



Panama
Tobacco Industry Interference
Index 2023

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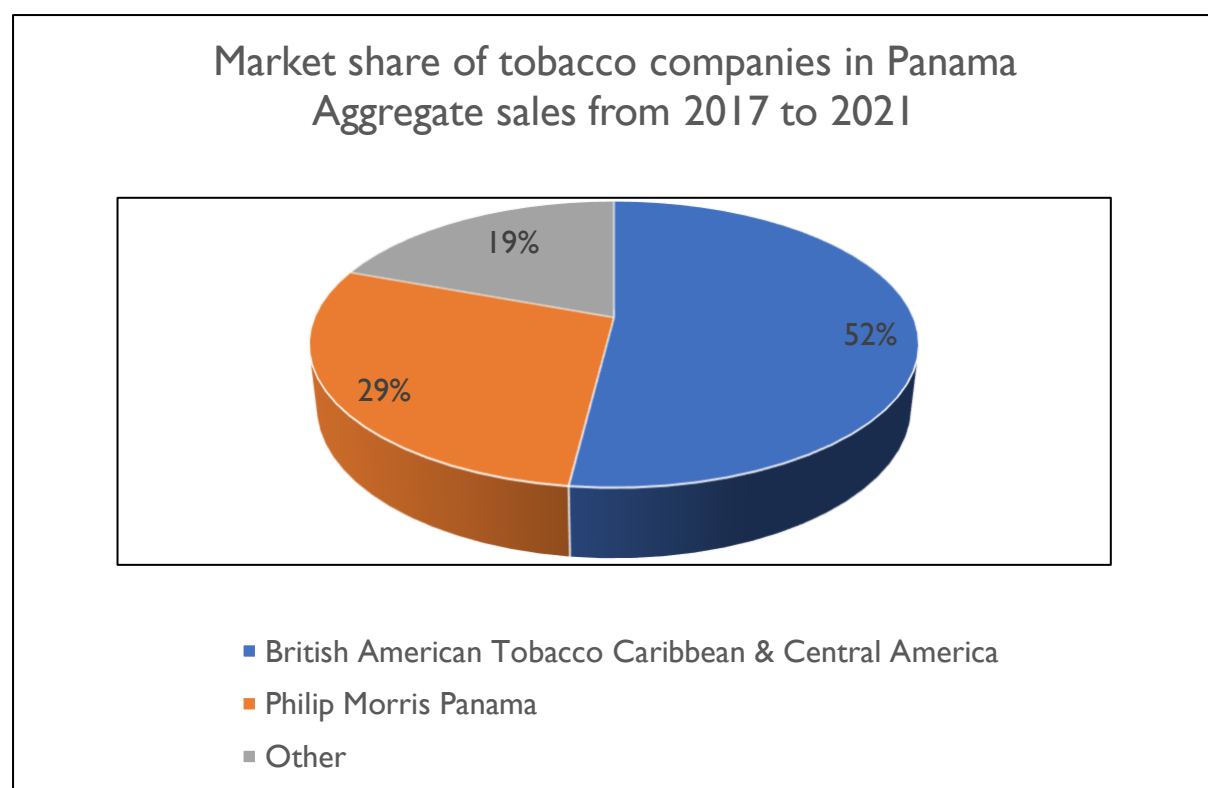
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Background and Introduction

Since the founding of the republic in 1903, Panama has had a service-based economy, which is the most advanced sector that enabled the country's integration into global trade. Despite the interference of the Tobacco Industry, it is one of the countries with the strongest advances in terms of tobacco control regulations that elevates it with a marked leadership in the region of the Americas.

In the same way, it is distinguished without any tobacco production since the late 1990s, until it became an importer of tobacco in 1999. Phillip Morris and British American Tobacco are two dominant international tobacco companies present in the country, as seen in the graph.



Source: Euromonitor International based on official statistics, trade associations, trade press, business research, shop checks, trade interviews, trade sources. <https://bit.ly/3azZ4NP>

However, the import market remains the most challenging with respect to regulations, especially of electronic devices and although its market share is very marginal, under the precautionary principle its import and commercialization have been prohibited.[1, 2].

Panama is recognized as one of the first countries in the Region of the Americas to have ratified the WHO Protocol to Eliminate Illicit Trade in Tobacco Products through Law No. 27 of 2016, in addition to the adoption to criminalize illicit trade in tobacco products through Law No. 34 of 2015.[3, 4].

The country's advances in public health have been important with respect to the use of tobacco products, having a set of state-of-the-art standards that have allowed safeguarding public health[5]. According to latest data available from 2019, the number of deaths related to tobacco use was 1,354.66. Between 2013 and 2019 the prevalence of consumption declined from 6.4% to 4.9%[6, 7]. In the same order, it can be noted that according to data from the Institute for Health Metrics and Evaluation (IHME), the percentage of deaths due to risk factor attributable to tobacco consumption declined from 9.97% in 1990 to 6.84% in 2019[8].

Although much advancement has been achieved in control of tobacco products consumption in the country, however the attacks by front groups against the regulatory authority have been stepped up in recent times, especially this is the year since Panama will host COP 10 in November. This is especially so in the face of the prohibition of the import and commercialization of electronic devices dispensing nicotine, heated tobacco, and other similar devices with or without nicotine through Law No. 315 of 2022[2, 9, 10]. We can also point out the pressure from Argentine producers raised during the ITGA Regional Meeting of the Americas 2023: challenges facing the sector, with which they intend to obtain direct participation in COP 10 as representatives of the tobacco industry[11]. On the other hand, the controversial debate on the use of cannabis culminated in the entry into force of Law No. 242 through its approval only for medicinal use[12]. However, it is known that the tobacco industry in the international arena explores its use in electronic devices.

In this second Tobacco Industry (TI) Interference Index for Panama, some significant improvements are observed compared to the first report, which is reflected by the score for 2023 with 46 points, compared to 2021's report of 58 points. The main contribution to the lower score is the first indicator on the level of participation of TI in the formulation of public policies, which for 2021 obtained 11 points, while for the 2023 version it was only 3 points showing less no influence. One fact that has contributed to this better performance is the creation of the Tobacco-Free Health Council led by the Ministry of Health and which brings together 19 public entities. It is an important achievement for raising awareness among public officials regarding avoiding unnecessary interactions with the TI. This council was created by executive decree 178 of June 8, 2018, which had better implement in recent years. On the other hand, in the legislative discussions on the new norms for the control of the use of tobacco, the TI has not had the opportunity to influence and, on the contrary, its complaints have been evident, as well as those of the front groups.

This highlights the protests of the TI and its front groups (The Association for the Reduction of Harm from Smoking of Panama, the Association of Smokers and Family Members for a Smoke-Free Panama, AmCham and the Panama Chamber of Commerce, Industry and Agriculture) protesting against the most recent tobacco products control law, through which the import and commercialization of electronic devices is prohibited. It has not been possible to obtain evidence of the interaction of the TI with deputies of the National Assembly accepting their proposals as observed in the previous report, despite the fact that, as this indicator reveals, the TI continues to interact with key entities with the National Customs Authority in forums at the local and international level in which current legislation is discussed[13-16].

Another aspect in which significant progress has been made is in relation to the approval of Law 316 that regulates situations of conflict of interest in the public service, which reinforces Law 6 that dictates rules for transparency in public management[17, 18]. Although these are not specific legislation for TI and are of a general nature, they contribute sensitively to mitigate

TI interference, by having a much more robust regulatory framework in terms of transparency. In addition, the pressures of the International Financial Group (FATF) is exerting strong pressures on the national government regarding tax benefits and that by 2023 it is expected that the country will meet some necessary conditions to leave its lists of tax havens[19]. This implies an important advance in the indicators of transparency, conflict of interest and preventive measures.

Similarly, Bill 887 is currently being debated, which aims to make a new tax increase in cigarettes and tobacco products, which of course will generate strong debates in the National Assembly but this time based on Law 316 the deputies who want to be re-elected or those who want to participate in next year's electoral contest, They must fill out conflict of interest forms with the private sector as well as the inclusion of their relatives in the public administration[20]. Panama is one of the few countries that has labeled its tobacco taxes distributed 20% to the Ministry of Health, 20% to the National Oncology Institute and 10% to the National Customs Authority[21]. The new bill aims to provide resources to the country's social security system.

Panama hopes to catch up with the increase in taxes and continue strengthening control measures with much more robust health legislation and on strengthening prevention in the use of tobacco products contained in Law 13 and its regulations[22].

Finally, with regard to hosting the COP in November of this year in addition to the previous forums that are being developed in the country, it is expected that this will contribute to strengthening the advances in tobacco control legislation in the National Assembly and have more international support for such purposes[10].

The report is based on a questionnaire developed by the Southeast Asia Tobacco Control Alliance. There are 20 questions based on the Article 5.3 guidelines. Information used in this report is obtained from the public domain only. A scoring system is applied to make the assessment. The score ranges from 0 - 5, where 5 indicates highest level of industry interference, and 1 is low or no interference. Hence the lower the score, the better for the country. The 0 score indicates absence of evidence or not applicable. The report includes information on incidents from April 2021 to March 2023, but also includes incidents prior to April 2021 that still have relevance today.

Summary Findings

I INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The overall analysis of this indicator shows that in this period of research the TI has had little participation in the elaboration or development of tobacco consumption control policies. On the contrary, both TI and front organizations have shown a strong rejection of the recently approved standards, especially in relation to the prohibition of electronic smoking devices¹[23, 25]. This shows that on this occasion the National Assembly was less permeable to the influence of TI in the elaboration of this policy. However, the TI through its front groups continues to carry out activities in which there are unnecessary interactions with officials in public functions but that in the same way have been mitigated through the governmental creation of the National Council for Health without Tobacco, as well as not allowing representatives of the TI to be part of the delegations to the COP and the MOP [15, 16, 26].

2 INDUSTRY CSR ACTIVITIES

The National Customs Authority has been the entity most exposed to corporate responsibility projects or programs. The evidence reveals the participation of TI through the Chamber of Commerce Industries and Agriculture in staff training programs [16]. The Chamber of Commerce, Industries and Agriculture is a member of the Alliance Against Illicit Trade in which the TI participates². This maintains the risk of impact on customs policies and therefore on trade in tobacco products.

3 BENEFITS TO THE INDUSTRY

In general, it only complies with the general requirements of Law 13 of 2008 with regard to established times for the implementation or enforcement of the controls for the trade of tobacco products, for example, on labeling with changes in pictograms, prohibition of advertising, promotion and sponsorship, smoke-free environments, etc. [22] They are under the control of the National Tobacco Control Commission of the Ministry of Health (Health, 2019a[5, 27] Even when the TI has tried to change some regulations, the Supreme Court of Justice has ruled in favor of the Ministry of Health.

However, Panama is a country permeated by tax privileges that, although they are of a general nature for the entire business sector and especially the corporations, allow companies to take advantage of these benefits, although the country has been included for years in the so-called gray and black lists and that in recent years there is strong international pressure on the country to make efforts to stop being a tax haven³.

¹23.Panamá, R.L.E.d., *Reldat pide al Gobierno de Panamá reconsiderar prohibición de cigarrillos electrónicos*, in *La Estrella de Panamá*. 2022, La Estrella de Panamá: Ciudad de Panamá, 24. Olivares, D., *Fundación pide reconsiderar ley que prohíbe los cigarrillos electrónicos*, in *El Siglo*. 2022, El Siglo: Ciudad de Panamá, 25. Sánchez, T., *Cigarrillos electrónicos: Del debate ideológico al debate científico en Panamá*, in *Crítica*. 2021: Ciudad de Panamá.

²Alianza contra el comercio ilícito. <https://alianzacontraelcomercioilicito.com/>

³Kraemer & Kraemer. Incentivos fiscales para empresas en Panamá <https://bit.ly/3RmPodl>

4 UNNECESSARY INTERACTION

Perhaps this has been one of the indicators where the country reflects the greatest weakness, as active officials and previous administrations are exposed to activities organized by the TI through its front groups. In this regard, officials of the National Customs Authority and the Ministry of Health, the Minister of Security, the Judiciary, and the National Assembly, in addition to a former official of the previous Government⁴.

5 TRANSPARENCY

In terms of transparency, although there are no specific rules for TI, the government is governed by laws such as Habeas Data that obliges the public sector to provide information in the required time and space [18] The same situation applies to company registries in the Public Registry. Regarding the accreditation of the TI or its front groups, for their participation in commissions in the National Assembly, participation is open to the groups affected or involved in any legislation or implementation of standards, before which each party establishes and accredits its representatives. Bills in general are usually consulted by the sectors involved or affected which attend the commissions to present their points⁵.

6 CONFLICT OF INTEREST

In relation to the Electoral Code, the express prohibition of the TI regarding donating to electoral campaigns is not established. However, the current implementation of Law 316 has been an important tool since it is expressly aimed at combating the problems of conflict of interest in the exercise of public functions and constitutes one of the greatest advances in this area, being therefore an important mitigating factor, which contributes to improving the score in this indicator [17].

7 PREVENTIVE MEASURES

Regarding preventive measures outside existing rules such as the code of ethics for public officials or the MINSa code of ethics, which are of a general nature, it is necessary to highlight the current law 316 will contribute to mitigate the interference of TI in this matter as a standard governing the code of conduct for civil servants. [17, 18, 28] Similarly, with respect to information requirements and how to interact with TI in various matters, Law 13 and the National Commission Against Tobacco Use through the Annual Operating Plan, establishes the necessary actions to shield the rest of the public sector and thus mitigate the interference of TI [27, 29].

⁴AmCham Panama. Nuevas Normativas en Medicamentos: Retos y Oportunidades para el Sector Salud. 11/05/2022. <https://bit.ly/3Rlb0HD>
AmCham Panama. La Nueva Pandemia: El Impacto de la Salud Mental en Panamá. 11/27/2021. <https://bit.ly/3HPpexo>
Autoridad Nacional de Aduanas. Autoridad de Aduanas participa en foro internacional. 06/27/2022. <https://bit.ly/3Y1uPGA>
El País, Costa Rica. Crimen organizado genera millonarias ganancias, aseguran en Panamá. 06/21/2021. <https://bit.ly/3wjQm5w>
⁵ Autoridad Nacional de Aduanas. Asamblea aprueba en primer debate dos proyectos sobre temas aduaneros. 02/16/2022. <https://bit.ly/3jq3vmg>

Recommendations

RECOMMENDATION 1

Create a specific law prohibiting technical assistance or collaboration from TI or its front groups to government entities. This is a weakness that allows IT to interact with representatives of government entities.

RECOMMENDATION 2

Conduct an awareness day of article 5.3 of the FCTC with the National Customs Authority and the Ministry of Security. These two entities are the most exposed to unnecessary interactions with TI.

RECOMMENDATION 3

Establish a protocol for accreditation of front groups and TI representatives in the discussion sessions of tobacco control laws and regulations in the National Assembly of Panama. It is important to make clear who defends the interests of TI in the discussions as well as those legislators who have received campaign contributions from TI declare themselves prevented from participating in the discussions of the bills.

RECOMMENDATION 4

Include in the Electoral Code a specific article prohibiting TI contributions to election campaigns. Candidates for elected office must specifically record whether they have received contributions from TI.

RECOMMENDATION 5

Include in the declaration of conflicts of interest of senior government officials if they have had interests with TI. Law 316 must leave a specific article in this regard.

Panamá

Tobacco Industry Interference Index 2023

Results and Findings

	0	1	2	3	4	5
INDICATOR 1: Level of Industry Participation in Policy-Development						
1. The government ⁶ accepts, supports, or endorses any offer for assistance by or in collaboration with the tobacco industry or any entity or person working to further its interests. ⁷ in setting or implementing public health policies in relation to tobacco control ⁸ (Rec 3.4)	0					
There is no evidence to show the government accepts, supports or endorses offers for assistance by or in collaboration with the tobacco industry or any entity or person working to further its interests.						
2. The government accepts, supports, or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)		1				
No evidence of acceptance of policy proposals or laws was found. On the contrary, the total rejection of the TI to the recent tobacco control legislation in Panama has been evidenced with headlines such as: The Latin American Network for the Reduction of Harms Associated with Smoking asks to reconsider law that prohibits electronic cigarettes. Customs participates in the installation of the Council for health without tobacco. Reldat asks the Government of Panama to reconsider the ban of electronic cigarettes. Cortizo is asked to veto bill 178 that prohibits the use of electronic cigarettes ⁹ . (See Appendix B)						
3. The government allows/invites the tobacco industry to sit in government interagency/ multi-sectoral committee/ advisory group body that sets public health policy. (Rec 4.8) Never 5 Yes		1				
No evidence of collaboration with the TI was found. On the contrary inter-institutional cooperation is established through the National Council for Tobacco-Free Health was created through Executive Decree 178 of June 8, 2028, involving 19 government institutions. This is a mitigating mechanism for TI ¹⁰ .						
4. The government nominates or allows representatives from the tobacco industry (including State-owned) in the delegation to the COP or other subsidiary bodies or accepts their sponsorship for delegates. (i.e. COP 4 & 5, INB 4 5, WG) ¹¹ (Rec 4.9 & 8.3) For non-COP year, follow the previous score of COP year.		1				

⁶ The term “government” refers to any public official whether acting within the scope of authority as long as cloaked with such authority or holding out to another as having such authority.

⁷ The term, “tobacco industry” includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

⁸ “Offer of assistance” may include draft legislation, technical input, recommendations, oversees study tour

⁹ Autoridad Nacional de Aduanas. Autoridad de Aduanas participa en foro internacional. 06/27/2022. <https://bit.ly/3wMu5cf>

La Estrella de Panamá. Reldat pide al Gobierno de Panamá reconsiderar prohibición de cigarrillos electrónicos. 07/28/2022. <https://bit.ly/3XY7kOs>

La Prensa. Piden a Cortizo vetar el proyecto de ley 178 que prohíbe uso de cigarrillos electrónicos. 07/14/2021. <https://bit.ly/3DxhRrB>

¹⁰ Autoridad Nacional de Aduanas. Aduanas participa en instalación de Consejo para la salud sin tabaco. 09/24/2021. <https://bit.ly/3DxdlcM>

¹¹ Please annex a list since 2009 so that the respondent can quantify the frequency. <http://www.who.int/fctc/cop/en/>

	0	1	2	3	4	5
Panama has not allowed TI representatives to be part of the COP and MOP delegations ¹² .						
INDICATOR 2: Industry CSR activities						
5. A. Government agencies or their officials endorse, support, form partnerships with or participates in activities of the tobacco industry described as socially responsible. For example, environmental programs. (Rec 6.2)						
B. The government (its agencies and officials) receives CSR contributions ¹³ (monetary or otherwise, including CSR contributions) from the tobacco industry or those working to further its interests during the pandemic. (Rec 6.4)			2			
<i>NOTE: exclude enforcement activities as this is covered in another question</i>						
The Regional Parliamentary Forum named “Harmonize and Update the Regulatory Frameworks for the Fight against Transnational Organized Crime and its activities related to criminal economies” was held in October 2021. This event was organized by Konrad-Adenauer-Stiftung Foundation and Crime Stoppers and was addressed to the Latin American Parliament based in Panama. Despite the prohibitions of Panamanian legislation regarding the promotion, advertising and sponsorship of tobacco products, TI carries out social responsibility activities through its front groups such as AmCham. ¹⁴						
INDICATOR 3: Benefits to the Tobacco Industry						
6. The government accommodates requests from the tobacco industry for a longer time frame for implementation or postponement of tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)			2			
Regarding delaying the implementation of laws or regulatory standards, these requests are evaluated by the National Commission for Tobacco Control and the administrative instances of MINSAs, according to the criteria of Law 13 of 2008 ¹⁵ .						
7. The government gives privileges, incentives, tax exemptions or benefits to the tobacco industry (Rec 7.3)		1				
There are no specific concessions or privileges for TI except as set out in the general rules for the entire business sector. Attached is the website of the company KRAEMER&KRAEMER that consolidates all current incentive legislation. This company specializes in the activity of consulting and procedures for tax benefits in accordance with current legislation for companies that establish themselves in Panama ¹⁶ .						
The government prohibits international travelers to bring in electronic cigarettes into the country ¹⁷ .						

¹²World Health Organization. Ninth Session of the Conference of the Parties to the WHO Framework Convention on Tobacco Control. List of participants. 11/8/2021. <https://bit.ly/3HNbaEx>

World Health Organization. FCTC/MOP/1/DIV/2 List of Participants. 10/10/2018. <https://bit.ly/3XY9eIy>

¹³ political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

¹⁴Konrad Adenauer Stiftung. PROGRAMA REGIONAL ALIANZAS PARA LA DEMOCRACIA Y EL DESARROLLO CON AMÉRICA LATINA. Panamá, 10/20/2021. <https://bit.ly/3DytRsV>

Global Center for Good Governance in Tobacco Control. ¿Cómo las empresas tabacaleras deberían pagar por la contaminación que causan en Panamá? <https://tobaccoplastics.ggtc.world/>

¹⁵Asamblea Nacional. Ley N° 13 de 24 de enero de 2008. Que adopta medidas para el control del tabaco y sus efectos nocivos en la salud. Gaceta Oficial N° 25966. <https://bit.ly/3HN4WEr>

Ministerio de Salud. Plan Nacional para el Control del Tabaco. Quinquenio 2020-2024. <https://bit.ly/3HpuJkV>

¹⁶Kraemer & Kraemer. Incentivos fiscales para empresas en Panamá. <https://bit.ly/3RmPodl>

¹⁷IATA Travel Centre. Panama Customs, Currency & Airport Tax regulations details. <https://tinyurl.com/2nypznqu>

	0	1	2	3	4	5
INDICATOR 4: Forms of Unnecessary Interaction						
8. Top level government officials (such as President/ Prime Minister or Minister ¹⁸) meet with/ foster relations with the tobacco companies such as attending social functions and other events sponsored or organized by the tobacco companies or those furthering its interests. (Rec 2.1)				3		
<p>Two events held between BAT and AmCham of Panama in which there was interaction with a current official and a former official of the previous government are incorporated. New Regulations on Medicines: Challenges and Opportunities for the Health Sector. Participants: Marissa Lasso de la Vega, President of the Alliance against Illicit Trade, Rodolfo Samuda, Technical Deputy Director General of the National Customs Authority, Elvia Lau, National Director of Pharmacy and Drugs of the Ministry of Health. British American Tobacco is one of the sponsors of the event. The other event was: The New Pandemic: The Impact of Mental Health in Panama. The independent deputy Gabriel Silva participated as an exhibitor. BAT was one of the sponsors¹⁹.</p> <p>Customs Authority participates in international forum. This event was organized by Phillip Morris International (PMI) and participated by Victor Guerra, Senior Counsel Illicit Trade Prevention LA&C/U.S. of PMI and Ericka Chumaceiro, National Director of Judicial Services of the Judicial Branch of Panama and Rosa Chu Lin, Head of the Regulatory Compliance Unit of the ANA. Another similar event was the Third Annual Forum with Crime Stoppers, a grantee of PMI, Illicit Trade and Transnational Crime. This event was organized by the Alliance against illicit trade by: Phillip Morris, British American Tobacco, Crime Stoppers, AmCham Panama, Chamber of Commerce Industries and Agriculture and the Panamanian Association of Business Executives. The director of the National Customs Authority of Panama, Tayra Barsallo and the manager of the Colon Free Zone, Giovanni Ferrari, participated. Although the first forum is from 2019, it should be noted that the Alliance against Illicit Trade has continued to interact through its members with officials in the exercise of their functions²⁰.</p>						
9. The government accepts assistance/ offers of assistance from the tobacco industry on enforcement such as conducting raids on tobacco smuggling or enforcing smoke free policies or no sales to minors. (including monetary contribution for these activities) (Rec 4.3)					4	
<p>Customs Authority participates in international forum: Challenges of Money Laundering in Commerce. This forum was attended by Victor Guerra, Senior Counsel Illicit Trade Prevention LA&C/U.S. of Philip Morris International and Ericka Chumaceiro, National Director of Judicial Services of the Judicial Branch of Panama and Rosa Chu Lin, Head of the Regulatory Compliance Unit of the ANA²¹. *Evidence was found of an event entitled: Organized crime generates millions in profits, they say in Panama. The Minister of Security of Panama, Juan Manuel Pino and the regional director of Crime Stopper, Alejo Campos, participated in this event as participants in the 18th Parliamentary Forum on Intelligence and Security²².</p>						
10. The government accepts, supports, endorses, or enters into partnerships or non-binding agreements with the tobacco industry or any entity working to further its interests. (Rec 3.1) <i>NOTE: This must <u>not</u> involve CSR, enforcement activity, or tobacco control policy development since these are already covered in the previous questions.</i>			2			

¹⁸ Includes immediate members of the families of the high-level officials.

¹⁹AmCham, Panamá. Nuevas Normativas en Medicamentos: Retos y Oportunidades para el Sector Salud. 11/05/2022. <https://bit.ly/3Rlb0HD>
AmCham, Panamá. La Nueva Pandemia: El Impacto de la Salud Mental en Panamá. 11/27/2021. <https://bit.ly/3HPpexo>

²⁰Crime Stoppers Foundation. Tercer foro sobre comercio ilícito y crimen transnacional. <https://bit.ly/3HPaZsr>

Autoridad Nacional de Aduanas. Autoridad de Aduanas participa en foro internacional. 06/27/2022. <https://bit.ly/3Y1uPGA>

²¹Autoridad Nacional de Aduanas. Autoridad de Aduanas participa en foro internacional. 06/27/2022. <https://bit.ly/3Y1uPGA>

²²El País, Costa Rica. Crimen organizado genera millonarias ganancias, aseguran en Panamá. 06/29/2021. <https://bit.ly/3wjqM5w>

	0	1	2	3	4	5
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INDICATOR 5: Transparency						
11. The government does not publicly disclose meetings/ interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation. (Rec 2.2)				3		
The government does not publicly disclose its meetings or interactions with TI for regulatory issues. In any case, it is governed by Law 6 of January 22, 2002, on habeas data, in which interested parties may request them under the criteria of open information and confidentiality ²⁴ .						
12. The government requires rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists (Rec 5.3)					4	
There are no specific rules for TI in this regard. In any case, this is under the regular rules of public registry like any type of company. Regarding accreditation for participation, in commissions such as the National Assembly, participation is open to groups affected or involved in any legislation or implementation of standards, before which each party establishes and accredits its representatives. Bills in general are usually consulted by the sectors involved or affected, which attend the commissions to present their points ²⁵ . (See Appendix B)						
INDICATOR 6: Conflict of Interest						
13. The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions. (Rec 4.11) / Never 5 Yes						5
The Electoral Code does not expressly prohibit donations from the tobacco industry in political campaigns. The reforms to the Electoral Code provide for the disclosure of donors in campaigns but do not prohibit the TI from making donations to them. Amendments to articles of the Electoral Code are approved ²⁶ . However, Law 316 was recently approved, which regulates situations of conflict of interest in the public service, which will have an important mitigating effect with respect to the fact that candidates for elected positions must obligatorily disclose the list of donors as well as in relation to the participation of family members in activities that generate conflict of interest ²⁷ .						
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)				3		
Evidence was found of an interaction of a former official in event with the TI, Tax Arbitration: Analysis of Unconstitutionality. Publio Cortéz was director of revenue in the previous government and participated as an exhibitor in this event which makes it clear that he maintains a link with TI						

²³ El País, Costa Rica. Crimen organizado genera millonarias ganancias, aseguran en Panamá. 06/29/2021. <https://bit.ly/3wjQm5w>

²⁴Asamblea Legislativa. Ley N° 6 de 22 de enero de 2022. Que dicta, normas para la transparencia en la gestión pública, establece la acción de habeas data y dicta otras disposiciones. Gaceta Oficial N° 24476. <https://bit.ly/3WYY5w2>

²⁵Autoridad Nacional de Aduanas. Asamblea aprueba en primer debate dos proyectos sobre temas aduaneros. 02/16/2022. <https://bit.ly/3jq3vmg>

²⁶Tribunal Electoral. Código Electoral. Gaceta Oficial N° 29482-A. 02/15/2022. <https://bit.ly/3XVzjhQ>

²⁷Asamblea Nacional. Ley N° 316 de 18 de agosto de 2022. Que regula situaciones de conflicto de intereses en la función pública. Gaceta Oficial N° 29602-A. <https://cutt.ly/190s2hd>

	0	1	2	3	4	5
and expresses his views as an expert in taxation. AmCham of Panama was the organizer of this event and BAT was one of its sponsors ²⁸ .						
15. <u>Current government officials</u> and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)				3		
It is highlighted in the resume that Mr. Rodolfo Samuda, who currently serves as technical deputy director general of the National Customs Authority, who has been a consultant for the tobacco companies Phillip Morris and British American Tobacco. Question 8 mentions that Mr. Rodolfo Samuda continues to interact at events organized by the TI as an expert speaker ²⁹ .						
INDICATOR 7: Preventive Measures						
16. The government has put in place a procedure for disclosing the records of the interaction (such as agenda, attendees, minutes, and outcome) with the tobacco industry and its representatives. (Rec 5.1)				3		
The government has not put in place a specific procedure for TI for such purposes. In any case, there are the minutes and memory aids in the institutions, and which can be requested through the procedure of HABEAS DATA as established in Law 6 of 2002 ³⁰ .						
17. The government has formulated, adopted, or implemented a code of conduct for public officials, prescribing the standards with which they should comply in their dealings with the tobacco industry. (Rec 4.2); <i>1 for whole of government code; 2 for Yes but partial if only MOH</i>				2		
The government has not developed or adopted a specific code of conduct for interactions with TI. There is only the code of ethics of the MINSA (Ministry of Health) and the Uniform Code of Ethics of Public Servants who work in the entities of the Central Government. However, the recently enacted Law 316 of 2022 establishes the declaration of conflict of interest in the exercise of public function. Although this law is of a general nature, it establishes codes of conduct for public officials and their families, being a great advance in the transparency of the public sector ³¹ .						
18. The government requires the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues, and any other activity, including lobbying, philanthropy, political contributions, and all other activities. (5.2)				2		
The government asks the tobacco industry for the information of rigor for tax collection purposes (sales for example) making it clear that in Panama the TI does not produce or grow tobacco or manufacture cigarettes since 1999, nor are electronic devices or their sale produced, since they are prohibited in their commercialization. It does not receive information regarding marketing since it						

²⁸ AmCham, Panamá. Arbitraje Tributario: Análisis de Inconstitucionalidad. 11/04/2022. <https://bit.ly/3WSTifO>

²⁹ Autoridad Nacional de Aduanas. Hoja de Vida de Rodolfo Samuda L. Subdirector General Técnico de la Autoridad Nacional de Aduanas. <https://bit.ly/3Yj7Gix>

³⁰ Asamblea Legislativa. Ley N° 6 de 22 de enero de 2022. Que dicta, normas para la transparencia en la gestión pública, establece la acción de habeas data y dicta otras disposiciones. Gaceta Oficial N° 24476. <https://bit.ly/3HjYRhs>

³¹ Ministerio de salud. resolución N° 654, que aprueba el código de ética de los servidores públicos del ministerio de salud. 11/22/2022. <https://bit.ly/3rnsjhw>

Procuraduría de la Administración Pública. Código de ética de los servidores públicos. Decreto ejecutivo N° 246 de 15 de diciembre de 2004. <https://bit.ly/3X3637G>

Asamblea Nacional. Ley N° 316 de 18 de agosto de 2022. Que regula situaciones de conflicto de intereses en la función pública. Gaceta Oficial N° 29602-A. <https://cutt.ly/190s2hd>

	0	1	2	3	4	5
is prohibited by Law 13 of 2008 and regarding political contributions either unless they are reported by candidates for positions of popular election ³² .						
19. The government has a program / system/ plan to consistently ³³ raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)			2			
In the NATIONAL PLAN FOR TOBACCO CONTROL. QUINQUENNIUM: 2020 -2024, a program of these characteristics is not explicitly contemplated, and the following have been established as priorities: 1. Planning and Evaluation 2. Information System. 3. Tobacco Control Research 4. Rules and Laws 5. Health Promotion and Capacity Building 6. Social Participation for Tobacco Control and, 7. Cessation of Tobacco Product Use. However, such guidelines may be addressed in training programs at the central and regional levels ³⁴ . (See Appendix B)						
20. The government has put in place a policy to disallow the acceptance of all forms of contributions/ gifts from the tobacco industry (monetary or otherwise) including offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials, and their relatives. (3.4)			2			
The government has not established specific measures for TI and only has the MINSAs code of ethics and the general code of ethics for all public officials. However, Law 316 of 2022, although it is of a general nature, establishes the declaration of conflicts of interest in electoral campaigns among other aspects and is an important mitigating factor ³⁵ .						
TOTAL			46			

³²Asamblea Nacional. Ley N° 13 de 24 de enero de 2008. Que adopta medidas para el control del tabaco y sus efectos nocivos en la salud. Gaceta Oficial N° 25966. <https://bit.ly/3wlnYWhj>

Asamblea Nacional. Decreto ejecutivo N° 33, de 26 de febrero de 2007. Que reglamenta el funcionamiento de la comisión Ad Hoc, creada por la Ley 28 de 17 de julio de 2006 para promover la transparencia y garantizar el derecho a la información. <https://bit.ly/3DrtjEhC>

³³ For purposes of this question, “consistently” means: a. Each time the FCTC is discussed, 5.3 is explained. AND b. Whenever the opportunity arises such when the tobacco industry intervention is discovered or reported.

³⁴Ministerio de Salud. Plan Nacional para el Control del Tabaco. Quinquenio 2020-2024 <https://bit.ly/3jlk82e>

Organización Panamericana de la Salud. Ministerio de Salud en Panamá lanza Proyecto FCTC 2030 para la implementación de medidas efectivas de control de tabaco a nivel nacional. 12/07/2021. <https://bit.ly/40n9Yig>

³⁵Ministerio de salud. resolución N° 654, que aprueba el código de ética de los servidores públicos del ministerio de salud.11/22/2022 <https://bit.ly/3IOP88n>

Procuraduría de la Administración Pública. Código de ética de los servidores públicos. Decreto ejecutivo N° 246 de 15 de diciembre de 2004. <https://bit.ly/3JrNwyC>

Asamblea Nacional. Ley N° 316 de 18 de agosto de 2022. Que regula situaciones de conflicto de intereses en la función pública. Gaceta Oficial N° 29602-A. <https://cutt.ly/190s2hd>

APPENDIX A - Sources of Information

	TOP TOBACCO COMPANIES/ DISTRIBUTORS	MARKET SHARE	BRANDS	SOURCE
1	Godfrey Phillips India/Distributor	MS (ND)	MS (ND)	https://bit.ly/3nnBSYA
2	Ache Ent Inc	MS (ND)	MS (ND)	https://bit.ly/3neaBII
3	Dana internacional S.A.	MS (ND)	MS (ND)	https://bit.ly/3gFABEB
4	Ambar Ltd	MS (ND)	MS (ND)	https://bit.ly/3dQ58UN
5	LANZANG INVESTMENT	MS (ND)	MS (ND)	https://bit.ly/2QIbAds

	TOP MEDIA/ NEWSPAPERS	URL
1	La Estrella de Panamá	https://bit.ly/3aAolsw
2	Crítica	https://bit.ly/3sMjTw3
3	Panamá América	https://bit.ly/3dLfOnp
4	La Prensa	https://bit.ly/3tN2nZP
5	El Siglo	https://bit.ly/3gEtdzt

	MAIN TOBACCO INDUSTRY ALLIES/ FRONT GROUPS	TYPE (FRONT GROUP, LOBBY GROUP, INDIVIDUAL)	SOURCE
1	CRIME STOPPERS	Front Group	https://bit.ly/3epfVUV
2	Alianza contra el Comercio Ilícito	Front Group. This organization consists of: Phillip Morris, British American Tobacco, Crime Stoppers, Amcham Panamá, Cámara de Comercio Industrias y Agrigultura y la Asociación Panameña de Ejecutivos de Empresa	https://bit.ly/2QW04EY
3	La Asociación de Reducción de Daños por Tabaquismo de Panamá (ARDTP)	Lobby Group	https://bit.ly/32VrXQF https://bit.ly/3sMSnhC This website is not working (coming soon) They have blocks in Tweeter and Facebook and work with the APEDE.
4	Asociación de fumadores y familiares por un Panamá libre de humo/El Capital Financiero	Lobby Group	https://bit.ly/3aChpKf https://bit.ly/3tOg36H
5	Agencia de Noticias Panamá	Afiliar	https://bit.ly/32Hz5zP

APPENDIX B - PHOTOS



Question N° 2: Aduanas participa en instalación de Consejo para la salud sin tabaco
Reference site: <https://bit.ly/3wMu5cf>



Question N° 2: Reldat pide al Gobierno de Panamá reconsiderar prohibición de cigarrillos electrónicos.
Reference site: <https://bit.ly/3XY7kOs>



Question N° 12: Asamblea aprueba en primer debate dos proyectos sobre temas aduaneros
Reference site: <https://bit.ly/3jq3vmg>



Question N° 19: Ministerio de Salud en Panamá lanza Proyecto FCTC 2030 para la implementación de medidas efectivas de control de tabaco a nivel nacional.
Reference site: <https://bit.ly/40n9Yig>

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