

## **Draft regulations: The Tobacco Products (Traceability and Security Features) (Amendment) Regulations**

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(Link to consultation page: <https://www.gov.uk/government/consultations/draft-regulations-the-tobacco-products-traceability-and-security-features-amendment-regulations>)

17<sup>th</sup> May 2023

To whom it may concern,

### **Draft regulations: The Tobacco Products (Traceability and Security Features) (Amendment) Regulations – HMRC**

The Scottish Grocers' Federation (SGF) is a trade association for the Scottish Convenience store sector. There are 5,098 convenience stores in Scotland, which includes all the major symbol groups, co-ops and convenience multiples in Scotland. SGF promotes responsible community retailing and works with key stakeholders to encourage a greater understanding of the contribution convenience retailers make to Scotland's communities. In addition, Convenience stores are known to be economic multipliers and an important source of local employment, providing over 49,000 jobs in Scotland.

Convenience stores trade across all locations in Scotland, providing a core grocery offer and expanding range of services in response to changing consumer demands close to where people live. According to our Scottish Local Shop Report 2022, the valued services provided by local shops include post office services (27%), bill payment services (78%) and free-to-use cash machines (49%).

With the UK convenience sector expected to grow to £48.6bn by 2025, the sector is more relevant than ever to every type of customer and has key social benefits and is of key economic value to the economy. Over the last year, the UK convenience sector contributed over £9.7bn in GVA and over £9bn in taxes (Scottish Local Shop Report 2022).

## **Tobacco regulations and compliance is a key issue for convenience retailers and SGF welcomes the opportunity to respond to HMRC's Draft regulations: The Tobacco Products (Traceability and Security Features) (Amendment) Regulations – HMRC**

SGF promotes responsible community retailing. Our members adhere to rules set out by the Tobacco Register Scotland and hold strictly to Challenge 25 guidelines. In addition, SGF recently published our updated Retailer's Guide: Regulations for Nicotine Vaping Products and Tobacco Compliance in Scotland (available to view at: <https://www.sgfscot.co.uk/publications/regulations-for-nicotine-vaping-products-and-tobacco-compliance-in-scotland>)

Providing a 'full basket' for customers is an essential part of the offer available in many stores. Our latest figures show that Tobacco & Nicotine Vaping Products account for 22.5% of overall market sales across the UK convenience sector (Local Shop Report 2022).

SGF welcomes proposed measures to further reduce and deter the circulation of illegal black-market products and to further restrict the ability of offenders and black-market traders to operate.

SGF notes and agrees with the stated aims of the penalties linked to the Track and Trace system for tobacco products and its focus on small-scale regular offenders who play a key role in street level distribution.

As discussed above, SGF welcomes the stated aims of the Draft Regulation to put in place stronger sanctions against those intentionally and persistently taking part in the sale of illicit products. However, in order to ensure compliance and prevent legitimate businesses from falling foul of the amended regulations, SGF believes that it is essential that HMRC provide accessible and clear guidance for retailers on both the present regulations and any modifications being proposed.

We trust that you will find our comments helpful and are happy to engage further with you on this important matter.

Yours sincerely,

Jamie Mackie  
Policy and Public Affairs Officer (Scottish Grocers Federation)

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# SGF

Scottish Grocers' Federation

[www.scottishshop.org.uk](http://www.scottishshop.org.uk)

Promoting Responsible Community Retailing Since 1918  
*to ensure a sustainable and prosperous convenience industry in Scotland*



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- SGF gives permission to the UK Government to publish its consultation response and to share this response internally with other policy departments, that may be addressing the issues discussed.
- SGF is also content to be contacted again in the future, in relation to this consultation exercise.

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Scottish Grocers' Federation

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