

Malaysia seeks allies to exclude tobacco tariffs from TPPA
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By TRINNA LEONG

Putrajaya is seeking support from Pacific nations to exclude tobacco tariff cuts from the controversial Trans-Pacific Partnership Agreement (TPPA), Datuk Seri Mustapa Mohamed said today.

The International Trade and Industry Minister said the government was "firm on the subject" despite the United States proposal to cut tariffs that would lead to cheaper tobacco in the market to the dismay of health groups.

"We've been able to put to table in Brunei to enable a carve-out of tobacco (from TPPA). Now, our challenge is to find alliances with other partner countries," Mustapa told reporters in Kuala Lumpur today.

Health groups worldwide have lauded Malaysia's historic proposal to omit tobacco from the agreement. They criticised the tariff cuts as encouraging more people to pick up smoking.

The United States had proposed to allow exceptions for public health and would only require health officials from partner countries to consult each other before making amendments on the agreement. The proposal however, does not prevent the removal of tobacco tariffs.

In a commentary written by New York mayor Michael Bloomberg in The New York Times, the proposal was denounced as "weak half-measures at best". The Times editorial also wrote that the proposal by Barack Obama's administration allows room for multinational tobacco companies to challenge tobacco control measures.

Malaysia had, in its counter-proposal, suggested a full carve-out measure that would give the country full authority over marketing, advertising, banning or taxing tobacco products. This also means that countries would then be protected against lawsuits by tobacco firms.

"Arising from our engagement with people, fighting for a better future for the health of Malaysians, and previous engagements, we were able to put to table in Brunei a position which would enable us to carve out tobacco from TPP negotiations," said Mustapa.

"In anything there is two points of view. There have been engagements but of course one can say more can be done," said Mustapa in response to tobacco companies' dissatisfaction with the government's proposal.

Malaysia imposes a high tax on tobacco items with a tax rate of 52%. - September 10, 2013.

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