Tobacco legislation and regulation continues to increase in complexity around the world, with further restrictions such as indoor smoking bans, marketing, packaging and tobacco content being implemented. Legislation varies in severity from one country to the next; for example, in the EU under the Tobacco Products Directive, menthol cigarettes will be banned by May 2020 and all unit packs must have health warnings covering the majority of the external packaging. In 2009, Barack Obama signed the Family Smoking Prevention and Tobacco Control Act, giving the US Food and Drug Administration (FDA) full authority to regulate the manufacturing, marketing and sale of tobacco products in the US. In Australia, plain tobacco packaging laws have been in place since 2012, where all tobacco packaging must be a uniform, olive colour and all brand names must be printed in small, non-distinctive lettering.

In the Middle East and Africa legislation focuses on smoking in public places, advertising, packaging and imported goods, rather than tobacco content, ingredients and flavourings. According to 2017 Euromonitor data, overall the MEA region has seen a steady growth since 2011, with retail volume increasing from 439,956 million sticks in 2011 to 476,131 million in 2016. From 2015 to 2016 the market as a whole grew by 4.5%. Looking at specific countries, there was a significant 41.2% increase in retail volume sales in Iraq, growing from 18,622 million sticks in 2015 to 26,294 million in 2016. Meanwhile, other countries, such as Cameroon, Israel, South Africa, Tanzania and Ghana saw a slight decline from 2015 to 2016. Ghana saw the largest decrease in this time frame, falling by 11.4%, from 785 million to 695 million.

According to the latest Euomonitor data, the MEA market is still dominated by monoacetate, with a 92% share and volume growth of 2.8% in 2016. Despite the strong presence of monoacetate filters, there are a number of growth segments which include carbon filters, flavoured filters, capsulated filters and slimmer filters.

For example, carbon filters saw growth of 8% in 2016, highlighting their potential in the region, with a cooler and smoother taste experience leading to a different consumer experience. Within MEA, Iran is the largest market for carbon filters, with a volume of 18,316 sticks in 2016, having doubled since 2011.

Looking at trends in product size, we can also segment the market by regular, slim and super slim. In the MEA region, although regular filters again make up the vast majority of the market, demand is quite steady, with percentage growth of around 1-2% every year since 2011. Slim and super slim filters, however, have both seen double digit growth, with slim filters experiencing a 11.8% increase between 2015 and 2016, and super slims seeing a 14.2% rise. In Nigeria, there was a particularly dramatic increase in the slim filters segment; from 2015 to 2016, retail volume rose from 294.1 million to 713 million sticks, equating to a 142.4% increase according to Euromonitor data. This steep incline can be explained by the fact that the slim and super slim segments are still relatively new in this market, and prove an effective way for tobacco companies to differentiate their product. The largest market in MEA for slimmer filters is Iran; with 5,037 million slim and 6,239 million super slim cigarettes on sale in 2016.

This massive rise is not just is seen in MEA however; super slim filters are in fact one of the fastest growing segments in the cigarette market globally. Slimmer cigarettes use less materials making them more environmentally friendly and, often coupled with innovative packaging, can be positioned as more premium products so allowing tobacco companies to maintain revenues. To cater for this trend Essentra supplies its own range of slim, superslim and even microslim filters, which have circumferences as small as 14.5mm. Similarly, in response to the high demand for slimmer filters, Essentra has expanded its ranges, ensuring that many of its previous innovations – such as tubes, recess and CPS – can also be offered in the smaller circumference variants.

Essentra’s most recent innovation in this area is the superslim Corinthian filter – a patent pending, multi-segment filter with a mouth end segment which has flutes formed in the cellulose acetate around its circumference. This mouth end segment can be combined with a number of other technologies – carbon, flavour or coloured tow for example – to create a highly differentiated and premium product.

Finally, categorising data by flavour types, the most popular of these – in line with global trends – is menthol, which, from 2015-2016 saw an increase in retail volume of 5.1% in MEA, with Iran positing largest increase at 16.9% growth.

It is therefore evident that, although the Middle Eastern and African markets show generally modest growth, there are certain segments that still present increased potential – particularly in the area of special filters. Manufacturers produce a wide range of products catering for every consumer taste. To this end Essentra Dubai is expanding its capability to produce carbon dual filters, and is currently working to introduce recess filters too. It will also be attending the WT Middle East 2017 show to share this progress and explore future anticipated industry trends. It will certainly be interesting to see how the market continues to progress and adapt to meet the ongoing challenges, such as changing regulation and increased legislation.