

G/TBT/W/370

2 July 2013

Page: 1/2

(13-3432)

Original: English

Committee on Technical Barriers to Trade

EUROPEAN UNION – TOBACCO PRODUCTS, NICOTINE CONTAINING PRODUCTS AND HERBAL PRODUCTS FOR SMOKING. PACKAGING FOR RETAIL SALE OF ANY OF THE AFOREMENTIONED PRODUCTS

STATEMENT BY ZIMBABWE TO THE COMMITTEE ON TECHNICAL BARRIERS TO TRADE AT ITS MEETING OF 17, 19-20 JUNE 2013

The following communication, dated 25 June 2013, is being circulated at the request of the delegation of <u>Zimbabwe</u>.

1. Our delegation appreciates the efforts being made by the EU to protect the health of consumers, however we would like to share concerns expressed by Malawi, Nicaragua, Cuba and others regarding the Directive on tobacco products. The EU measures are inconsistent with the TRIPS and TBT Agreements because they discriminate between like products, create unnecessary obstacles to trade and constitute an encumbrance to the use of trade marks.

2. The EU's Directive on tobacco products has a number of trade restrictive measures which include:

- a. Labelling requirements that require very large combined graphical/ textual health warnings covering 75% of the front and back of the pack and broad bans on product descriptors and product related information.
- b. Packaging requirements on prescriptive details relating to the shape, size, material, opening mechanisms and minimum content of packs.
- c. Bans on some categories of products, such as menthol products and slim cigarettes.

3. In promoting international trade, the multilateral trading system provides enough regulatory flexibility to effectively protect legitimate policy objectives, such as health and the environment and establishes two basic regulatory requirements. These regulatory requirements are that the regulation should not discriminate on the basis of origin and it must also be necessary to achieve the desired policy objective. Two conditions must be met for a measure to be deemed necessary. Firstly a proven science based relation, of cause and effect between the measure and the policy objectives must exist, secondly regulators of the measure must adopt the least trade restrictive measure available to achieve such an objective.

4. Our concern regarding the EU's Tobacco products Directive are that the measures unjustifiably discriminates between like products of different WTO Members in violation of Article 2.1 of the TBT Agreement. The measures also impose unnecessary trade restrictions since there has been no scientific evidence. Further to this, the measures do not to work towards the desired policy objective and Less trade restrictive alternative measures have not been considered thereby violating Article 2.2 of the TBT Agreement.

5. Furthermore, the measures will impact negatively on employment, economic performance and poverty alleviation efforts of our economy. Tobacco farming has become a major economic activity and source of livelihood for many farmers in developing countries such as Zimbabwe. In Zimbabwe there are over 90,000 registered tobacco growers, 82% of whom are small scale producers. Over

200,000 families and their dependants rely on tobacco farming as a source of livelihood. Tobacco contributes significantly to GDP and is a major export earner.

6. Whilst there has been no scientific evidence that the measures will influence the behaviour of consumers or reduce smoking amongst youths, it is a known fact that the measures will result in higher poverty levels and this will compound health challenges that developing countries face. In light of this we request the EU to consider our concerns.