U.S. Business Organizations Issue Joint Statement Expressing Deep Concern with New Zealand's Announcement that it will Proceed with Plain Packaging Legislation

Washington, DC (February 20, 2013)

The U.S. Chamber of Commerce, the National Association of Manufacturers, the Emergency Committee for American Trade, the United States Council for International Business, the National Foreign Trade Council, the Transatlantic Business Council and the U.S-ASEAN Business Council issued the following statement concerning the announcement that New Zealand will introduce legislation that mandates the plain packaging of all tobacco products:

We are deeply disturbed to learn that the New Zealand Government has decided to introduce plain packaging of tobacco products, in effect eliminating the right of a business to use its trademarks in every-day commerce. Of course we respect the right of New Zealand to regulate in the public interest, but this approach is contrary to regulatory best practices and will violate New Zealand's international trade obligations, while facilitating illicit trade and counterfeiting. Above all, there is no compelling evidence that it will actually advance the public interest. Science and evidence are essential to ensure that regulations advance a legitimate governmental objective and do not unnecessarily impede trade. It is not necessary to destroy intellectual property as this proposal would do in order to regulate effectively in the public interest. We are also concerned about the broad implications for other products and industries of this precautionary approach against which we have long fought.

As representatives of American and international business, we rely on the rules-based international trade framework and its supporters to sustain economic growth, employment, innovation and prosperity. We support an ambitious and successful Trans-Pacific Partnership, but we need reassurance that our negotiating partners will abide by the obligations they undertake. While the timing of this announcement is unfortunate, we appreciate that the Government of New Zealand is cognizant of the importance of complying with its international trade and investment obligations and that it also indicated it will await the outcome of the multiple legal challenges to Australia's legislation before implementing this unwise proposal.

We reiterate the views expressed in our submission to the New Zealand Government last year, "Although presently this effort is only confined to tobacco products, we see this as a systemic threat to rules which intellectual property and the trading system [are] dependent upon. We hope the New Zealand government will consider the concerns we have raised for the possible impact on New Zealand exports, such as dairy and wine, should other governments feel emboldened to take similar measures."

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