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The WHO Dreams up Conflict on Trade to Build Empire

Geneva, November 7, 2016 – The World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC) Secretariat's reports on trade and the settlement of disputes are veiled attempts at "Empire Building".

The Convention Secretariat has manufactured a conflict with international trade and investment agreements by pretending they are obstacles to the implementation of the FCTC. It distorts international trade and investment law in order to justify its attempts to exclude tobacco from trade agreements, and establish its own dispute settlement mechanism to deliberate on trade; a clear attempt to reach beyond the FCTC's mandate and competence.

But no such conflict exists as FCTC parties are fully able to implement the treaty while complying with their obligations under international trade and investment agreements.

Yet, at the seventh session of the Conference of Parties (COP7) taking place in Greater Noida, India this week, the FCTC Secretariat will go beyond its remit by attempting to dictate to countries how their international trade and investment agreements should be written.

Geir Ulle, International Trade Director at JTI, notes: "At the global level, the World Trade Organization (WTO) is the sole competent organization for negotiating multilateral trade agreements and discussing how trade is conducted for all legally traded products, including tobacco."

The FCTC Secretariat continues to recommend a flawed policy of excluding tobacco products and tobacco control measures from trade and investment agreements. Yet there is no evidence that such a policy will necessarily have public health benefits. Instead, it would create a negative precedent for "carving out" other consumer products from the international trading system in the future. This will lead only to arbitrary and ineffective government over-regulation.

Mr. Ulle concludes: "International trade and investment facilitates economic growth, which leads to reduced poverty and higher living standards. Tobacco farmers in countries like Brazil – the

largest tobacco exporter in the world – could be adversely impacted by the interference of the FCTC Secretariat. This is further proof that faceless bureaucrats employed by the WHO are not apt to meddle in international trade and investment issues. They fail to see the far-reaching and detrimental consequences of their proposals, which are not suited to improve public health.”

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JTI, a member of the Japan Tobacco Group of Companies, is a leading international tobacco manufacturer. It markets global brands such as Winston, Camel, Mevius and LD. JTI is a global player in the e-cigarette market with E-Lites and Logic, and has been present in the heated tobacco sector with Ploom since 2011. Headquartered in Geneva, Switzerland, and with operations in more than 120 countries, JTI employs around 26,000 employees worldwide. Its core revenue in the fiscal year ended December 31, 2015, was USD 10.3 billion. For more information, visit www.jti.com.