



Southeast Asia Tobacco Control Alliance

Press Release

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New Report Details How U.S. Chamber of Commerce Helps Tobacco Industry Fight Life-Saving Policies

Manila, 16 July 2015: The U.S. Chamber of Commerce, having close ties to the tobacco industry, has been actively derailing tobacco control regulations and undermining life-saving policies in dozens of countries around the world, according to a new report released by a coalition of public interest and health groups.

The report, “*Blowing Smoke for Big Tobacco*,” details how the U.S. Chamber of Commerce (U.S. Chamber) has helped the tobacco industry fight tobacco control policies in many countries, including in Asia, undermining measures intended to combat a global tobacco epidemic that remains the number one preventable cause of death. These countries include the Philippines, Nepal, Uruguay, Burkina Faso, Moldova and the European Union.

The report shows that the U.S. Chamber’s pro-tobacco activities often target low- and middle-income countries vulnerable to bullying by the economic might of the leading U.S. business lobby. The U.S. Chamber and its global network of American Chamber of Commerce (AmCham) affiliates in more than 100 countries use tactics such as directly opposing a country’s health policies, pitting countries against each other in international trade disputes, and influencing international trade agreements to benefit tobacco companies.

The New York Times published a [multi-part investigation](#) on the activities of U.S. Chamber recently. This report is a joint effort by the Southeast Asia Tobacco Control Alliance (SEATCA), the Campaign for Tobacco-Free Kids, Public Citizen, Corporate Accountability International, the Framework Convention Alliance, Action on Smoking and Health (US), Smoke-Free Partnership, Inter-American Heart Foundation, and the African Tobacco Control Alliance.

The U.S. Chamber often claims it is working to protect intellectual property and trademarks. However in reality the U.S. Chamber has fought policies that comply with the international public health treaty, the World Health Organization Framework Convention on Tobacco Control (WHO FCTC), which has been ratified by 179 countries and the European Union. The policies include laws related to higher tobacco taxes, smoke-free workplaces and public places, tobacco advertising bans, pictorial health warnings and provisions governing tobacco packages.

In the Philippines, the U.S. Chamber and the AmCham aggressively fought efforts by legislators to reduce tobacco consumption by raising taxes on cigarettes. As reported by the Philippines *Business Mirror*, the U.S. Chamber and the US-ASEAN Business Council argued (incorrectly) that any effort to significantly increase tobacco taxes would “undermine the government’s revenue growth targets and subsequently pose serious threats to national security,” and that “there are signs that smuggled cigarettes have already made limited inroads in parts of the country, but with the right stimulus [a significant tax increase], this situation could rapidly grow into a massive nationwide phenomenon.”

In a separate letter to the Philippines’ Secretary of Finance, the U.S. Chamber stated that “exorbitant tax increases on tobacco products will stimulate persistent and corrosive growth in smuggling and other illicit



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trades, which only fuels organized criminal activity and its consequences.” The U.S. Chamber’s arguments mirrored those made directly by tobacco companies.

Since enacting a significant tobacco tax increase through the Sin Tax Reform Act, tobacco tax revenues in the Philippines have been higher than expected despite significant protests from the tobacco industry and its allies.

“The U.S. Chamber of Commerce is like a sledgehammer using the might of big American corporations to bully developing countries who are putting in place public health measures to save lives,” said Dr. Ulysses Dorotheo, FCTC Program Director of the Southeast Asia Tobacco Control Alliance (SEATCA). “Using business arguments to protect and promote a deadly product is despicable and unacceptable.”

Philip Morris International sits on the Board of Directors of national chapters of AmCham and conducts its lobbying against tobacco control through AmCham. Between 2012 and 2014, the head of Philip Morris Philippines served on the AmCham Board of Directors. Similarly in other ASEAN countries, such as Malaysia, Thailand and Indonesia, PMI has leadership positions either in the board or its various committees.

PMI Thailand’s representation in AmCham’s customs committee has allowed it to be vocal on behalf of the tobacco industry in criticizing tobacco control policies in Thailand, claiming the industry contributes to economic development. It claims that tobacco control policies, such as prominent pictorial health warnings, may be in violation of free trade agreements under the WTO. Similarly in Malaysia, Philip Morris also sits in the AmCham Malaysia Committee on Tax. The committee claims to meet with the Ministry of Finance on a regular basis to discuss tax issues and also presented member's feedback for the annual budget in a closed door meeting with the Finance Minister. Malaysia did not increase tobacco tax in 2014.

The *Blowing Smoke for Big Tobacco* report recommends several actions:

- Governments should reject the misleading arguments and threats of the U.S. Chamber and its affiliates and enact the proven tobacco control measures required by the FCTC treaty.
- Governments should protect public health policies from interference by the tobacco industry and its allies, also as required by the FCTC treaty.
- International trade and investment agreements should protect the sovereign right of governments to adopt public health measures aimed at reducing tobacco use and its harms.
- The U.S. Chamber and its AmCham affiliates should publicly disclose their donors so that lawmakers and other government officials can be fully informed about their relationships with the tobacco industry.

Tobacco kills more than 500,000 people in the ASEAN region and about six million people worldwide annually and is projected to kill one billion people this century unless current trends are reversed. More than 80 percent of these deaths will be in low- and middle-income countries. Governments around the world must know that the **U.S. Chamber of Commerce and its affiliates do not represent the U.S. government or the views of the American public**, and the U.S. Chamber is not a legitimate authority on public health policies.

Full report: *Blowing Smoke for Big Tobacco*: http://seatca.org/dmdocuments/USCoC_FINAL.PDF

Additional report: *AmCham must stop championing the tobacco industry*:
<http://seatca.org/dmdocuments/AMCHAM%20handout%20final.pdf>