



# vapebusiness

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IRELAND

**Supporting  
local retailers,  
helping  
smokers to quit**

A blueprint for sensible  
vaping regulation in Ireland

# Notes

# Contents

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<b>Executive Summary</b>	<b>2</b>
<b>Vape Business Ireland</b>	<b>4</b>
<b>Vaping Market in Ireland</b>	<b>4</b>
<b>Vaping's role in tobacco harm reduction</b>	<b>8</b>
<b>Regulation and enforcement of vaping in Ireland</b>	<b>11</b>
<b>Conclusions</b>	<b>16</b>

# Executive Summary

## Vape Business Ireland is the nation's largest trade association for vaping retailers

This industry report sets out key facts and figures relating to the vaping market in Ireland and highlights the significant political, economic and health benefits of vaping in Ireland. This includes the role of vaping in helping people to quit smoking and the substantial value of vaping sales to local convenience stores. The report additionally makes a series of recommendations for common-sense regulation and effective enforcement.

### Vaping market in Ireland

The vaping market in Ireland has grown rapidly over the past decade, becoming a highly valuable retail segment for local retailers across the country. While there are over 3,300 retailers selling vaping products in Ireland, there is a worrying lack of clarity on the number of other retailers such as mobile phone accessory stores who may be selling vapes. This could be addressed with the establishment of the proposed retail licensing system, a provision of the Public Health (Tobacco and Nicotine and Inhaling Products) Act, that is yet to be rolled out. Strong enforcement of regulation is needed to prevent minors from accessing vapes. However, a rush to further regulation - such as restrictions on point-of-sales (POS) displays - could negatively impact small local retailers by curtailing their vaping revenue sales and the margins and direct profit it generates for them.



## Vaping's role in tobacco harm reduction

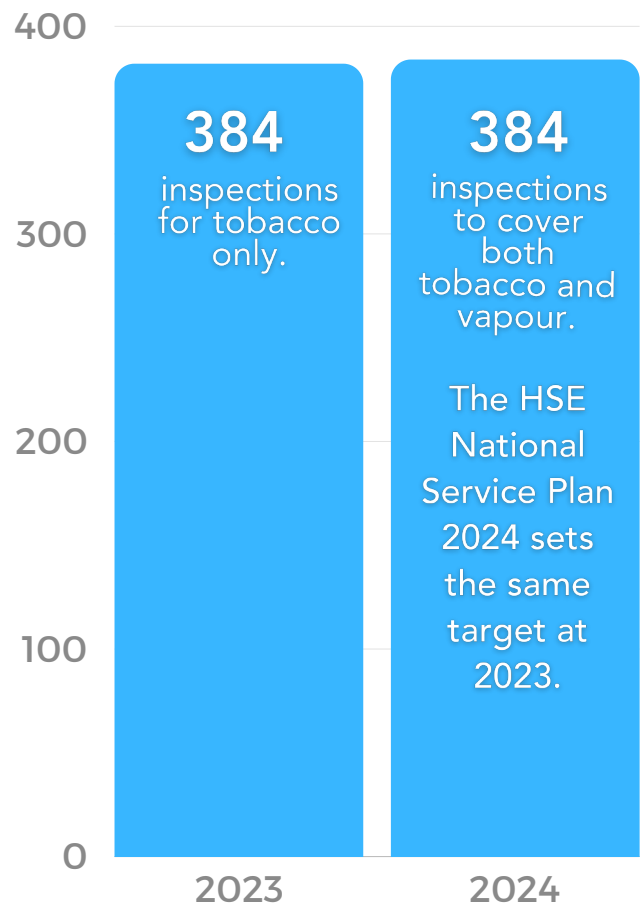
Vaping is playing a leading role in helping Irish smokers to quit. The research consistently supports the role of flavours as an essential part of vaping's effectiveness in helping smokers to quit, with no shortage of international examples highlighting how efforts to ban flavoured vapes have backfired. Ireland must not repeat the mistakes made by other countries with an ill-informed rush to further regulation, which could have the unintended consequence of leading quitters back to smoking.



## Regulation and enforcement of vaping in Ireland

The vaping market in Ireland is already heavily regulated, through comprehensive EU-wide regulations on product ingredients and safety. VBI had actively supported calls for a ban on the sale of vaping products to under-18s, and we welcomed the ban which came into effect in December 2023. However, regulation is only as good as its enforcement. As set out in the report, VBI is greatly concerned at the lack of ambition shown by the HSE when it comes to enforcing vaping legislation in Ireland, including the insufficient level of inspections planned for this year.

VBI also warns that sweeping restrictions on flavoured vapes in Ireland carry the significant risk of an explosion in the black market, including an increase in attempts to import flavoured vapes via the postal system.



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Vape Business Ireland is the nation's largest trade association for vaping retailers. VBI supports, advises and guides the sellers of vaping products, who in turn help smokers to quit. We represent the Irish vaping industry in advocating for harm reduction, youth access prevention and evidence-based regulations. The association represents the interests of its members to a range of stakeholders to ensure the right conditions exist for the success of the industry in meeting its objectives.

VBI had campaigned for a ban on the sale of vaping products to under-18s; and we welcomed the ban which came into effect in December 2023. More recently, VBI has been leading calls for enforcement of the ban, including through increased resourcing of the inspection function of the HSE Environmental Health Services.



## Vaping Market in Ireland

The vaping market in Ireland has grown rapidly over the past decade, becoming a highly valuable retail segment that delivers substantial sales and margins to local retailers.

There were approximately 420,000 vapers in Ireland in 2023.

According to survey data from the Government of Ireland, 8% of the population currently use e-cigarettes either daily (5%) or occasionally (3%). That equates to approximately 420,000 vapers in Ireland in 2023.

*Sources: CSO, Healthy Ireland survey*



# 3,200

retail stores nationwide

## Vaping products are sold in over 3,200 retail stores nationwide, with nearly 60% being local convenience stores

Local convenience stores account for nearly 60% of the retail store selling vaping products in 2023, while the overall total includes approximately 250 specialist vape stores (Source: Industry). Other formats include supermarkets and filling station forecourts. However, in the absence of a licensing system, there is a lack of clarity on the number of other retailers such as mobile phone accessory stores who may be selling vapes.

## Vaping sales in local convenience stores exceeded €126 million in 2023

Vaping sales accounted for €126 million – or approximately 2.5% of local convenience stores turnover - in 2023. Another €47 million in sales were accounted for by filling station forecourts.

*Source: Industry*

## Vaping sales deliver substantial margins of 40-50% to local retailers

According to the Department of Enterprise, Trade & Employment report (2023) the grocery sector is generally seen as a low margin, high volume industry, with margins typically less than 4%. However, vaping products carry an average 40-50% margin, delivering significant value to local retailers.

## Analysis

As outlined in this report, there are over 3,300 retailers selling vaping products, over 60% of which are local convenience stores. However, there is a worrying lack of clarity on the number of other retailers such as mobile phone accessory stores who may be selling vapes. The risks posed by this will be addressed further on in this report. The HSE National Service Plan 2024 allocated €1.1 million to develop a retail licensing system, as provided for in the Public Health (Tobacco Products and Nicotine Inhaling Products) Act 2023, but there is no firm timeline for the project, which will also require secondary legislation. VBI supports the establishment of a retail licensing system, as this would ensure full transparency surrounding the retailing of vaping products; it must, however, involve extensive consultation with industry to ensure a workable system, that will not penalise small retailers, is enacted.

This report points to the important economic contribution of vaping sales to local retailers around Ireland. Many of these retailers are family-owned SMEs who have faced a challenging few years between Covid-19, high energy bills and increases in wage costs mandated by Government. The overall level of sales by local retailers, coupled with the substantial margins on offer, means vaping sales contribute tens of millions in direct profit to small retailers every year - to the benefit of local economies and communities. This however could be put in jeopardy if the Government seeks to over-regulate the sector. The ban on sales on under-18s was needed and was welcomed by VBI. However, a rush towards further regulation, such as restrictions on point-of-sales (POS) displays, could have unintended consequences for retailers by curtailing their vaping sales and the margins and revenue it generates for them.

## Recommendations



VBI calls on the Department of Health to consult with the sector and fast-track the establishment of the proposed retail licensing system, in order to ensure full transparency surrounding the retailing of vaping products.



VBI calls on the Department of Health to avoid the imposition of restrictions on point-of-sale display, packaging, flavours, and proposals to only permit the sale of vaping products in specialist retail, which would be hugely damaging to vape shops and local retailers around the country.



We offer a vapour solution to anybody who is socialising and runs out of liquid/battery whilst on their night out thus providing an alternative to going back to tobacco products due to situational lack of availability.

The biggest challenge we face as a business would be the proposed change in legislation that would outlaw the sale of vapour products from vending machines and thus could put some of Ireland's 200,000 plus ex-smokers on the path back to tobacco consumption. This element of the regulations had clearly not been thought out, on a practical level, by any policymakers.

**Paul Malone |**  
 Founder, VapeVend,  
 National Spokesperson at Vape Business Ireland

**VapeVend**

Pictured: Paul Malone speaking to RTE's Prime Time in February 2024 about the growing vaping market in Ireland



We are worried about potential stringent regulations, such as restrictions of flavoured vaping products, which play a pivotal role in deterring ex-smokers from relapsing, catering to diverse preferences beyond traditional tobacco or mint.

We are deeply troubled by the proliferation of noncompliant products and lax age verification practices perpetuated by certain convenience and phone repair stores nationwide. These entities flout regulations and tarnish the reputation and goodwill of legitimate vape businesses dedicated to enhancing customer well-being.

**Lorraine Carolan |** Founder, iVape Ltd.



Vapes have grown rapidly in popularity and we have seen how many of our regular customers have now quit smoking and switched to vaping. We sell vapes from behind the counters of our stores and the sale of them brings in much-needed revenue in a challenging economic climate for retailers. Before the new ban on sales to under-18s was brought in, we, like other VBI members, had already operated a strict policy of not selling to under-18s across all our stores.

We understand the importance of regulation, but banning the point-of-sale advertising of vapes would have serious negative repercussions for convenience stores across Ireland. We want to see common-sense regulation that protects the sale of vaping products in stores like ours right across Ireland.

**Seamus Griffin |** Griffin's Londis



# Vaping's role in tobacco harm reduction



## One in four of Irish adults who quit smoking in 2023 did so with the help of vapes

According to the survey data from the Government of Ireland, 25% of the Irish adults who quit smoking in 2023 used vapes to do so. That means over 26,000 Irish adults quit smoking with the help of vapes in 2023. (Sources: CSO, Healthy Ireland surveys)



## Thousands more quit smoking with help of vapes than through HSE programmes

According to the survey data from the Government of Ireland, 25% of the Irish adults who quit smoking in 2023 used vapes to do so, compared to 19% who used other forms of HSE-backed nicotine replacement therapy (NRT) such as nicotine patches, gums, lozenges or sprays. Over 2022 and 2023, nearly 20,000 more people quit smoking with the help of vapes than with the help of NRT. (Source: Healthy Ireland surveys).

The HSE National Service Plan 2024 proposed providing face-to-face or telephone intensive cessation support from a cessation counsellor to 20,648 people in 2024 – reaching about 20% fewer people than the numbers of smokers who successfully quit with the help of vapes in 2023.



## The role of vaping in helping people to quit smoking is proven internationally

The findings from the Irish Government surveys on the crucial role of vaping in helping people to quit smoking are backed up by independent international research. A 2022 international study of e-cigarette use for smoking cessation found that for every 100 people trying to quit, around 14 are likely to succeed using vapes, compared to 6 out of 100 being likely to succeed using other aids such as NRT. (Cochrane Review, 2022)

In Sweden, the Government strategy of making alternative smoke-free nicotine products widely accessible, acceptable, and affordable has resulted in the country's smoking prevalence having fallen to 5.6%. In short, Sweden has been able to successfully combine tobacco control and harm reduction strategies. (Source: Smoke Free Sweden)

## Over 200,000 Irish adults have quit smoking with the help of vapes since 2015

Based on a review of survey data from the Government of Ireland going back to 2015, over 200,000 Irish adults have quit smoking with the help of vapes since 2015 (Sources: CSO, Healthy Ireland surveys).



200k

## Flavours are a key element in helping people to quit smoking through vaping

A 2020 European study with 37,000 respondents found that over 95% of vapers choose non-tobacco flavours (Source: European Tobacco Harm Reduction Advocates). Other flavours such as fruit help quitters to disassociate nicotine from the taste and smell of tobacco. Flavours play a vitally important role in helping smokers avoid any return to smoking – in fact, HSE-backed nicotine replacement therapy products (such as lozenges and gum) also include flavoured options.



95%

## Ex-smokers are likely to return to smoking if flavoured vapes are banned

A ban on flavoured vapes would force many users to vape tobacco flavour only, a situation which could cause many to turn back to smoking, having been reminded of the taste. A recent survey found 20% of Irish vapers would return to smoking if flavours were banned. (Source: Red C/Respect Vapers).



20%

The risk of stimulating a return to smoking is borne out by independent, international research. A 2017 study involving over 2,000 adult smokers and recent quitters in the U.S. found that a ban on flavoured vaping products would lead to an increase in smoking cigarettes (Source: Buckell et al., 2018).

A 2020 study involving over 850 regular vapers in Canada, England, and the United States found that a ban on flavoured vaping products would lead to over 17% of vapers stopping vaping in favour of smoking cigarettes (Source: Graveley et al., 2022).

A 2020 study involving over 2,150 young adult vapers across six cities in the U.S. found that a ban on flavoured vaping products would lead to a third of young adult vapers becoming inclined to return to smoking cigarettes. (Source: Posner et al., 2021)

## Already, there is evidence that bans on flavoured vapes are leading to increased smoking rates



### San Francisco

The research findings that ex-smokers may return to smoking if flavoured vapes are banned is validated by the actual experience of bans introduced in other jurisdictions in recent years. In 2018, San Francisco introduced a ban on flavoured vapes; independent research found that by 2021, underage smoking rates had increased. (Source: Friedman, 2021).



### Denmark

In 2020, Denmark introduced a ban on flavoured vapes. However, a 2023 report from the Danish Health Authority points to this ban having led to an increase in the percentage of young people smoking and a decrease in the percentage of vapers who were quitting smoking (Source: Danish Health Authority, 2023).

## Analysis & Recommendations



VBI calls on the Department of Health to **protect the sale of flavoured vapes in Ireland.**



The Department should recognise both the important role of flavours in helping tens of thousands of Irish people to quit smoking and the risk that a ban on flavoured vapes may result in quitters returning to smoking..

# Regulation and enforcement of vaping in Ireland

The vaping market in Ireland is already **heavily regulated** including by way of the legislation listed in Table 1. There are strict EU-level regulations around nicotine strength, ingredients quality and safety, and also restrictions on the promotion and advertisement of vapes on e-commerce and in the media. However, regulation is only as good as its enforcement, and VBI is concerned that the resources are not being put in place in Ireland to ensure effective enforcement and clamping down on bad actors. Risks of further illicit market activity could arise if there is a rush to ill-informed over-regulation of the sector.

## Nearly 62,000 different vaping products notified for introduction into Ireland in 2021

Under regulations introduced in Ireland in 2016, in line with the EU Tobacco Products Directive, new vaping products to be introduced into Ireland must be notified to the HSE at least six months prior to placing products on the market, in order to ensure they are compliant with regulations. In 2021, there were 61,860 notifications for vaping products, including both e-cigarettes and refill containers. This represented a 67% increase in notifications since 2018. (Source: HSE Tobacco Free Ireland Programme 2022).

However, there is no certainty that all products available in retail have been notified, due to low levels of enforcement inspections. There are increasing concerns at industry level regarding certain retailers buying non-notified stock, either through direct import or buying from wholesalers. There is a prevalence of this type of product, easily identified by the lack of Irish language health warnings, available in mobile phone accessory shops in the centres of many Irish cities.



**Table 1: Regulations governing the vaping market in Ireland**

**Public Health (Tobacco Products and Nicotine Inhaling Products) Act 2023** | This legislation was supported and welcomed by VBI. The legislation banned the sale of vapes to those under the age of 18; and provides for establishment of a licensing system applying to all outlets selling tobacco and vaping products. There is currently no timeline in place for establishment of the planned licensing system.

**EU Tobacco Products Directive** | This directive was enacted by the European Commission in 2014 and required member states to transpose the directive into national law by 2016.

**Manufacture, Presentation and Sale of Tobacco and Related Products) Regulations 2016** | These regulations were made by the Irish Government in 2016 in order to comply with the requirements of the EU Tobacco Products Directive and apply to vaping products. The regulations provide for:

- Health warnings on vaping products
- Safety, quality and notification requirements for vaping products
- Establishment of notification process, via the EU Common Entry Gate, requiring all new vaping products to notified to the HSE at least six months prior to placing products on the Irish market.
- Commercial communications of e-cigarettes are prohibited in information society services, on website displays, and in print and broadcast media (with the exception of trade publications)
- No advertising or promotion on company or third party retailer ecommerce websites, with only factual descriptions of product permitted

**S.I. No. 149/2014 - European Union (Waste Electrical and Electronic Equipment) Regulations 2014** | Disposable and rechargeable vapes, as well as e-cigarette devices and their batteries, are subject to the EU WEEE Directive which is transposed in Ireland under the above-named regulation. All producers and distributors of vaping products must be registered members of the extended producer compliance scheme for WEEE and pay annual fees towards the cost of battery recycling in Ireland. Producers must take back product on a like-for-like basis, at no cost to the consumer, and ensure its proper disposal in accordance with WEEE regulations. Retailers who purchase vaping products from an unregistered supplier could lead to fines ranging from €500 to €2,000.

## Just 40 inspections of vapes distributors and manufacturers proposed in 2024

According to the HSE, only 71 inspections were carried out of manufacturers, importers, distributors and retailers of e-cigarettes and refill containers in 2021.

While this figure was low, the HSE National Service Plan 2024 has set an even lower target, proposing only 40 planned inspection inspections of distributors and manufacturers of vapes during the year. According to the HSE, non-compliant products were withdrawn from the market on 30 occasions in 2021. However, given the very low number of inspections in the context of tens of thousands of new product notifications, there is concern that the current inspection regime is not adequately resourced to police the market and to ensure non-compliant and unsafe products do not enter the market. This risk is exacerbated by the lack of a retail licencing system as discussed earlier in this report.

(Sources: Source: HSE Tobacco Free Ireland Programme 2022, HSE National Service Plan 2024)

### Table 2. Examples of non-compliant products which may enter the Irish market

- Products with larger tank sizes above permitted levels
- Products with higher nicotine strength above permitted levels
- English language only health warnings (i.e. not also including Irish language)
- Absence of manufacturer and importer's addresses on packaging
- Presence of banned ingredients, such as diacetyl which is banned under the 2016 EU Tobacco Products Directive

## Concerns that restrictions on flavours could lead to black market in Ireland for flavoured vapes

A 2020 study surveying Canada, England, and the United States found that 28% of vapers would look to find a new way to get banned flavours, posing a likely rise in illicit market activity (Source: Graveley et al., 2022). Closer to home, a recent 2024 survey found that almost half of vapers would illegally source flavoured vapes online from abroad if they were banned in Ireland. (Source: Red C/Respect Vapers).

The concerns raised in these studies are validated by the actual experience of bans introduced in other jurisdictions in recent years. For example, Estonia rowed back its 2019 ban on flavoured vapes in 2020 after just a year, as it drove a black market explosion estimated to have accounted for 85% of the overall market. (Source: NNA Smoke Free Estonia).

## The HSE has proposed no increase in test purchase inspections despite the introduction of a new ban on sales to under-18s

The HSE National Service Plan 2024 has set a target of 384 test purchase inspections to cover both tobacco and vaping products in 2024 - the same target as 2023 that applied to just tobacco. This is despite the enactment of the Public Health (Tobacco and Nicotine Inhaling Products) Act 2023, which bans sales to under-18s. This means there are no additional inspections planned to ensure shops are not selling to those under the age of 18.

### Analysis

VBI actively supports measures to prevent youth access to vaping. However, VBI is greatly concerned about the lack of ambition shown by the HSE when it comes to enforcing vaping legislation in Ireland. As set out clearly in this report, there is an insufficient level of inspections planned for this year; in the context of both the introduction of the welcome new ban on sales to under-18s and the overall level of new products being notified for introduction into the Irish market.

Outside of vaping, illicit market activity is on the rise in Ireland. Already, in the first months of 2024, there has been a marked increase in seizures of illegal cigarettes (Source: Retailers Against Smuggling). At the same time, there has been a substantial increase in the use of the postal service for the import of illegal drugs into Ireland, with the Revenue Commissioners reporting significant increases in the numbers of seizures at the Dublin Parcel Hub in 2023. Against this backdrop of existing widespread illicit market activity and the experience in other markets, VBI warns that sweeping restrictions on flavoured vapes in Ireland could lead to the emergence of a black market in flavoured vapes.



The introduction of a low excise duty on e-liquids would increase prices and help prevent youth access. It would also enable improved oversight, administration and enforcement of the vaping supply chain in Ireland. However, significant taxation could stoke illicit trade and cross-border purchasing and could deter smokers from trying vapes as a quit-smoking tool.

## Recommendations



VBI calls on **more resourcing to the HSE Environmental Health Services** to enforce regulations, including increasing the number of inspections of vaping products at the distributor level, as well as more comprehensive test purchase checks in retail, in order to enforce the ban on sales to under-18s and to ensure non-compliant and unsafe products do not enter the Irish market.

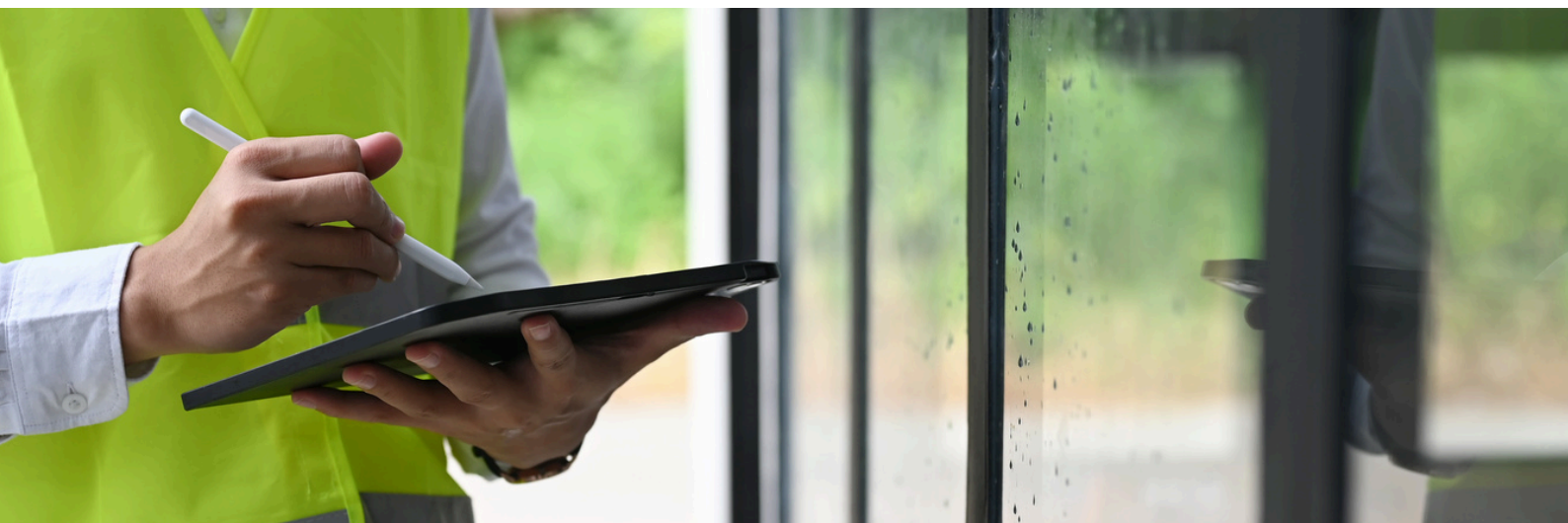


VBI calls on the Department of Health to consider other interim measures to prevent youth access including:

- Ensuring that **packaging does not include cartoons or overtly youth-appealing images**, does not take the form of a toy (e.g. a fidget spinner), and is not flavoured or designed to resemble an energy drink or a soft drink.
- **Restricting point of sale display to on or behind the retail counter** in stores and away from confectionary.



VBI supports the introduction of a low excise duty on e-liquids in line with other EU countries, where we typically see an excise of between 10 and 30 cent per ml of e-liquid. Any excise regime must involve comprehensive consultation with the sector, be properly enforced and put minimal burdens on small retailers.



# Conclusions

The report finds that there were approximately **420,000 vapers in Ireland in 2023** and that vaping has many **significant positive impacts**, including helping people to quit smoking; as well as delivering substantial margin and profit to local convenience stores, helping them to keep their lights on and doors open. However, these benefits could be put at risk by the current, limited level of enforcement and the threat of an ill-informed rush to further regulation.

Vaping products were sold in over **3,200 retail stores** nationwide in 2023. VBI is concerned by the worrying lack of clarity on the number of other retailers such as mobile phone accessory stores who may be selling vapes. This could be addressed by the establishment of the proposed retail licensing system, a provision of the Public Health (Nicotine and Inhaling Products) Act, that has yet to be rolled out.

Nearly 60% of the retail units selling vaping products are local convenience stores, with vaping sales in these stores having exceeded €126 million in 2023 - or approximately 2.5% of local convenience stores turnover. Vaping sales deliver substantial margins of 40-50% to small local retailers.

**One in four** of the Irish adults who quit smoking in 2023 did so with the help of vapes, with over 200,000 Irish adults having quit smoking with the help of vapes since 2015. Over 2022 and 2023, nearly 20,000 more people quit smoking with the help of vapes than with the help of HSE-backed Nicotine Replacement Therapy.

**Flavours are a key element** in helping people quit smoking through vaping, with research pointing to ex-smokers being likely to return to smoking if flavoured vapes are banned. VBI is concerned that Ireland may make the mistakes made by other countries with an ill-informed rush to further regulation, which could have the unintended consequence of leading quitters back to smoking.

Any attempt to introduce restrictions on flavoured vapes in Ireland carries the significant risk of an **explosion in black market activity**, including an increase in attempts to import flavoured vapes via the postal system.

# Notes



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