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Locking out tobacco makes for bad public policy

Proposals to exclude tobacco from trade agreements and to bar tobacco experts from discussions about the future of the industry are not contributing to improving public health

02 October 2014; West Virginia, USA: Calls to exempt tobacco from international trade agreements do nothing for public health and are leading to bad policy, according to experts.

Calls to carve out tobacco from important trade agreements reflect a wider movement to exclude any businesses related to the tobacco supply chain from discussions on regulating the product. But international trade commentators said today that locking the industry out of such discussions can only lead to regulation that is neither balanced nor informed. These concerns were expressed during discussions at the Global Tobacco Networking Forum (GTNF) today in West Virginia, where tobacco experts from around the world have gathered to discuss industry issues.

Geir Ulle, Director of International Trade at JTI (Japan Tobacco International) told delegates: 'For several years there has been a movement to exclude the tobacco industry from policy processes. The latest development of this is to 'carve-out' tobacco from international trade agreements.

'Now we are increasingly seeing proposals to exempt tobacco from free trade agreements (FTAs) and Bilateral Investment Treaties (BITs), under the guise of protecting public health. But public health policy is determined at the national level. There is nothing in the hundreds of FTAs and thousands of BITs already existing to stop national governments legislating on public health. Exempting tobacco from trade agreements on public health grounds is a fallacy,' Ulle said.

Simon Lester, a trade policy analyst at Washington think-tank the Cato Institute, commented: 'Calls to 'carve-out' tobacco from international trade agreements go against the spirit of the trading system. One of the main purposes of this system is to put an end to protectionist trade barriers which undermine economic welfare and aggravate international relations.' Lester added: 'A carve-out for tobacco that would allow such measures serves no purpose and takes the trade regime in the wrong direction. If tobacco is carved-out, the precedent would be set to apply the same approach to other consumer products, including alcohol and food. This is not a road we should go down.'

Calls to exclude tobacco businesses from the regulatory process have arisen from the World Health Organization's (WHO) Framework Convention on Tobacco Control (FCTC). Anti-tobacco activists have claimed that wording in the guidelines accompanying Article 5.3 of the treaty mean that governments should not engage with the industry.

But experts argue this interpretation is flawed. Neither the Article nor the guidelines ban engagement with the industry. Instead, the FCTC treaty mandates that governments protect their health policies from the commercial interests of the tobacco industry and, in furtherance of that objective, the guidelines call for transparency and accuracy in engagement – not exclusion from it.

Wan Saiful Wan Jan, CEO of the Institute for Democracy and Economic Affairs in Malaysia, told GTNF delegates: 'The concept of exclusion is undemocratic, unfair, and leads to bad policy. The principles of good regulation mean that the parties most affected by regulatory proposals must be consulted. This goes beyond making sure the tobacco industry is included in the regulatory process - all affected groups should be consulted about any regulation that would impact them. Failure to properly consult and involve all relevant parties completely undermines the process and leads to policies that don't work.'

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Notes to Editors

About the Global Tobacco Networking Forum: The Global Tobacco Networking Forum (GTNF) is the world's premier venue for interaction among tobacco and e-cigarettes industry representatives and engagement with stakeholders. It brings together industry members, media, commentators, and representatives of NGOs and the finance sector for two days of presentation, discussion and networking. The GTNF debuted in Rio de Janeiro, Brazil, in 2008 and has subsequently been held in Bangalore, India (2010), Antwerp, Belgium (2012) and Cape Town, South Africa (2013). This year it will take place in West Virginia, USA. The GTNF is organised and hosted by Tobacco Reporter magazine and funded by sponsorship from numerous companies in the sector. For more information, visit: www.gtnf-2014.com