Executive Summary

The tobacco industry, which is responsible for more than 8 million deaths annually worldwide, has never been held accountable for the disease and death it's caused, nor for the devastating impact it's had on governments and society.

The industry is also exploiting the COVID-19 pandemic to provide resources to countries badly in need of them, framing itself as "part of the solution"—a classic industry tactic used to get close to governments in order to interfere with, derail and undermine policies aimed at reducing tobacco use.

Governments pinpointed tobacco industry interference as the most serious barrier to the tobacco control measures they are implementing under the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC).

This Global Tobacco Industry Interference Index (Index) is the second report in the series, presenting the status of WHO FCTC Article 5.3 implementation and providing a review of governments' efforts.

This second Index, based on publicly available information, covers 57 countries from Africa, the Eastern Mediterranean region, Latin and North America, Europe, South and Southeast Asia and the Western Pacific region. The countries are ranked (Figure 1) according to total scores provided by civil society groups, which prepared their respective country indices. The lower the score, the lower the overall level of interference, which augurs well for the country.

No country has been spared from tobacco industry interference but what made the difference was government action to address the interference.

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Even as more countries adopt comprehensive tobacco control, the tobacco industry is working to undermine government efforts in order to hook new users and push new products. They have even gone so far as to try and take advantage of the COVID-19 pandemic, when countries are desperate for resources. However, the Index helps shine a light on such efforts and provides a path for governments to combat the tobacco industry.

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Kelly Henning
Director of Public Health Programs
at Bloomberg Philanthropies

Key findings

→ **The tobacco industry stepped up corporate social responsibility (CSR) activities during the COVID-19 pandemic:** The U.K., Iran, Kenya, Brazil and Uruguay fared well in resisting industry interference by adopting preventive measures provided in Article 5.3 guidelines to facilitate transparency and avoid conflict of interest. These countries did not collaborate with or endorse the tobacco industry's activities.

→ **The tobacco industry attempted to steer policy development:** The tobacco industry sought to undermine the health ministry/department's leadership role in tobacco control by shifting decision-making to the non-health sector to obtain industry-friendly outcomes. In several countries, stringent tobacco control measures were defeated or diluted where the industry had a seat at the policymaking table or exerted influence through non-health representatives to delay or oppose tobacco control.

→ **The tobacco industry intensified lobbying:** As countries took action to address tobacco industry interference, the industry also stepped up its lobby of governments. Between 2018 and 2019, 11 countries showed improvement, while 15 countries have scores that deteriorated, meaning there were more instances of interference.

→ **The industry lobbied for acceptance/promotion of alternative tobacco products:** Philip Morris International (PMI) aggressively lobbied for the promotion and sale of its heated tobacco product (HTP), IQOS, in at least 12 countries which resulted in the government: 1) reversing a previous ban on HTPs; 2) allowing the sale of HTPs after PMI threatened to withdraw operations; 3) granting a lower level of taxation for HTPs compared to cigarettes; 4) signing a memorandum of understanding (MOU) with PMI to conduct research on HTPs; and 5) allowing the tobacco industry a seat in the standards body deciding on HTPs.

→ **Unnecessary interactions with the industry compromised the government's role as regulator:** Unnecessary interaction between high level government officials and tobacco companies resulted in these officials presenting trivial awards to tobacco companies for "good deeds" thereby endorsing them in the public eye. Partnership deals with the tobacco industry were facilitated during these interactions. The tobacco industry in at least six countries engaged with the Prime Minister's Office which established a positive relation with the top office which served to endorse the industry in the public eye.

→ **Lack of transparency remains a problem:** A lack of transparency persisted to facilitate deals with the tobacco industry. In 2019, seven countries made MOUs with the tobacco industry. These deals, made public only at signing ceremonies, were on tackling illicit trade in tobacco. On the other hand, countries that have put procedures in place have guided officials to report all meetings with the tobacco industry.

→ **Many countries continued to give incentives to the tobacco industry:** Incentives received by the tobacco industry included tax caps and tax exemptions, including the sale of duty-free cigarettes. These incentives have not been calculated to determine losses to the government.

→ **Most governments failed to address conflict of interest situations:** Most governments have not instituted a cooling period between when government officials retire and when they can join or consult for the tobacco industry. In four countries, state-owned tobacco entities are not treated the same as the private tobacco companies, and there was a revolving door between officials and industry leaders moving from one sector to the other.

→ **Countries persist in viewing the tobacco industry as economically crucial:** Indonesia, Japan, Kazakhstan, Mozambique, Romania, Tanzania and Zambia left their tobacco control policies vulnerable to being undermined and defeated. They neglected to utilize tools available to them, as provided in Article 5.3 Guidelines, to firewall their tobacco control efforts and have been vulnerable to high levels of industry interference.

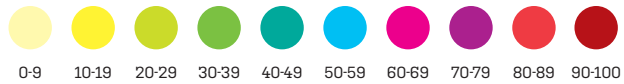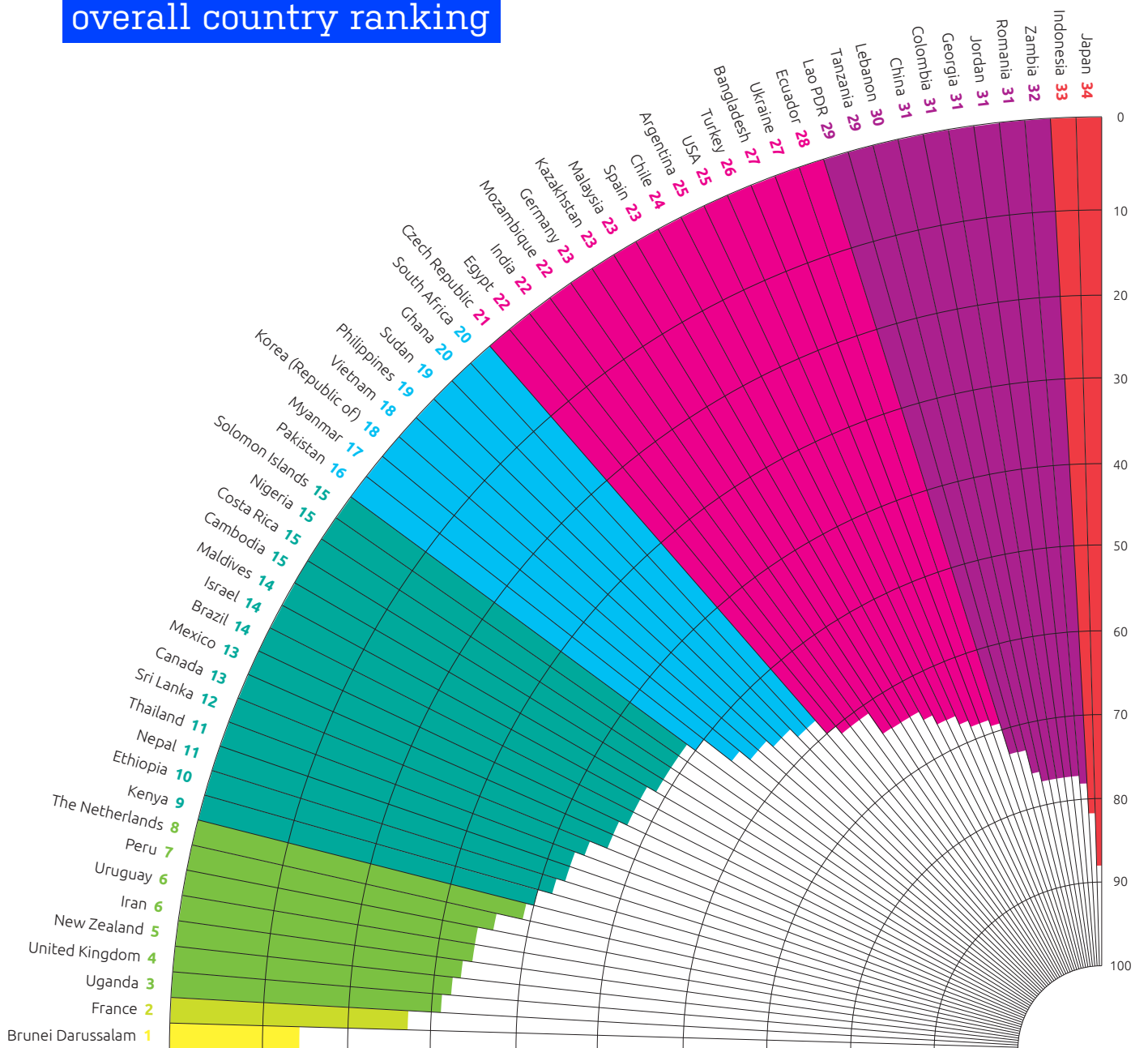# The lower the score, the better the ranking

0-9 | 10-19 | 20-29 | 30-39 | 40-49 | 50-59 | 60-69 | 70-79 | 80-89 | 90-100

Figure 1: Tobacco industry interference overall country ranking

Rank

Score

Recommendations

Governments can halt tobacco industry interference. The quicker governments act to implement the recommendations in the Article 5.3 Guidelines, the better protected they will be to advance their tobacco control policies. They need to take the following action:

1. Protect tobacco control policies using a whole-of-government approach:

Non-health agencies must also reject tobacco industry interference. Bring non-health agencies up to speed on the content of Article 5.3 recommendations to stop the industry from undermining and delaying tobacco control measures.

2. Limit interactions with the tobacco industry to only when strictly necessary:

Stopping unnecessary interactions is vital to avoiding industry interference. Governments should limit interactions to controlling and regulating the industry.

3. Ensure transparency when interacting with the tobacco industry:

Greater transparency when dealing with the tobacco industry will reduce instances of interference. All interactions with the tobacco industry must be recorded and made publicly available.

4. Protect government officials from tobacco industry influence:

Officials need to be free to develop and implement tobacco control measures without industry influence or interference. Adopting a code of conduct or guidance, which shields them from industry interference, will protect tobacco control; however, to be effective, this should apply to all public and elected officials.

5. Reject non-binding agreements with the tobacco industry:

Partnership and collaboration with the tobacco industry compromises the government and is not effective in achieving tobacco control policy objectives since the industry's interests conflict with public health goals.

6. Denormalize so-called socially responsible activities of the tobacco industry:

Governments are called to denormalize these CSR activities, as they are a form of sponsorship, and the industry uses them to whitewash the harm it causes to society and influence policy makers.

7. Stop giving incentives to the tobacco industry:

The tobacco industry should not be given incentives, exemptions or tax breaks to run its harmful business. Remove duty-free status of tobacco at duty-free shops.

8. Require information from the tobacco industry:

The tobacco industry should be made to disclose its expenditure on marketing, lobbying and philanthropic activities.

9. Treat state-owned enterprises the same as other tobacco companies:

State-owned tobacco entities should not be given governmental privilege or be allowed to influence tobacco control policy.