INTERNATIONAL CHAMBER OF COMMERCE
The world business organization

BASCAP
Business Action to Stop Counterfeiting and Piracy

Mr Gan Kim Yong
Minister for Health
Ministry of Health
Republic of Singapore
College of Medicine Building
16 College Road
Singapore 169854

By email: gan_kim_yong@moh.gov.sg

19 June 2017

Dear Mr Gan Kim Yong,

On behalf of the International Chamber of Commerce (ICC) Business Action to Stop Counterfeiting and Piracy (BASCAP), we would like to express our serious concerns over the intention to further pursue a plain packaging initiative for tobacco products in Singapore, as announced in March this year. We have shared these concerns with the Health Promotion Board - Substance Abuse Department as part of the public consultation process in 2016, but believe this issue has serious broad business implications and want to ensure the Ministry of Health is aware of the business risks associated with the proposed tobacco control measures in Singapore.

ICC-BASCAP fully supports the protection of public health as an underlying principle; our concerns pertain to extenuating impacts on intellectual property rights and counterfeiting, rather than the health-related aspects of plain packaging.

We therefore urge the Government of Singapore to perform, in parallel to holding a second public consultation, an accurate and detailed impact assessment on the introduction of plain packaging to ensure that a wide range of perspectives, data, and research are considered, especially in areas not yet contemplated or where unintentional impacts have not been anticipated.

We strongly believe that plain packaging will lead to a number of unintended consequences, not least the negative impact it will have on intellectual property rights, government tax revenues, illicit trade, money laundering and the financing of criminal activities in Singapore.

In summary, our concerns are that:

1. Plain packaging is a deprivation of brand owners' legally authorised intellectual property rights;
2. Plain packaging will contribute to an increase in the size of the illicit tobacco market, as criminals will be able to much more easily copy standard pack designs than replicate existing pack artwork;
3. Plain packaging will make it more difficult to distinguish between genuine and counterfeit tobacco products, for both consumers and enforcement officials – who already face a significant burden in enforcing intellectual property rights;
4. Any growth in the illicit market will have a negative impact on government tax revenues, with money instead flowing to organised crime groups involved in the illicit tobacco

INTERNATIONAL CHAMBER OF COMMERCE
33-43 avenue du Président Wilson, 75116 Paris, France
T +33 (0)1 49 53 28 28 F +33 (0)1 49 53 28 59
E icc@iccwbo.org www.iccwbo.org

supply chain.

5. Plain packaging restricts trademarks and branding, removing critical tools that consumers depend on to verify the source and quality of a product and make informed purchasing choices; and
6. Plain packaging is inconsistent with Singapore and international laws established to protect intellectual property rights.

We are concerned that the underlying assessment of whether there is reason to introduce plain packaging in Singapore does not adequately account for impacts upon existing Intellectual Property policies, laws and enforcement regimes. Intellectual property rights are a key growth and economic driver for Singapore, and Singapore is recognized for its IPR protection and enforcement. We believe that plain packaging regulations seriously harm IPR and protection of those righs. BASCAP is also concerned that plain packaging will make Singapore even more vulnerable to an increase in the illicit tobacco trade We therefore strongly urge the Government of Singapore to reconsider any proposed legislation in light of these specific concerns.

Also enclosed is a recently released discussion paper on *Labelling and Packaging Measures Impacting on Brand Assets* prepared by an ICC Joint Task Force on this issue. This paper provides additional perspective on the business implications of disproportionate policy interventions like the proposed plain packaging measure in Singapore.

We trust that our submission provides valuable input to the consultation process and we are at your disposal to discuss these matters further.

Yours faithfully,

Philip Kucharski
Chief Operating Officer
International Chamber of Commerce
Philip.KUCHARSKI@iccwbo.org

Cc:

Mr Lim Hng Kiang, Minister for Trade
Ministry of Trade and Industry
Republic of Singapore
100 High Street #09-01 The Treasury
Singapore 179434
lim_hng_kiang@mti.gov.sg

Mr S Iswaran, Minister for Industry
Ministry of Trade and Industry
Republic of Singapore
100 High Street #09-01 The Treasury
Singapore 179434
s_iswaran@mti.gov.sg

Dr Beh Swan Gin, Chairman
Economic Development Board
250 N Bridge Rd, #28-00
Raffles City Tower
Singapore 179101
chairman@edb.gov.sg

Mr Kentaro Nagao, Secretary General
Japanese Chamber of Commerce and Industry Singapore
10 Shenton Way
#12-04/05 MAS Building
Singapore 079117
info@jcci.org.sg

– *Attachment:*

ICC Discussion Paper on Labelling and Packaging Measures Impacting on Brand Assets

About BASCAP

Business Action to Stop Counterfeiting and Piracy (BASCAP) unites the global business community across sectors to address issues associated with intellectual property theft. BASCAP's views pertain to extenuating impacts on intellectual property rights and counterfeiting, and not the health-related aspects of the Singapore Government's health programme. Furthermore, BASCAP membership comprises, inter alia, companies engaged in the manufacture and sale of tobacco products. Nonetheless, these views are registered on behalf of the cross-sector representation of BASCAP member companies equally concerned about the wider implications of plain packaging.