



South Africa

2021

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**TOBACCO  
INDUSTRY  
INTERFERENCE  
INDEX**

# Acknowledgements

Many people contributed to the development of this report. Special thanks to Yussuf Saloojee and Lekan Ayo-Yusuf.

We acknowledge Mary Assunta and Yodhim Dela Rosa from Global Centre for Good Governance in Tobacco Control (GGTC) for their technical advice in the preparation of this Index.

Ms. Vimla Moodley (Public Health expert, South Africa) prepared this report. The Tobacco Industry Interference Index is based on a questionnaire prepared by the Southeast Asia Tobacco Control Alliance (SEATCA). This report will form part of the Global Tobacco Industry Interference Index, a publication by the Stopping Tobacco Organizations and Products (STOP) project. The report is part of a global survey of how governments protect health policies from the industry's subversive efforts, and has pushed back against this influence.

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# Foreword

In addition to emerging infectious diseases and pandemics, South Africa continues to experience a growing burden of non-communicable diseases. This has become a major risk for hospitalization and death from COVID-19 infection. As would be expected in an epidemiological model, vector control remains an important target for disease control. The vector for tobacco-related diseases remains the tobacco industry who would stop at nothing to push its products to unsuspecting users and influence governments not to enact or delay enacting evidence-based tobacco control policies as recommended in the WHO Framework Convention on Tobacco Control (WHO FCTC).

The third South African Tobacco industry interference index report covers a very difficult period in the country, with the ravaging impact of the COVID-19 pandemic. A temporary ban on the sales of tobacco products and e-cigarettes was one of the government's responses. The temporary ban, intended to reduce the severity of COVID-19 infection in smokers and lessen the burden on an already strained health system had the unintended consequence of causing a major market disruption for the tobacco industry. This prompted the tobacco industry and its allies to oppose the ban. The report chronicles the activities of the tobacco industry during this period.

The report also found that the ban resulted in a phenomenal benefit for tobacco control with a record number of smokers quitting during this time, and so avoided a proportionate number of deaths. Furthermore, the fact that smokers continued to buy cigarettes at astronomical prices caused by the temporary ban, provided a case for a more significant increase in excise taxes in the future. The government has already taken the first step towards this by implementing a more substantial increase in excise taxes during 2021.

The score for the tobacco industry interference index suggests that as compared to previous years, the government was able to protect public health under the difficult circumstances of managing the global pandemic in the face of ever-present tobacco industry interference.

The lessons learnt suggest that the control of supply side factors such as control of manufacturing, transport and distribution of cigarettes were omissions that compromised optimizing the benefits of the temporary sales ban and fueled the growth of illicit cigarette trading in South Africa

Nonetheless, the government should not be distracted from pursuing effective tobacco control for fear of an increase in illicit trade for which the tobacco industry is complicit and must be dealt with using the criminal justice system. The South African government must remain resolute in implementing effective tobacco control policy and urgently pass into law the Control of Tobacco Products and Electronic Delivery Systems Bill.

To continue to prevent tobacco industry interference, the report suggested several interventions that the government needs to put in place, including implementing Article 5.3 guidelines. This makes this report not just an interesting read, but a useful tool for tobacco control stakeholders, including policymakers and advocates.

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# Introduction

This is the third report on the Tobacco Industry Interference Index for South Africa. The report describes the ban on the sale of tobacco and vaping products during the COVID-19 pandemic hard lockdown. This was a difficult year for the South African government, given the context of the COVID-19 pandemic, and the ban on the sale of tobacco and vaping products caused disruption, particularly for the tobacco industry.

In March 2020, at the beginning of the COVID-19 pandemic lockdown, the government took a bold step in banning the sale of tobacco and vaping products. This ban was part of the lockdown response, as tobacco and vapes were not regarded as “essential products or services”. This was a necessary and effective measure for tobacco control, during the pandemic.<sup>1</sup> The ban was intended to reduce the severity of the disease in smokers and to reduce the pressure on the health system. This ban was initially planned for 3 weeks but extended as the lockdown continued. The ban was lifted, four and half months later, in August 2020.

The government’s rationale for the ban was on the grounds that the act of smoking makes people touch their face with their fingers, which was assumed to spread the virus. The ban was extended, when Minister Dlamini-Zuma, added that smokers would spread the virus through saliva when sharing cigarettes. A communications program, at that time, to explain the science behind the ban on sales of tobacco and vaping products would have helped address misinformation.<sup>2</sup>

The prohibition of tobacco sales was controversial. The key issue was whether the ban was achieving its objective of getting people to stop smoking. Some studies were conducted to measure this outcome.<sup>3</sup> Public perceptions of the ban and the behavior of smokers were monitored by a few surveys, but the findings were inconsistent. The surveys included the National Income Dynamics Study: Coronavirus Rapid Mobile survey (Oct 2020)<sup>4</sup> and 2 reports by the Economics of the Excisable Products Research Unit (REEP).<sup>5,6</sup> The findings from these surveys and reports were reported in the media. Information from some of these surveys was also used in the litigation between the government and the tobacco industry. Considering these findings, a further study was undertaken to evaluate the impact of the ban and Covid-19 on public perceptions and smoking cessation behavior.<sup>7</sup> This study found that the surveys targeting the same population, at similar times, produced estimates that varied from one another and therefore indicated potential defects in design since the samples did not adequately represent important groups in the population. The study further reported that the health threat from COVID-19 and the prohibition on tobacco sales produced a historically unparalleled rate of decline in smoking in the country. It estimates that at a minimum 1.3 million smokers stopped smoking during the hard lockdown. Previously, the fastest fall in smoking in South Africa occurred between 1994 and 2012 when strong tobacco control measures were enacted, and adult prevalence fell from 32% to 16%.

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1. <https://bit.ly/3ahu05B>

2. Saloojee Y, Mathee A. COVID-19 and a temporary ban on tobacco sales in South Africa: impact on smoking cessation. *Tobacco Control* Published Online First: 05 July 2021. doi:10.1136/tobaccocontrol-2020-056293

3. <https://bit.ly/3wFvSxM>

4. <https://bit.ly/3elvqlz>

5. <https://bit.ly/3mTu2pj>

6. <https://bit.ly/3wFvSxM>

7. Saloojee Y, Mathee A. COVID-19 and a temporary ban on tobacco sales in South Africa: impact on smoking cessation. *Tobacco Control* Published Online First: 05 July 2021. doi:10.1136/tobaccocontrol-2020-056293

In an eighteen-year period, about 2.4 million people stopped smoking, representing an annual fall of 0.9% in prevalence, compared to a reported minimum of 16% in five months during the lockdown. This was viewed as a significant achievement in smoking cessation during this period.<sup>8</sup>

Various attempts were made to have the ban lifted. Some opponents argued that no evidence showed that the temporary abstinence from tobacco alleviates COVID-19 symptoms and that this measure promoted illicit trade, a restriction on civil liberties, and the ban created negative mental health repercussions to smokers. The tobacco industry weighed in to support these opponents by making unsubstantiated claims that the illicit trade caused a financial loss to the National Treasury. In contrast to these claims, studies on the savings in health care costs were not undertaken during this time to reflect on the benefits of the ban on health and the health care system.

In April 2020, a petition calling for the ban to be lifted was initiated by a public activist, who later joined British American Tobacco South Africa (BATSA) in the legal claim to lift the ban.<sup>9</sup> The representative body of small domestic tobacco producers, The Fair-Trade Independent Tobacco Association (FITA) also filed a court application against the tobacco ban in May and was unsuccessful. The counsel for the Minister responded to the claims by stating that the government has no general obligation to consult the public, particularly the tobacco industry in undertaking executive action that benefited health.<sup>10</sup> The claim made by FITA was rejected by the court and the government was awarded costs. The government did, however, accede to FITA's demand that the cigarette producers should be allowed to produce cigarettes for the export market.<sup>11</sup>

The Tobacco Institute of Southern Africa (TISA) that represented the multinationals: BATSA, Phillip Morris International, South Africa (PMISA), Japan Tobacco International (JTI), as well as Limpopo Tobacco Processors (LPT), and farmers, silently died in December 2019 and was replaced by the South Africa Tobacco Transformation Alliance (SATTA) under the auspices of BATSA only (other multinationals are excluded). SATTA, which also now represents a small number of (78) farmers, launched a national campaign to draw attention to livelihoods of these farmers that they claimed were at risk, if government continued with the ban. SATTA also ran a social media campaign with the Black Tobacco Farmers Association (BTFA) claiming that their tobacco farmers were "on the brink of extinction".<sup>12</sup> These statistics were exaggerated and not substantiated, since the industry continued to produce tobacco products during the lockdown.

The enforcement and border controls institutions responsible for illicit trade of tobacco products also experienced some challenges, during the ban. The Global Initiative Against Transnational Organized Crime (Sept 2020) reported that as of 2020, 66% of all cigarettes marked for export from South Africa did not reach their final destinations, and missing stock probably either never leaves, or it gets lost in transit and enters illicit markets abroad. This means that tobacco companies in South Africa are possibly aiding and abetting the illicit global trade in these products and that this is not merely confined to the southern Africa region.

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8. Saloojee Y, Mathee A. COVID-19 and a temporary ban on tobacco sales in South Africa: impact on smoking cessation. *Tobacco Control* Published Online First: 05 July 2021. doi:10.1136/tobaccocontrol-2020-056293

9. <https://bit.ly/2QvskhR>

10. <https://bit.ly/3ftcyho>

11. <https://bit.ly/3i2SPqG>

12. <https://bit.ly/3dn1NNQ>

The report also found that cigarettes manufactured by all tobacco companies registered in South Africa were bought and sold during the ban. This could have been without the active participation of the companies concerned but it does demonstrate that they were not able to secure their supply chains.<sup>13</sup>

In the last decade, the multinationals have lost market share to small independent companies like Gold Leaf Tobacco Corporation, Carnilinx, Best Tobacco Company, and Amalgamated Tobacco Company. Many are affiliated with the Fair-trade Independent Tobacco Association (FITA). During the sales ban, several unusual, imported brands were noticed on the market which was nearly exclusively non-multinational brands. This has led to the multinationals portraying the local companies as the drivers of illicit trade and themselves as the victims. Hence, the multinationals want to be seen as “partners” of the government in the fight against illicit trade. The situation is far more nuanced than this, since the multinationals have a credibility deficit in that, for many years, they have actively undermined government institutions.<sup>14</sup>

When the government did not lift the sales ban as the country moved to lockdown level 3 in June 2020, British American Tobacco South Africa (BATSA) filed a lawsuit in the Western Cape High Court against the South African government on the grounds that the ban was “unjustifiable” and “unconstitutional”. BATSA argued that the sales ban infringed people’s right to dignity and indicated that the negative consequences of the ban, in the form of increased illicit trade, were disproportionate to the benefits. Judgment was reserved. When the country moved to lockdown level 2 in August 2020, cigarette sales were allowed again, and the urgency of the court case disappeared. In December 2020, the Western Cape High Court issued its ruling on the matter and found in favor of BATSA. The High Court indicated that the government was wrong in implementing the tobacco sales ban.<sup>15</sup>

In January 2021, the Minister applied for leave to appeal and BATSA challenged this. The court granted leave to do so, stating that there was a prospect the supreme court might arrive at another view on this point<sup>16</sup> In the application against the judgment, Minister Dlamini-Zuma and President Cyril Ramaphosa said the court should have upheld the minister's prohibition of the sale of tobacco products, the purpose of which was to reduce the incidence of smoking; and the risks posed by Covid-19 to smokers and those exposed to cigarette smoke. They said the court should have held that the aim of the prohibition was to free up scarce healthcare resources needed to respond to severe cases of Covid-19; protect human life and health and reduce potential strain on the healthcare system, particularly given the predicted steep rise in the rate of infections following the lifting of level 4 restrictions necessary to restart the economy.<sup>17</sup> In March 2021, the media reported that the high court granted Minister Nkosazana Dlamini-Zuma leave to appeal its December ruling that found the five-month ban on tobacco sales imposed by the state last year unconstitutional and invalid.

Between May and December when the government was dragged to court to defend its action taken to protect public health, the resources it had to expand defending itself in the court cases have not been calculated.

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13. <https://bit.ly/2QekM2Z>

14. <https://bit.ly/3wFvSxM>

15. <https://bit.ly/3wFvSxM>

16. <https://bit.ly/3uwJKGk>

17. <https://bit.ly/3ss03pq>

Considering the above, the South African experience suggests that supply-side factors are important in ensuring the success of a sales ban: the illicit market must be controlled before implementing a sales ban; and an effective sales ban needs to be synchronized with a ban on the manufacture, transport, and distribution of cigarettes.<sup>18</sup> The sales ban is likely to have entrenched some of the distribution channels for illicit cigarettes. South Africa should therefore ratify the Protocol to Eliminate Illicit Trade in Tobacco Products and introduce an independent track and trace system, that allows the authorities to exercise more control in reducing the illicit trade in cigarettes, according to Van Walbeek from REEP.<sup>19</sup>

In May 2020, the Deputy Minister of Health, Joe Phaahla announced that the proposed Control of Tobacco Products and Electronic Delivery Systems Bill (2018) is to be finalized. He said that the government was moving to identify areas that need strengthening in terms of legislation, including the regulation of e-cigarettes and related products. No further developments on the finalization of the Bill were reported.<sup>20</sup>

The score on the Tobacco Industry Interference Index (TII) in this reporting period is 61 as compared to 58 in 2019; and 72 in 2018. This slight increase in the score compared to the previous year is an indication that the government protected public health under difficult circumstances in managing the global pandemic and in the face of tobacco industry interference. The government needs to continue to strengthen efforts in finalizing the Control of Tobacco Products and Electronic Delivery Systems Bill (2018); ratify the protocol for the elimination of illicit trade of tobacco products; implement the Political Party Funding Act and Code of Conduct for government officials and politicians on WHO/FCTC Article 5.3 guidelines. This will directly impact on reducing industry interference and will contribute greatly to strengthening tobacco control in the country.

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18. <https://bit.ly/3wFvSxM>

19. <https://bit.ly/3mTu2pj>

20. <https://bit.ly/3x4xGRW>

# Summary Findings

## 1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The Ministry of Health (MOH) / National Department of Health (NDOH) is responsible for the development of public health policies concerning tobacco control. Other government departments address non-health-related tobacco policies related to taxation, customs, excise, revenue, production, trade and industry, cooperative governance and traditional affairs, environmental affairs, and tourism. The Department for Rural Development and Land Reform (DRDLR) continued with an existing contract with the NGO, Mobile Agricultural Skills Development (MASDT) funded by BATSA, and Eastern Cape local government continued to accept assistance for agriculture and skills development from the tobacco industry. However, the government fully implemented Recommendations 4.9 and 8.3 of the Article 5.3 Guidelines<sup>21</sup> of the WHO FCTC by excluding tobacco industry representatives in the government delegations to the FCTC Conference of the Party (COP) meetings (last held in 2018) and its related meetings.

## 2. INDUSTRY CSR ACTIVITIES

The current Tobacco Products Control Act bans corporate social responsibility (CSR) contributions from the tobacco industry but allows for charitable contributions, provided they are not advertising [Section 3(2)]. This loophole in the current Tobacco Products Control Act is to be removed, should the new Tobacco Bill be passed in its current form. In this reporting period, some government departments and officials engaged in activities that were funded by the tobacco industry as is illustrated under section 2 of the index. The tobacco industry indirectly formed partnerships with the government by funding non-governmental organizations to support the government with agricultural projects, community projects (water supply and food parcels), personal protective equipment for health care workers, and education programs.

## 3. BENEFITS TO THE INDUSTRY

SARS canceled the tender for the Track and Trace (TT) solution for cigarettes and the delay in implementing an effective and independent system benefits the industry.

The government started taxing heated tobacco products in 2021. However, the government has been criticized for taxing these products at 75% of the rate of cigarettes, which gives the impression that these items are less harmful than cigarettes.<sup>22</sup> Philip Morris South Africa (PMSA) continued with its expansion program, opening new retail stores in shopping malls, during this reporting period.

After the 2021 tax increase, the levy on cigarettes is still lower than the WHO's recommended minimum of 70% of the retail price. However, the minister of finance announced an 8% increase in the excise tax on cigarettes, raising it from R17.40 to R18.39 per pack of 20. The above inflation increase in the excise tax is substantially higher than in previous years.<sup>23</sup>

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21. Guidelines for implementation for Article 5.3: Recommendations 4.9 and 8.3 refer to not allowing the tobacco industry to be a member of any government body or form part of a delegation to any meetings of the Parties.

22. <https://bit.ly/2QvskhR>

23. <https://bit.ly/3oZ1KuC>

In light of this, the Department of Finance needs to review current policies to align with the guidelines for the implementation of Article 6 of the WHOFCTC on Taxation that recommends that “Parties should establish coherent long-term policies on their tobacco taxation structure and monitor on a regular basis including targets for their tax rates, in order to achieve their public health and fiscal objectives within a certain period of time”, however, the industry continues to make recommendations to the government and recently proposed the introduction of a Minimum Price Level (MPL) for cigarettes and a freeze on tax increases on tobacco products. These proposals were rejected by the Parliamentary Standing Committee on Finance.

#### **4. UNNECESSARY INTERACTION**

Although the media reported on interactions between the industry, SARS and, enforcement agencies, there were no reports /minutes of meetings that were published. Examples include members of the South African Police Services (SAPS) and SARS having collaborated with the industry to tackle illicit trade of tobacco products during this period as reported under section 9 in the index.

The draft Code of Conduct (following guidelines for the implementation of FCTC Article 5.3) for politicians and government officials in South Africa is still to be finalized, approved and implemented. Some government departments and local authorities continue to interact with the industry through previous agreements /Memorandum of Understanding (MOU) as reported TII Index of 2019 and through partnerships with NGOs that are funded by the industry.

#### **5. TRANSPARENCY**

The government does not disclose meetings and/or interactions with the tobacco industry. In contrast, the government does accept assistance from the tobacco industry and the tobacco industry continues to publicly announce its partnerships with the government as illustrated in section 11 of the index. This was illustrated in the partnership with the Eastern Cape (EC) government and municipal officials and the Eastern Cape Development Cooperation (ECDC) farmers project and the Makana Municipality through the involvement of Kagiso Trust.

#### **6. CONFLICT OF INTEREST**

The government does not have a policy to prohibit contributions from the tobacco industry, however for the first-time political parties will need to disclose the sources and amounts of private funding received and this will be made public.

The President signed the proclamation on the Commencement of the Political Party Funding Act, 2018 (Act no. 6 of 2018), which came into effect from 1 April 2021. Although this regulates public and private funding of political parties it does not prohibit contributions from the industry.

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## 7. PREVENTIVE MEASURES

The government has no formal protocols or policies in place to disclose and record interactions with the tobacco industry and its representatives, that are in accordance with the recommendations of FCTC Article 5.3. These would include meeting agendas, attendees' registers, or minutes of meetings. The draft code of conduct on Article 5.3 guidelines for public officials was discussed, however, to date, no further progress has been noted and this continues to work in favor of the tobacco industry.

The current Tobacco Products Control Act empowers the Minister to request information on, inter alia, ingredients and additives in tobacco products. However, regulations for FCTC Article 9 & 10 have not yet been developed and implemented. Although SARS requires the tobacco industry to submit information on production, manufacture, market share, expenditures, and revenue, the National Department of Health does not require information on lobbying, philanthropy, or political contributions. Without an independent and effective track and trace system, SARS relies on placing customs officers in production facilities, which requires counting devices to monitor cigarette production. Both measures are insufficient at addressing illicit trade and lead to favorable outcomes for the industry. Automated approaches provide a clearer audit trail and more accountability, and lead to fewer face-to-face interactions where corruption could occur. A new track and trace system would incorporate key supply chain provisions of the Protocol to Eliminate Illicit Trade in Tobacco Products and improve the government's efforts to address the illicit tobacco trade in the country<sup>24</sup>

The government does not have a dedicated program to raise awareness within government departments on policies relating to guidelines on FCTC Article 5.3., however, there have been consultations with other government departments on the proposed Tobacco Bill.

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24. <https://bit.ly/3tslGGy>

# Recommendations

The government must fully implement the WHO/FCTC Guidelines on Article 5.3

1. Advocate and fast track the passing of the new proposed Control of Tobacco Products and Electronic Delivery Systems Bill (2018), inclusive of a ban on all forms of contributions (CSR and political)] from the tobacco industry.
2. Interactions between tobacco industry representatives and the government should be limited and transparent.
3. Develop and implement a policy (for government officials and politicians) with protocols and procedures to record all government-tobacco industry interactions.
4. Develop and implement an immediate and comprehensive awareness campaign for government officials, decision-makers, and political leaders on FCTC obligations with a special focus on Guidelines on FCTC Article 5.3, tobacco industry tactics, and tobacco CSR activities and programs.
5. Introduce a higher excise tax with rapid increases, possibly following the UK and Australian examples of increasing the levy with a predictable percentage each year.
6. Develop and implement a code of conduct (based on FCTC Article 5.3 recommendations) for government officials and political leaders.
7. Ratify the Protocol to Eliminate Illicit Trade in Tobacco Products (which was signed by the government in 2012).
8. Implement Part III, Articles 6 – 13 on Supply Chain of the Protocol to Eliminate Illicit Trade in Tobacco Products which is inclusive of an independent and effective track and trace system, with immediate effect.
9. Implement harsher sanctions for non-compliance and those found guilty of illicit trade.
10. Advocate for political commitment to strengthen enforcement agencies to implement stronger border control interventions to tackle illicit trade of tobacco products.

# 2021 Tobacco Industry Interference Index Results and Findings

The table below provides details on findings related to the South African government's compliance with Article 5.3 of the FCTC.

<b>INDICATOR 1: Level of Industry Participation in Policy-Development</b>						
	0	1	2	3	4	5
1. The government <sup>25</sup> accepts, supports, or endorses any offer for assistance by or in collaboration with the tobacco industry <sup>26</sup> in setting or implementing public health policies in relation to tobacco control <sup>27</sup> (Rec 3.1)				●		
<p>The Ministry of Health (MOH) / National Department of Health (NDoH) is responsible for the development of public health policies on tobacco control in the country. Other government departments address non-health tobacco-related issues like taxation, customs, excise, revenue, production, trade and industry, environmental affairs, tourism, etc.). The National Department of Health does not collaborate or involve the tobacco industry in developing and or implementing public health policies, despite desperate efforts by the industry to be involved. The tobacco industry is consulted only when necessary e.g. when developing the Socio-Economic Impact Assessment Study that accompanies the proposed Tobacco Bill. However, the industry made several attempts to communicate with the NDoH during the ban on the sale of tobacco products during the COVID-19 pandemic but was unsuccessful.</p>						
2. The government accepts, supports, or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)				●		
<p>2.1 Government did accept proposals from the industry in this period as illustrated below:</p> <ul style="list-style-type: none"> <li>✓ Government allowed the manufacture of cigarettes for export during the ban<sup>28</sup>;</li> <li>✓ Lobby group, Fair Trade Independent Tobacco Association (Fita) negotiated a settlement with the Minister of Co-operative Governance and Traditional Affairs to not reintroduce the ban on the sale of tobacco products without a public participation process<sup>29</sup></li> </ul>						

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

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

27. “Offer of assistance” may include draft legislation, technical input, recommendations, overseas study tour.

28. <https://bit.ly/2SDXi8m>

29 <https://bit.ly/34tbi7D>

2.2 The Standing Committee on Finance rejected the following requests from the tobacco industry:

- ✓ The South Africa Tobacco Transformation Alliance (SATTA) tried to influence policy by proposing that the National Treasury adopt a Minimum Price Level (MPL) for cigarettes. SATTA claimed that MPL had significant success in other parts of the world, excise should not be increased and the 40% excise incidence for cigarettes should therefore remain unchanged<sup>30</sup>.
- ✓ Tobacco farmers, manufacturers, and other organizations in the sector pleaded with the government to freeze proposed tax increases on tobacco products announced in the 2020 Budget, due to the impact on the sector of Covid-19 and the sharp increase in the sale of illegal products. SATTA told the Parliament's Standing Committee on Finance (which was considering draft tax legislation) that an increase in excise taxes would lead to lower revenue to the government, as tobacco products would become less affordable and would lead to an even bigger proliferation of illegal products that had mushroomed during the five-month sales ban imposed on the industry during the lockdown<sup>31</sup>.

	0	1	2	3	4	5
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)		●				

The National Department of Health (NDoH) continues to exclude the tobacco industry from membership to any committees or groups that determine public health policy. There is no published evidence of other (non-health sector) government department/s allowing the industry to serve on any of the committees that set public health policy.

	0	1	2	3	4	5
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) <sup>32</sup> (Rec 4.9 & 8.3)		●				

The status quo remains the same. There was no COP meeting held in this period. There was no tobacco industry representative in South Africa's delegation to COP8 in 2018.

## INDICATOR 2: Industry CSR activities

	0	1	2	3	4	5
5. A. The government agencies or its officials endorses, supports, forms partnerships with, or participates in so-called CSR activities organized by the tobacco industry. (Rec 6.2)						
B. The government (its agencies and officials) receives contributions <sup>33</sup> (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)						●

30. <https://bit.ly/3aeGmLz>

31. <https://bit.ly/3gcGkb0>

32. <http://www.who.int/fctc/cop/en/>

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

The Tobacco Products Control Act bans contributions. However, charitable contributions are permitted provided they are not for the purpose of advertising [Section 3(2)]. This loophole will be addressed when the proposed Tobacco Bill is passed by parliament.

Examples of partnerships with the tobacco industry are listed below:

- ✓ **A.3 Lemang Agricultural Services (LAS)**, funded by BATSA as a division within AFGRI Agri (a leading agricultural services company) assists emerging farmers and supports community and rural development projects in partnership with government departments, namely, Department of Economic Development, Department of Trade and Industry and Department of Agriculture, Rural Development and Land Reform.<sup>35</sup>
- ✓ A partnership between the tobacco industry funded agricultural program and the potato industry was established. AFGRI Agri Services, Kagiso Trust (shareholder of Remgro), and Potatoes South Africa signed a ground-breaking agreement aimed at addressing the major challenges faced by South African farmers. Under the co-operation agreement, LAS will provide joint technical assistance and training with Potatoes South Africa on potatoes as well as rotational crops.<sup>36</sup> The LAS assistance includes co-funding, through AFGRI Agri/ UNIGRO to develop new era farmers to become full participants in the commercial agriculture value chain.<sup>37</sup> This is of significant interest to the tobacco industry since potatoes are the most important vegetable crop in South Africa, a staple food consumed by many people and in 2016, the potato industry contributed approximately 52% to the total gross value of vegetable production, 10% of horticultural products and 3% of total agricultural products.<sup>38</sup>
- ✓ AFGRI Agri Services also promotes sport as a sponsor of the Gauteng Provincial Rugby team, the Vodacom Bulls.<sup>39</sup>

B. Examples of tobacco industry involvement in projects that are indirectly linked to government departments are listed below:

- ✓ **B.1. Rise Against Hunger Africa (RAH)**, funded by BATSA<sup>40</sup>, to alleviate hunger and address food security, partnered with the City Hope Disaster Relief program in KwaZulu Natal and distributed over 27 000 meals during the pandemic lockdown. RAH also worked with over 40 NGOs and corporate partners and provided 5 404 648 packed meals, nationally during the pandemic lockdown.<sup>41</sup>
- ✓ **B.2 RAH** indirectly partnered with the Department of Social Development by working with the school principals of the Early Childhood Development (ECD) centers by putting together “care packs” and “activity packs” and distributing them to the children at their homes. RAH placed meal packs in these boxes to assist the whole family.<sup>42</sup>

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34. <https://bit.ly/3e8nVNNH>

35. <https://bit.ly/3mVL5Hb>

36. <https://bit.ly/3tn8iEC>

37. <https://bit.ly/3tvu8pl>

38. <https://bit.ly/3geFJFP>

39. <https://bit.ly/3spXUuB>

40. <https://bit.ly/3edGImO>

41. <https://bit.ly/3afZMjq>

42. <https://bit.ly/3drVNca>

- ✓ B.3 AFGRI Agri Services constructed a new grain bunker in the Eastern Cape province to support the local farming community, in support of the government’s vision of expanding the country’s agriculture footprint. AFGRI Agri Services proudly announced helping to build a strong agricultural sector which includes tobacco farming (through LAS) and is working closely with BATSA.<sup>43</sup>
- ✓ LAS provided formal in-class training and in-field training in crop production at the Vastfontein Training Centre, Pretoria, Gauteng. The crops produced on the farm are used to feed children at the nearby orphanage, while the surplus is sold in the open market. LAS also provided a borehole for water supply in the same community.<sup>44</sup>
- ✓ AFGRI Group also partnered with public schools to establish vegetable gardens; develop boreholes and water sources in schools and communities; provide tuition fees, transport costs to and from school, education materials, teachers’ salaries; and a leadership program for girls. Over **R45 million** was spent on community development and CSI projects in the past six financial years (2014 – 2020).<sup>45</sup>
  
- ✓ B.4 BATSA:
  - is a sponsor and partner of the prestigious Mandela Rhodes Foundation, which provides scholarships for post-graduate degrees and various development programs.<sup>46</sup>
  - formed a partnership with Sedibeng College (Department of Further Education and Training) located close to its Heidelberg factory in the Lesedi municipality, Gauteng, and provides student scholarships, bursaries, and several training programs and
  - continued with the existing contract with the Department for Rural Development and Land Reform through the Mobile Agri Skills Development and Training (MASDT) to provide training, incubation, mentoring and administrative services to support tobacco growing, the cultivation of other crops, and livestock management.<sup>47</sup>
  
- ✓ B.5 AFGRI Agri Services, Kagiso Trust (KT), and Potatoes South Africa joined forces during the pandemic to implement the Disaster Fund initiative. (Kagiso Tiso Holding (KTH) is a 34.9% shareholder of Remgro. KTH is a black economic investment holding company with a focus on investment banking services, media, and strategic investments. The CSR arm of KTH is Kagiso Trust).<sup>48</sup> The Disaster Fund assisted people and organizations which ranged from feeding children at the House of Joy Children’s Shelter; food parcels for indigent households in the Makana Municipality; supplying COVID-19 testing equipment to WITS University and protective clothing and face masks to the staff at selected hospitals and clinics. KT partnered with organizations like the Nikela Trust and the Womandla Foundation to distribute protective masks to frontline workers in Durban; and partnered with the Department of Education (Limpopo Province) to present radio lessons to grade 12 learners via local Limpopo radio stations (podcasted for national access, with over R4.5million in PR value and over 5.5 million people reached).<sup>49</sup>

43. <https://bit.ly/3e8nWNH>

44. <https://bit.ly/3x3todp>

45. <https://bit.ly/3ttliZl>

46. <https://bit.ly/3wV7tEW>

47. <https://bit.ly/2QxMTdc>

48. <https://bit.ly/3wWU6o9>

49. <https://bit.ly/3tvu8pl>

- ✓ Kagiso Media (KTH holding company), via its radio stations East Coast Radio (ECR) and Jacaranda FM, “gave back” to communities in need during the COVID-19 crisis through a R1-million Kagiso Media Hunger Relief Fund which was created to assist feeding schemes and organizations in KwaZulu-Natal and Gauteng provinces.<sup>50</sup>
- ✓ Kagiso Shanduka Trust (KST) established in 2013 as part of KT, KST is a collaboration between KT, and the Cyril Ramaphosa (SA President) Foundation. The collaboration emerged in the implementation of Whole School Development programs.<sup>51</sup> The model is implemented in schools by KST in partnership with the Cyril Ramaphosa Foundation, KT and the Free State Department of Education. The Motheo and Fezile Dabi districts where the model was implemented have been among the top-performing districts nationally, including in 2020.<sup>52</sup>
- ✓ KT worked with the various clusters during COVID-19, specifically the Food Security Cluster (within the government) and provided over 9,000 food parcels to venerable communities.<sup>53</sup>
- ✓ The Trialogue Forum previously commissioned by BATSA<sup>54</sup> for its CSI programs, continues to support various initiatives like conferences with leaders and various sectors:

A webinar titled “Supporting Local Government in the Midst of a Global Pandemic,” was held and KT presented its ongoing work with the Makana Municipality in the Eastern Cape, as a case study. The Makana Circle of Unity (MCU) was presented as a product of this engagement process, which resulted from community meetings hosted by KT and Rhodes University.<sup>55</sup>

### INDICATOR 3: Benefits to the Tobacco Industry

	0	1	2	3	4	5
6. The government accommodates requests from the tobacco industry for a longer time frame for implementation or postponement of the tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)					●	

In 2018, the draft Control of Tobacco Products and Electronic Delivery Systems Bill was published for public comment. This proposed bill will repeal the Tobacco Products Control Act 1993. However, to date, the bill is yet to be passed. Delay in passing the bill may be attributed to a lack of political, however, this benefits the tobacco industry.

- ✓ In May 2020, the Deputy Minister of Health, Joe Phaahla announced that the government was finalizing the bill, which will allow for a 100% ban on smoking in public areas. He said that the government is also moving to identify areas that need strengthening in terms of legislation, including the regulation of e-cigarettes and related products. He said: “We’re finalizing the Tobacco Control Bill to close the gap to protect the public from harmful effects of tobacco use. We continue to identify areas that need strengthening in terms of legislation.”<sup>56</sup>

50. <https://bit.ly/3srnpLY>

51. <https://bit.ly/2RGKQnY>

52. <https://bit.ly/2RxedsD>

53. <https://bit.ly/2OUBALO>

54. <https://bit.ly/3soCldW>

55. <https://bit.ly/2OUBALO>

56. <https://bit.ly/3x4xGRV>

The tobacco industry continues to oppose efforts by the government to strengthen tobacco control as is shown below:

- ✓ South Africa suffered a setback, in May 2020, when the South African Revenue Service (SARS), after several extensions, canceled the tender for a track and trace system. This came amidst a fragile political climate and tobacco industry opposition. SARS Commissioner, Edward Kieswetter, stated that the “illicit trade strategy, may or may not require track and trace.” This is very concerning and questions the government’s ability to address illicit trade and demonstrates the success of the tobacco industry in undermining and delaying government efforts in securing an effective track and trace system.<sup>57</sup>

	0	1	2	3	4	5
7. The government gives privileges, incentives, exemptions, or benefits to the tobacco industry (Rec 7.3)					●	

The government announced in its 2020 Budget review that it will start taxing heated tobacco products with immediate effect and planned to start taxing electronic cigarettes in the next year (2021) as part of the so-called “sin taxes”.<sup>58</sup> However, the government has been criticized for taxing heated tobacco products at 75% of the rate of cigarettes, which gives the impression that these products are less harmful than cigarettes.<sup>59</sup> The Research Unit on the Economics of Excisable Products (REEP), University of Cape Town recommended that the government increase the excise tax on tobacco products at the earliest opportunity. “The pricing strategy of the tobacco industry clearly shows that they can increase their revenues by increasing the price. The government can also increase its revenue, and reduce cigarette consumption, by increasing the excise tax on cigarettes. This will be a win for public health and a win for our severely constrained fiscus”, according to Van Walbeek.<sup>60</sup>

In 2021, the finance minister specifically explained the public health rationale for increasing the excise tax and announced in the 2021 Budget, an 8% increase in the excise duties on tobacco products as follows:<sup>61</sup>

- A packet of 20 cigarettes- an extra R1.39.
- 25 grams of piped tobacco -an extra 47c.
- A 23-gram cigar is R7.71 more expensive.

The National Treasury made some changes. Between 2011 and 2019 the excise tax was increased by between 1% and 2% above the inflation rate, on average. In 2021 the excise tax was increased by more than 4% above the expected inflation rate. That is not quite what Tobacco Control advocates hoped for, but it is a substantially higher increase than in previous years.

In May 2020, the minimum collectible tax rate (excise and VAT) on a pack of 20 cigarettes was set at R20.01 a total tax burden of 60% of the retail price. This is lower than the WHO’s recommendation of a minimum of 70% of the retail price.<sup>62</sup>

57. <https://bit.ly/3tslGGy>

58. <https://bit.ly/3uV3tCQ>

59. <https://bit.ly/2QvskhR>

60. <https://bit.ly/3mTu2pj>

61. <https://bit.ly/2OXpnGn>

62. <https://bit.ly/2QvskhR>

The status quo remains unchanged: Duty-free allowances for travelers into South Africa (according to SARS), remains unchanged as follows: Goods falling within the following allowances may be brought in without the payment of customs duty and VAT as accompanied baggage:

- ✓ No more than 200 cigarettes and 20 cigars per person
- ✓ No more than 250g of cigarette or pipe tobacco per person<sup>63</sup>

2. Examples of indirect incentives that allowed the tobacco industry to continue to market and sell its products:

E-cigarettes continue to be sold in shopping malls and are promoted to the youth and those who have never smoked. The marketing of these products is deliberately designed to target young people.<sup>64</sup> In this reporting period, Philip Morris South Africa (PMSA) opened more new stores across the country:

- ✓ PMSA opened its first IQOS retail space in the Free State province, Loch Logan Waterfront, Bloemfontein, following a rigorous retail expansion. There are 26 retail sites nationally and this additional retail site is part of its ongoing efforts for expansion. The PMI goal is to convert cigarette smokers to switch to smoke-free alternatives.<sup>65</sup>
- ✓ PMSA launched a new store at the Somerset Mall following a further retail expansion with the 11<sup>th</sup> IQOS retail site in the Western Cape region.

PMSA expanded to Kwa-Zulu Natal province with 2 more stores, one in Durban, Gateway Mall, and another in Pietermaritzburg, Liberty Midlands Mall.<sup>66</sup>

While the government's overriding objective during the tobacco ban was to save lives by restricting smokers access to cigarettes and to reduce the risk of severe respiratory outcomes from Covid – 19 infections because of smoking, the tobacco industry was allowed to manufacture and export cigarettes as part of its resumption of economic activity.<sup>67</sup> This decision by the government may be indicative of the industry's influence amongst members of the National Coronavirus Command Council (NCCC) that led to this concession. This concession created an opportunity for the big cigarette producers to feed into the illicit trade in the country. The report by the University of Cape Town's REEP claimed that all cigarette producers were likely to be feeding illicit trade in the country. REEP claimed that the government's concession to allow cigarette producers to produce cigarettes legally for the export market, but not allowing them to sell cigarettes in South Africa, created a loophole and an incentive to sell illegally in a very lucrative local market.<sup>68</sup> This was echoed in a report by Telita Snyckers, author of *Dirty Tobacco*, and a former SARS tax executive and customs expert. Snyckers claimed that in May 2020, South African tobacco manufacturers suddenly began exporting astronomical volumes which saw the biggest volume of cigarette exports, since November 2017.<sup>69</sup>

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63. <https://bit.ly/3mVKwgn>

64. <https://bit.ly/3ebxmYj>

65. <https://bit.ly/3tsK4sK>

66. <https://bit.ly/3tttEjE>

67. <https://bit.ly/3ail2nz>

68. <https://bit.ly/3mTcqK0>

69. <https://bit.ly/3mTcqK0>

It was further reported that there was no commensurate demand in the destination countries for the volumes being shipped since those countries did not have enough smokers in those countries to use those volumes.<sup>70</sup> Tobacco for export to other countries is never declared as having been imported in the destination country. This has serious implications in terms of tax evasion and is of great benefit to the tobacco industry

#### INDICATOR 4: Forms of Unnecessary Interaction

	0	1	2	3	4	5
8. Top-level government officials (such as President/ Prime Minister or Minister <sup>71</sup> ) 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)	●					

There is no evidence recorded in this period of top-level officials meeting with the tobacco industry or attending social functions and other events sponsored by tobacco companies.

	0	1	2	3	4	5
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)					●	

SARS and the South African Police Services (SAPS) sectors worked with the Tobacco Industry on enforcement issues:

- ✓ SARS admitted to working with the tobacco industry in the manual tracking of cigarettes in transit through South Africa: “We’re working with Tobacco industry experts to develop a way of detecting illicit cigarettes”<sup>72</sup>
- ✓ BATSA reported on implementing the SARS policy. BATSA implemented new processes and protocols for production and export as per policy and SARS officials were in attendance in the
- ✓ BATSA factory to control production volumes, audit the export declarations, verify the container loading, and seal the containers.<sup>73</sup>
- ✓ This process also includes the checking of containers at the ports of exit by customs officials.
- ✓ Fair-Trade Independent Tobacco Association (FITA) reported having engaged with certain law enforcement agencies about syndicates who are flooding the South African market with contraband.<sup>74</sup>

70. <https://bit.ly/3aj0jko>

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

72. <https://bit.ly/32lz9VA>

73. <https://bit.ly/3mTcqK0>

74. <https://bit.ly/3x33Ay9>

The following examples illustrate the corruption amongst government officials and their involvement with the tobacco industry:

- ✓ An official from the South African Revenue Service (SARS) was remanded in custody following the seizure of a truck carrying R10 million worth of illicit cigarettes in Limpopo province in December 2020. The SARS official and two accomplices face charges of corruption and defeating the course of justice over the contraband, which was allegedly cleared to pass from Zimbabwe into South Africa.<sup>75</sup>
- ✓ Police Minister Bheki Cele reported that 300 officers had been arrested for corruption involving cigarettes and alcohol.<sup>76</sup>

10. The government accepts, supports, endorses, or enters into partnerships or agreements with the tobacco industry. (Rec 3.1)

NOTE: This must not involve CSR, enforcement activity, or tobacco control policy development since these are already covered in the previous questions.

0	1	2	3	4	5
					●

10.1 The memorandum of understanding (MOU) signed (2018) is still in place, between Eastern Cape Development Corporation (ECDC), a government agency, and BATSA to fund skills training for emerging farmers and the buying of tobacco leaves. ECDC in partnership with AFGRI AGRI /LAS (BATSA funded) provided funding to:

- ✓ The Matyeni Agricultural Co-operative in Mount Frere to farm commercially with the help of the Imvaba Co-operative Fund; and
  - ✓ Seven potato-producing co-operatives in the OR Tambo district to the value of R3.35 million in the last year. The funds were used to buy agricultural inputs such as fertilizers, seeds, and pesticides. The seven co-operatives planted 26 hectares of potatoes in their first season, estimated to yield 1500 10-kilogram bags of potatoes per hectare at harvest.<sup>77</sup>
- a. Although there is no information recorded of a formal partnership between the Kagiso Trust (KT) and the Makana Municipality, KT worked with the Makana Municipality for a year on a revenue enhancement project funded by the Department of Local Government and Co-operative Governance. KT reported that “We get people to build interpersonal relationships that allow for authentic discussion. It’s only that authentic discussion that’s going to allow us to take the next step forward and putting technical projects on the ground that can create employment and improve the quality of life for people in Makana.” The Makana Circle of Unity (MCU) was established as a product of this engagement process through community meetings hosted by KT and Rhodes University. The MCU is a broad-based civil society and local government coalition established to collectively discuss and co-create socio-economic solutions for the region.<sup>78</sup>

75. <https://bit.ly/3gelx5P>

76. <https://bit.ly/2RK3ZFx>

77. <https://bit.ly/2P2mtAc>

78. <https://bit.ly/2OUBALO>

10.2. The Small Enterprise Development Agency (SEDA) under the Department of Trade and Industry (DTI) continues to provide funding to Mobile Agri Skills Development and Training (MASDT), a Non-Profit Company (NPC) that is funded by BATSA (as was shown in the 2018 & 2019 TII reports) for business development and support services for small enterprises. MASDT is accredited as a Further Education and Training (FET) College with the Department of Higher Education and Training (DHET) and AgriSETA as a training service provider which conducts various skills development and training programs with emerging farmers, community groups and, commercial farmers to develop their governance and production skills and to contribute towards occupational health and safety.<sup>79</sup>

### INDICATOR 5: Transparency

	0	1	2	3	4	5
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)					●	

The government does not have regulations that specifically apply to the disclosure of meetings and interactions with the tobacco industry. However, Section 32(1) of the South African Constitution states that everyone has the right of access to “any information held by the state” as well as “any information that is held by another person and that is required for the exercise or protection of any rights”. Section 32(2) provides that national legislation must be enacted to give effect to the right of access to information. This legislation is the Promotion of Access to Information Act (PAIA).<sup>80</sup>

\*Meetings between the tobacco industry and the government departments e.g. SARS and the parliamentary committee, are reported in the media, only on known occasions. However, the government departments are not required by any specific regulation to report/disclose their interactions with the tobacco industry.

In 2020, amid the ongoing court case with the tobacco industry, the government remained steadfast in not revealing and handing over, or making public the minutes of the National Coronavirus Command Council’s (NCCC) meeting that led to the government’s decision to reverse the call to allow for cigarette sales under Level 4 of the lockdown.<sup>81</sup> It is standard practice to treat all Cabinet material as classified official information and the NCCC is a Cabinet Committee.

	0	1	2	3	4	5
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)				●		

79. <https://bit.ly/2QxPfc2>

80. <https://bit.ly/2RDFGjf>

81. <https://bit.ly/3ail2nz>

The status quo remains the same in this reporting period.

Tobacco entities must register /license with SARS (Customs and Excise) before starting to manufacture or deal in Tobacco Products on which the applicable Excise Duty has not yet been paid.<sup>82</sup>

The government requires the tobacco industry to report on standards for the manufacturing of reduced ignition propensity (RIP) cigarettes. The regulation requires re-certification of products every three years. However, this is not being done due to a lack of capacity for enforcement and compliance within the government.<sup>83</sup>

\*There is no registry of tobacco representatives and individuals acting on their behalf, including lobbyists.

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)

0	1	2	3	4	5
			●		

The government does not have a policy to prohibit contributions from the tobacco industry, however, for the first time political parties will need to disclose the sources and amounts of private funding received and this will be made public.

The President signed the proclamation on the Commencement of the **Political Party Funding Act, 2018** (Act no. 6 of 2018), which came into effect from 1 April 2021. It regulates public and private funding of political parties and for the first time, political parties will need to disclose the sources and amounts of private funding received which will be available to the public.<sup>84</sup>

14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)

0	1	2	3	4	5
●					

There are no reports available on retired government officials forming part of the tobacco industry in this period

15. Current government officials and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)

0	1	2	3	4	5
●					

82. <https://bit.ly/3dsAL6B>

83. <https://bit.ly/3x4qghh>

84. <https://bit.ly/3mVlitN>

There are no reports published in this period to indicate that government officials and relatives were holding positions in the tobacco industry.

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)

0	1	2	3	4	5
					●

The status quo remains the same in this reporting period.

\*There is no policy and there are no procedures in place to disclose tobacco industry interactions.

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)

0	1	2	3	4	5
			●		

The status quo remains the same in this reporting period. A draft code of conduct was developed by NDOH in 2015 and a meeting was held with government officials. However, this was never finalized and approved for implementation by government departments. Thus, no formal code of conduct is in place and its absence benefits the industry.

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)

0	1	2	3	4	5
				●	

SARS introduced protocols for production and export with its officials in attendance in tobacco factories to control production volumes, audit the export declarations, verify the container loading, and seal the containers. This process also includes the checking of containers at the ports of exit by customs officials and the industry is obliged to send production and forecast reports to SARS every week.<sup>85</sup>

The current Tobacco Products Control Act empowers the Minister to request information on, inter alia, ingredients and, additives. However, regulations for FCTC Article 9 & 10 (regulation of the contents of products and regulation of tobacco product disclosures) have not yet been developed and implemented.

SARS requires the tobacco industry to submit information on production, manufacture, market share, expenditures, and revenue. However, this excludes information on lobbying, philanthropy, political contributions, and all other activities.

85. <https://bit.ly/3mTcqK0>

	0	1	2	3	4	5
19. The government has a program/system/plan to consistently <sup>86</sup> raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)						●
<p>The status quo remains the same in this reporting period.</p> <p>There is no government program /system/ plan to consistently raise awareness within its departments on policies relating to WHO FCTC Article 5.3 Guidelines.</p>						
	0	1	2	3	4	5
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)					●	
<p>The current Tobacco Products Control Act does ban contributions as per Section 3(2). However, charitable contributions are permitted, provided they are not for the purpose of advertising. This is a serious loophole in the legislation that needs to be addressed.</p> <p>Finally, the Political Party Funding Act, passed by Parliament in 2018 and signed by the President in 2019, came into force on 1 April 2021. The government had previously argued that some regulations proclaimed under the act needed to be amended before it could come into force, however, the Act remains unchanged. The delay is attributed to some political parties wanting to amend some of its key provisions on transparency.<sup>87</sup></p> <p>*However, there is still no government 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.</p>						
<b>TOTAL</b>						<b>61</b>

86. 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 as when the tobacco industry intervention is discovered or reported.

87. <https://bit.ly/32nhnS2>