

APTRA remains vigilant to regulations, launches new quarterly report and regional heat map

While the COVID-19 pandemic and the crisis it has created has been monopolizing all news of late, APTRA reminds the duty free industry that it must remain vigilant to regulatory and legislative challenges.

The association has now launched the APTRA Advocacy Report & Heat Map, which highlights the key trends in regulatory and legislative challenges throughout the Asia Pacific region. This is the first in a new quarterly series of advocacy updates.

APTRA members can access the first report, which highlights the complex regulatory challenges that are active in the region and a summary of significant issues. A detailed assessment of each category describes the current state of specific threats.

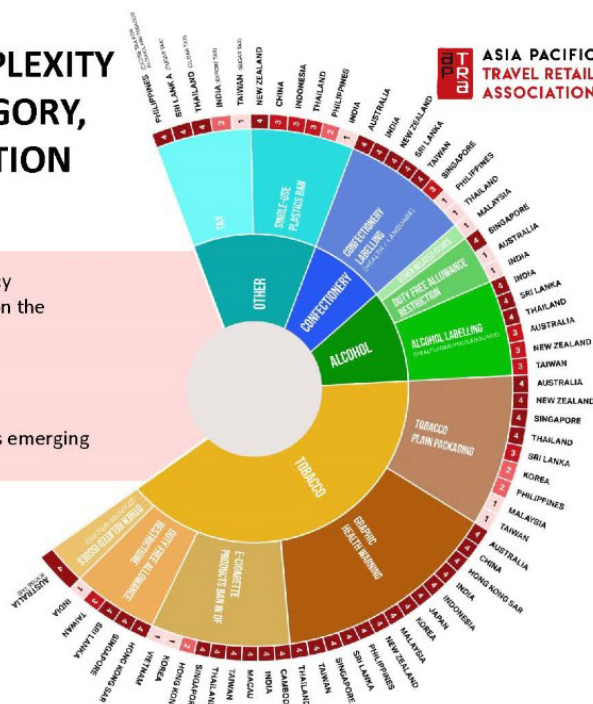
REGIONAL OVERVIEW SHOWS THE COMPLEXITY OF THE VARIOUS REGULATIONS BY CATEGORY, COUNTRY AND STAGES OF IMPLEMENTATION

Our regional cross category chart gives an indication of regulatory risk by policy development stage as well as by country. Each of the categories are detailed on the following pages.

Some countries have a greater number of regulatory threats than others.

Core categories are challenged in most Asia-Pacific geographies with new risks emerging and evolving across the region.

- 1. Agenda building
- 2. Policy Formulation
- 3. Policy Adoption
- 4. Policy Implementation

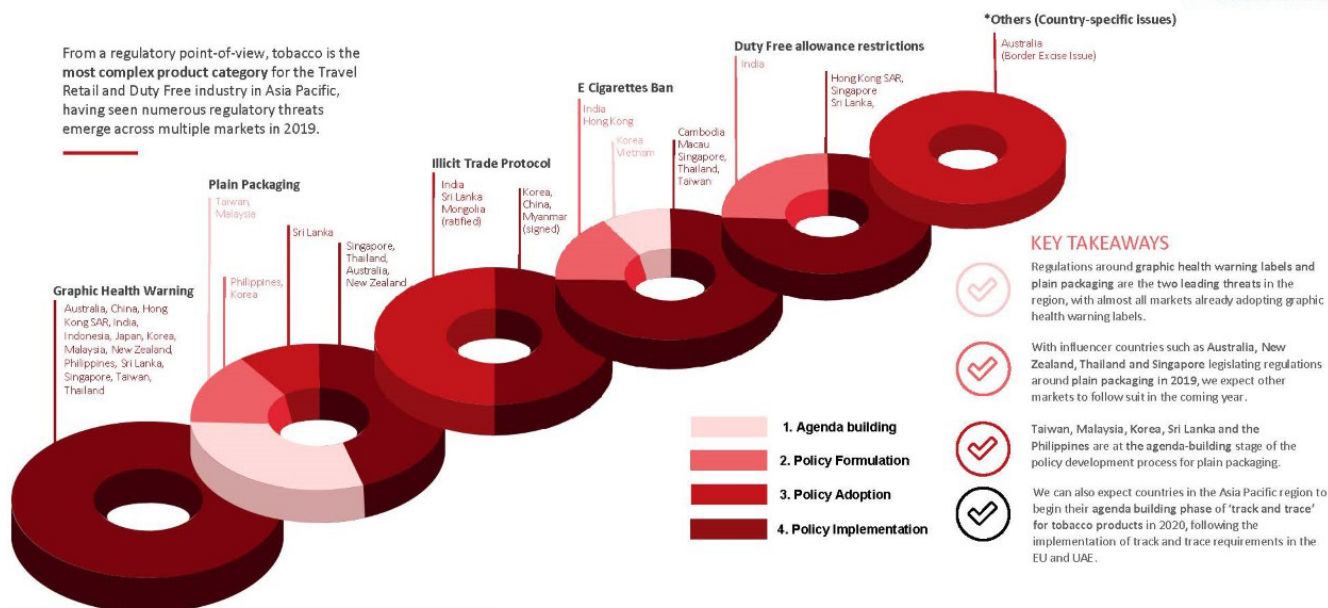


A regional overview of the complexity of the various regulations by category, country and stages of implementation

APTRA is dedicated to ensuring decision makers in government understand travel retail's unique position within any given country, as those shopping in duty free stores are leaving the country. The association is also committed to helping policy makers to understand the essential contribution of travel retail sales to the financial health of airports and the vital role of the industry in the economic development of countries and the region as a whole.

OVERVIEW OF TOBACCO THREATS

From a regulatory point-of-view, tobacco is the most complex product category for the Travel Retail and Duty Free industry in Asia Pacific, having seen numerous regulatory threats emerge across multiple markets in 2019.



An overview of tobacco threats in Asia Pacific

“Despite the Covid-19 crisis we must remain alert to regulatory change, because policy development and government decision-making on regulatory issues in core categories is still very much active,” said Sunil Tuli, President of APTRA. “Asia Pacific is a vast and complex geography of over 40 countries, with a highly diverse political landscape. Regulatory change moves at different rates and it is not always predictable. We cannot afford to take our eye off the ball.

“A key objective of APTRA’s mission is to nurture and help protect travel retail from changes in legislation. There are two pillars to our advocacy strategy: firstly, with the launch of this new report we have done the leg-work for members, giving them a valuable tool with insight on what’s coming down the pipeline in specific countries and categories. Secondly, we are actively engaged with governments to ensure the industry has a voice and that policy-makers understand the critical economic contribution of travel retail to the region, providing a direct GDP contribution of US\$7.6bn* and 140,000 jobs.”

* ‘The Economic Impact of Duty Free and Travel Retail in Asia Pacific’ published by APTRA and DFWC (October 2019)