

Lao PDR

Overall score:

68

I. Industry participation in policy development:

As the tobacco industry (TI) could not stop the adoption of the 75% Pictorial Health Warning (PHW), interference is hampering implementation. Tobacco industry interference at the Ministry of Industry and Commerce and Prime Minister's Office continues to delay implementation of the PHW. Similarly, the draft penalty decree by the Ministries of Health and Justice to penalize companies that violate the law has been delayed. The TI also attempted to participate in the drafting of new minimum price policy at the Prime Minister's Office, however this was not accepted.

II. Tobacco industry-related CSR activities:

There has been no government receipt or endorsement of TI-related CSR activities. The Prime Minister Decree on Tobacco Product Promotional Consumption Ban 2010 bans all forms contributions from the tobacco industry, including CSR.

III. Benefits given to the tobacco industry:

PHW implementation was delayed by 180 days (6 months) – due to industry interference in implementation. The tobacco industry argued against it, citing that "they had a large stockpile of printed packets" and even requested a reduction in the size of the graphic image from 75 % to 50 %.

The 25-year (2001-2026) government MOU with the Imperial Tobacco (ILA) is still in place which caps tax increase and provides incentives to the ILA, which controls 93% of the cigarette market.

IV. Unnecessary interaction with the tobacco industry:

The government receives assistance for TI for anti-smuggling enforcement activities. The government's partnership/ agreement with Imperial is still in existence which facilitates interaction.

V. Procedure for transparency measures:

The government does not publicly disclose meetings/ interactions with the tobacco industry. While the Ministry of Health does not meet with TI, other department have communication. However, there are still no rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals.

VI. Avoiding conflicts of interest:

There are no political campaigns in Lao – hence no political donations. However key government officials in the Ministries of Finance and Industry & Commerce are currently sitting in the TI Joint Venture Board of Management.

VII. Preventive measures:

In December 2018, the Ministry of Health issued a Code of Conduct for the Health Sector to provide guidance on interacting with the tobacco industry.

The 2016 Minister 'Regulation on Tobacco Control Law Implementation' requires the tobacco industry to report (once a year) about ingredients in the cigarette. However, the government does not require the industry to submit information on tobacco production, manufacture, market share, marketing expenditures and revenues. While the investment unit of the government may have access to this information, it is not known to the other government departments or used for tobacco control.

The government still has not put in place a procedure for disclosing the records of the interaction of the non-health department with the tobacco industry (such as agenda, attendees, minutes and outcome). Because Article 5.3 has not been applied to the whole of government, officials related to ILA are known to go to UK to attend meetings.



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Recommendations

1. The 25-year (2001-2026) investment agreement that the government has with Imperial Tobacco must be terminated.
2. The code of conduct adopted by the Ministry of Health must be extended to all government officials to guide the officials when dealing with the tobacco industry. This will reduce interference and the delays currently caused by the tobacco industry.
3. The tobacco industry must be asked to submit information on tobacco production, manufacture, market share, marketing expenditures and revenues.