

VOLUME 1 – APRIL 2016

Welcome to the first issue of ITSA's quarterly members' newsletter!

A lot has been happening since last November, when ITSA was launched at the *Tax Stamp Forum*™ in Miami. This first newsletter highlights the main developments since the launch, and also describes actions in the pipeline for 2016/17.

One of the agreements that came out of the first ITSA founders' meeting last year was that each member should be given the opportunity to actively contribute to the association. This newsletter is an initial step in that process, in that it should be treated as a two-way communication vehicle. This means that any comments you may have on items in this newsletter, or any other comments or information you may wish to share with the members (or receive from the Board), should be sent to Nicola Sudan at nicola@reconnaissance-intl.com.

So let's begin with the latest developments:

Four new members

In addition to its ten founder members, ITSA has so far welcomed four additional members this year. They are: Alexis in Slovakia, whose *Tax Stamp Information System* is used to manage entire tax stamp lifecycles; Jura in Hungary, whose design software is used by a majority of security printers; Luminescence in the UK, one of the main suppliers of security inks for tax stamps; and Rolland Enterprises in Canada, who manufactures and supplies security paper for tax stamps.

This leaves six more members which are still needed for ITSA to reach its goal of ten new members in 2016.

Although some membership applications are already in the pipeline, the ITSA Board is currently considering a number of additional, tangible membership benefits (such as conference and newsletter discounts, and access to a database of revenue and customs authority contacts), which, together with the communication of a concrete action plan for 2016, should help ITSA to reach its membership goal, which is important to ensure we have credibility as a voice for the industry.

Formalised relationship established with ISO and Ian Lancaster

One of the main goals of ITSA this year is to actively support the development of the new ISO 19998 standard for tax stamps, which is currently under development. In order to do this, ITSA is required to formalise its relationship with ISO (International Standards Organisation), which it has now done, by becoming a member of the British Standards Institute. BSI membership will allow ITSA to be appointed as an ISO expert and member of the 19998 working group.

In addition, with effect from 1 April, ITSA has contracted with 19998 project leader Ian Lancaster, to remunerate his work on the drafting of the tax stamp standard. In recognition of this support, Ian will endeavour to promote the interests of ITSA in the drafting and promotion of 19998 (as long as these interests do not conflict with what is most appropriate for 19998).

The next step in the 19998 development process comes in the shape of a full working group meeting, which will take place in Seoul in May.

Adoption of 19998 is foreseen for the end of 2017.

[Click here to read more from Ian Lancaster about the current status and content of 19998.](#)

2016/2017 Action Plan Taking Shape

In addition to ITSA's objectives with regard to the new ISO tax stamp standard, the following actions have been identified for 2016/17:

1. Advocate the use of tax stamps to those authorities required to comply with looming international and regional regulations pertaining to tobacco traceability.

These authorities include the WHO Framework Convention on Tobacco Control Secretariat (and its Protocol to Eliminate Illicit Trade in Tobacco Products) and the European Commission's Consumer, Health and Food Executive Agency (with regard to the EU Tobacco Products Directive);

The European Commission, in particular, is at the crucial stage of assessing possible technical standards for the traceability and security feature requirements of the Tobacco Products Directive, for which it is in the process of hiring a third-party consultant. One of ITSA's main objectives is to ensure that this consultant (once we know who it is) has a clear understanding of how tax stamps offer a more suitable solution for traceability and security than pure coding technologies;

2. Issue a series of white papers (supported by face-to-face meetings and presentations) to assist national tax and customs authorities, and other stakeholders, to make informed decisions with regard to new or upgraded tax stamp programmes.

The first white papers will cover:

- The difference between authentication and track and trace, demonstrating why a non-secure track and trace system is not a viable option;
- Basic tax stamp requirements and specifications (based on common best practices and ISO 19998 developments);
- The do's and don'ts of writing an RFP for a tax stamp programme;

[Continued on page 2 >](#)

2016/2017 Action Plan (continued)

3. Increase general awareness of ITSA and its mission, as well as awareness of the importance of tax stamp programmes.

This will be achieved through:

- The release of news articles and position statements for trade media publications, for which ITSA has contracted a PR agency – MHW (we and MHW will be contacting you separately within the next few weeks with details of the PR plan – including the website and more active use of social media and how, as members, you can contribute);
- The publication of 'reactive' white papers that comment on third party statements and reports;
- Participation in industry events, in the form of an exhibition booth and/or speaker slot (see conference plan);
- Distribution of a general ITSA position statement to government and non-government bodies;
- Distribution of a periodic e-bulletin about ITSA activities to these government and non-government bodies.

An example of the latest ITSA statement to be published by the media can be found [here](#).

ITSA's conference attendance plan identified

The following conferences/exhibitions have been identified by the ITSA Board as important events for increasing ITSA's visibility, as well as influencing the level of knowledge and debate around tax stamps:

- **High Security Printing Europe, 14-16 March 2016, Bucharest, Romania**
- **WCO IT Conference & Exhibition, 1-3 June 2016, Dakar, Senegal**
Presentation slot (confirmed);
- **High Security Printing Latin America, 20-22 June 2016, Mexico City, Mexico**
Booth and presentation by Juan Yañez (confirmed);
- **FTA Tobacco Tax Section Annual Meeting, 14-17 August 2016, USA**
Presentation slot (to be confirmed);
- **Intergraf Security Printers, 5-7 October 2016, Seville, Spain**
Presentation slot (to be confirmed);
- **CIAT Technology Meeting, 10-12 October 2016, Miami, USA**
Presentation slot (to be confirmed);

- **The Holography Conference, 29-30 November, Warsaw, Poland**
Booth and presentation slot (confirmed);
- **High Security Printing Asia, 5-7 December 2016, Singapore**
Booth and presentation slot (confirmed);
- **Tax Stamp Forum, January 2017, Berlin, Germany**
Booth, presentation slot (confirmed);
Information seminar reserved for issuing authorities (confirmed).

We trust that you have found this first newsletter to be informative and now look forward to your feedback.

With very best regards,

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ITSA's booth at High Security Printing Europe, Bucharest.