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TOBACCO PRODUCT MODIFICATION
HEADS OF AGREEMENT BETWEEN H.M. GOVERNMENT
AND THE TOBACCO ADVISORY COUNCIL, MARCH 1984

The industry will continue its longstanding policy of reducing the tar yield of cigarettes. Between 1979 and the end of 1983 the average tar yield of all cigarettes sold fell by 12 per cent to about 15 mg. It is acknowledged that this rate of progress was influenced by product acceptability and consumer choice. Having regard to these factors in their plans for product modification, the industry's objective is to achieve a further and similar percentage reduction by the end of this agreement, and therefore to reduce the average tar yield, taking account of manufacturers' estimates at 31 December 1987, to about 13 mg. Progress will be reviewed annually with the Health Departments.

2. In order to provide a more appropriate framework for further tar reduction the industry agrees to adopt a revised tar group structure to take effect from 1st January 1985 (annex).
3. Cigarette brands with a tar yield of less than 18 mg will not be intentionally reformulated to yield 18 mgs or over.
4. In support of the tar reduction programme, the industry undertakes from 1st January 1985 not to introduce new brands with a tar level above the sales weighted average for the Low to Middle and Middle tar bands (10 mg but less than 18 mg).
5. The industry will continue to print tar group information on cigarette packets and related advertising and will adopt the new definitions from the 1st January 1985.
6. The industry agrees to supply information on the sales weighted tar, carbon monoxide and nicotine yields for cigarettes sold in the UK, and will discuss this information with the Independent Scientific Committee on Smoking and Health (I.S.C.) and the D.H.S.S. in the context of progress in the tar reduction programme.

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7. The industry will continue with the existing arrangements in relation to the control of substitutes and additives as follows:-

(a) Companies will follow and comply with the guidelines agreed with the I.S.C. on testing and marketing products containing tobacco substitutes and/or additives;

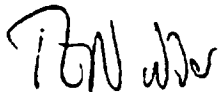
(b) Companies will notify the D.H.S.S. of additives and/or substitutes to which the I.S.C. had given its consent for commercial use, and will inform the D.H.S.S. which of these are included in products at the time when the products are marketed for sale to the public in the United Kingdom;

(c) Companies will similarly notify the D.H.S.S. when any changes are made to the information given under (b) above.

The above arrangements will be extended to include all new additives in cigarette papers.

8. Subject to a review of progress, the industry will continue to provide over the period of the agreement up to £1 million per annum for independent monitoring research, as proposed by the I.S.C., into the effects of product modifications. Such sums may be called upon as and when the uncommitted sum available in the Tobacco Products Research Trust falls below £250,000.

9. The duration of this agreement will be at least until December 1987 (or not less than 4 years).



T E NODDER
D.H.S.S.
Enclosure to letter to H Grice
dated 22 March 1984



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Annex

Tar Groupings of Cigarette Brands

1. The current definitions of the tar groups used to classify cigarette brands on sale in the U.K. were introduced in 1972. At that time over 76 per cent of all U.K. cigarettes were in the middle tar group (17-22 mgs), with lower tar brands accounting for around 5 per cent. The rest of the market was in higher tar cigarettes. By 1983, the middle tar proportion of the market had fallen to about 43 per cent, with lower tar brands holding about 56 per cent. High tar (29 mgs +) cigarettes had disappeared altogether from the U.K. market, with middle to high tar (23-28 mgs) brands accounting for less than 1 per cent.

2. In view of the marked change in structure of the market over the past decade, the industry has agreed at the request of the Government to adopt the following revised tar groups with effect from 1st January 1985:-

Low Tar	Less than 10 mg
Low to Middle Tar	10 mg but less than 15 mg
Middle Tar	15 mg but less than 18 mg
High Tar	18 mg and above

3. From 1st January 1985 cigarette brands will, according to the voluntary agreement concerning "Tobacco products advertising and promotion, and health warnings" of January 1983, carry the new tar group designation, as will relevant cigarette brand advertising.

4. It is desirable that the consumer should not be confused by changes in definition or terminology. Accordingly, the Government and the industry have agreed upon the new tar grouping structure on the understanding that it should remain suitable for a substantial period of time which, on present indications, is not expected to be less than 10 years. (The current banding has been in use for 13 years).

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