar mash and products produced from it;
- c) -
- d) forged, counterfeit or illegally obtained excise seals, tax seals and official seals [for the purposes of this Section and Section 120, hereinafter referred to as "excise seal"];
- e) illegally manufactured or owned distillation equipment, machinery, and other instruments suitable for manufacturing tobacco products;
- f) the means used for manufacturing products or excise seals;

- g) the means for using, storing, and transporting products and excise seals [for the purposes of this Chapter, the items specified in Paragraphs e)-g) are hereinafter referred to collectively as "means"), subject to the exception set forth in Subsection (4).
- (3) Above and beyond the provisions of Subsection (2), the customs authority shall have powers to seize any article, exclusive of live animals, that may be used as physical evidence in a proceeding.
- (4) Seizure of a means used for utilization, storage or transportation is not compulsory if:
- a) the quantity of the product does not exceed the commercial quantity specified in Subsection (5) of Section 110 or, in the case of excise seals, 100 items; and
- b) it was not altered with the intent to commit any unlawful act pertaining to excise regulations; and
- c) the perpetrator is a first time offender.
- (5) The customs authority shall order seizure by way of resolution. The client shall have the right to protest such resolution on the grounds of illegal conduct. The protest must be filed with the customs authority carrying out the seizure within eight days of the date on which the resolution was communicated, and it will be adjudged by the superior body within fifteen days of the date of submission. The protest shall have no suspensory effect on having the seizure carried out.
- (6) Seizure shall be terminated by resolution:
- a) with respect to an article seized under Subsection (3), and assets owned by any person other than the person charged with excise violation used for utilization, storaget, if it is no longer required for the purposes of the excise proceeding;
- b) with respect to a product, excise seal or means used if the resolution passed in the respective case contains no penalty;
- c) with respect to a means used for utilization, storage or transportation owned by the perpetrator, if the tax levied or the excise penalty or other charges imposed by final decision are paid by the prescribed deadline or, if deferral or payment by installment has been permitted subject to restraint on alienation;
- d) if seizure is to be effected under criminal proceedings launched upon charges of excise violations, and the authority conducting the criminal proceeding has contacted the customs authority to enforce it.
- c) The official translation of this point is not available yet.
- (7) Any product, article and means may be released with the exception of the case under Paragraph d) of Subsection (6) if the receiving person produces conclusive evidence of ownership, or such may be released to the person from whom it was seized if such person is able to produce proof of legitimate possession. In the case referred to in Paragraph d) of Subsection (6) the seized article shall be released to the authority conducting the criminal proceeding.
- (8) If the customs authority is unable to identify the products seized beyond doubt, it shall be identified by expert examination to determine its type and quality.
- (9) The costs incurred in connection with the transportation, storage and safeguarding of seized products, excise seals, articles and means as well as the costs of the expert inspection described under Subsection (8) shall be borne by the client if condemned to pay an excise penalty by final decision. If no excise penalty is imposed, the said costs shall be borne by the State.
- 120. § (1) Seized products, excise seals and the means referred to in Paragraphs e)-f) of Subsection (2) of Section 119 shall be confiscated if an excise penalty is imposed by final decision in the respective excise case.
- (2) The means used for utilization, storage and transportation shall be confiscated, Subsection (3) notwithstanding, if they have been altered with the intent to commit any unlawful act pertaining to excise regulations.
- (3) The means used for utilization, storage and transportation shall be confiscated if the taxes levied or the excise penalty or other charges imposed by final decision are not paid by the prescribed deadline or if neither deferral nor payment by installment has been permitted on the basis of an application submitted within five working days of the due date.

- (4) No tax shall be levied on goods that have been confiscated.
- (5) Confiscation shall be stipulated in the resolution declaring default of payment in the case referred to in Subsection (3), or in the decision to terminate the proceeding when the perpetrator is unknown.
- (6) When a product or a means that has been seized is subject to customs formalities, the provisions laid down in this Act shall also apply to their confiscation.
- (7) Of the confiscated products, excise seals and means:
- a) such falling under the scope of Act LXXXII of 2003 on Foods, sugar mash and products made from sugar mash, and wine and tobacco products produced or processed by a procedure other than that prescribed in specific other legislation shall be destroyed;
- b) excise seals and the means mentioned in Paragraphs e)-f) of Subsection (2) of Section 119 shall be destroyed;
- c) with regard to other confiscated products and means not included in Paragraphs a) and b), the customs authority shall take measures to sell them on behalf of the State or to hand over, use according to Subsection (8) or otherwise they shall be destroyed.
- d) products whose sale would violate any intellectual property rights shall be destroyed.

15.7

Tobacco products may be produced in tax warehouse, which may only be operated in possession of a valid license issued by the customs authority. The trading in free circulation (wholesale trade, i.e. trading of tobacco products in free circulation under excise licensing requirement) the importation, the exportation of tobacco products can be executed only in possession of a license (excise license). To get licences it has to fulfil strict conditions (strict record keeping, providing excise guarantee for a possible task risk etc.). The sale of tobacco products in retail trade for consumers trading of tobacco products in free circulation without any excise license may only be conducted in possession of a business operation permit issued by the notary of the competent local authority.

In Hungary tobacco products may be put into free circulation only with tax seals affixed. The tax seals shall be claimed by the customs authority. On the tax seals among others the retail price of the individual retail package is also indicated. In retail trade tobacco products may only be sold at this indicated price.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

- 1. § (2) In the interest of compliance and control of tax liability, the following requirements shall be enforced:
- a) goods subject to excise tax shall only be produced in tax warehouses;
- 34. § (1) A tax warehouse may only be operated in possession of a valid license issued by the customs authority (hereinafter referred to as "tax warehouse license").
- 98. § (1) Tobacco products may only be released for free circulation, including consumption within the tax warehouse and the customs clearance of imported tobacco products before being released for free circulation, if the importer did not deposit the imported product into a tax warehouse, but not including the tobacco product imported as a product sample from third countries or admitted in intra-Community transaction, with a tax seal affixed, on which the retail price is indicated. Tobacco products may be sold in a transit tax warehouse to a traveller whose final destination is within the Community only with a tax seal affixed, or to a traveller whose final destination is in a third country only if no tax seal is affixed.
- 99. § (4) The excise seal is manufactured by order of the State of Hungary and is furnished by the customs authority to those described in Subsection (3) of Section 98.
- 101. § Within the framework of commercial activities not subject to excise licensing, tobacco products may only be sold at the price indicated on the tax seal, without any exceptions.
- 103. § (1) Trading in the mineral oil products described in Subsection (1) of Section 52 except for other controlled mineral oil products in bottles of 1 liter or less and liquid hydrocarbons in bottles of 25 kilograms or less and in other products subject to excise tax except for products described in point c) Subsection (1) of Section 63., and in the controlled substances specified in Subsection (4)-(5) of Section 50 (for the purposes of this Chapter together with the preceding hereinafter referred to collectively as "excise goods") in free circulation, exporting and importing these excise goods, supplying excise goods that have been released for free circulation (including controlled substances) in intra-Community trade or receiving them likewise is subject to authorization under this Act.

- 103. § (2) For the purposes of this Act:
- c) the purchase within the domestic territory, stocking, and sale to resellers of other excise goods that have been released for free circulation and are not included under Paragraphs a) and b) of this Subsection, with the exceptions set out in Subsections (3)-(6) of this Section;
- 104. § (1) The trading of excise goods in free circulation under excise licensing requirement, the exportation of excise goods from free circulation and the importation for free circulation may only be carried out with an excise license issued by the customs authority.
- 109. § (1) The trading of excise goods in free circulation without an excise license, with the exceptions described in Subsection (2) and with the exception of pharmacies, may only be conducted in possession of a business operation permit issued by the notary of the competent local authority as described in the Government Decree on the Operation of Business Establishments and the Conditions for Conducting Domestic Trading Activities.

16.2

Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products
Restrictions on the Marketing and Distribution of Tobacco Products
Section 5.

(4) Tobacco products may not be placed on the market as representative samples.

16.3

Section 2.§ 12. of the referred Decree deal with definitions of consumer unit packets restricting minimum and maximum number of sticks per cigarette packs between 19 and 50 per pack, as follows:

"Tobacco Decree No. 102/2005 General Provisions Section 2

For the purposes of the present Decree:

- 12. Consumer unit packet: the minimum packaging unit used in the course of the mandatory packaging of tobacco products:
- a) in the case of cigarettes, a packet containing minimum 19, but maximum 50 cigarettes,"

As content of consumer unit packages is restricted as outlined above, it is forbidden in Hungary to sell cigarettes individually.

16.6

Operation license issued by local governments for sellers may be withdrawn.

If tobacco products are put into free circulation in retail trade not on the price indicated on the tax seal, or individual cigarettes are sold, the place of business can be closed for 12 days for the first offence for 30 days for the second offence and 60 days for any subsequent offence.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

101. § Within the framework of commercial activities not subject to excise licensing, tobacco products may only be sold at the price indicated on the tax seal, without any exceptions.

110. § (12) The sale of individual cigarettes is forbidden. Cigars may only be sold individually if a tax seal is placed on each cigar in the form of a ring.

16.7

The legal provisions of Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods guarantee, that tobacco products can be placed on the market only as excise goods. According to the above mentioned Act, the trading of excise goods in free circulation under excise licensing requirement, the exportation of excise goods from free circulation and the importation for free circulation may only be carried out with an excise license issued by the customs authority.

A non-registered trader shall present his business permit or an official copy of the permit upon the supplier's request when purchasing excise goods.

A non-registered trader may only purchase excise goods from a tax warehouse, from a registered trader, importer or authorized packaging operator, and - only in the case described in Subsection (3) of Section 103 - from another non-registered trader. Non-registered traders shall be able to provide sufficient proof concerning the origin of their excise goods purchased, sold or held in stock.

According to Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products, tobacco products in commercial circulation may not be sold to persons under the age of 18.

To sum up, minors in Hungary can not receive the required licences for the sales of tobacco products, and they do not have the legally justified opportunity to buy tobacco products in commercial way, so they implicitly can not legally resell these products to third persons.

Act CXXVII of 2003 on Excise Taxes and Special Regulations on the Distribution of Excise Goods

Chapter XV TOBACCO PRODUCTS

Section 101.

Within the framework of commercial activities not subject to excise licensing, tobacco products may only be sold at the price indicated on the tax seal, without any exceptions.

Section 103

- (2) For the purposes of this Act:
- 1) 'commercial activities subject to excise licensing' shall mean:
- a) the purchase, stocking and sale of household heating oil with a view to resale;
- b) the sale of excise goods described in Paragraphs a), b), d) exclusive of those subject to zero tax rate and f), g) of Subsection (1) of Section 52 and bio-diesel (hereinafter referred to as "motor fuels") in places other than fuel filling stations and the sale of gas oils falling under tariff headings 2710 19 41, 2710 19 45 and 2710 19 49 in places other than retail storage installations or fuel filling stations, subject to the exception set out in Subsection (6);
- c) the purchase within the domestic territory, stocking, and sale to resellers of other excise goods that have been released for free circulation and are not included under Paragraphs a) and b) of this Subsection, with the exceptions set out in Subsections (3)-(6) of this Section;
- d) the commission storage of excise goods released for free circulation, except the commission storage in the storage tank industrial gas filling station provided to the person whose business is set up on the same premises;

- e) the movement of excise goods in intra-Community trading to and from other Member States in the course of business operations, whether for commercial purposes or for personal use, or for a public body, not under Community suspension arrangements, with the exception where excise goods are exported by authorized tax warehouse operators or imported by authorized tax warehouse operators or authorized packaging operators, or transported into or from the country by legal persons or unincorporated organizations for non-commercial purposes according to Subsection (2) of Section 29, and except for the sending of excise goods by parcel post to and from the domestic territory (hereinafter referred to as 'Community trading operations');
- (3) The non-regular supply, transfer, or assignment of excise goods between traders who have no excise license shall, in the cases and under the procedures described in specific other legislation, not be construed as activities falling under the scope of Paragraph c) of Point 1 of Subsection (2).

Section 104.

- (1) The trading of excise goods in free circulation under excise licensing requirement, the exportation of excise goods from free circulation and the importation for free circulation may only be carried out with an excise license issued by the customs authority.

 Section 106
- (1) Registered traders shall be able to provide sufficient proof concerning the origin of excise goods purchased, sold, or stocked. Registered traders may purchase, stock, or sell alcohol products with the exception of those with less than 5.5 per cent alcoholic strength by volume packaged in maximum 0.33 liter containers and with the exception set forth in Subsection (2) of Section 73 only with an excise seal affixed and with the exception set forth in Subsection (10) of Section 73 and with the exception of pharmaceutical wholesalers in containers of less than 2 liters and, furthermore, tobacco products only with tax seals affixed, and wine in bottles, or grape wine in jugs, with the official seals affixed.
- (6) A registered trader may use his warehouse or storage tank facility as a commercial sales location that does not have an excise license, if:
- a) he maintains a computerized excise inventory on his commercial stock of activities which are subject to excise licensing and those which are not subject to excise licensing, and on any changes in such inventory (purchases, sales) broken down by value and quantity of each article to render the data necessary for excise control available separately and comprehensively for each activity at any given time:
- b) as part of his commercial activities not subject to excise licensing, he sells excise goods, unless otherwise provided by law, only by issuing an invoice or simplified invoice if requested by the buyer when reaching the commercial quantity described in Subsection (5) of Section 110 that contains the phrase "Not suitable for verifying the origin of excise goods in the event of resale" in addition to the data prescribed by the VAT Act;
- c) the customs authority has given its prior consent and approved to the excise inventory maintained as described in Paragraph a).
- (7) A registered trader shall maintain records on excise goods sold within the domestic territory for each purchaser separately to include:
- a) a description, invoice value and the quantity of the excise goods sold and the invoice number;
- b) the purchaser's name, address of registered office (or business location) and tax identification number and, if a trader, his license number as prescribed in this Act;
- c) the date of purchase and performance (delivery).

The data of such records may be kept on computer data medium and shall be rendered available to the customs authority upon request.

Section 107.

Registered traders authorized to engage in Community trading shall keep records on a regular basis on their activities, to contain the description and the quantity of excise goods shipped to or received from another Member State, the invoice made out on the sale or purchase, the description and identification number of the accompanying document used for the intra-Community movement of such goods, the

name of the buyer and the designation of the Member State, as well as all data and information concerning the payment or refund of tax.

Registered traders authorized to engage in Community trading shall prepare monthly reports to the customs authority based on the monthly closing figures concerning their sales or receipt of other controlled mineral oil products and controlled substances in packages of 5 liters or 5 kilograms or larger, also containing the opening and closing inventories, and shall submit this report to the customs authority by the 15th of the following month.

- (2) Registered traders authorized to engage in Community trading shall verify the origin of excise goods received from other Member States by the invoice specified in the VAT Act for this particular purpose or by the accompanying document specified in Section 28 of this Act. Section 110.
- (1) A non-registered trader shall present his business permit or an official copy of the permit upon the supplier's request when purchasing excise goods.
- (2) A non-registered trader may only purchase excise goods from a tax warehouse, from a registered trader, importer or authorized packaging operator, and only in the case described in Subsection (3) of Section 103 from another non-registered trader. The provisions contained in Subsections (2)-(4) of Section 105 shall be duly applied to the purchases made by non-registered traders.
- (3) Non-registered traders shall be able to provide sufficient proof concerning the origin of their excise goods purchased, sold or held in stock.
- (4) Non-registered traders, when reaching the commercial quantity of excise goods sold described in Subsection (5) of this Section must issue an invoice or simplified invoice if requested by the buyer that contains the phrase "Not suitable for verifying the origin of excise goods in the event of resale", in addition to the data prescribed by the VAT Act.
- (5) For the purposes of this Act, commercial quantity shall be understood to mean the quantity in excess of:
- a) 40 liters of motor fuel other than that in the fuel tank of the motor vehicle, 20 liters of other gasoline (petrol), 50 liters of petroleum, 100 liters of diesel oil other than that in the fuel tank of the motor vehicle or power equipment, 3,500 liters of household heating oil, 3,500 kilograms of of heating oil and 100 liters of bio-diesel in respect of mineral oil products;
- b) 800 cigarettes;
- c) 200 cigars and 400 cigarillos;
- d) 1000 grams of smoking tobacco;
- (11) Non-registered traders shall be authorized to sell alcohol products, wine, beer, sparkling wine, intermediate alcohol products, and tobacco products at special events outside of their regular places of business upon notifying the competent customs authority according to the place of sale three working days in advance, if in possession of the authorizations and permits prescribed in other legal regulations.
- (12) The sale of individual cigarettes is forbidden. Cigars may only be sold individually if a tax seal is placed on each cigar in the form of a ring.

19.1

The Customs and Finance Guard as basic law-enforcement organization deals with identifying criminal activity as illicit trade of non-duty paid tobacco goods or their transport. Detecting these kind of cases results in penalties imposed by Customs and Finance Guard or court cases initiated by them.

Act IV of 1978 on the Criminal Code

Section 311.

- (1) Any person who manufactures, obtains, stores, sells or trades any excise goods in the absence of the criteria specified in the Act on Excise Taxes and Special Regulations on the Marketing of Excise Goods or in other legislation enacted by authorization of this Act, or without an official permit, and thereby causes less significant losses in excise tax revenues, is guilty of a misdemeanor punishable by imprisonment for up to two years, community service work, or a fine.
- (2) Punishment shall be imprisonment for up to three years if:
- a) the criminal conduct results in considerable losses in tax revenues; and/or
- b) the unlawful conduct specified in Subsection (1) is committed in a pattern of business operation.
- (3) Punishment shall be imprisonment of one to five years if:
- a) the criminal conduct results in substantial losses in tax revenues; and/or
- b) the unlawful conduct specified in Paragraph a) of Subsection (2) is committed in a pattern of business operation.
- (4) The punishment shall be imprisonment between two to eight years, if:
- a) the criminal conduct results in particularly considerable losses in tax revenues; and/or
- b) the unlawful conduct specified in Paragraph a) of Subsection (3) is committed in a pattern of business operation.
- (5) The punishment shall be imprisonment from five to ten years, if:
- a) the criminal conduct results in particularly substantial losses in tax revenues; and/or
- b) the unlawful conduct specified in Paragraph a) of Subsection (4) is committed in a pattern of business operation.
- (6) The perpetrator of the crime described in Subsection (1) above shall not be liable for prosecution if he settles his excise tax debt prior to indictment.

Illegal Trafficking of Excise Goods

Section 311/A.

- (1) Any person who receives, stores, uses, places on the market or trades any excise goods under tax evasion is guilty of a misdemeanor punishable by imprisonment for up to two years, community service work, or a fine.
- (2) Punishment shall be imprisonment for up to three years if:
- a) the excise goods involved in the criminal conduct are of substantial value;
- b) the unlawful conduct specified in Subsection (1) is committed in a pattern of business operation.
- (3) Punishment shall be imprisonment between one to five years if:
- a) the excise goods involved in the criminal conduct are of particularly considerable value;
- b) the unlawful conduct specified in Subsection (2) is committed in a pattern of business operation.
- (4) The punishment shall be imprisonment between two to eight years, if:
- a) the excise goods involved in the criminal conduct are of particularly substantial value;
- b) the unlawful conduct specified in Paragraph a) of Subsection (3) is committed in a pattern of business operation.

(5)

(6) For the purposes of this Section the value of excise goods shall be determined based on the value of excise goods manufactured legitimately.

Conspiracy to Commit Excise Violation Section 311/B.

- (1) Any person who manufactures, obtains, stores or sells any equipment, device, instrument and/or material designed to produce or manufacture excise goods as specified in the Act on Excise Taxes and Special Regulations on the Marketing of Excise Goods or in other legislation enacted by authorization of this Act, without authorization or through any violation of law, and/or who manufactures, obtains or stores any excise seal or tax seal for the marketing of excise goods is guilty of a misdemeanor punishable by imprisonment for up to two years, community service work, or a fine.
- (2) Punishment shall be imprisonment of up to three years if:
- a) the act is committed in a pattern of business operation;
- b) the quantity of the material and/or excise seal involved in the criminal conduct is substantial; or
- c) the value of the tax seal involved in the criminal conduct is of substantial or greater value.

13 January 2006 Hungary joined the civil actions proceeded by the European Commission and ten Member states against Japan Tobacco Inc. and Reynolds American for smuggling and cigarettes and money laundering. Furthermore also this year, 4 April 2006 Hungary joined the Anti-contraband and anti-counterfeit agreement and general release dated as of 9 July 2004 among Philip Morris International and the European Community as well as 10 Member States. Both the joining to the civil actions and to the Agreement opens the door to get financial compensation after the damage beard by Hungary in consequence of the illegal cigarette trade.

9.

Section 16 of Tobacco Decree No. 102/2005 of FVM deals with testing and measuring the tar, nicotine and carbon monoxide yield values of cigarettes, as follows:

"Tobacco Decree No. 102/2005, Monitoring of tobacco products Section 16

- (1) The manufacturer, the registered/non-registered distributor, the importer and the licensee of storing tax warehouse shall monitor the tobacco products and compliance with the data stated in the registration sheet. The manufacturer, the registered/non-registered distributor or the importer may conduct the necessary tests in its own laboratory, or may have these tests carried out in other laboratories suitable for the purpose.
- (2) The tar, nicotine and carbon monoxide yield values of cigarette is checked and verified by the laboratory of the Heves County Veterinary Hygiene and Foodstuffs Control Station. (hereinafter: Heves County Station) The costs of the checking and verification shall be borne by the manufacturer, importer, or registered/non-registered distributor, who applied for the checking and verification.
- (3) The laboratory of the Heves County Station shall disclose the data measured under subsection (2) with respect to the tar, nicotine and carbon monoxide contents of the tobacco products manufactured in an annual report prepared for the Ministry of Agriculture and Regional Development (hereinafter referred to as the "Ministry"), which shall be forwarded by the Ministry to the Ministry of Health.
- (4) The Heves County Station shall take part in the capacity of expert authority, in connection with the tax law classification of tobacco products, based on the request of the National Headquarters of the Customs and Finance Guards.
- (5) Any laboratory accredited by the competent authority of any member state shall also be entitled to check and to verify the tar, nicotine and carbon monoxide values of cigarette.
- (6) For the purposes of the present Decree, the standards listed in Schedule 5 shall apply.
- (7) In the case of cigarette the adequacy of the smoke values stated on the packaging and on the registration sheet shall be verified pursuant to standard No. MSZ ISO 8243. "

As far as emission of tobacco products is concerned, yields of cigarettes are exactly regulated by Section 5 of the referred Decree, as follows:

"Tobacco Decree No. 102/2005 Yields

Section 5

The yield of cigarettes released for free circulation may not contain more than

a) 10 mg of tar,

- b) 1 mg of nicotine,c) 10 mg of carbon monoxide,

per cigarette with consideration to the confidence intervals as per standard MSZ ISO 8243".

11.1(a)

Sections 11 of Tobacco Decree of 102/2005 regulate ban of using misleading information:

Section 11

- (1) In addition to the information prescribed herein, only such further information is permitted on the packaging of tobacco products which does not mislead the consumer.
- (2) It is forbidden to use any text, name, brand name, picture or other descriptor on the packaging of tobacco products which suggests that a given tobacco product is less harmful than other tobacco products.

11.1(b)

Sections 6 of Tobacco Decree of 102/2005 regulate labelling issues and require use of health warning texts describing harmful effects of tobacco use. Use of rotating health warnings is regulated by Act XLII of 1999 on the Protection of Non-Smokers and the Specific Rules of the Consumption and Distribution of Tobacco Products:

"Tobacco Decree No. 102/2005 Labelling Section 6

The following shall be stated on the consumer packaging unit:

-b) description of tobacco product as follows: "cigarette" "cigar" "cigarillo" "cigarette tobacco" "pipe tobacco" "chewing tobacco" "snuff"
- c) name of manufacturer or distributor, registered/non-registered distributor, licensee of storing tax warehouse enabling identification.
- d) the country of origin of the tobacco product shall be indicated, if the products' country of origin is outside the European Economic Area,
- e) number of pieces (cigarettes, cigars, cigarillos) or weight (tobacco for consumption, for chewing, for sneezing),
- f) in case of product with filter, the word "füstszűrő(s)" or "filter(es)"
- g) in case of cigarettes, quantitative values of the yields of tar, nicotine and carbon monoxide as follows:
- ga) "Tar X mg/cigarette" (where X is a number rounded up to an integer),
- gb) "Nicotine Y mg/cigarette" (where Y is a number rounded up to one decimal point),
- gc) "Carbon monoxide Z mg/cigarette" (where Z is a number rounded up to an integer).
- h) date (stating year, month and day) and place of manufacture, or item number or code, on the basis of which place and date of manufacture may be established,
- i) general health warning
- ia) in the case of tobacco products intended for smoking, pursuant to Act XLII of 1999 on the Protection of Non-Smokers and the Specific Rules of the Consumption and Distribution of Tobacco Products (hereinafter referred to as "TA"),
- ib) in the case of smokeless tobacco products: "This tobacco product may be harmful to your health and causes addiction",
- j) in the case of tobacco products intended for smoking, a warning selected from among the optionally available health warnings listed in TA."

"Act XLII of 1999 on the Protection of Non-Smokers and the Specific Rules of the Consumption and Distribution of Tobacco Products

Section 6

- (1) Cigarettes may only be marketed in consideration of Subsection (3) of Section 8 if the wording on the consumer packaging units of the product being placed on the market which shall be visible with a contrasting background, easily readable, and durable contains the following in the Hungarian language:
- a) on one of the main sides covering at least 30 per cent of the surface
- aa) the warning "Smoking seriously harms you and others around you!', or
- ab) "Smoking can kill!',
- b) on the other main side covering at least 40 per cent of the surface, the wording of a freely selectable health warning in accordance with the Schedule to this Act,
- c) on one of the narrow sides covering at least 10 per cent of the surface, the numerical values of the tar, nicotine and carbon-monoxide content present in the primary smoke of each cigarette.
- (2) The general health warnings under Paragraphs aa) and ab) of Subparagraph a) of Subsection (1) and the optional health warnings listed in the Schedule to this Act shall be varied in such a way as to guarantee their systematic appearance on each of the main sides.
- (3) The provisions contained in Subsection (1) shall apply mutatis mutandis to the conditions for marketing the tobacco products that were not mentioned in Subsection (1) with the understanding that the provision pertaining to the minimum size of health warnings and Paragraph c) of Subsection (1) need not be applied.
- (4) The health warning defined in Paragraph a) of Subsection (1) must also be posted on the premises of shops selling tobacco products and in the serving area of mobile vendors. The provisions contained in Subsection (1) shall apply mutatis mutandis to the display method of the warning with the understanding that the provision regarding the minimum size of the warning need not be applied.
- (5) The detailed regulations governing the labeling and packaging of tobacco products are laid down in specific other legislation.

Schedule to Act XLII of 1999

List of additional health warnings referred to in Paragraph b) of Subsection (1) of Section 6 of this Act:

- 1. Smokers die younger.
- 2. Smoking clogs the arteries and causes heart attacks and strokes.
- 3. Smoking causes fatal lung cancer.
- 4. Smoking when pregnant harms your baby.
- 5. Protect children: don't make them breathe your smoke.
- 6. Your doctor or your pharmacist can help you stop smoking.
- 7. Smoking is highly addictive. Don't start.
- 8. Stopping smoking reduces the risk of fatal heart and lung diseases.
- 9. Smoking can cause a slow and painful death.
- 10. Get help to stop smoking: (telephone/postal address/Internet address/consult your doctor/pharmacist).
- 11. Smoking may reduce the blood flow and causes impotence.
- 12. Smoking causes aging of the skin.
- 13. Smoking damages sperm and decreases fertility.
- 14. Smoke contains benzene, nitrosamines, formaldehyde and hydrogen cyanide.

11.1(b)(i)

As member in the EU Hungarian government makes its utmost to fully comply with related EU legal regulations.

Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products

Decree No. 102/2005. (X.31) of the Minister of Agriculture and Rural Development on the Manufacture, Distribution and Monitoring of Tobacco Products

11.1(b)(ii)

Use of rotating health warnings is regulated by Act XLII of 1999 on the Protection of Non-Smokers and the Specific Rules of the Consumption and Distribution of Tobacco Products

Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products

Restrictions on the Marketing and Distribution of Tobacco Products Section 6.

(2) The general health warnings under Paragraphs aa) and ab) of Subparagraph a) of Subsection (1) and the optional health warnings listed in the Schedule to this Act shall be varied in such a way as to guarantee their systematic appearance on each of the main sides.

Decree No. 102/2005. (X.31) of the Minister of Agriculture and Rural Development on the Manufacture, Distribution and Monitoring of Tobacco Products

Section 9

(7) In the interest of enabling the monitoring of the fulfilment of the obligation prescribing the alternate use of health warnings, the manufacturer, the registered/non-registered distributor, the importer and the licensee of storing tax warehouse shall keep records which show the health warnings used by periods.

11.1(b)(iii)

Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products

Section 6.

- (1) Cigarettes may only be marketed in consideration of Subsection (3) of Section 8 if the wording on the consumer packaging units of the product being placed on the market which shall be visible with a contrasting background, easily readable, and durable contains the following in the Hungarian language:
- a) on one of the main sides covering at least 30 per cent of the surface
- aa) the warning 'Smoking seriously harms you and others around you!', or
- ab) 'Smoking can kill!',
- b) on the other main side covering at least 40 per cent of the surface, the wording of a freely selectable health warning in accordance with the Schedule to this Act,
- c) on one of the narrow sides covering at least 10 per cent of the surface, the numerical values of the tar, nicotine and carbon-monoxide content present in the primary smoke of each cigarette.
- (2) The general health warnings under Paragraphs aa) and ab) of Subparagraph a) of Subsection (1) and the optional health warnings listed in the Schedule to this Act shall be varied in such a way as to guarantee their systematic appearance on each of the main sides.
- (3) The provisions contained in Subsection (1) shall apply mutatis mutandis to the conditions for marketing the tobacco products that were not mentioned in Subsection (1) with the understanding that the provision pertaining to the minimum size of health warnings and Paragraph c) of Subsection (1) need not be applied.
- (4) The health warning defined in Paragraph a) of Subsection (1) must also be posted on the premises of shops selling tobacco products and in the serving area of mobile vendors. The provisions contained in Subsection (1) shall apply mutatis mutandis to the display method of the warning with the understanding that the provision regarding the minimum size of the warning need not be applied.
- (5) The detailed regulations governing the labeling and packaging of tobacco products are laid down in specific other legislation.

Section 9 of Tobacco Decree of 102/2005 clearly deals with these topics, as follows:

"Tobacco Decree No. 102/2005

Section 9

- (1) The general and optionally available health warnings (hereinafter collectively referred to as "health warnings") shall be printed on the consumer unit packets pursuant to TA.
- (2) In the case of batch packages, the general health warning shall be printed on the side with the largest surface which also contains the name of the product, in such a way that the inscription shall cover at least 30% of the surface. The alternative general health warnings shall be rotated in such a way as to guarantee their regular appearance.

- (3) The optionally available health warning shall be printed on the other side with the largest surface of the batch package of the product, in such a way that the inscription shall cover at least 40% of the surface. The optionally available health warnings shall be used alternately to ensure that they are published regularly.
- (4) With the exception of cigarettes, health warnings shall cover an area of at least 22.5 cm2, on each surface, on the consumer packaging units of all other tobacco products where the size of the most prominent surface is bigger than 75 cm2.
- (5) Health warnings and the values specified under Section 6, paragraph g) shall be printed in black on a white background, in the Helvetica font, in bold. The text shall be printed in lower case, except for the initial letter of the text and in cases where use of capital letters is necessary due to grammatical rules. The inscription, except in the case of smokeless tobacco products, shall be placed into a frame bordered by black lines of the minimum thickness of 3 mm and the maximum thickness of 4 mm, which may not under any circumstances interfere with the texts of the health warnings and the values. The text shall be placed in the centre of the area reserved for printing, if the available surface makes it possible, parallel to the upper edge of the packet. Such a font size shall be used which ensures that the text occupy the biggest possible percentage of the available surface.
- (6) It is forbidden to print the health warnings and the values onto the excise labels of tobacco products. The printed inscriptions shall be irremovable and inerasable, and may not be covered up, obscured or interrupted by any other writing or image or the opening seal of the packet. With the exception of cigarettes, in the case of tobacco products, the above inscriptions may also be printed onto a sticker irremovably fixed onto the packet.

11.1(b)(iv)

In a full compliance with Directive 2001/37/EC on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco products and relevant parts of WHO FCTC texts, Sections 9 and 10 of Tobacco Decree of 102/2005 ensure that health warning shall cover at least 30%/ 40 % of the area of the surface of the consumer unit packets, as follows:

Section 9

- (1) The general and optionally available health warnings (hereinafter collectively referred to as "health warnings") shall be printed on the consumer unit packets pursuant to TA.
- (2) In the case of batch packages, the general health warning shall be printed on the side with the largest surface which also contains the name of the product, in such a way that the inscription shall cover at least 30% of the surface. The alternative general health warnings shall be rotated in such a way as to guarantee their regular appearance.
- (3) The optionally available health warning shall be printed on the other side with the largest surface of the batch package of the product, in such a way that the inscription shall cover at least 40% of the surface. The optionally available health warnings shall be used alternately to ensure that they are published regularly.
- (4) With the exception of cigarettes, health warnings shall cover an area of at least 22.5 cm2, on each surface, on the consumer packaging units of all other tobacco products where the size of the most prominent surface is bigger than 75 cm2.
- (5) Health warnings and the values specified under Section 6, paragraph g) shall be printed in black on a white background, in the Helvetica font, in bold. The text shall be printed in lower case, except for the initial letter of the text and in cases where use of capital letters is necessary due to grammatical rules. The inscription, except in the case of smokeless tobacco products, shall be placed into a frame bordered by black lines of the minimum thickness of 3 mm and the maximum thickness of 4 mm, which may not under any circumstances interfere with the texts of the health warnings and the values. The text shall be placed in the centre of the area reserved for printing, if the available surface makes it possible, parallel to the upper edge of the packet. Such a font size shall be used which ensures that the text occupy the biggest possible percentage of the available surface.
- (6) It is forbidden to print the health warnings and the values onto the excise labels of tobacco products. The printed inscriptions shall be irremovable and inerasable, and may not be covered up, obscured or interrupted by any other writing or image or the opening seal of the packet. With the exception of cigarettes, in the case of tobacco products, the above inscriptions may also be printed onto a sticker irremovably fixed onto the packet.

11.1(b)(v)

Health warnings in the form of, or include, pictures or pictograms are not prescribed by law in Hungary. Hungary, as member of EU, implements health warnings according to Directive 2001/37/EC of the European Parliament and of the Council of 5 June 2001 on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco products. If Hungary would like to decree the using of health warnings in pictures or pictograms the Act XLII of 1999 on the Protection of Non-Smokers and Certain Regulations on the Consumption and Distribution of Tobacco Products should be amended by Parliament. There is opportunity to decree the health warnings in pictures or pictograms in Hungary according to Commission Decision of 5 September 2003 No 2003/641/EC on the use of colour photographs or other illustrations as health warnings on tobacco packages.

11.2

Section 8 of Tobacco Decree No 102/2005 provides for this specific information in case of cigarettes, as follows:

"Tobacco Decree Section 8

The quantitative values of the tar, nicotine and carbon monoxide yields of the cigarette shall be printed onto one of the thinner sides of the consumer unit packet. The inscription shall cover at least 10% of the surface of the given side."

11.3

Section 9 of Tobacco Decree No 102/2005 provides for this specific information in case of cigarettes, as follows:

"Tobacco Decree No. 102/2005 Section 9

- (1) The general and optionally available health warnings (hereinafter collectively referred to as "health warnings") shall be printed on the consumer unit packets pursuant to TA.
- (2) In the case of batch packages, the general health warning shall be printed on the side with the largest surface which also contains the name of the product, in such a way that the inscription shall cover at least 30% of the surface. The alternative general health warnings shall be rotated in such a way as to guarantee their regular appearance.
- (3) The optionally available health warning shall be printed on the other side with the largest surface of the batch package of the product, in such a way that the inscription shall cover at least 40% of the surface. The optionally available health warnings shall be used alternately to ensure that they are published regularly.
- (4) With the exception of cigarettes, health warnings shall cover an area of at least 22.5 cm2, on each surface, on the consumer packaging units of all other tobacco products where the size of the most prominent surface is bigger than 75 cm2.
- (5) Health warnings and the values specified under Section 6, paragraph g) shall be printed in black on a white background, in the Helvetica font, in bold. The text shall be printed in lower case, except for the initial letter of the text and in cases where use of capital letters is necessary due to grammatical rules. The inscription, except in the case of smokeless tobacco products, shall be placed into a frame bordered by black lines of the minimum thickness of 3 mm and the maximum thickness of 4 mm, which may not under any circumstances interfere with the texts of the health warnings and the values. The text shall be placed in the centre of the area reserved for printing, if the available surface makes it possible, parallel to the upper edge of the packet. Such a font size shall be used which ensures that the text occupy the biggest possible percentage of the available surface.
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- (7) In the interest of enabling the monitoring of the fulfilment of the obligation prescribing the alternate use of health warnings, the manufacturer, the registered/non-registered distributor, the importer and the licensee of storing tax warehouse shall keep records which show the health warnings used by periods.

Section 10

The wording pursuant to point 10 of the Schedule of TA shall contain the following data in brackets: "06 40 200-493, 1062 Budapest, Andrássy t 82. www.oefi.hu".

As said earlier, Hungarian text of all Health warnings are included either in Act XLII of 1999 on the Protection of Non-Smokers and the Specific Rules of the Consumption and Distribution of Tobacco Products or in the Tobacco Decree.

13.2

Act LVIII of 1997 on Business Advertising Activity

Section 13.

- (1) It is forbidden to advertise tobacco products.
- (4) The prohibition laid down in Subsection (1) above shall not apply to
- a) advertisements addressed exclusively to participants of the tobacco industry,
- b) display of tobacco products at vendors, including the prices of tobacco products,
- c) newspapers which are printed or published outside the territory of any Member State of the European Economic Area, and which are not intended to be distributed in any Member State of the European Economic Area.

5.1

NATIONAL PROGRAMME FOR THE DECADE OF HEALTH PROGRAMS OF HEALTHY LIFESTYLES, REDUCING RISK FACTORS TO HUMAN HEALTH

CUTTING BACK TOBACCO SMOKING

The Goal:

To cut back cigarette smoking by 8% a year until 2005, and to reduce the prevalence of regular smoking by 6% (to about 35% among males) by 2010

- 1.To achieve a 20% reduction in the time spent by an individual passively smoking, and to reduce the hazards of passive smoking by additional restrictions on places where smoking is allowed and by strictly enforcing compliance with current regulations.
- 2.To increase the rate of never smoking people by reducing the number of children and youth who take up smoking.
- 3.To enforce and tighten up legal and other regulations on consumption of tobacco products and to adopt Europian Union and WHO recommendations as early as possible.
- 4.To reduce social acceptance of smoking and the tobacco industry by evolving a social environment in which non-smoking is the norm.

Situation assessment

A research report for 2000 issued by the National Population Health Survey (NPHS) found that 40.7% of males in the Hungarian population over 18 years of age and 26.3% of females smoke (regularly or occasionally). The per capita cigarette consumption in 1999 amounted 2400 cigarettes/person, while the figure of the European Union is 1600 cigarettes/person. A survey conducted by the Fact Institute in 1999 found that 65% of the Hungarian population was at risk from the hazards of passive smoking spending on average 270 minutes per day in an indoor setting in which they inhale other persons' tobacco smoke.

Data published by the Central Statistical Office (CSO) in early 2002 showed that in Hungary today, the death of 28,000 people each year may be ascribed exclusively to smoking. This is roughly double the number of fatalities from alcoholism, violence, suicide, and AIDS altogether. Hungarian males have the world's largest lung cancer mortality rate.

In the past ten and a half years, male smoking prevalence changed slightly but female smoking grew by 30% from 1986 to 1999, while children are smoking their first cigarettes at younger and younger ages, becoming regular smokers an average age of 17.9. According to CDC data for Budapest nearly half (46%) of secondary school leavers were regular smokers and among females, the prevalence of regular smoking was slightly higher than among males.

TASKS and ACTIONS NEEDED

Communications

In communication with the public, we need to include continuous media activities, made even more effective with pamphlets, a website, and a free call-in number. We need to intensify communication among professionals, and to offer training and continuing education to present effective antismoking

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measures. The communication strategy has to extend to decision-makers, particularly to committees on health and welfare, economics, finance, and farming

Community programmes

We need to support local and community (setting-oriented/age-specific) programmes, with a particular emphasis on workplace programmes/workplace anti-smoking policies including the testing and introduction of comprehensive hospital anti-smoking programmes (smoke-free hospitals, assisting staff in quitting smoking, counselling for smoker-patients). Comprehensive anti-smoking policies need to be designed for schools (use of study materials, teacher-training, inclusion of parents, assistance in quitting) as priority projects, augmented by the methods of peer educators, programmes designed and executed by students and including parents, measures to reduce smoking among pregnant women and young mothers, and programmes focused on Romany and disadvantaged youth. A network to assist people in quitting smoking needs to be promoted (review of operations, reform, improved marketing, extension to primary health care physicians and dentists).

Research

A detailed research plan has to be designed, which should include analyses of domestic campaigns, and relevant campaigns in other countries, prevalence studies, analyses of the key persons working in the area and their anti-smoking activity, researching tobacco industry documents and making them accessible to the public, monitoring, evaluating and publishing the results of publicly funded community programmes, monitoring adherence to laws and other smoking-related rules, researching ways of making methods of quitting smoking more accessible, studying the presence and development of the issue of smoking in curricular materials, and designing guidelines to regular cooperation between state-owned institutions and the tobacco industry.

Health policy goals

We intend to regularly raise the price of tobacco products by a rate that exceeds inflation and to introduce a product fee to be used to finance the struggle against smoking. We will continue to reduce tobacco industry advertising and sponsorships. We will increasingly monitor adherence to the law on protecting non-smokers (NPHMOS task).

We will introduce a new labelling law and will cut back on the tar and nicotine content of tobacco industry products in keeping with the European Union, and we will participate actively in designing the Framework convention on tobacco control and introducing it domestically as early as possible.

Expected results

The action program aimed at reducing smoking, with special regard to furthering quitting, will contribute to increasing life expectancy at birth already in a ten-year time frame. A well- organized anti-smoking campaign can significantly increase the number of people who quit, leading to a decline in the prevalence of smoking-related chronic and acute diseases. In ten years, we also expect to have major achievements in cutting back sales of tobacco products, stopping young people to smoke, and reducing the the number of people exposed to passive smoking.

5.2(a)

The National Program for the Decade of Health (2003) determines the main activities of tobacco control for ten years. The leader of this "Cutting back tobacco smoking" program works at the National Institute for Health Development (NIHD). This institute also gives the professional background of the coordinating mechanism of tobacco control.

Further participants of this coordinating mechanism are the Hungarian national counterpart of the World Health Organisation, the non-governmental organizations and the county institutes of the National Public Health and Medical Officer Service (NPHMOS) which take part together with NIHD in controlling this activity.

5.3

According to the Constitution, in the Republic of Hungary international conventions have to be promulgated by internal law in the interest of not just creating international obligations for the State, but allowing internal legal obligations originated from them that can be enforced from the civilians and other persons.

There have not been similar regulations in the Hungarian jurisdiction before. The Hungarian Parliament created WHO Framework Convention on Tobacco Control (FCTC) the part of the internal law by the promulgation of Act XXIII of 1992 on the legal status of public servants. That is why the regulations of the FCTC are parts of the Hungarian jurisdiction.

In Hungary there are srict conflict-of-interest regulations for civil servants working on tasks of authorities and preparing laws. Act XXIII of 1992 on the legal status of public servants contains regulations not just about the tobacco industry but the operation of all the uneffected representatives.

12(a)

NIHP Smoking Prevention Program in Kindergartens

The development of the Smoking Prevention Program in Kindergartens was started in 1993 by the National Institute for Health Promotion and the Smoking or Health Hungarian Foundation.

The model experiment took place in 1994, when the dissemination was started on a national level, the tools of the Program have reached more than 900 kindergartens (until 2004).

According to the feedbacks received from kindergarten teachers, the contact with this age group was successful, and the impact survey made with the children (can be downloaded from our webpage) also shows that the aims were objective and they were achieved in accordance with the original intention.

The aim of the Program is primarily to protect the health of kindergarten age children, within this:

- To understand and accept the meaning of the cherry symbol which is the symbol of the non-smoking lifestyle.
- To accommodate age-specific information.
- To develop a conscious and active behavior against the compulsion of passive smoking.
- To develop the correct set of values, health behavior and attitudes.

The SMOKING OR HEALTH complementary program for kindergartens undertakes a special prevention task during this early period of life. The objective is to protect the health of kindergarten age children by preventing smoking initiation and the development of this harmful addiction.

The Program helps children to be able to take action against passive smoking, not just suffer from it. It clarifies the existing concepts and supplements them with new ones by putting them into a different context. It helps parents to protect the growing up generation from destructive behaviors.

It takes into account the peculiar laws of growing up and that the environmental impacts applied both spontaneously and methodically will determine the developing personality of the children, with special attention to the fact that the role of the personal and material environment surrounding the child is a decisive factor.

The Program, which suits the age characteristics of 5-7 years old children, at the same time is a "vehicle" between the children, the kindergarten teacher, the district nurse and the parents.

There is also international interest for the Hungarian Smoking Prevention Program in Kindergartens that can be regarded as a unique program.

In the World Conference on Smoking or Health held in Helsinki in the summer of 2003, the general director of the World Health Organization (WHO), Mr. Lee Jong in his opening speech emphasized that smoking prevention should be started as early as possible, as early as in the kindergarten.

NIHP Smoking Prevention Program for Schools

According to statistical data, people not only try their first cigarette, but also start smoking regularly at increasingly younger age. The child, who left kindergarten and started elementary school, is much more exposed to effects, coming from older students, that present smoking as a model to be followed.

One of the most important objective of a smoking prevention program is to expose children to opinion forming experiences, on the effects of which, later less children try the cigarette, and less children get addicted to smoking.

The objectives of the smoking prevention program for schools are the same as those of the smoking prevention program in kindergartens used for many years with success in several hundred kindergartens:

- To provide children aged 6-10 with information about the health damaging effects of smoking on a level corresponding to their age;
- To develop a deliberate and active behavior against the compulsion of passive smoking,
- To make the children understand the meaning of the "cherry symbol"

Practical experience and the opinion of the teachers showed that it is not possible to implement smoking prevention at schools only during the compulsory lessons. So something, like an interactive, smoking-related game is needed, which is attractive enough to draw children's attention even in the breaks and in their leisure time in the afternoons. This instrument is the Kiosk, which consists of a touch-screen computer and a multifunctional kiosk-house. With the help of the software the children can play with different and interesting games: puzzle, painting, memory, game of tag, and interactive cartoon. The selection of the games can be made simply by touching the particular points of the screen.

The kiosk was tested in 3 schools on December 4th 2001 as a model experiment. The experience obtained is clearly favorable: the children were pleased to play with this interesting new game placed on the corridor of the school, they turned with interest toward the topic, and the attitude of both the teachers and the parents was positive. The games are designed to help children get to know the cherry symbol, to understand its meaning, and to form a positive picture about the non-smoking lifestyle. Of course the NIHP Smoking Prevention Program for Schools does not only consist of the kiosk and CD containing the game software, our plans include the development of a school program box containing a variety of interactive visual aids.

The game software and the kiosk was reviewed by Anna Hamrák, research worker of the National Public Education Institute and recommended for dissemination in schools.

National Public Health and Medical Officer's Service (NPHMOS)

Of two-thirds of the 785 health developing programs organized by the county institutes of National Public Health and Medical Officer's Service in 2005 in connection with smoking prevention, the target population were the kindergarten (3-6 years old) the elementary school (6-14 years old) and the secondary school (14-18 years old) age groups.

The county institutes of NPHMOS provided comprehensive knowledge about the damaging effects of smoking (including passive smoking), it's addictive effects, the benefits of non-smoking lifestyle in favour of smoking prevention and helping cessation through their all-round educational and communicational programs in schools, families, workplaces.

In every year on "No Smoking Days" and "World No Tobacco Days" and in 2005 also apropos of "Quit and Win" program they informed the public about the methods and surgeries which help people quitting and also about the Hungarian Quitline.

12(c)

Information, necessary data on tobacco industry can be found in various sources including electronic and written media, Internet etc., permanently available for the wide public.

With a view to the mounting social and media attention on public health issues, on public health reforms, to the increasing activity by anti-smoking NGOs, to media coverage of non-domestic impacts by WHO FCTC, the Hungarian general public receives regular information on tobacco related new health tendencies linked with tobacco smoking.

The National Institute for Health Development is a government based agency planning, coordinating, monitoring and evaluating public health and health promotion at national level. It also has a website which is accessible for all enquirers including professionals and the public: http://www.oefi.hu/color

14.1

Based upon scientific evidence and best practices a guideline has been elaborated for smoking cessation services. Practical application of this protocol has been trained for the personnel of smoking cessation services (physicians, nurses)

Full text of the guideline is available in Hungarian if needed.

14.2(d)

Treatment of nicotin addiction is performed on three levels: general practitioners, specialists - outpatient service and hospitals.

The following conditions facilitate treatment of nicotin addicted patients:

- 1. The patient can attend the smoking cessation service self-referred.
- A kötelező egészségbiztosítás ellátásairól szóló 1997. évi LXXXIII. tv. végrehajtásáról rendelkező 217/1997. (XII. 1.) Korm. rendelet 2. § (1) bekezdés b)
- 2. The following treatment codes have been introduced to finance smoking cessation activities:
- 17191 Assistance of smoking cessation medical examination 500 scores 29/b
- 17192 Assistance of smoking cessation patient's visit 200 scores 29/b
- 17193 Assistance of smoking cessation measurement of CO content of exhaled air 80 scores 29/b
- Az egészségügyi szakellátás társadalombiztosítási finanszírozásának egyes kérdéseiről szóló 9/1993.
- (IV. 2.) NM rendelet 2.számú melléklete)
- 29/b The above mentioned activities can be financed in medical institutions where the physician who performs these activities has been trained to this task (participated in a special course organized by the Advisory Council of Pneumonology).

The above mentioned three codes have been newly established for the assistance of smoking cessation, based upon international recommendations. This was necessary for starting the Public Health Programme. These activities can be reported only by doctors who participated in accredited training courses.

3. In inpatient care the Korányi National Institute plays an outstanding role, on the top of progressive health care system of pulmonary diseases.

12(f)

The National Institute for Health Development is a government based agency planning, coordinating, monitoring and evaluating public health and health promotion at national level. One of its main responsibilities is the implementation of the National Public Health Programme, with the priority of smoking among others. For the successful realization of its mission, it issues technical guidelines for education, and quality assurance. Furthermore it conducts background studies and impact assessments. It contributes to the data management and monitoring system of health services and public health. It also has a website which is accessible for all enquirers including professionals and the public: http://www.oefi.hu/color

14.2(b)

In 140 chest clinics physicians and nurses have been trained to provide help for smokers who ask for help to quit. This smoking cessation service is free and freely accessible. Smoking cessation services use uniform protocol and documentation. Evaluation of their activity (12 months success rate) is performed centrally.

Smoking cessation programme in Hungary

Establishing a network of smoking cessation clinics started in 1994 when 36 chest physicians voluntarily decided to extend their regular activity into this field. Doctors and nurses took part in a short training to learn appropriate methods of helping smokers to quit. Since 1994, the programme gradually expanded and in 2004 it was run in 140 health centres (mainly chest clinics) on voluntary basis.

Characteristics of the programme

Duration: 12 months (3 month active period with 7 visits, 9 month follow up period)

Standardized, uniform methods (strengthening motivation, practical advices for solving difficulties i.e. weight gaining, NRT), uniform documentation, central evaluation.

In the majority of centres checking of CO content of exhailed air is performed at visits and at the final evaluation.

Coordination of the programme, methodological supervision/support, evaluation is performed by "Smoking or Health" Centre, National Institute for Health Promotion.

Cumulative number of patients admitted to the programme is over 40.000. Results: rate of abstinents at the end of active period 50%, at the end of follow up period 30%. Weight gaining exceeding 5 kg is in less than 10% of patients.

The programme is free for everybody. Participants get no reimbursement.

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20.1(b)

The website of the National Institute for Health Development provides support for all sorts of trainings in connection with tobacco control. It contains not just comprehensive and up-to-date information but also quiz games and downloadable software games for all generation including children, which can be useful in competitions organized in schools as well.

20.2

In Hungary there are programs to follow up the health status of the population including the determinants and consequences of smoking. Such programms which are based on international recommendations are the Hungarian National Health Interview Survey (NHIS) and the Global Youth Tobacco Survey (GYTS).

20.3(a)

The database of Hungarian Customs and Finance Guard is available and useable to the health research that contains data relating to the quantity of tobacco products released into free circulation in Hungary. (The database contains data from 1998 and is based on data derived from the tax return and import data.)

20.4(a)

Act XC of 2005 on freedom of electronic information ensures the publicity of the preparation of law ensuring freedom of opinion via Internet on the one hand and prescribing obligation of publication for the organizations preparating law on the other hand.

According to the Act, all the legal regulations' text with amendment in consolidated articles have to be available via Internet. They can be found by their title, text and number, it is ensured by the Act, too. The electronical - not official - form of the Official Hungarian Gazette, containing the legal regulations is available via Internet too.

According to the Act, some of the judgments have to be published too.

The following databases are available:

The Official Hungarian Gazette is available in site www.magyarkozlony.hu;

The database of legal regulations can be found on the following website: www.magyarorszag.hu;

Drafts of legal regulations are available on the websites of the ministries.

According to the above, the legal regulations on protecting of non-smokers are published and easily accessible.