

República de Honduras Secretaría de Industria y Comercio

Honduras requests WTO consultations with Australia concerning its law on plain packaging for tobacco products

Honduras requested today formal consultations with Australia under the dispute settlement procedures of the World Trade Organization ("WTO") concerning Australia's plain packaging laws and regulations for tobacco products.

Australia will require all tobacco products to be sold in plain packaging without brands or logos by 1 December 2012.

Honduras has decided to take this action given that Australia's law contravenes several WTO obligations on intellectual property rights and technical barriers to trade, and given the serious economic consequences that this measure would have on Honduran tobacco exports.

Like Australia, Honduras is a party to the Framework Convention of Tobacco Control of the World Health Organization and is in favour of legitimate measures to reduce smoking prevalence.

Plain packaging, however, is not an appropriate measure to address smoking prevalence and is not in conformity with Australia's WTO obligations. Australia's law clearly infringes intellectual property rights by requiring that trademarks for tobacco products be displayed in standard font and size. Australia's plain packaging requirements would defeat the basic function of a trademark, which is to allow consumers to distinguish between products of different companies.

The tobacco industry has been part of Honduras' history for more than a century. The industry employs several hundred thousand people directly and indirectly throughout the supply chain in Honduras. This translates into tens of millions of dollars for the Honduran economy.

Honduras looks forward to having constructive discussions with Australia on this matter.

Contact details; Dacio Castillo, Ambassador of Honduras to WTO

mission.honduras-wto@ties.itu.int

tel, 00 41 22 7481444.