

For Immediate Release

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U.S. Public Health, Medical Groups Applaud Malaysia's Historic TPP/Tobacco Carve-Out Proposal

We applaud Malaysia's historic proposal to "carve out" tobacco from the Trans Pacific Partnership (TPP), a trade pact now being negotiated by the U.S. and 11 other nations. We [have long urged the U.S. Trade Representative](#) and the Department of Health and Human Services to take this common sense approach to safeguarding our laws and regulations that protect kids from getting addicted to deadly tobacco products, and help smokers quit. We now call on the USTR and HHS to follow suit.

The deadly and predatory tobacco industry has recently accelerated using trade rules to delay and reverse tobacco control measures that limit marketing in the U.S., Australia, Uruguay, Norway, and Ireland. Trade rules grant corporations the right to contest a wide range of local, state and federal policies. Countries that lose trade challenges face stiff financial penalties, payable to the complaining corporation.

Ensuring that no provisions of the TPP apply to tobacco and tobacco products will protect public health policy space on tobacco, and avoid conflict with provisions of the WHO Framework Convention on Tobacco Control (FCTC).

Tobacco use costs the U.S. far more in lives and health care expenses than tobacco farming or manufacturing contribute to the economy.

- Tobacco use kills 1,200 Americans daily. Cigarette smoking is responsible for an estimated \$193 billion in annual health-related economic losses in the U.S. (nearly \$96 billion in direct medical costs and an additional \$97 billion in lost productivity). [\[ii\]](#)
- In contrast, total tobacco exports generate 0.10 percent (one tenth of one percent) of total U.S. annual exports (.07% unmanufactured, and .03% manufactured). [\[iii\]](#) Tobacco manufacturing has declined exponentially in the U.S., and tobacco farming is also in decline, due in part to U.S. programs intended to facilitate the transition to more sustainable crops. [\[iv\]](#)
- Exports of cigarettes and other U.S.-manufactured tobacco products dropped from \$3.9 billion in 1999 to \$488 million in 2011, as large U.S. manufacturers sold off their international businesses or formed subsidiaries located abroad. [\[v\]](#) Ninety-eight percent of exported U.S. cigarettes go to 5 countries, only one of which is a TPP partner (Japan).³ Lower tariffs would lower the price of tobacco products, resulting in cheaper prices and increased consumption and use, especially among younger people. For this reason, international health policy and U.S. law prohibit the U.S. from using trade agreements to promote the sale or export of tobacco products. Yet the U.S. proposes to eliminate tariffs on tobacco products. Other TPP partners can reasonably object to encouraging the import of U.S. brand cigarettes.

Tobacco is the only legal consumer product that kills when used as intended. Tobacco use is the leading preventable cause of death worldwide, accounting for 6 million preventable deaths annually. [\[vi\]](#) and is a major contributor to the global pandemic of non-communicable diseases, including childhood morbidity and mortality. As a unique product, it must be treated differently from other products and services that are traded across borders.

We urge the U.S. to promote public health and stem preventable deaths from diseases related to tobacco, by guaranteeing nations' sovereign domestic rights and abilities to adopt or maintain measures to reduce tobacco use and to prevent tobacco-related deaths and diseases:

1. Exclude tobacco control measures from existing and future trade agreements.
2. Do not request or agree to lower tariffs on tobacco leaf or products.
3. Remove provisions that grant corporations the right to contest nations' public health and other policies directly for financial damages through the global trade arena.
4. Set trade policy through a transparent public process.

President Obama's 2013 State of the Union message promised to lead an economy for the 21st Century, to reduce preventable deaths among youth, and to conduct policy transparently. Trade negotiations that expand corporate rights and powers, while undermining the public's health, cannot advance sustainable economic growth or wellbeing.

Action on Smoking and Health (ASH)

American College of Obstetricians and Gynecologists

American Medical Students Association

Boston Women's Health Book Collective/Our Bodies Ourselves

Center for Policy Analysis on Trade and Health (CPATH)

Corporate Accountability International

Human Rights and Tobacco Control Network (HRTCN)

International Association for the Study of Lung Cancer (IASLC)

Physicians for Social Responsibility, San Francisco Bay Area Chapter

Prevention Institute