

[4.1 (b)]

From:
Sent:
To:

4.1 (b)

Subject: Meeting with Tobacco International (JTI), 6.11.2014

Report of the meeting with Japan Tobacco International (JTI) on trade restrictive policies in respect of tobacco,
06 November 2014

Participants:

JTI: [4.1 (b)]
DG Trade: [4.1 (b)]

Although we invited them to focus only on the international trade aspects of their rather well known concerns, JTI provided a quite detailed explanation of their concerns on UK and IE measures on plain packaging, along the lines of their earlier written submissions. They continued with a similarly detailed explanation of their position relating to the ongoing WTO case of AUS where they expect the ruling in the first half of 2016. They underlined that until that ruling no similar measures should be taken by any countries as the WTO-compatibility is uncertain.

Moving to trade restrictions, they reported about the recent WHO framework convention meeting in Moscow where Malaysia asked for the exclusion of tobacco from market access negotiations while Uruguay asked for the creation of an independent tobacco dispute settlement system. According to JTI's info, the first idea has not gone through and on the second there are still some interpretation problems. We briefly informed them about our position which was against the exclusion. JTI believes that as the USA also seem to be pushing for exclusion of tobacco in TPP, at least from the investment protection part, this issue might come up also in TTIP. We had a brief but interesting exchange on the potential sensitivity of tobacco in TTIP. JTI sees interest in going for a reciprocal liberalisation of tobacco as conditions for trade of leaves could improve [4.1 (a)].

JTI also shared with us their concerns on the Pan-Euro-Med RoO problems, a file where Taxud leads and rules are supposed to be simplified but Morocco is against the simplification as the current rules shelter them from honouring the concessions they gave in our trade agreement.

They also enquired about tobacco provisions in the recently concluded EPAs and had a question on GSP on which we offered our help to establish contact with the responsible units.

Finally, when asked about sensitivities of tobacco in our FTA negotiation with JAP, they informed us that although there is usually a strong resistance to make concessions on the bound duties, [4.1 (a)]

[4.1 (b)]
Head of Unit



European Commission
DG TRADE
Unit [4.1 (b)]

[4.1.(b)]