

Press Release

Logista Presents the 2026 Report on the Distribution of Smoking and Non-Smoking Products

- ***The share of traditional smoking products continues to decline, falling to 70% of distributed volumes, while combustion-free products reach 20%***
- ***The supply chain generated approximately €15 billion in excise duty revenues for the Italian Treasury***
- ***The sector highlights the urgency of clear and stable rules: the revision of European tobacco regulations could expand illicit trade, with an estimated risk of tax revenue losses between €1.2 billion and €5 billion***

Rome, 17 September 2026

Logista, in partnership with Tor Vergata Foundation, presents the *Report on the Distribution of Smoking and Non-Smoking Products 2026*, during the event “Logistics and Distribution at the Service of the Country”. The study highlights the profound transformation reshaping the sector. Although traditional products such as cigarettes, cigars and fine-cut tobacco continue to hold a dominant position, their share has declined to 70% of distributed volumes, compared to an 85% in 2019. The shift is driven primarily by new-generation, combustion-free products such as HTPs (Heated Tobacco Products). Supported by sustained industry investment and designed to meet evolving consumer expectations, these products represent the most significant innovation of recent years, reaching nearly 20% of the market in 2025.

Despite the decline of traditional cigarettes, the overall market has grown from €18.5 billion in 2019 to nearly €22 billion in 2025. The plunge in cigarette consumption has been accompanied by smokers shifting toward innovative products. Revenue growth for combustion-free products is driven by expanding volumes and consumer conversion, while the reduction in cigarettes has been almost entirely offset by price increases (+11% since 2019).

Each year, Logista handles over 80 million kg of products and pays approximately €15 billion in excise duties to the Treasury (almost €18 billion if considering total indirect taxation). In particular, 2025 closed with an increase of around €300 million compared to the previous year, according to estimates from the Italian Customs and Monopolies Agency (ADM), a result significantly higher than the projections in the Budget Law.

With advanced control technologies throughout the supply chain, Logista stands as a pillar of legal integrity. Systems compliant with the European track & trace framework ensure traceability and security: each package is identified by a unique code issued by ADM, enabling authorities to monitor flows and quickly identify irregularities. This mechanism strengthens the fight against smuggling, which in Italy is worth around €1.2 billion and causes a tax revenue loss of €690 million.

This safeguard is supported by an unmatched distribution network: around 90 Transit Points ensure deliveries to 60,000 retail outlets across more than 8,000 municipalities, covering 100% of the national territory.

The joint revision of the European Tobacco Excise Directive (TED) and the Tobacco Products Directive (TPD) opens a delicate phase for the Italian supply chain. The TPD, which regulates ingredients and emissions, labelling, packaging and traceability of tobacco and nicotine products, has introduced in recent years the categories of electronic cigarettes and new-generation products. The possible future proposal would instead aim to harmonize regulatory treatment between combustible and non-combustible products,

an approach the Italian supply chain urges to reconsider, in order to preserve the current differentiation that has ensured a complete, balanced regulatory framework capable of supporting investment.

From a fiscal perspective, it is crucial to protect, at both national and European level, a model, such as the Italian one, that has delivered concrete and measurable results over the years. Italy's fiscal calendar demonstrates the effectiveness of certain, gradual and sustainable tax increases: tax revenue has grown steadily and beyond expectations, recording +€314 million in 2024 and +€300 million in 2025, without generating price shocks or consumption distortions. The predictability of tax increases has enabled operators to plan investments and develop production capacity, reducing uncertainty and strengthening the economic sustainability of the supply chain.

The distribution chain generates over €7 billion in direct and indirect added value and supports more than 7,400 jobs. Overall, the supply chain, from agriculture to manufacturing to retail, employs over 300,000 people and requires significant investment.

Some of the proposals currently under review in Brussels introduce elements of strong discontinuity compared to the Italian model, which over the past decade has ensured stable revenue, public health protection, effective action against illicit trade and an efficient internal market. A potential alignment of new-generation products with traditional tobacco, especially if combined with additional disproportionate measures, could seriously weaken the stability of Italy's agricultural, manufacturing and distribution sectors, while favouring the expansion of illicit trade. According to estimates, a shift in consumption toward smuggling could reduce tax revenues by €1.2 to €5 billion. Fiscal gradualism and regulatory certainty are therefore decisive conditions for safeguarding revenue, maintaining supply chain stability and ensuring effective action against illicit trade.

The presentation of the study was introduced by **Federico Rella**, Vice President of Logista Italia, who remarked: *"The revision of the European TED and TPD Directives comes at a crucial moment, with a market undergoing a profound transformation. Managing two reforms of this scale at the same time is extremely challenging. This is why it is essential for Europe to find a balance between health protection, economic sustainability and gradual implementation, ensuring timelines and procedures that are sustainable for the supply chain. Measures that are too rigid, such as excise increases or bans on entire product categories, threaten to generate disruptive effects for our country, making production costs unsustainable and favouring delocalization as well as broadening the space for smuggling. Logista, thanks to its central role in regulated distribution, has daily access on how consumption evolves and how quickly illicit trade can grow when the regulatory framework loses coherence. This is why collaboration with national institutions is crucial: it ensures legal compliance, traceability and effective controls, protects a supply chain which is worth billions of euros and thousands of jobs, and keeps consumers within legal channels. Regulatory stability is not just a technical choice: it is the necessary condition to protect revenue, investment, employment and safety."*

Professor Pasquale Lucio Scandizzo, Academic at the University of Rome Tor Vergata, stated: *"The revision of European regulation should take into account the specific characteristics of the different segments of the sector. In the case of cigars, fiscal measures that are not properly calibrated may affect the sustainability of a manufacturing and agricultural supply chain that is deeply rooted in Italy. It is therefore essential to preserve a predictable and proportionate regulatory and fiscal framework. Likewise, the differentiated approach that is currently provided under the TPD should be maintained, avoiding the automatic application of measures designed for other product categories. The challenge lies in ensuring that future European regulation reflects the diversity of products and production chains across the sector."*

The issues highlighted in the Report were addressed during the opening institutional remarks delivered by **Hon. Giorgio Mulè**, Vicepresidente della Camera dei deputati, and **Hon. Prof. Maurizio Leo**, Vice Ministro del Ministero dell'Economia e delle Finanze.

The first round table, dedicated to the sector, featured: **Giovanni Catelli**, National Executive Vice President of the Italian Federation of Tobacconists; **Dario Crisci**, CEO of Logista Italia; **Andrea Di Paolo**, Vice

President of BAT Italia and President of BAT Trieste; **Pasquale Frega**, President and CEO of Philip Morris Italia; **Luigi Liberatore**, Central Director for Excise Duties at ADM; **Stefano Mariotti**, CEO of Manifatture Sigaro Toscano; **Adriana Valle**, Corporate Affairs & Communication Director at JTI Italia; and **Enrico Ziino**, President of Imperial Brands Italia.

The second round table, focused on political and institutional perspectives, examined policy approaches and proposals with contributions from: **Sen. Claudio Durigon**, Sottosegretario del Ministero del Lavoro e delle Politiche Sociali; **Sen. Maurizio Gasparri**, Presidente Commissione Affari esteri e difesa del Senato della Repubblica; **Hon. Dario Nardella**, Membro Commissione AGRI del Parlamento europeo; **Hon. Marco Osnato**, Presidente Commissione Finanze della Camera dei deputati; **Hon. Nicola Procaccini**, Membro Commissione ENVI e Membro Commissione ITRE del Parlamento europeo; and **Hon. Valentino Valentini**, Vice Ministro del Ministero delle Imprese e del Made in Italy.

The event was moderated by **Susanna Petruni**, Deputy Director of Rai Parlamento, while **Prof. Daniele Cufari**, Researcher at Fondazione Tor Vergata, presented the study.

Hon. Giorgio Mulè, Vicepresidente della Camera dei deputati, stated: *“The Logista Report on the distribution of smoking and non-smoking products highlights the value of a virtuous supply chain that ensures a strong safeguard of legal integrity while contributing around 15 billion euros in excise duties to public revenue. The Italian experience demonstrates the effectiveness of a model based on the neutrality of the distribution channel, the transparency of controls, and a widespread network that reaches the entire national territory. This is an asset that Europe should enhance in the revision of the TED and TPD directives, adopting criteria of progressiveness, proportionality and predictability, in order to protect the stability of the legal market and the competitiveness of operators, in line with the public interest.”*

Hon. Prof. Maurizio Leo, Vice Ministro del Ministero dell'Economia e delle Finanze, stated in a video message: *“The experience of recent years confirms the value of an approach grounded in regulatory certainty, simplification, and ongoing dialogue with supply-chain operators. With the Budget Law, we have strengthened a multi-year fiscal framework that offers greater predictability for the sector and supports investment and growth. At the same time, we are following the European debate on the revision of the TED Directive with great attention, convinced that it is essential to maintain a clear distinction between traditional products and innovative smoke-free products. Italy will continue to support, at the European level, a balanced approach that reflects the specific characteristics of the different product categories, in the interest of legality, competitiveness and the sustainability of the supply chain.”*

Hon. Marco Osnato, Presidente Commissione Finanze della Camera dei deputati, stated: *“The event ‘Logistics and distribution at the service of the Country’, promoted by Logista together with Tor Vergata Foundation, offered a highly stimulating discussion on a supply chain that generates over €7 billion in added value, supports more than 7,400 jobs, and guarantees the State around €15 billion in excise duties every year. To support its transformation, we need stable, predictable and proportionate rules. The revision of the TED and TPD directives in Europe must recognise the differences between combustible and non-combustible products, and between those containing tobacco and those based solely on nicotine, ensuring balanced taxation and adequate flexibility for Member States. This is the way to safeguard competitiveness, lawfulness and the sustainability of the supply chain, without fuelling the illicit market.”*

Hon. Dario Nardella, Membro Commissione AGRI del Parlamento europeo, stated: *“The data presented during Logista’s event confirm the economic and employment significance of the tobacco and nicotine supply chain, but the revision of the TED and TPD Directives must remain guided by the protection of public health, including new-generation products. We need a balance between clear, gradual rules and an effective barrier against smuggling, without giving in to a deregulation that would ultimately reward illicit trade. Europe’s task is not to choose between health and the economy, but to build clear rules that safeguard both. We will continue to closely monitor the dossier in the European Parliament, in dialogue with the supply chain, customs authorities and public health associations.”*

Luigi Liberatore, Central Director for Excise Duties at ADM, stated: “The results achieved by the tobacco sector confirm the solidity of the system and the effectiveness of administrative action. Revenue from excise duties and VAT has reached particularly significant levels and continues to show a positive trend in 2026, despite the gradual decline in consumption of traditional products. This is what we call the paradox of volumes: consumption decreases, yet revenue grows thanks to market evolution, fiscal adjustments and the development of new categories of regulated products. In such a favourable context for Treasury revenues, it is important to consider the introduction of increasingly effective safeguards to counter fraud and irregularities, strengthening controls to protect fair competition for all businesses operating in compliance with the rules. ADM’s strategy remains to combine simplification and legality: fewer bureaucratic burdens for compliant operators and increasingly targeted controls, supported by digital tools and risk analysis. At the same time, the fight against smuggling and all forms of tax evasion will continue to be an absolute priority to protect the market and law-abiding operators.”

Giovanni Catelli, National Executive Vice President of the Italian Federation of Tobacconists, stated: “In an increasingly dynamic and innovative market, regulated distribution is an essential safeguard for legality and consumer protection. The revision of European directives must therefore be based on solid data and comprehensive impact assessments, to avoid disproportionate measures that could increase smuggling, counterfeiting, cross-border purchases and illegal online sales. Clear and coherent rules are needed, rules capable of correctly classifying products and protecting the authorised physical network, made up of trained and supervised operators.”

Andrea Di Paolo, Vice President of BAT Italia and President of BAT Trieste, stated: “In the European debate on the revision of the TED and TPD Directives, it will be essential to carefully assess the effects of regulatory and fiscal choices on the sector’s competitiveness and its ability to attract investment. A proportionate and predictable regulatory framework allows companies to plan over the long term and to enhance the role of distribution as a guarantee of lawfulness, transparency and proper market functioning. At the same time, it is crucial to avoid measures that could foster the growth of illicit trade, with negative impacts on State revenues, on supply-chain operators and on the very objectives that regulation aims to achieve.”

Enrico Ziino, President of Imperial Brands Italia, stated: “The transformation of the market shows that consumers are already moving toward new product categories, particularly combustion-free alternatives. It is important for regulation to take this evolution into account, distinguishing between the various categories and maintaining a proportionate, predictable and evidence-based approach. A clear and stable regulatory framework is essential to continue supporting innovation and investment, while at the same time avoiding excessively restrictive measures that could push part of consumption toward the illicit market.”

Igor Dzaja, General Manager of JTI Italia, stated: “In Europe, decisive choices must be made in the revision of the TED and TPD Directives. In a rapidly evolving market, we need rules grounded in evidence and in a careful assessment of economic, social and industrial impacts. The Italian experience demonstrates the value of dialogue between institutions and businesses: the fiscal calendar has ensured stability for the supply chain, supported investment and innovation, and contributed to revenue growth. On the contrary, the French experience shows how aggressive tax increases can fuel illicit trade and reduce the effectiveness of regulatory measures. The revision of European rules should therefore build on existing best practices, adopting a balanced, pragmatic and data-driven approach capable of protecting consumers, legality and public finances, while also supporting innovation and competitiveness.”

Dario Crisci, CEO of Logista Italia, stated: “The conclusions emerging from the 2026 Report confirm the strength of the Italian distribution model for smoking and non-smoking products, which has ensured an effective balance between security, efficiency, the fight against illegality and the sustainability of fiscal revenue. As Europe is called to define the future regulatory framework through the revision of the TED and TPD directives, it is crucial that the new regulatory choices take into account their concrete effects on the entire supply chain and provide sustainable timelines and implementation methods, to safeguard market stability and allow operators to adapt effectively to change. In this context, Logista continues to invest in

innovation, digitalisation and control systems to guarantee the highest service standards. Distribution is, in fact, the infrastructure that enables rules to translate into traceability, security and operational continuity across the national territory. Preserving this balance means supporting a stable system capable of guiding market evolution for the benefit of the country.”

Stefano Mariotti, CEO of Manifatture Sigaro Toscano, stated: “The revision of European regulation should take into account the specific characteristics of the different segments of the sector. For companies such as Manifatture Sigaro Toscano, fiscal measures that are not adequately calibrated could undermine the sustainability of a manufacturing and agricultural supply chain with deep roots in Italy. It is therefore crucial to preserve a regulatory and fiscal framework that is predictable and proportionate to market realities. Equally important is maintaining the differentiated treatment currently envisaged for cigars under the TPD, avoiding the extension of rules conceived for other product categories. European policymaking should recognize the unique features of cigar products and the value of the supply chains that support them.”

Pasquale Frega, President and CEO of Philip Morris Italia, stated: “*The Italian experience in regulating tobacco and nicotine products is a European best practice, demonstrating how clear consumer-focused rules and fiscal stability can generate value for the country, fostering investment, employment and the sustainability of public finances, in a context of transformation driven by technological innovation. A possible evolution of these rules is now taking shape in Brussels. We believe it is important to preserve an approach which is consistent with the core principles of the current regulatory framework, based on a clear differentiation between cigarettes and innovative products. As a leading company in Italy and Europe in the field of smoke-free innovative products, we hope that any regulatory development at the European level will be carefully assessed in terms of its potential systemic impacts on citizens and on a supply chain that represents an excellence of Made in Italy. Such an evolution should not damage competitiveness, exports or innovation in Italy, but rather preserve a regulatory system that, as the Italian model shows, has proven both effective and adaptable over time.*”

About Logista

Logista is the leading distributor to proximity retailers in Europe. In Italy, it has built one of the largest proximity logistics and trade networks and is recognized as an efficient and neutral partner. With approximately 90 depots, it supplies 60,000 points of sale throughout the country, guaranteeing the State a revenue of more than 15 billion euros per year. Logista is committed to numerous sustainability initiatives designed to minimize the impact of business by considering environment, community and business in a vision of mutual development. Follow Logista Italia on [LinkedIn](#) and learn more on logista.it

About Fondazione Tor Vergata

Fondazione Tor Vergata is the institutional foundation of the University of Rome Tor Vergata, which is its sole member and founding entity. The Foundation is one of the bodies supporting the University's Third Mission activities, fostering collaboration between academia, businesses and public institutions. The University's Third Mission is aimed at promoting the application, dissemination and transfer of knowledge, expertise and innovation in order to contribute to the social, cultural and economic development of society through a collaborative and inclusive approach. Fondazione Tor Vergata is one of the 23 University Foundations officially recognized by the Italian Ministry of University and Research (MUR). For further information, please visit: www.fondazionetorvergata.it.

Press Office Logista

SEC & Partners
Susanna Caruso
06 3222712
335 1043199
susanna.caruso@secnewgate.it

Logista Italia
Riccardo Schiavon
Communication & External Relations Manager
349 224 4375
riccardo.schiavon@logista.com