ECUADOR

2020

TOBACCO INDUSTRY INTERFERENCE INDEX
Acknowledgements

Authors: Fundación Ecuatoriana de Salud Respiratoria (FESAR) & Corporate Accountability, Latin America Office.

Many people contributed to the development of this report. Special thanks to:

- Dr. José Ruales for honoring us by writing the foreword and for his valuable insights;
- Hugo Noboa for his valuable insights and historical bibliography resources; and
- Pablo Analuisa, Tatiana Villacrés, Verónica Quelal, and Carlos Cisneros for their valuable feedback and bibliography contributions.

This report is made possible with support from Bloomberg Philanthropies under the Stopping Tobacco Organizations and Products (STOP). We acknowledge Mary Assunta for her technical advice in the preparation of this index.

The information from this report will form part of the Global Tobacco Industry Interference Index, a global survey of how public health policies are protected from the industry’s subversive efforts, and how governments have pushed back against this influence. The Tobacco Industry Interference Index was initiated by the Southeast Asia Tobacco Control Alliance (SEATCA) as a regional report, and with support from Bloomberg Philanthropies STOP is part of a global publication of the Global Center for Good Governance in Tobacco Control (GGTC) at the School of Global Studies in Thammasat University.

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Foreword

Seventy years ago, the tobacco industry in the U.S. inaugurated, if not invented, the use of “fake news” as a business strategy, corrupting advertising companies at the time. These firms lent themselves to unethical practices for decades when producing advertising campaigns with false information, which hid, questioned, or altered the scientific knowledge that became evident at the time to be in their favor. The main scientific findings were about the relation between tobacco consumption and cancer, as well as other respiratory diseases.

The second form of tobacco industry interference used as a business strategy is financing, sponsoring, and promoting academic research that is obviously biased or presents pre-established or irrelevant results. This also targets advertising companies that generate pseudo-scientific information, corrupting researchers, universities and journals. Unfortunately, this unethical practice was still put in place today during the COVID-19 pandemic, when misleading information was published on purported benefits of tobacco use in preventing SARS COV-2 infection.

The third nefarious strategy of the tobacco industry has been influencing government agencies and officials related to tobacco control, politicians and their parties, and legislators or decision makers for laws and norms. This is done through different means where money circulates to sponsor politicians campaigns, lobbying during legislation drafting, activities with clear conflict of interest under the Corporate Social Responsibility -CSR figure, and participation of government officials at events, which is specifically prohibited by the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) ratified by Ecuador in 2006, and the national law on tobacco control, approved in 2011.

Fundación Ecuatoriana de Salud Respiratoria –FESAR and Corporate Accountability, Latin America Office, present the first report of the Tobacco Industry Interference Index for Ecuador, corresponding to the mid-2017, 2018 and 2019 timeframe and based on the Global Index which evaluates how public health policy is protected from subversive efforts of the industry, and how governments have rejected its interference.

Since the national law on tobacco control went into force there have been great developments in regards to progress of public policy and its implementation, but there have also been setbacks. The health sector, led by the Ministry of Public Health, with cross sectorial collaboration articulated by the Interagency Anti-tobacco Committee (CILA, for its acronym in Spanish), shows positive points on fighting negative influence of the tobacco industry: avoiding participation of people related to the tobacco industry in delegations sent to the WHO FCTC Conferences of Parties and the Protocol to Eliminate Illicit Trade in Tobacco Products (Protocol) Meetings of Parties; establishing a Declaration of Conflict of Interest among health officials and delegates from government agencies and civil society organizations who participate at the CILA; mobilizing civil society to participate at legislation debates; disclosing information; applying the WHO MPOWER tobacco control measures (a policy package developed to reverse the tobacco epidemic); among others. These milestones can be evidenced at the reduction of cigarette consumption prevalence to approximately 50% among adults and youth during the last decade.

Nevertheless, the tobacco industry still influences politicians, legislators and government officials and it’s operating in the context of a society that has been shaken by frequent cases of corruption among public servants by bribery. The tobacco industry presence is known at the highest levels of government, as well as the participation of government officials in sponsored activities or in collaboration with tobacco industry representatives has been common in recent years. Other government agencies, outside of health, do not know, apply, or respect the national law on tobacco control or the WHO FCTC and its Protocol. Ecuador still needs to be transparent about information on financing or sponsorship of the tobacco industry to candidates running for government positions and official activities. Conflict of interest is not explicit and
lobbying is permanently present among government agencies, even subscribing agreements with the tobacco industry on tobacco control issues.

This report presents important recommendations which should be taken into account by national authorities who are wanting to avoid interaction between the tobacco industry and government agencies at national and subnational levels, limiting or controlling, among others, contributions from the tobacco industry as CSR, attendance of government officials at sponsored events or with the tobacco industry participation, financial contribution transparency, and codes of conduct for all government agencies and officials, in order to avoid conflict of interest and reject underground tobacco industry interference.

Finally, in light of this report’s publication, I want to highlight the need of public policy development and strengthening implementation of current legislation based on impact results, the WHO FCTC and Protocol provisions, international human rights instruments and the pronouncements of the Inter American Human Rights System—which seek progressive evolution towards the right to health, collaboration among government agencies at national and subnational levels, and civil society participation.

Dr. José Ruales-CILA President
Background and Introduction

In Ecuador, about 15 people die every day from tobacco use,\(^1\) one in 10 people between 18 and 69 years old use tobacco,\(^2\) and three out of 10 adolescents between 13 and 15 years old have used tobacco at some moment in their lives.\(^3\) Furthermore, 14% of cardiovascular deaths and 13% of those caused by strokes can be attributed to tobacco. Smoking in this country generates a direct annual cost to the government of USD 478 million, which is equivalent to 6.32% of all annual public spending on health. The tax revenue from the sale of cigarettes is approximately USD 194 million annually, a value that barely covers 40% of the direct expenses caused by cigarettes in the health system.\(^4\) Tobacco use is a public health problem due to its direct relationship with the high mortality and morbidity rates among the Ecuadorian population.

The tobacco industry is represented in Ecuador mainly by Philip Morris International, which has three national firms: Tobacco, Food and Beverages Industries (Industrias del Tabaco, Alimentos y Bebidas Sociedad Anónima – ITABSA, for its acronym in Spanish), Andean Tobacco Company (Tabacalera Andina Sociedad Anónima – TANASA, for its acronym in Spanish), and Ecuadorian Supplier (Proveedora Ecuatoriana Sociedad Anónima - PROESA, for its acronym in Spanish).\(^5\) These companies sell brands such as Marlboro, Líder, Lark, and Philip Morris. In addition, British American Tobacco was established in Ecuador in 1995 but only started distributing a few years ago with brands such as Kent Super Lights, Lucky Strike and Casino.\(^6\) Furthermore, there are three firms that sow, reap, and purchase tobacco leaves which are Ecuacorcias Sociedad Anónima (founded in 2012),\(^7\) Hacienda Tabaganesha Sociedad Anónima (founded in 2010)\(^8\) and Tabacos Acendrados Sociedad Anónima (founded in 2016).\(^9\)

On July 25, 2006, Ecuador ratified the World Health Organization Framework Convention on Tobacco Control (WHO FCTC), joining 168 current Parties to one of the most widely embraced treaties in United Nations history and a leading example among public health issues.\(^10\) This milestone was crucial for discussing and approving comprehensive national legislation on tobacco control. Thus, on July 22, 2011, Ecuador’s Tobacco Control Law (Ley orgánica para la regulación y control del Tabaco –LORCT, for its acronym in Spanish) was approved.\(^11\) LORCT included provisions with regards to tobacco products sale, distribution, packaging, advertising, promotion, and sponsorship; smoke free environments; civil society participation in tobacco control policies; and local government responsibilities among others.

\(^1\) Source(visit 30/04/20): https://vizhub.healthdata.org/gbd-compare/.
\(^3\) GYTS Fact Sheet, 2016, Ecuador: Source: Ministry of Public Health.
\(^6\) Source(visit 30/04/20): https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DO9FBKMD.
Later, on February 10, 2012, LORCT’s Regulatory Decree was approved in order to provide further detail for adequate implementation. This norm established some tobacco control terms such as tobacco products, additives, emissions, closed spaces, public access places, accessory products for tobacco, electronic nicotine delivery systems, among others. In addition, this norm included provisions about information that must be provided by tobacco companies, deadline for collecting health warnings from the Ministry of Public Health, as well as specifications on tobacco products advertising, smoke free environments, and civil society participation.

Moreover, LORCT’s Regulatory Decree established the Interagency Anti-tobacco Committee (CILA, for its acronym in Spanish) as national tobacco control body. CILA was created with Ministerial Agreement No. 955, approved on March 10, 1989. Consequently, in November 28, 2012, Ministerial Agreement No. 2486 defined an operating policy which establishes institutions, organizations, and persons who form the committee; how to nominate and delegate president and vice president; how often plenary sessions must be convened and carried out; responsibilities of the committee’s president, vice president, and secretary; and technical commissions which have specific responsibilities; among other issues.

Recently the Minister of Public Health designated Dr. Jose Ruales as president and lawyer Daniel Dorado as vice president. It is important to mention that the executive secretariat is always established at the Ministry of Public Health, which is currently represented by psychologist Pablo Analuisa. CILA has carried out several activities related to tobacco control measures in collaboration with public institutions, local governments, civil society organizations, universities, schools, and others.

On October 15, 2015, Ecuador ratified the Protocol to Eliminate Illicit Trade in Tobacco Products, becoming one of the ten first countries to do so in the world. Currently, the Protocol has 59 Parties and celebrated the first Meeting of the Parties in 2018. Ecuador was elected President of the Bureau of the Meeting of Parties and President of the meeting itself, which welcomed 44 State Parties and 56 State non-Parties, at that moment, along with civil society and intergovernmental organizations.

Although Ecuador has achieved many improvements with regard to tobacco control, national legislation has not been amended since 2011-2012, except for taxation for which latest provisions were issued in 2016. There was an attempt to revise LORCT in 2016, in order to adopt further tobacco control measures, such as plain packaging, a comprehensive ban on tobacco advertising, promotion and sponsorship, more smoke free environments. Unfortunately, this draft was not even discussed among the National Assembly members.

Regarding local governments, authors of this report know that currently Quito, capital of Ecuador, is reviewing an ordinance draft on tobacco control, which strengthens national legislation and supports its adequate implementation. This is likely to be a milestone for this country in order to motivate all local governments to fulfill LORCT’s provision that required them to approve an ordinance within one year (2012), which still has not been accomplished as of December 2019.

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15 Disclaimer: The technical collaboration of Daniel Dorado in this report is totally unrelated to his role as CILA Vice President, since his collaboration is as a civil society member. Nothing in this report commits or represents a formal position of the CILA. Daniel Dorado, make the due diligence process notifying the CILA President about his collaboration in this report.
This report seeks to demonstrate the real and current situation of tobacco industry interference in Ecuador from the civil society point of view. Collection of information was done by two organizations: Fundación Ecuatoriana de Salud Respiratoria (FESAR) & Corporate Accountability, Latin America Office. Other tobacco control activists and officials have also contributed to this report.

The report used the questionnaire developed by the Southeast Asia Tobacco Control Alliance (SEATCA) based on the guidelines for implementation of the WHO FCTC Article 5.3. Information used in this report was 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. Therefore, the lower the score the better for the country.

The time period covered in this report is from January 2018 to December 2019, with some specific mentions to the background of Ecuador tobacco control history, since it is the first report of this kind that has been developed for the country.
Summary Findings

INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

Evidence shows that the tobacco industry interference targets non-health governmental agencies and it seems to reach as high as the Presidential office, according to the discourse analysis included in a legislation draft presented in October 2019. This incident is not new in Ecuador. Back in 2010 when LORCT was being revised, a National Assembly member presented a draft that supported the tobacco industry's criteria for more flexible legislation -- this decision maker was the only one who voted against the final draft which was aligned to the WHO FCTC provisions. Also during the adoption process of the LORCT's Regulatory Decree back in 2011-2012, an officer from the Chamber of Industries contacted the Presidential Legal Office arguing damages to the interests of the tobacco industry.

On the other hand, interagency and multi-sectoral cooperation for tobacco control seems to be free of tobacco industry interference, mainly because it is led by the Ministry of Public Health. In addition, there is no evidence to demonstrate Ecuador has nominated or allowed tobacco industry representatives in its delegation to the WHO FCTC Conference of the Parties (COP) or other subsidiary meetings.

INDUSTRY CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Although Ecuador ratified the WHO FCTC in 2006 and approved LORCT in 2011, this report includes a few incidents of CSR activities endorsed by government officials that happened between 2018 and 2019. The tobacco industry supported the Forum of Entrepreneurship and Innovation at the 60th Annual Meeting of Boards of Governors of the Inter-American Development Bank, in Guayaquil; the Forum of businesswomen, leadership and transformation, in Quito; and the Eradication of Child Labour Project, lead by governmental agencies and supported by the Companies Network for a Child-labour-free Ecuador, which is comprised of 88 firms. The tobacco industry was a member of this network and there is no evidence to demonstrate it currently is left out.

BENEFITS TO THE INDUSTRY

Time frames for implementation or amendments of tobacco control legislation seem to follow mostly the industry’s common requests. Ecuador has mostly waited to the very end of a time frame to fulfill provisions and in some cases it has not meet the deadline, at national and local levels. Furthermore, LORCT unfortunately has not been amended since 2011 and tobacco products taxation legislation hasn’t been since 2016. With regards to privileges, incentives, exemptions or benefits directly to the tobacco industry, there is no evidence of relevant fiscal, trade, agricultural, investment or related policies where the Ecuadorian government grants them. However, there are duty-free allowances for tobacco products for travelers arriving into Ecuador and who are at least 18 years old.

UNNECESSARY INTERACTION

Interactions between the tobacco industry and top level government officials took place at events sponsored by ITABSA, with participation of the Ecuadorian vice president, president’s wife and ministers. In addition, this report includes a few incidents since 2017 where government agencies publicly accepted assistance from the tobacco industry. The most relevant was an agreement signed by the National Service of Customs with ITABSA. Fortunately, diligent action from the Ministry of Public Health requesting its immediate termination, based on the WHO FCTC Article 5.3, resulted in notification of unilateral termination to ITABSA after three months. Considering Ecuador has not
established specific regulation for banning unnecessary interaction between government and tobacco industry, these incidents are likely to happen again.

TRANSPARENCY

Ecuador does not have regulations that specifically apply to disclosure of meetings and interactions with the tobacco industry. However, the National Assembly does not guarantee reports on all appearances during discussion and approval of legislation. The Ministry of Public Health is the only governmental agency that registers signed documents of information submission (health warnings) from the tobacco industry, but they are not publicly accessible. This country recognizes the right to access to information held by the State, so there is a big opportunity to establish transparency measures specifically for interactions with the tobacco industry. Furthermore, Ecuadorians should also consider establishing rules for the disclosure or registration of tobacco industry representatives, including lobbyists.

CONFLICT OF INTEREST

Ecuador does not have a policy to 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. Therefore, it is not safe to say that these incidents do not happen within the country. There is no evidence to demonstrate retired senior government officials have joined the tobacco industry nor current government officials and relatives hold positions in the tobacco business including consultancy positions. However, there are a few facts worth mentioning, including that people related to the tobacco industry leading the Chamber of Industries and Production collaborated with the Ministry of Foreign Trade and Investments in the campaign “Smuggling has something you don’t see - El Contrabando tiene algo que no ve”.

PREVENTIVE MEASURES

There is no procedure for disclosing the records of the interaction between the Ecuadorian government and the tobacco industry. In addition, there is no code for public officials that specifically prescribes the standards with which they should comply in their dealings with the tobacco industry. However, there are codes of conduct at a few governmental agencies, and a declaration of conflict of interest among members of CILA. With regards to information on tobacco production, manufacturing, market share, manufacturing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and other activities, LORCT and its Regulatory Decree establishes provisions requesting such information from the tobacco industry. Furthermore, the Internal Revenue Service requests information related to its identification, marking, authentication and tracking system, which tackles cigarettes, alcoholic beverages, and beers. National legislation on companies and organizations also requests information, but not specifically from the tobacco industry.

Although there is no government program/system/plan to consistently raise awareness within its departments on policies relating to WHO FCTC Article 5.3 guidelines, the Ministry of Public Health has proven to be committed to fulfilling the WHO FCTC provisions and it has been diligent to raise awareness among public institutions. Finally, Ecuador has not 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, but there is current national legislation regarding this issue that could apply to the tobacco industry.
Recommendations

Based on criteria included in this report, Ecuador must apply the following recommendations in order to fully implement the WHO FCTC Article 5.3 and its guidelines.

1. Strengthen current policies for avoiding tobacco industry intervention within the State branches of power, CILA, and other interagency and cross sectorial coordination activities on tobacco control.
2. Propose an amendment in current legislation for adding more topics which the tobacco industry is not allowed to contribute to, including its so-called CSR contributions.
3. Propose a draft of a Presidential Decree prohibiting attending social functions and other events sponsored or organized by tobacco companies or those furthering its interests, for all government officials at all levels.
4. Propose an amendment in current legislation for prohibiting agreements between the State branches of power and the tobacco industry.
5. Disclose all information related to meetings/interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation.
6. Propose an amendment in current legislation requiring rules of disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists or public affairs officers.
7. Propose an amendment in current legislation for prohibiting contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or for requiring full disclosure of such contributions.
8. Determine a procedure for disclosing the records of the interaction between the State branches of power and the tobacco industry and its representatives.
9. Establish a code of conduct for public officials, prescribing the standards with which they should comply in their dealings with the tobacco industry.
10. Strengthen current process for requesting information on tobacco production, imports, manufacturing, supply chain, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities.
11. Establish a consistent monitoring process of information submitted by the tobacco industry, in order to take timely action.
12. Implement a program for raising awareness on Article 5.3 and about the tobacco industry interference among State branches of power, especially the ones involved in tobacco control.
13. Develop specific policy for disallowing the acceptance of all forms of contributions/gifts/donations from the tobacco industry offered to government agencies and officials.
14. Strengthen cooperation among public institutions, as well as national and international organizations, in order to fully implement WHO FCTC Article 5.3 and its guidelines.
Results and Findings

<table>
<thead>
<tr>
<th>INDICATOR 1: Level of Industry Participation in Policy Development</th>
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<tr>
<td>1. The government(^{18}) accepts, supports, or endorses any offer for assistance by or in collaboration with the tobacco industry(^{19}) in setting or implementing public health policies in relation to tobacco control(^{20}). (Rec 3.1)</td>
</tr>
</tbody>
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\(^{3}\)

* Due to the open setting for developing legislation in Ecuador, the tobacco industry, as well as other industries, are able to participate within this process (more info in Q No. 20). Law proposals can be presented by the President or National Assembly members. Nonetheless, discussion and approval happen at the National Assembly Plenary, previous to the President’s final review.

* With regards to tobacco control, the most recent incident happened in October 2019 when the President Lenin Moreno presented a law proposal which among others included a new tax for e-cigarettes and heated tobacco products, granting those two products preferences compared to traditional cigarettes.\(^{21}\) The Ecuadorian President affirmed this tax was proposed to protect public health interests, however it had very low tax rates for e-cigarettes and heated tobacco products.\(^{22}\)

Currently, Philip Morris International openly affirms that its business goal is to position e-cigarettes and heated tobacco products as safer alternatives among tobacco consumers, in order to offer alternatives to traditional cigarettes as quickly as possible.\(^{23}\)

On the other hand, the Centers for Disease Control of the U.S. Government warn of health effects of using these novel tobacco products. Also the World Health Organization promotes no smoking and no vaping as a public health measure which aims to protect people from the devastating impact of tobacco consumption.

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\(^{18}\) The term “government” refers to any public official whether or not acting within the scope of authority as long as cloaked with such authority or holding out to another as having such authority.

\(^{19}\) The term, “tobacco industry” includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

\(^{20}\) “Offer of assistance” may include draft legislation, technical input, recommendations, oversees study tour.

\(^{21}\) Source (visit 30/04/20):
   [http://ppless.asambleanacional.gob.ec/alfresco/d/d/workspace/SpacesStore/09f5251a-3e88-41f3-9ad7-b431fa28d53/Proyecto%20de%20Ley%20Org%F3nica%20de%20Simplicidad%20y%20Progresividad%20Tributaria%20(urgent%20en%20materia%20de%20com%F3nica)%20Tr%20386993.pdf](http://ppless.asambleanacional.gob.ec/alfresco/d/d/workspace/SpacesStore/09f5251a-3e88-41f3-9ad7-b431fa28d53/Proyecto%20de%20Ley%20Org%F3nica%20de%20Simplicidad%20y%20Progresividad%20Tributaria%20(urgent%20en%20materia%20de%20com%F3nica)%20Tr%20386993.pdf).


\(^{22}\) Source (visit 30/04/20):

\(^{23}\) Source (visit 30/04/20):
Fortunately, civil society joined efforts to discredit the discourse of granting benefits for taxing e-cigarettes and heated tobacco products. Thus, several organizations sent a letter to the Ecuadorian Presidency Office, National Assembly, Ministry of Public Health, and Ministry of Economy and Finance. Consequently, the Health Commission of the National Assembly proposed in Plenary to tax e-cigarettes and heated tobacco products without any preferences compared to traditional tobacco products.

*Although monitoring potential incidents of tobacco industry interference through civil society action might help to protect public health policies, there is no legislation that guarantees it neither is there financial support for this type of project, which is a significant limitation. Therefore, Ecuador is still highly vulnerable to tobacco industry interference at different levels of decision making.

* Implementation of most public health policies in relation to tobacco control is by the Ministry of Public Health and there is no evidence of tobacco industry interference in doing so. Nonetheless, there are several measures that must be strengthened with support of the civil society (more info in Q. No. 11, 12, 13, 16, 17, 19 and 20).

| 2. The government accepts, supports, or endorses policies or legislation drafted by or in collaboration with the tobacco industry. (Rec 3.4) | 4 |

* During the approval process of Ecuador’s Tobacco Control Law (Ley orgánica para la regulación y control del Tabaco –LORCT, for its acronym in Spanish), there was a member of the National Assembly, Andrés Paéz, who presented a very weak law draft which supported widely known tobacco industry discourses. In fact, this National Assembly member was the only one who voted against the final draft, presented by the Health Commission of the National Assembly, which included contributions from the Ministry of Health and tobacco control activists.

Let’s review some references from the Bill Project presented by Andrés Paéz and from the Technical Report “Study and promotion of political and legal interventions for the strengthening of the Framework Convention on Tobacco Control in Ecuador, in the context of the Constitution and the National Plan for Prevention and Control of Tobacco Smoking 2008-2011” prepared by Fundación Salud Ambiente y Desarrollo (FUNSAD) and the Interagency Anti-tobacco Committee (CILA), that demonstrates tobacco industry interference during the LORCT debate:

- “The other project deserves even more concern, presented by Assemblyman Andrés Páez from the Democratic Left (social democrat, once an important block in the legislature) ‘Tobacco Control Law’, which shows the interference of the tobacco industry. Throughout its different articles, it is proposed to have smoking areas in closed places, advertising is regulated but not totally prohibited and the possibility of advertising is left open by effective means such as the Internet or cell phones, sponsorship is allowed tobacco products to events and implicitly the so-called ‘social responsibility’ of the industry and its dissemination.”

24 Information provided by the organizations authors of this report. Source visit (30/04/20): https://twitter.com/aantitabaco/status/1204210326151008257?s=12.
25 Source visit (30/04/20):
26 Source (visit 30/04/20):
27 Source (visit 30/04/20):
http://ppless.asambleanacional.gob.ec/alfresco/d/d/workspace/SpacesStore/30ed58b6-037f-444d-a4d8-ce11ec307107/Proyecto%20de%20Ley%20para%20Control%20de%20Tabaco%20170816845.pdf.
28 Source (visit 30/04/20):
“...Also, there is a strange coincidence between many contents of this bill, with a document from the tobacco industry of June 2009, updated to September 2009, called IT-ABS-A, TANASA, PROESA ‘COMMENTS ON ORGANIC LAW FOR TOBACCO CONTROL BILL’, related to comments to a failed bill presented in June 2009 to the Transitional Commission on Legislation and Oversight of the Constituent Assembly […]”.

BILL PRESENTED BY ASSEMBLYMAN PÁEZ

Artículo 7.- Se prohíbe fumar así, como mantener productos del tabaco encendidos en los siguientes lugares:

a) En todos los espacios públicos cerrados, incluyendo los medios de transporte público;

b) En los espacios cerrados utilizados como lugares de trabajo, a excepción de las instalaciones de la industria y del gobierno que sean utilizados para la prueba y el desarrollo de productos de tabaco,

c) En todos los espacios abiertos dedicados únicamente a la recreación de niños, niñas y adolescentes;

d) Al interior de las instituciones educativas y centros de salud, tanto públicos como privados;

e) En los alrededores de cualquier lugar público, donde materiales químicos, inflamables o explosivos sean vendidos o almacenados, como por ejemplo, estaciones de gasolina;

Own translation:
Smoking is prohibited, as well as keeping tobacco products in the following places:

a) In all closed public spaces, including public transportation;

b) In closed spaces used as workplaces, except for industry and government facilities that are used for the testing and development of tobacco products;

c) In all open spaces dedicated solely to the recreation of children and adolescents;

d) Within educational institutions and health centers, both public and private;

e) In the surroundings of any public place, where chemical, flammable or explosive materials are sold or stored, such as gasoline stations.

Sources:

ITABSA, TANASA, PROESA “COMMENTS ON ORGANIC LAW FOR TOBACCO CONTROL BILL”

“With all this considerations we respectfully suggest that Article 6 be amended.

We propose amending the Article 6 as follows:

Article 6. It is forbidden to smoke and keep combustible tobacco products that liberate smoke light consume them:

a) In all closed spaces that are used or accessed by the public, including all public transport: in closed spaces that are used as work spaces, with exception of facilities of the industry working on their behalf and the government, used for the testing and development of existing products, and

b) also in open spaces, within areas intended to provide services of recreation or entertaining minors and places intended primarily for minors, such as playgrounds where there are children and teenagers.

c) Inside the premises of all educational establishments and health care facilities.

d) Within the vicinity of any other open public places where chemical or flammable materials stored or kept such as gas stations and storage sites for fuels, explosives, or other materials.”


- “But the audacity doesn’t stop there, Philip Morris International allows itself to make a strategic interference plan for Ecuador, as it surely did many times. [...] This document is sufficient to envision the strategies used by the tobacco industry, and particularly Philip Morris International, to interfere not only in Ecuador but possibly in many developing countries.

In the document, extremist ideas are accused of those of the Interagency Anti-tobacco Committee-CILA, an analysis of the political situation is made, the main objectives and goals are defined, a political mapping of the National Assembly and in particular of the Commission of the Right to Health, it establishes short-term strategies and tactics and medium and long-term strategic lines, challenges, opportunities, strengths and deadlines”.

Also, it is worth mentioning that during the adoption process of the LORCT’s Regulatory Decree back in 2011-2012, that seeks to include a unique presentation form for tobacco products, an officer from the Chamber of Industries and Production (Pablo Zambrano- Legal Counsel) contacted the Presidential Legal Office arguing damages to the interests of the tobacco industry and that this has being a matter of judicial disputes in countries like Uruguay, which delay the process and weaken some tobacco control measures. The Regulatory Decree was approved, but did not include this tobacco control policy which would have been (a strong step that would have allowed Ecuador to adopt plain packaging).

Finally, as mentioned in Q No. 1, the Ecuadorian President presented a draft on tobacco products taxation, among other issues, which granted privileges to e-cigarettes and heated tobacco products, affirming the reason was to protect public health interests. Although these incidents might suggest the tobacco industry was behind them, there is no evidence to prove so. Furthermore, Ecuador still needs to work on improving several tobacco control measures in order to meet WHO FCTC provisions and guidelines for implementation, avoiding following the tobacco industry recommendations.


31 Ibid. p. 67-68.
32 Currently he serves as the executive president of the Chamber of Industries and Production. More info Q. No. 15.
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 Tobacco Control Law\(^{34}\) and its Regulatory Decree\(^{35}\) establishes that CILA is the tobacco control national body. CILA was created in 1989 by Ministerial Agreement No. 955 and has an operating policy approved in 2012 by Ministerial Agreement No. 2486.\(^{36}\) Both agreements were issued by the Ministry of Public Health. Furthermore in 2019, CILA has established all members must sign a Conflict of Interest Declaration, which asks to declare any past or present relation with tobacco industry or other industries that might represent the tobacco industry’s interests, as well as current tobacco consumption.\(^{37}\) It is important to mention that there is no evidence to demonstrate tobacco industry interference at CILA before the adoption of the Conflict of Interest Declaration, however the former Presidents and authorities were very committed to advance the Framework Convention on Tobacco Control and implement Art. 5.3.

* In addition, as we mentioned in Q No.1 and will be amplify in Q No. 11, 12, 13, 16, 17, 19 and 20, due to the open setting for developing legislation in Ecuador and the Ecuadorian legislation does not contemplate lobbying activity or the way in which authorities and public servants could relate to lobbyists, without it becoming an activity of privileged attention or directed to grant a particular benefit, the tobacco industry, as well as other industries, are able to participate/meet within the legislative process and other government departments.

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). (Rec 4.9 & 8.3)

* According to the available information, the Ecuadorian delegation to the COP and other FCTC related meetings has not included representatives from the tobacco industry.

However is worth mentioning that according to correspondence information provided by Hugo Noboa, delegate for Intergovernmental Negotiating Body on a Product on Illicit Trade in Tobacco Products and COPs “there were no hidden industry delegates when I participated in the Ecuador delegation. But they did try to influence the criteria of the Ecuadorian delegation, both for the COPs (3, 4 and 5) and for the ONIs. They did it through Ministries of Foreign Relations, Agriculture, Industries or the Ministry of Coordination of Production that existed. Those industry attempts were unsuccessful”.

* List of Participants from Ecuador:

  - **COP8 (2018):**

According to Document No. FCTC/COP/8/DIV/1 of the Conference of the Parties 8, the Ecuadorian delegation was formed by representatives of the Ministry of Public Health and the Ecuadorian Permanent Mission in Geneva.

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\(^{34}\) Source (visit 30/04/20):

\(^{35}\) Source (visit 30/04/20):

\(^{36}\) Source (visit 30/04/20):

\(^{37}\) Information provided by Ministry of Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).
Chief delegate: Mr C. Cisneros, Under-Secretary, Health Promotion and Equality, Ministry of Public Health. Delegates: Mr L. Gallegos, Ambassador, Permanent Mission, Geneva; Mr A. Dávalos, Minister, Deputy Permanent Representative, Permanent Mission, Geneva; Ms C. Balseca, National Director, Cooperation and International Relations, Ministry of Public Health; Mr J.D. Stacey, Counselor, Permanent Mission, Geneva; Mr W. Schuldt, First Secretary, Permanent Mission, Geneva; Ms P. Díaz, Second Secretary, Permanent Mission, Geneva.\(^{38}\)

- **COP7 (2016):**

Delegate: Sr. L. Espinosa-Salas, Consejero de la Misión Permanente de Ecuador ante la ONU.\(^{39}\)

- **COP6 (2014):**

Chief delegate: Dr D. Acurio, Viceministro de Gobernanza y Vigilancia de la Salud, Ministerio de Salud Pública. Delegates: Sr. C.A. Cisneros Pazmíno, Director Nacional de Promoción de la Salud, Ministerio de Salud Pública; Sra. C. Luna Ribadeneira, Analista de la Dirección de Cooperación y Relaciones Internacionales, Ministerio de Relaciones Exteriores y Movilidad Humana; Sra. M.C. Samaniego Vélez, Analista de la Dirección de Cooperación y Relaciones Internacionales, Ministerio de Relaciones Exteriores y Movilidad Humana.\(^{40}\)

- **COP5 (2012):**

Chief delegate: Sr. J.A. Icaza Gustínez, Funcionario, Embajada, Corea del Sur. Delegate: Dr. H. Noboa Cruz, Responsable de la Unidad de Promoción de la Salud.\(^{41}\)

- **COP4 (2010):**

Chief delegate: Dr. P. Jácome, Líder del Programa de Salud Mental, Ministerio de Salud Pública. Delegates: Dr. L. Romo Arellano, Cooperador Técnico de Cooperación Internacional, Ministerio de Salud Pública; Sra. A.M. Betancourt, Servicio de Rentas Internas.\(^{42}\)

- **COP3 (2008):**

Delegate: Dr. H. Noboa, Director Ejecutivo del Consejo Nacional de Salud (CONASA), Ministerio de Salud Pública.\(^{43}\)


## INDICATOR 2: Industry Corporate Social Responsibility (CSR) activities

1. 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)

2. The government (its agencies and officials) receives contributions (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)

* Considering Ecuador ratified the WHO FCTC in 2006, as a State Party of the Convention must comply provisions of Article 5.3, with regards to tobacco industry interference. In addition, the LORCT in its Article 19 prohibits tobacco products sponsorship among sports, cultural and artistic activities, as well as promotion of CSR activities of the tobacco industry. Nonetheless, there have been several incidents which involved government agencies during mid-2017, 2018, and 2019 that are further explained below.

### 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)

- July 16-17, 2019: During the 6th Annual Meeting of Boards of Governors of the Inter-American Development Bank, in Guayaquil, Ecuador, the Forum of Entrepreneurship and Innovation was held in order to present successful cases of national and foreign businessmen. One of the panellists was Juan Carlos Diaz, Project Management Office Manager of Philip Morris International, who had a dialogue with other representatives of firms, Irene Arias Hofman, General Manager of the Inter-American Development Bank Lab, and Lorena Montalvo, Executive Director of Conquito Corporation, an agency of the Municipality of Quito.46

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44 Political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions.
Juan Carlos Díaz, Project Management Office Manager of Philip Morris International.


- September 26, 2019: Seminarium Corporation, a leadership, marketing and sales, strategy, innovation and negotiation firm, organized the Forum of businesswomen, leadership and transformation, with the aim of making female empowerment and entrepreneurship visible as well as their contribution to Ecuador’s economic growth. This forum was sponsored and supported by UN Women, Quito’s Chamber of Commerce, universities, radio stations and companies, which included ITABSA, one of the Ecuadorian companies affiliated to Philip
Morris International. The UN Women Representative in Ecuador, Bibiana Aído, and Vice President of Ecuador, Otto Sonnenholzner, actively participated at the inaugural event, urging companies, work unions, and public institutions to recruit more women leaders.47

September 19, 2018: The Forum of businesswomen, leadership and transformation, was organized also by Seminarium Corporation, as well as had Rocio de Moreno, the President’s wife and Head of a government agency, and Richard Martinez, Minister of Finance and Economy, in charge of the inaugural event. No current information is available to confirm if the tobacco industry sponsored this event.  

Source: [https://www.facebook.com/1426780820910242/posts/2324078877847094/?d=n](https://www.facebook.com/1426780820910242/posts/2324078877847094/?d=n)

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48 Source (visit 30/04/20):
https://www.finanzas.gob.ec/rocio-de-moreno-inaugura-el-foro-de-mujeres-empresarias-liderazgo-y-transformacion-en-quito/
https://www.todaunavida.gob.ec/rocio-de-moreno-inaugura-el-foro-de-mujeres-empresarias-liderazgo-y-transformacion-en-quito/
July 27, 2017: The participation in the 1st Iberoamerican Forum for Responsible Communication (Quito) of Mr. Gonzalo Salafranca, director of corporate affairs of Philip Morris Mexico, through a video in which he appeared promoting the alleged progress of Phillip Morris International in favour of “sustainability” (this event was replicated in several countries of the Latin America Region also with the participation of British American Tobacco –Chile and Perú–). Officers from the Government of Pichincha attend the event.\textsuperscript{49}

B. The government (its agencies and officials) receives contributions (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)

* Eradication of Child Labour Project: This project is led by governmental agencies and supported by the Companies Network for a Child-labour-free Ecuador, which is formed by 88 firms. In 2015, such a network was formed by 24 firms, which included among others ITABSA one of the Ecuadorian companies affiliated to Philip Morris International. No current information available to confirm if the tobacco industry is still involved in this project.\textsuperscript{50}

\textsuperscript{49} Information provided by Fundación Ecuatoriana de Salud Respiratoria –FESAR, CILA member (co-claimant before the Ministry of Health). Besides FESAR, there were other people and national, regional and international civil society organizations that denounced and supported the complaint. Source (Visit 30/04/20):


\textsuperscript{50} Source (visit 30/04/20):

**INDICATOR 3: Benefits to the Tobacco Industry**

1. 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)

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* Ecuador became a State Party of the WHO FCTC in 2006 and after five years finally approved a national tobacco control law. In December 2009, the first draft was presented and it took a year and a half to finally approve such law, that went into force the same day it was signed and established other timeframes for different provisions, such as: 90 days to create a national body for tobacco control; 90 days to elaborate a regulation for implementation which should be updated according to advances of the WHO FCTC, its guidelines and protocols; 360 days to approve ordinances from all local governments which should support implementation of LORCT; and 360 days to implement tobacco products packaging provisions.

* The tobacco control regulation was issued approximately 120 days after the deadline and with it the national tobacco control body was established also approximately 120 days late. It is important to mention that the tobacco control regulation has not been amended since December 2019. Furthermore, most of the 221 local governments have not approved ordinances which support the LORCT implementation until December 2019. Quito and Guayaquil, main and most populated cities in Ecuador, have not discussed or approved a tobacco control ordinance. Deadline of implementation of tobacco products packaging was the only one fulfilled on time. In addition, every year the Ministry of Public Health approves a Ministerial Agreement and a manual with six new pictograms which tobacco industry should apply to all tobacco products packaging within 120 days after established pick up deadline.

* The LORCT had not been updated since 2011 until December 2019. Nonetheless, there was a law draft presented in 2016 with several amendments such as plain packaging, additional smoke free environments, comprehensive ban for tobacco advertising, promotion and sponsorship, among others. This draft was reviewed and approved for initiating approval process, but it was never discussed or approved, it is shown as pending process in the system.

* Regarding taxes, there has been several national laws with corresponding provisions, the current one was approved in late 2019, which went into force the same day of publication at the National Official Registry. The previous law was approved in 2004, and last amendment for tobacco products taxes was

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51 Source (visit 30/04/20): http://ppless.asambleanacional.gob.ec/alfresco/d/d/workspace/SpacesStore/b41e316d-45a3-4c47-a6c2-cdf32be03c/Proyecto%20de%20Ley%20Org%20ica%20Integral%20para%20el%20Control%20de%20Tabaco%20y%20Tr.%2015565.pdf.


54 Source (visit 30/04/20): https://www.salud.gob.ec/rondas-de-advertencias-sanitarias-para-envases-de-productos-de-tabaco-2/.


issued in 2016, which went into force the same day of publication at the National Official Registry.\(^\text{57}\) It is important to note that tax rate has not been changed since 2016; however current national law with regard to tobacco taxation included a new tax for e-cigarettes and heated tobacco products.

* Based on the previously exposed rationale, Ecuador’s score for this question is 5 since there are a couple of time frames longer than 90 days and there is only one provision that was fulfilled on time. Unfortunately, a very long time was granted to local governments to approve local ordinances and this has not been complied to among a vast majority of local governments. In addition, amendments for tobacco control legislation have not been taken into account since 2011 in most measures and since 2016 in taxation. Therefore, final score was set at 3 and 2 points (following the measure methodology established for the index) considering there are long time frames for tobacco control measures, which in most cases are not meet, and these incidents are likely to happen at national and local levels.

2. The government gives privileges, incentives, exemptions or benefits to the tobacco industry. (Rec 7.3)

* There is no evidence of relevant fiscal, trade, agricultural, investment or related policies where the Ecuadorian government gives privileges, incentives, exemptions or benefits directly to the tobacco industry. Nonetheless, the National Service of Customs established in 2017 a resolution for duty-free allowances for travelers into Ecuador, that affirms among others only travelers who are at least 18 years old are allowed to bring in the following without the payment of customs duty and VAT as accompanied baggage up to:
  - 20 packs of cigarettes of 20 units each.
  - 1 pound of tobacco.
  - 25 cigars.\(^\text{58}\)

**INDICATOR 4: Forms of Unnecessary Interaction**

1. Top level government officials (such as President/Prime Minister or Minister\(^\text{59}\)) 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)

* As previously mentioned in Q No. 5, Otto Sonnenholzner, Vice President of Ecuador, participated at the inaugural event of the Forum of businesswomen, leadership and transformation in September 2019.\(^\text{60}\) In addition, Rocío de Moreno, the President’s wife and Head of a government agency, and Richard Martínez, Minister of Finance and Economy, were in charge of the inaugural event at the same Forum held in 2018.\(^\text{61}\) This activity in both years was sponsored and supported by UN Women, Quito’s

\(^{57}\) Source (visit 30/04/20):

\(^{58}\) Source (visit 30/04/20):

\(^{59}\) Includes immediate members of the families of the high-level officials

\(^{60}\) Source (visit 30/04/20):

\(^{61}\) Source (visit 30/04/20):
Chamber of Commerce, universities, radio stations and companies (no current information available to confirm if the tobacco industry sponsored this event).

* Another incident was held in November 27, 2018, at the Forum about illegal trade and its link with other criminal activities, where the Vice Minister of Foreign Trade and Investments actively participated together with representatives of the National Police Department, Customs Police of Colombia, ITABSA, among other firms. Ecuador’s score for this question is 4 (following the measure methodology established for the index), since top level government officials actively participated at a tobacco company’s CSR event.

2. 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 preventing sales to minors (including monetary contributions for these activities). (Rec 4.3)

* Recent collaborations between the tobacco industry and government agencies happening between January 2018 and December 2019 were:

1. Late 2018 to early 2019: Pichincha’s Chamber of Industries and Production and the Ministry of Foreign Trade and Investments organized an awareness campaign about smuggling, which was supported and sponsored by ITABSA, TANASA and PROESA, Ecuadorian companies affiliated with Philip Morris International. There were several videos and press materials produced for this campaign.

2. June 29, 2018: The National Service of Customs signed an interagency cooperation agreement with ITABSA, which aimed to exchange information, as well as coordinate efforts for capacity building and assistance for mutual development related to taxation, facilitation to foreign trade and customs control. Fortunately, the Ministry of Public Health issued an official communication to the National Service of Customs within a month, requesting immediate termination of such agreement. Thus, this government agency unilaterally terminated agreement and notified ITABSA, in September 2018.

* There is no evidence to affirm both incidents involved monetary contribution.

* Furthermore, authors of this report know ITABSA contributed financially for incinerating seized cigarettes by the National Service of Customs in November 2017. With regards to this incident, it is important to mention the Minister of Public Health was invited to participate at a press conference about this activity, alongside the tobacco industry representatives. This invitation was rejected by the Minister of Public Health, as well as a reminder was issued to the National Service of Customs about Ecuador’s obligation of fulfilment of the WHO FCTC and LORCT. This incident in fact took place as planned but there was not public exposure of the tobacco industry during the activity. Smuggled cigarettes were

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62 Source (visit 30/04/20):

63 Source (visit 30/04/20):
https://www.youtube.com/watch?v=swkexoHrzGo.

64 Information provided by Ministry of Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

Other source (visit 25/03/20):
https://www.aduana.gob.ec/080-senae-acuerdo-de-cooperacion-con-itabsa/.

65 Source (visit 30/04/20):
also incinerated in May 2017 and December 2018 but authors do not know if the tobacco industry financed both activities.66

3. 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.

* As previously mentioned in Q No. 9, incidents are taking place with government agencies in charge of customs, foreign trade and investments. Although, the Ministry of Public Health has been diligent in requesting other agencies’ strict fulfilment of the WHO FCTC and the LORCT (more information in Q No. 19), it seems active involvement and relations among high-level authorities of the Ecuadorian government with the tobacco industry are widely accepted. In addition, there is not specific regulation for banning this situation, so it is quite secure to affirm these incidents will continue to happen in Ecuador (more information Q No. 11, 12, 13, 16, 17, 19 and 20).

INDICATOR 5: Transparency

1. 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 disclosure of meetings and interactions with the tobacco industry. On Qs 15 and 19, you can see some examples of government interactions with tobacco industry.

* Nonetheless, the National Assembly always publishes reports on discussion and approval of legislation, which must include all persons, institutions, organizations, and companies, among others, that appear and present their contributions. This is the only situation where the tobacco industry can be publicly exposed when it is interacting with decision makers or governmental agencies. Unfortunately, there is not public record of tobacco industry contributions.

* In addition, the Ministry of Public Health annually publishes a Ministerial Agreement issuing current health warnings, which are handed to the industry with a signed document verifying persons involved and date of this information delivery.67 This document is not publicly accessible.68 It is important to mention that all activities previously mentioned in past questions demonstrate that the tobacco industry in fact interacts with the Ecuadorian government, violating the WHO FCTC and the LORCT provisions, and these incidents are not publicly disclosed until a big event is actually happening.

* Finally, it is worth mentioning that Ecuador recognizes the right to access to information held by the State:


68 Information provided by the Ministry of Public Health, National Undersecretary of Health Promotion and Equality (CILA Executive Secretariat).
Constitution, 2008⁶⁹ (Constitución de la República del Ecuador):

- **Art. 18.** All persons, individually or collectively, have the right to:
  1. Search, receive, exchange, produce and disseminate truthful, verified, timely information, contextualized, plural, without prior censorship about the facts, events and processes of general interest, and with subsequent responsibility.
  2. Freely access the information generated in public entities, or in private entities that manage state funds or perform public functions. There will be no reservation of information except in the cases expressly established in the law. In case of violation of human rights, no public entity will deny access to the information.

- **Art. 91.** The action of access to public information will aim to guarantee access to it when it has been expressly or tacitly denied, or when the one provided has not been complete or reliable. It may be filed even if the refusal is based on the secret nature, reserved, confidential or any other classification of the information. The reserved character of the information must be declared prior to the request, by the competent authority and according to the law.

Organic Law - Transparency and Access to Public Information, 2004⁷⁰ (Ley Orgánica de Transparencia y Acceso a la Información Pública):

- **Art. 2. Purpose of the Law.** This Law guarantees and regulates the exercise of the fundamental right of people to information in accordance with the guarantees enshrined in the Constitution of the Republic, International Covenant on Civil and Political Rights, Inter-American Convention on Human Rights and other international instruments in force, of which our country is a signatory.

It pursues the following objectives:

a) Comply with the provisions of the Constitution of the Republic regarding publicity, transparency and accountability to which all State institutions that make up the public sector, dignitaries, authorities and public officials are subject, including the entities indicated in the previous article, the legal persons of private law that carry out works, services, etc., with public assignments. For this purpose, they will adopt the measures that guarantee and promote the organization, classification and handling of the information that account for the public management;

b) Comply with the international conventions that our country has legally signed on the matter;

c) Allow the control of public administration and public resources, realizing a real social control;

d) Guarantee the protection of personal information held by the public and/or private sector;

e) The democratization of Ecuadorian society and the full validity of the rule of law, through genuine and legitimate access to public information; and,

f) Facilitate effective citizen participation in decision-making of general interest and its oversight.

2. 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)

*As you will see on Q No. 18, there are some rules around the disclosure or registration of tobacco industry entities.

* There is no registry of tobacco representatives and individuals acting on their behalf that includes lobbyists. This information will be expanded in Q No. 20, regarding the Bill to regulate Lobby Activities.

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**“Draft Law that Facilitates Transparency and Regulates the Lobby and Actions Representing Particular Interests Before Public Authorities and Servants.”**

**NDICATOR 6: Conflict of Interest**

1. 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)  
   - The government does not have a policy to prohibit contributions from tobacco industry; and does not require a full disclosure of such contributions. Nevertheless, there are a couple of regulations that refer to this Q and are listed on Q No. 20.

2. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General). (Rec 4.4)  
   - No evidence of any retired senior government officials joining the tobacco industry.

   * Nevertheless, it is worth mentioning that the Head of External Affairs at Philip Morris Ecuador, Glenda Ruiz (2019-present), used to be an advisor for the Ministry of Finance of the Free Trade Agreement between Ecuador and USA, during the period 2006/2007.\(^\text{71}\)

3. Current government officials and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)  
   - No evidence about any current government officials and relatives hold positions in the tobacco business, including consultancy positions.

   * Nevertheless is worth mentioning that:
     - The current Executive President of the Chamber of Industries and Production,\(^\text{72}\) Pablo Zambrano Albuja (2018-present), used to be the Director of Corporate Affairs for Ecuador and Perú of Philip Morris International (2012-2014) and the Corporate Affairs Manager of Philip Morris Ecuador ITABSA (2012).\(^\text{73}\) At the same time, the current Vice President of the Chamber of Industries and Production,\(^\text{74}\) Carla Muirragui (2018-present), used to be the Director of Corporate Affairs for Ecuador and Perú of Philip Morris International (2016-2018).\(^\text{75}\)
     - The Chamber of Industries and Production, with the endorsement of the Ministry of Foreign Trade and Investments, launched the campaign, “Smuggling has something you don’t see/El Contrabando tiene algo que no ves,” of which ITABSA, TANASA and PROESA, affiliates of Philip Morris International, contributed with their auspice.\(^\text{76}\)

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\(^\text{71}\) Source. (visit 30/04/20): https://www.linkedin.com/in/glenda-ruiz-861a035a/?originalSubdomain=ec.

\(^\text{72}\) Source (visit 30/04/20): https://www.cip.org.ec/somos-cip/.

\(^\text{73}\) Source (visit 30/04/20): https://www.linkedin.com/in/pablo-agustin-zambrano-albuja-6b134111/.

\(^\text{74}\) Source (visit 30/04/20): https://www.cip.org.ec/somos-cip/.

\(^\text{75}\) Source (visit 30/04/20): https://www.linkedin.com/in/carla-muirragui-437a2b55/.

\(^\text{76}\) Source (visit 30/04/20): https://www.facebook.com/CamaraCIP/posts/2132065120194796/.
https://www.youtube.com/watch?v=swkxcsHurCo.
## INDICATOR 7: Preventative Measures

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<td>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)</td>
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<td>There is no policy, and there are no procedures in place, to disclose tobacco industry interactions. This information will be expanded in Q No. 20, regarding the Bill to Regulate Lobby Activities, “Draft Law that Facilitates Transparency and Regulates the Lobby and Actions Representing Particular Interests Before Public Authorities and Servants”.</td>
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<td>2.</td>
<td>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)</td>
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<td>4</td>
</tr>
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<td>*</td>
<td>Notwithstanding what will be developed in Q No. 20 regarding the Bill to regulate Lobby Activities, “Draft Law that Facilitates Transparency and Regulates the Lobby and Actions Representing Particular Interests Before Public Authorities and Servants,” it should be noted that currently there is no code for public officials that specifically prescribes the standards with which they should comply in their dealings with the tobacco industry.</td>
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<td>*</td>
<td>Nevertheless it is important to mention the current existing codes of conduct that Ecuador has developed in order to advance this matter:</td>
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<td></td>
<td>• Code of Ethics for the Good Living of the Executive Function, 2013 (Código de Ética para el Buen Vivir de la Función Ejecutiva).⁷⁷</td>
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<td></td>
<td>• Code of Ethics Presidency of the Republic, 2014 (Código de ética Presidencia de la República).⁷⁸</td>
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<tr>
<td></td>
<td>• Code of Ethics Ministry of Public Health (Código de Ética Ministerio De Salud Pública).⁷⁹</td>
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</tr>
<tr>
<td></td>
<td>• Code of Ethics for Servants of the Internal Revenue Service (Código de ética de las servidoras y los servidores del Servicio de Rentas Internas).⁸⁰</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Declaration of having no conflict of interest on the part of the delegates to the Interagency Committee for Tobacco Control (CILA).⁸¹</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3.</td>
<td>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. (Rec 5.2)</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>*</td>
<td>In general, there are some regulations that mainly refer to the periodic submission of information regarding on tobacco production, manufacture, market share, marketing expenditures, revenues and philanthropy. To review the content of the legal provisions in detail, review Annex A:</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

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⁸⁰ Own translation. Source (visit 30/04/20): https://www.sri.gob.ec/web/guest/codigo-de-etica.

⁸¹ Own translation. Information provided by the Ministry of Public Health, National Undersecretary of Health Promotion and Equality (CILA Executive Secretariat).
4. The government has a program/system/plan to consistently\textsuperscript{87} raise awareness within its departments on policies relating to FCTC Article 5.3 guidelines. (Rec 1.1, 1.2)  

5

\textit{* There is no government program/system/plan to consistently raise awareness within its departments on policies relating to WHO FCTC Article 5.3 guidelines, as Ecuador reported on the 2018 Core Questionnaire of the reporting instrument of WHO FCTC:

\begin{quote}
\textit{C124. Please provide a brief description of the progress made in implementing Article 5.3 in the past two years or since submission of your last report.}
\end{quote}

In 2015, a delegate official from the Ministry of Public Health attended a training on the guidelines for the application of Article 5.3 of the FCTC, which brought together representatives of other countries in the Region of the Americas, such as: Colombia, Costa Rica, Panama, among others.\textsuperscript{82,83,84,85,86}

\textsuperscript{84} Own translation. Source (visit 30/04/20): https://www.caich.com/Portals/0/NAC.pdf.  
\textsuperscript{87} 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.
From this training, in the MSP there is a need for a legal instrument for the protection of public health policies, related to tobacco control, against commercial interests and others created from the tobacco industry.

Currently, a day of activities is being coordinated multi-sectoral and inter-institutional to develop a legal instrument to protect public health policies related to tobacco control against commercial interests and other vested interests of the tobacco industry.\(^{88}\)

- **Cooperation agreement signed between National Customs Service of Ecuador (SENAE for its acronym in Spanish) and Industrias del Tabaco, Alimentos y Bebidas S.A., abbreviated as ITABSA in Spanish (PMI affiliate in Ecuador\(^{88}\)).**
  - Ministry of Health, Ministerial Chief Office, Oficio Nro. MSP-2018-1778-O, Quito-D.M., July 31\(^{st}\) 2018.\(^{90}\)
    **Subject:** Request for immediate termination of the cooperation agreement signed between SENA and ITABSA.

  - Letter of support from national and international civil society members and organizations to Ministerial Chief Office, Oficio Nro. MSP-2018-1778-O, dated July 31, 2018, issued by the Office of the Minister of Health, requesting that the Director General of the National Customs Service of Ecuador (SENAE) immediately terminate the agreement signed with the Tobacco Industry, Food and Drinks S.A. (ITABSA).\(^{91}\)

  - CILA, President Letter, September 14\(^{th}\) 2018.\(^{92}\)
    **Subject:** Request for termination of cooperation agreement.

  - SENA, Managing Director Office, Oficio Nro. SENA-SENA-2018-0595-OF, Guayaquil September 19\(^{th}\) 2018.\(^{93}\)
    **Subject:** Termination of cooperation agreement with ITABSA.

  - Ministry of Health, Ministerial Chief Office, Oficio Nro. MSP-2018-2661-O, Quito-D.M., November 14\(^{th}\) 2018.\(^{94}\)
    **Subject:** Appreciation to Civil Society Organizations for the support received against the request for termination of the Cooperation Agreement between SENA and ITABSA.

  - Ministry of Health, Ministerial Chief Office, Oficio Nro. MSP-2018-2716-O, Quito-D.M., November 20\(^{th}\) 2018.\(^{95}\)
    **Subject:** Answer: Termination of the SENA Cooperation Agreement – ITABSA.

---


\(^{90}\) Own translation. Information provided by the Ministry of Public Health, National Undersecretary of Health Promotion and Equality (CILA Executive Secretariat).

For more information:

Hugo Noboa, Denounce e-mail “Customs signs agreement with tobacco industry. Violates FCTC, Protocol and Law” to the Ministry of Health, July 17\(^{th}\) 2018.\(^{90}\)

\(^{91}\) Information provided by the organizations authors of this report.

\(^{92}\) Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

\(^{93}\) Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

\(^{94}\) Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

\(^{95}\) Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).
• **CILA meetings:**

- **Plenary Session 2017, September 1st 2017.**
  **Topics:**
  a) Awareness and information workshop on tobacco control and construction of the 2017-2020 action plan.

- **Technical meeting of the Interagency Committee on Tobacco Control 2018, ACTA 2018-001, May 7th 2018.**
  **Topics:**
  a) Ecuador and the WHO Framework Convention on tobacco control.
  b) Inter-ministerial Action Plan to control the illegal sale of tobacco products, monitoring compliance with 100% tobacco smoke-free spaces and health warnings.

- **Plenary Session 2018, ACTA, May 16th 2018.**
  **Topics:**
  a) Ecuador’s advances in tobacco control.
  b) Inter-ministerial Action Plan to control the illegal sale of tobacco products, monitoring compliance with 100% tobacco smoke-free spaces and health warnings.

- **Meeting of the National Executive Committee, ACTA CE001-2019, June 12th 2019.**
  **Topics:**
  a) Analysis of the problem of smuggling and illegal trade in tobacco products.
  b) Legal competence of State institutions against smuggling and illegal trade.
  c) Actions to confront smuggling and illegal trade based on the competence of each institution.

5. 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. (Rec 3.4)

* The government has not put in place a specific policy to disallow the acceptance of all forms of contributions/gifts from the tobacco industry that prohibits offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials and their relatives.

* Also, there is no evidence about any government official accepting or rejecting any contributions.

* Nevertheless, there are a couple of regulations that could apply to cover this issue, and could be consulted in Annex B.

• *Duty to denounce and combat acts of corruption and public administration principles: Constitution, 2008 (Constitución de la República del Ecuador), Arts. 83, 204, 227 and 297.*

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96 Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

97 Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

98 Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

99 Own translation. Information provided by Ministry of Public Health, National Undersecretary Health Promotion and Equality (CILA Executive Secretariat).

• Public administration rules for the prohibition of receipt of contributions, request compulsory contributions, delivery of any type of resource of illicit origin; and, rules for the use of public resources: Democracy Code, 2009 (Ley Orgánica Electoral, Código de la Democracia), Art. 219.\(^{101}\)

• Prohibitions on public servants and public servants and grounds for removal: Public Service Organic Law, 2010 (Ley Orgánica Servicio Público, abbreviated as LOSEP in Spanish), Arts. 24, 48d and 116.\(^{102}\)

• Penalties for influence peddling: Organic Criminal Code, 2014 (Código Orgánico Integral Penal, abbreviated as COIP in Spanish), Art. 285.\(^{103}\)

* Finally, it is worth mentioning that in September 2019, there was presented in the Congress (National Assembly) a Bill to regulate Lobby Activities, “Draft Law that Facilitates Transparency and Regulates the Lobby and Actions Representing Particular Interests Before Public Authorities and Servants” in recognition of the fact that the Ecuadorian legislation, regarding public service and the codes of ethics implemented by public institutions, “do not contemplate lobbying activity or the way in which authorities and public servants could relate to lobbyists, without it becoming an activity of privileged attention or directed to grant a particular benefit.”\(^{104}\) The Bill is currently assigned to the Citizen Participation and Social Control Commission of the National Assembly, and the debate process is pending.\(^{105}\)

TOTAL 69
Annex A: Regulations that refer to periodic submission of information (Q No. 18)

- **LORCT, 2011** (*Ley orgánica para la regulación y control del tabaco*):
  - **Art. 10. Powers.** They are powers of the National Health Authority, the following: e) Determine the information that manufacturers are required to provide to the corresponding authorities and the general public, regarding tobacco products and their harmful effects.\(^{106}\)

- **LORCT Regulatory Decree, 2012** (*Reglamento a la Ley orgánica para la regulación y control del tabaco*):
  - **Art. 3.** The manufacturing, importing and wholesale marketing companies of the tobacco products listed in these regulations must register with the Ministry of Public Health, attaching:
    a) Notarized copies of the incorporation documents of the company or company, duly registered in the instances related to production, import and/or marketing; and,
    b) The documents containing the identification data and physical addresses, telephones, emails, web pages, addresses of social networks, etc., of the institution. Data must be updated every time there is a change.
  - **Art. 4.-** Manufacturing, importing and wholesale trading companies must declare at the time of registration with a complete and clear technical report: what type of tobacco product, brands and the number of units per individual retail package they manufacture, import, or commercialize, as well as information corresponding to ingredients, components, additives and other substances used in its manufacture, design features, waste and emissions; to which they will add copies of reports of studies or tests that they have carried out as well as the data of the laboratory where they occurred.
    This information will not include data related to trade secrets.
    The information will be updated annually until June 30 of each year and will be made public in the manner provided by the National Health Authority.\(^{107}\)

- **Internal Revenue Service (Tax Authority) (Servicio de Rentas Internas, or SRI), Resolution No. NAC-DGERCGC14-00749, 2016:**
  - **Art. 2.** Purpose of the Identification, Marking and Tracking System, abbreviated as SIMAR in Spanish. This system consists of a comprehensive platform that will contain information regarding the production, marketing and aspects of tax interest, of nationally produced goods taxed with the Special Consumption Tax, and will operate through the placement and activation of physical and technological security components in each product. The Identification, Marking and Tracking System (SIMAR) exists for identifying, marking and tracing goods subject to the Nationally Produced Excise Tax: cigarettes, alcoholic beverages, and beer. The tax administration may include other products by resolution.
    The Identification, Marking and Tracking System (SIMAR) must be incorporated in the production lines or in the production processes used by the manufacturers of the goods subject to control and will have the following components:
    - **Information management system:** System that collects general data on manufacturers, production, products and marketing; information that will enable control efforts.
    - **Physical security component:** Code or physical component, visible, affixed or printed on the products, on their cover, container, wrapping, or packaging that allows the consultation of their validity to control bodies, public entities, taxpayers subject to Special Consumptions and


final consumers, with the characteristics and under the parameters approved by the Internal Revenue Service.

- **Art. 3. Information.** The system information will be managed by the Service Internal Revenue in accordance with article 101 of the Internal Tax Regime Law. By virtue of this, the reserved information cannot be delivered to third parties by the implementer and executor of the system.108

**Company Law, 1999 (Ley de compañías):**

- **Art. 20.** The companies incorporated in Ecuador, subject to the oversight and control of the Superintendent of Companies and Securities, will submit, in the first four-month period of each year:
  a) Authorized copies of the annual balance sheet, the statement of the profit and loss account, as well as the reports and reports of the administrators and the inspection bodies established by law;
  b) The list of administrators, legal representatives and partners or shareholders, including both legal owners and beneficial owners, in accordance with international standards of transparency in tax matters and the fight against illicit activities, in accordance with the resolutions issued for this purpose by the Superintendent of Companies, Securities and Insurance; and,
  c) The other data analyzed in the regulations issued by the Superintendent of Companies and Securities. The annual balance sheet and the statement of the profit and loss account will be approved by the general meeting of partners or shareholders, as the case may be: said documents, as well as those referred to in paragraphs b) and c) of the previous paragraph, will be signed by the persons determined by the regulations and will be presented in the manner indicated by the Superintendent.

- **Art. 21.** The transfers of shares and participation of companies incorporated in Ecuador, subject to the supervision of the Superintendent of Companies and Securities. They will be communicated to the latter, indicating the name and nationality of the transferor and assignee, by the administrators of the respective company, within eight days after registration in the corresponding books.

- **Art. 22.** Foreign investment made in companies and other entities subject to the control and supervision of the Superintendent of Companies and Securities will not require prior authorization from any State agency.

- **Art. 23.** Foreign companies operating in the country and subject to the supervision of the Superintendent of Companies and Securities must submit, in the first four-month period of each year:
  a) Authorized copies of the annual balance and the statement of profit and loss of its branch or establishment in Ecuador;
  b) The payroll of the attorneys or representatives;
  c) Authorized copy of the annex on the Financial Movement of Goods and Services, of the respective financial year; and,
  d) The other data requested by the Superintendent. The documents that contain the data required in this article will be presented signed by the representatives and in the manner indicated by the Superintendent of Companies and Securities.

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108 Own translation. Source (visit 30/04/20):
- **Art. 25** If the Superintendent does not receive the documents referred to in the previous articles in a timely manner, or if they do not contain all the required data or are not duly authorized, they will impose a fine on the company administrator in accordance with Article 457 of this law, except that before the expiration of the term, the respective extension has been obtained from the Superintendent, because of the impossibility of timely submission such documents and data.

The fine may be repeated until due compliance with the required obligation.

[...]

The Superintendent may require the presentation of the annual balance sheet and the statement of the profit and loss account of a company subject to its supervision, after the first quarter of the year, even when said documents have not been approved by the general meeting of shareholders or partners. Likewise, at any time, the Superintendent may request that a company subject to its supervision present its balance sheet to a certain date. This balance sheet must be delivered within fifteen days following the mandate of the Superintendent, under the same sanctions provided for in the preceding paragraphs, unless the company, for justified reasons, has obtained an extension of the term.

- **Art. 33** The establishment of subsidiaries, the increase or decrease of capital, the extension of the social contract, the transformation, merger, spin-off, change of name, change of address, validation, reactivation of the company in the process of liquidation and early dissolution, as well as all the agreements and resolutions that alter the clauses that must be registered and published, that reduce the duration of the company, or exclude any of its members, are they will subject to the solemnities established by the Law for the foundation of the company according to its species.

The opposition of third parties to the registration of the decrease in capital, name change, early dissolution, change of address or validation of the company, will be subject to the procedure provided in Arts. 86, 87, 88, 89 and 90.\(^\text{109}\)

### Presidential Executive Decree No. 193, Regulatory Decree: Legal personality regulation of social organizations, 2017 (Reglamento personalidad jurídica organizaciones sociales):

- **Art. 4. Types of organizations.** Natural and legal persons with civil capacity to contract and be bound, in exercise of the constitutional right of free association, may constitute:
  1. Corporations;
  2. Foundations;
  3. Other forms of national or foreign social organization.

- **Art. 6. Obligations of organizations.** Without prejudice to the obligations established in other normative provisions, social organizations will have the following obligations:
  1. Comply with the Constitution, the law, its statutes, and other current provisions;
  2. Deliver to the appropriate state entity, when the case requires it, the documentation and information established in these Regulations, including that which will be generated in the future as consequence of the operation of the social organization; and,
  3. Be accountable to its members through their managers or the person responsible for the effect, at least once a year, or by formal request of a third party or more of them. The obligation of the managers to render accounts will be fulfilled with respect to the period of their functions even when they have ended.\(^\text{110}\)

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Annex B: Regulations that refer to rejecting contributions (Q No. 20)

- Constitution, 2008 (Constitución de la República del Ecuador):
  - Art. 83. The duties and responsibilities of Ecuadorians, without prejudice to others provided for in the Constitution and the law:
    8. To administer honestly and with unrestricted adherence to the law of public assets, and to denounce and combat acts of corruption.
  - Art. 204. The people are the principal and the first inspector of public power, exercising their right to participation.

The Transparency and Social Control Function will promote and impel the control of the entities and organisms of the public sector, and of the natural or legal persons of the private sector that provide services or carry out activities of public interest, so that they carry them out with responsibility, transparency and equity; promote and encourage citizen participation; protect the exercise and fulfilment of rights; and will prevent and combat corruption.

The Transparency and Social Control Function will be made up of the Citizen Participation and Social Control Council, the Ombudsman's Office, the State Comptroller General and the Superintendents. These entities will have legal personality and administrative, financial, budgetary and organizational autonomy.

  - Art. 227. Public administration constitutes a service to the community that is governed by the principles of effectiveness, efficiency, quality, hierarchy, decentralization, coordination, participation, planning, transparency and evaluation.
  - Art. 297. Every program financed with public resources will have objectives, goals and a predetermined term to be evaluated, within the framework of the provisions of the National Development Plan.

Institutions and entities that receive or transfer public goods or resources will be subject to the rules that regulate them and to the principles and procedures of transparency, accountability and public control.111

- Democracy Code, 2009 (Ley Orgánica Electoral, Código de la Democracia):
  - Art. 219. The receipt of contributions, contributions, or delivery of any type of resource of illicit origin is prohibited.

Likewise, the acceptance of contributions from national natural persons who have contracts with the State is prohibited, as long as the contract has been concluded for the execution of a public work, the provision of public services or the exploitation of natural resources, through concession, association or any other contractual modality.

It is forbidden to accept contributions from natural persons who maintain direct or indirect legal disputes with the State for public works or services contracts.

Servants, public bodies, or institutions are prohibited from using public resources and goods to promote their names or their political organizations in the institutions, works or projects under his charge.

It is forbidden to request compulsory contributions from state institutions in favor of political organizations or any candidacy.112

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111 Own translation. Source (visit 30/04/20):

112 Own translation. Source (visit 30/04/20):
• **Public Service Organic Law, 2010 (Ley Orgánica Servicio Público, abbreviated as LOSEP in Spanish):**

  - **Art. 24. Prohibitions on public servants and public servants.** The following are prohibited from public servants and servants:

    k) Request, accept or receive, in any way, gifts, rewards, gifts or contributions in kind, goods or money, privileges and advantages by reason of their functions, for themselves, their superiors or their subordinates; notwithstanding that these acts constitute crimes such as: embezzlement, bribery, concussion, extortion or illicit enrichment.

  - **Art. 48. Grounds for removal.-** There are consider grounds for removal:

    d) Receive any kind of gift or money unrelated to their remuneration.

  - **Art. 116.- Prohibition.-** In addition to their budgetary remuneration, no servant of the entities and organisms referred to in Article 3 of this aw ¹¹³ may ask the State or individuals, or accept from them, any payment in money, or other values, advantages or gifts, for the fulfillment of their official duties.¹¹⁴

• **Organic Criminal Code, 2014 (Código Orgánico Integral Penal, abbreviated as COIP in Spanish):**

  - **Art. 285. Influence peddling.** Public servants and persons acting by virtue of a state power in one of the State institutions,¹¹⁵ listed in the Constitution of the Republic, taking advantage of the powers of their office or any other situation derived from their personal or hierarchical relationship, influencing another or another server to obtain an act or resolution favorable to their interests or from third parties, will be punished with a custodial sentence of three to five years. The maximum penalty provided will be applicable when the persons described in the first paragraph, taking advantage of popular representation or the position they exercise, favor or have favored natural or legal persons so that, contrary to express legal or regulatory provisions, they are awarded contracts or allow business to be carried out with the State or with any other public sector body. Included in this provision are the members or members of the administrative bodies of the State or of the public sector in general, who, with their vote, cooperate in the commission of this crime.¹¹⁶

¹¹³ Own translation. “Art. 3. Scope. The provisions of this law are mandatory, in terms of human resources and remuneration, in all public administration, which includes:

1. The organisms and dependencies of the Executive, Legislative, Judicial and Indigenous Justice, Electoral, Transparency and Social Control, State Attorney General and Constitutional Court functions;
2. The entities that make up the decentralized autonomous regime and special regimes;
3. The organisms and entities created by the Constitution or the law for the exercise of the state power, for the provision of public services or to develop assumed economic activities

For the state; and
4. Legal entities created by regulatory act of decentralized autonomous governments and special regimes for the provision of public services [...]”.

¹¹⁴ Own translation. Source (visit 30/04/20):

¹¹⁵ Own translation. “Art. 225. The public sector includes:

1. The organisms and dependencies of the Executive, Legislative, Judicial, Electoral and Transparency and Social Control functions.
2. The entities that make up the decentralized autonomous regime.
3. The organisms and entities created by the Constitution or the law for the exercise of the state power, for the provision of public services or to develop economic activities assumed by the State.
4. Legal entities created by regulatory act of decentralized autonomous governments for the provision of public services”. Source (visit 30/04/20):

¹¹⁶ Own translation. Source (visit 30/04/20):
Annex C: Sources of information

I. TOBACCO INDUSTRY ACTIVITY

1. Transnational Tobacco Companies:

<table>
<thead>
<tr>
<th>Transnational Tobacco Company</th>
<th>Source</th>
</tr>
</thead>
</table>

2. Local Tobacco Companies:

<table>
<thead>
<tr>
<th>Top Five Local Tobacco Companies</th>
<th>Market Share and Brands</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Source</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>

3. Tobacco Front Groups:

<table>
<thead>
<tr>
<th>Top Five Tobacco Industry Representative</th>
<th>Type (Front Group/ Affiliate/ Individual)</th>
<th>Source</th>
</tr>
</thead>
</table>
II. NEWS/ONLINE SOURCES

1. Newspaper/Dailies

<table>
<thead>
<tr>
<th>Top Five Newspaper/Dailies*</th>
<th>Type (Print/Online)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Ecuador</td>
<td>Both</td>
<td><a href="https://www.metroecuador.com.ec/ec/">https://www.metroecuador.com.ec/ec/</a></td>
</tr>
</tbody>
</table>
## 2. Government Agencies

<table>
<thead>
<tr>
<th>Agency</th>
<th>Specify if more than one office is involved in this function:</th>
<th>General Sources of Information</th>
</tr>
</thead>
</table>
| 1. Office of the Chief Executive (Prime Minister/President) Members of Royalty | President | • [https://www.presidencia.gob.ec/](https://www.presidencia.gob.ec/).  
• [https://www.vicepresidencia.gob.ec/](https://www.vicepresidencia.gob.ec/). |
<p>| 3. Agriculture /National Tobacco Board | Ministry of Agriculture and Livestock | • <a href="https://www.agricultura.gob.ec/">https://www.agricultura.gob.ec/</a>. |
| 5. Education | Ministry of Education | • <a href="https://educacion.gob.ec/">https://educacion.gob.ec/</a>. |</p>
<table>
<thead>
<tr>
<th>Investments/Excise</th>
<th>Service (SRI in Spanish), Ministry of Economy and Finance</th>
<th>• <a href="https://www.finanzas.gob.ec/">https://www.finanzas.gob.ec/</a>.</th>
</tr>
</thead>
</table>
| 10. Trade and Industry/Investments | Ministry of Production Foreign Trade Investments and Fisheries, Ministry of Foreign Relations and Human Mobility | • [https://www.produccion.gob.ec/](https://www.produccion.gob.ec/).  
|                   |                                                            | • [https://www.cancilleria.gob.ec/](https://www.cancilleria.gob.ec/). |
| Additional agencies/sectors to be named per country: | Ministry of Government, Ministry of Social and Economic Inclusion | • [https://www.ministeriodegobierno.gob.ec/](https://www.ministeriodegobierno.gob.ec/).  
|                   |                                                            | • [https://www.inclusion.gob.ec/](https://www.inclusion.gob.ec/). |

3. Online resources and index specific support information

Sources
To avoid duplicating information, and so that the reader can directly consult the source regarding each affirmation including in the report, we refer to the sources included in each of the footnotes.
### III. LAWS, POLICIES, AND ISSUANCES:

<table>
<thead>
<tr>
<th>Top 15 Government Agency/Office/Sector</th>
<th>Specify if more than one office is involved in this function:</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Office of the Chief Executive (Prime Minister/President) Members of Royalty</td>
<td>President Vice President</td>
<td>• <a href="https://leyes.asambleanacional.gob.ec">https://leyes.asambleanacional.gob.ec</a>.</td>
</tr>
<tr>
<td>2. Cabinet and/or National Assembly (Policy makers)</td>
<td>National Assembly</td>
<td>• <a href="https://leyes.asambleanacional.gob.ec">https://leyes.asambleanacional.gob.ec</a>.</td>
</tr>
<tr>
<td>3. Agriculture /National Tobacco Board</td>
<td>Ministry of Agriculture and Livestock</td>
<td>• <a href="https://leyes.asambleanacional.gob.ec">https://leyes.asambleanacional.gob.ec</a>.</td>
</tr>
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<td>Foreign Trade Investments</td>
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<td>Ministry of Foreign</td>
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<td>Ministry of Government</td>
<td>• <a href="https://leyes.asambleanacional.gob.ec">https://leyes.asambleanacional.gob.ec</a>.</td>
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