

POSITION PAPER

ON THE PROPOSED

FRAMEWORK CONVENTION
ON
TOBACCO CONTROL

OF THE

WORLD HEALTH ORGANIZATION

SUBMITTED BY

THE PHILIPPINE TOBACCO INSTITUTE
Unit 508, Heritage Building
1851 Dr. Antonio Vasquez Street
Malate, Metro Manila
Philippines

Fax No. (632) 524 95 14

15 AUGUST 2000

**POSITION PAPER ON THE PROPOSED FRAMEWORK CONVENTION
ON TOBACCO CONTROL OF THE WORLD HEALTH ORGANIZATION**

**SUBMITTED BY
THE PHILIPPINE TOBACCO INSTITUTE
UNIT 508, HERITAGE BUILDING, 1851 DR. ANTONIO VASQUEZ STREET
MALATE, METRO MANILA, PHILIPPINES
FAX NO. (632) 524 95 14**

I. INTRODUCTION

The Philippine Tobacco Institute (“the Institute”) is a private organization duly incorporated under Philippine law. Its membership includes Fortune Tobacco Corporation, La Suerte Cigar and Cigarette Factory, Sterling Tobacco Company, Philip Morris Philippines, Inc. and JT International (Philippines), Inc. Its interest in the FCTC process is inherent in its being the institution representative of the said companies. Its mandate includes: (1) Representing, expressing and giving effect to the opinions of the tobacco industry in the Philippines and other industries or organizations directly or indirectly involved in the manufacture, marketing, sale or distribution of tobacco products in the legitimate maintenance, support and furtherance of its interests; and (2) Being the authoritative source of information and advisory service of the tobacco industry in the Philippines both within and outside the industry on all matters and issues relating to smoking. It is funded by membership dues.

It thanks the World Health Organization (WHO) for this opportunity to submit its Position Paper on the Framework Convention on Tobacco Control (the Framework Convention).

The Institute recognizes the important concerns of public health authorities regarding tobacco use. In this context, it supports reasonable regulation and voluntary programs – to vigorously address the issue of youth smoking; to continue to ensure that adults are informed about the risks and health consequences of smoking; to assure that the marketing of tobacco products is appropriately regulated; to reduce unwanted exposure to environmental tobacco smoke; and to eradicate contraband products.

The following contributions are unique to the Institute, viz.:

- As a united organization of industry members, the Institute can be part of the solution;
- The members of the Institute have commercial and technical expertise that should be weighed and are of great value when defining tobacco policy;
- The Institute is committed to many of the same goals as the proponents of the Framework Convention and has a vested interest in their success.

Should the Institute be given an opportunity to become part of the Framework Convention process, it is committed to listening and collaborating; to identifying common ground; and, to offering reasonable solutions.

The Institute is proud of its role in developing solutions to many of the issues society has asked it to address. It implemented youth smoking prevention programs, found practical accommodating solutions for nonsmokers and smokers, and voluntarily restricted marketing activities, showing its determination to help solve tobacco related concerns.

Nowhere are these efforts more apparent than in the area of preventing the youth from smoking. The Institute does not want the youth to smoke. It shares this view with all aspects of society around the world. It has youth prevention programs, implemented with its partners in trade.

Its members are committed to manufacturing and marketing their brands responsibly to adults who choose to smoke and are informed about the risks of smoking. In light of this, the Institute believes society is best served by companies operating under reasonable regulatory frameworks, producing high-quality products, and continually working to be recognized as responsible manufacturers and marketers of legitimate adult products. For this reason, it welcomes opportunities to engage those with diverse views in discussions and programs on how best to address the issues associated with tobacco use and to work together developing meaningful solutions.

The discussions among WHO member countries on tobacco control reveal two important points: First, there are significant areas of agreement and common ground between the Institute, WHO, and the proponents of the Framework Convention with respect to regulation and key issues. Second, by these and other interested parties working together, real and workable answers can be found.

The areas of agreement and common ground include: youth smoking prevention; ingredients disclosure; accommodating both non-smokers and smokers in public places; reasonable marketing and advertising restrictions; eradicating cigarette smuggling; and doing our part to ensure that there is a consistent public health message on the health effects of tobacco.

II. AREAS OF COMMON GROUND

The proponents of the Framework Convention and the Institute share many areas of common ground on the need to address the complex societal issues associated with the sale and use of tobacco. The following discussion highlights some of these areas.

Smoking and health

The public rightly seeks straightforward communication on the health consequences of smoking. Therefore, the Institute is committed to supporting a single, consistent public health message.

Youth smoking prevention

Youth smoking is a complex societal problem for which there is no single solution. If the Institute is to have an impact on youth smoking, it recognizes that collaboration with others who share its objectives is essential. The Institute supports minimum age laws for selling tobacco, printing and distributing “No Sale to Minors” stickers for use by its members’ retailers and asserts the use of the same through letters to these retailers.

Some of its members also have independent in-school programs for youth smoking prevention, often implemented in partnership with parents, teachers, governments, non-governmental organizations and other interested groups.

Ingredients disclosure

The Institute recognizes that governments should be able to monitor the ingredients used in cigarettes as it does for other consumer products. It also recognizes that consumers should have access to information on the ingredients of the brands they smoke. Disclosure must be done in a way that protects the companies’ legitimate and valuable interest in its proprietary brand recipes.

Accommodation

Environmental smoke (also known as “secondhand smoke”, “passive smoke” or “ETS”) can be unpleasant and annoying. Many people believe that it presents a health risk to non-smokers. Hence, the Institute strongly supports the study of options designed to minimize unwanted ETS while providing adults with pleasant and comfortable places to smoke.

Marketing and advertising restrictions

The Institute has worked to establish an industry marketing code in the Philippines. The Code sets marketing standards that in some instances exceed government regulations,¹ e.g., the duration of government warning statements on television and other video advertising; the industry’s undertaking active public campaigns to discourage minors from smoking cigarettes, educating and encouraging retailers not to sell cigarettes to minors, and endeavouring to include in point-of-sale materials wording which discourages underage smoking or the sale to youth, for example, "Cigarettes not for sale to minors"; tobacco advertisements on billboards shall not be placed directly facing primary and secondary schools, churches, national parks and shall be located at

¹ Republic Act No. 7394, the Consumer Act of the Philippines, lists the regulatory labeling requirements for cigarettes. Republic Act No. 8749, the Clean Air Act, prohibits smoking inside a public building or an enclosed public place including public vehicles and other means of transport or in any enclosed area outside of one’s private residence, private place of work or any duly designated smoking area.

least 100 meters away (*Vide*, Philippine Tobacco Institute, Voluntary Code for the Marketing of Tobacco Products).

Cigarette smuggling

The Institute is committed to reduce and help eradicate tobacco smuggling and readily cooperates with the Philippine government in its efforts to prevent the illegal trade of the products of its member companies.

III. POSITION ON THE PROPOSED FRAMEWORK CONVENTION

Although the Institute and the proponents of the Framework Convention share areas of common ground, the Institute does have questions about both the process and some of the proposals being considered. It finds a cause for concern the possible infusion in the Framework Convention of assumptions against the right of informed adults to choose to smoke. The impact of some of the proposed policy initiatives on growers throughout the world deserves greater thought and consideration.

The Institute questions, for instance, the practicality of proposing that tobacco taxes be set at a global level, rather than at the national or local level.

Right of adults to choose

The Institute believes that smoking is – and should remain – a legal, adult choice. Responding to the legitimate public health concerns about tobacco should not preclude the rights of individuals to make an informed decision to smoke. In this regard, the Institute has supported measures that inform adults of the consequences of smoking, and, on its own initiative, undertaken marketing and advertising measures that would prevent minors from access to tobacco products.

Impact on growers

The Institute supports the right of farmers to decide what crops to plant, and it supports research and technical assistance (public and private) that enable tobacco producers to continue growing the highest quality crops possible. Measures intended to replace such crops should be carefully thought out in order to alleviate any adverse economic impact arising from the adoption of these policies. Moreover, the Framework Convention must take into account the vast numbers of jobs and critical revenue for government that comes from tobacco production and manufacturing.

Global versus National taxes

Current discussion drafts of the Framework Convention and related protocols propose global, blanket tax solutions to problems that are best regulated at the national or local levels of government. The Institute strongly believes that the level and structure of

tobacco taxes are matters that are best determined by sovereign governments because they need to consider complex local factors and objectives.

National taxation schemes and regulatory frameworks, the role of government in the tobacco business, and the different social, economic and cultural values related to tobacco cultivation and use must each be considered. A Framework Convention would need to take into account an enormous diversity of situations. Factors such as the differences in exchange rates and the varying costs of production in already highly diverse markets will make categorical global tax harmonization impossible.

IV. CONCLUSION

Criticisms are opportunities to engage in discussions to achieve reasonable solutions to complex problems. It is far too convenient to simplify the situation in terms of “smoking is unhealthy, therefore, let us ban it”. As the foregoing discussion shows, different aspects of the tobacco industry raise different issues that need to be carefully addressed.

Reasonable regulation of tobacco is an entirely valid and appropriate subject for consideration. It is a decision to be made by individual governments. Prohibition however should not be the goal of tobacco regulation. Discussions on regulation should thus take into account the different issues raised and seek ways how regulation may properly resolve all concerns regarding each issue.

Respectfully submitted, 15 August 2000.

PHILIPPINE TOBACCO INSTITUTE

By:

RODOLFO SALANGA

ASSISTED BY

PLATON MARTINEZ FLORES SAN PEDRO & LEANO

By

CARLOS G. PLATON

ERNESTINE C.J.D. VILLAREAL-FERNANDO

ENRIQUE JUAN CARLOS VERA