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Tobacco Free Initiative (TFI) World Health Organization Avenue Apia, 20 1211 Geneva 27 Switzerland

Lausanne, 9 February, 2007

Re: Agricultural diversification and crop alternatives to tobacco

Dear Sir or Madam,

Philip Morris International (PMI) welcomes this opportunity to provide the WHO and the Tobacco Free Initiative with its views on the topic of agricultural diversification and crop alternatives to tobacco.

PMI continues to support the FCTC process and appreciates the WHO's open approach to the hearing on 26 February 2007 in Brasilia, by encouraging all concerned stakeholders, including tobacco industry members, to submit their views on the subject.

We support the WHO's global goal of reducing the harm caused by tobacco product consumption. We also recognize that a major component of this goal is to reduce tobacco consumption, which could reduce the demand for tobacco – certainly to the extent that tobacco is used in tobacco products such as eigarettes.

At the same time, as many public health organizations have recognized and underlined, tobacco consumption is likely to continue for the foreseeable future, and PMI will therefore continue to purchase tobacco leaf from the tobacco growing community to meet the demand for its products. Meeting this demand should be, as we have separately stated to the WHO and others, in the context of meaningful and effective regulation of the manufacturing, marketing, sale and use of tobacco products.

We also believe it is crucial to gain the support of the tobacco growing community for such regulation. We support the FCTC initiative to identify viable crop alternatives to tobacco not only to address the needs of those growers affected by the reduction of tobacco production that may result as a consequence of regulation, but also to improve the overall income and livelihood of the tobacco grower community by reducing their dependency from one crop only.

We believe that in addition to the subject of agricultural diversification and crop alternatives to tobacco, the ad-hoc study group, created following the 1<sup>st</sup> Conference of the Parties in February 2006, should give due consideration to the legitimate concerns surrounding the growing community, such as the effects of growing tobacco on the environment, worker safety and child labor.

PMI purchases leaf from more than 35 different countries around the world and for many years PMI has worked closely with leaf suppliers and tobacco growers in these countries to develop and implement 'Good Agriculture Practices' (GAP).

Through our GAP program, we promote the growth of quality tobaccos under conditions which protect and enhance the environment with regard to water, soil, air and animal and plant life. GAP enables all those directly involved in crop production to work safely, and promotes sustainable crops. More can be done and these efforts are continually monitored with a view to improvement.

Under the PMI GAP program, suppliers are provided with clear guidelines and measurables for good agricultural practice in key areas such as child labor, safety, varietal integrity, crop management, integrated pest management, crop protection agents, sustainability, and product integrity. We require all our leaf suppliers to implement our GAP program, thus promoting the safety and well being of tobacco growing communities as well as the protection and enhancement of the environment.

PMI is sending a representative to the hearing in Brasilia; however, he will not be testifying. We welcome the opportunity to participate in further discussions and to provide detailed information on our GAP program to the Tobacco Free Initiative and members of the ad-hoc study group.

Yours sincerely,

Even Hurwitz

Senior Vice President Corporate Affairs