

Vietnam



Summary of Findings

1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

Vietnam has a state-owned enterprise, Vietnam National Tobacco Corporation (VINATABA). Collaboration between the government and tobacco industry (TI) in anti-smuggling policy development and enforcement is active and recorded. Besides using compulsory contributions from tobacco manufactures for smuggling control of cigarettes, the government also considers TI as a partner, collaborating in workshops and meetings to tackle tobacco smuggling.

2. INDUSTRY CSR ACTIVITIES

The Vietnam Law on Prevention and Control of Tobacco Harms limits the scope of TI CSR to programs of hunger eradication and poverty reduction, control of natural disasters, epidemic and combating cigarette smuggling, and bans the publicity of such sponsorship in the mass media. The partial ban on these activities has not had any impact. The TI continues their traditional CSR activities in a broad range of donations to schools, construction houses for the poor, donations to health care facilities, providing gifts for soldiers, scholarships for students, and programs on environment protection.

During the pandemic, VINATABA donated VND 100 billion to the COVID-19 Vaccine Fund while Saigon Tobacco Company donated VND 500 million to relief efforts of the pandemic. These TI CSR activities usually receive endorsement and participation of government officials from provincial and district levels.

3. BENEFITS TO THE INDUSTRY

In 2022, the government continued to grant its 3,000-ton duty-free quota for import of Cambodian dried tobacco

leaves. Cigarettes are still sold as duty-free items for international travelers and seafarers.

No direct evidence was found of the government accepting offers of assistance from TI or accepting proposed tobacco control legislation or policy drafted by or in collaboration with TI during this reporting period. However, the government has proposed and developed standards for ENDS/HTPs in Vietnam. Additionally some policymakers, and lawyers, spoke in favor of allowing ENDS/HTPs during workshops, talk shows, and media events.

4. UNNECESSARY INTERACTION

Since the TI in Vietnam is a state-owned enterprise, the management mechanism enables them numerous opportunities to meet and foster relationships with senior government officers from both central as well as provincial levels. Collaboration between the government and the TI in anti-smuggling enforcement still exists, facilitating unnecessary interaction.

In Sep 2021 the President had a meeting with the US American Associations and Investors which included Philip Morris Vietnam. In Dec 2022, the chairman of the Committee for Management of State Capital at Enterprises (CMSC) had a meeting with the delegation of Philip Morris International Group (PMI) and the Chairman of the Board of VINATABA. In January and February 2023, the CMSC delegation, led by its Vice Chairman, visited and fostered relations with the leadership and employees of VINATABA. In June 2022 the delegation of the CMSC, led by its Chairman, visited the Saigon Tobacco Company to gain understanding of its operations and plan tasks for the future.

The government has also presented awards to the tobacco enterprises for their contribution and accomplishments: in



2021, Saigon Tobacco Company received a certificate of merit from the Chairman of the Ho Chi Minh City People's Committee; in 2022, BAT Vietnam was awarded as the "Top 100 Sustainable Enterprises in Vietnam" a program announced by the Vietnam Federation of Trade and Industry and Ministry of Labour, Invalids and Social Affairs; in June 2022, the Trade Union of Thang Long Tobacco Company received the excellent emulation flag from the Vietnam Industry and Trade Union.

5. TRANSPARENCY

The government sees interaction with the TI as normal, and so they are open about their interaction with the TI. Detailed information on the government's interactions with the TI not always available in the public domain. There is no government procedure regarding disclosure or registration of TI entities, affiliated organizations, and individuals acting on their behalf.

6. CONFLICT OF INTEREST

No new government official has joined the TI. There are several appointments of staff from the Ministry of Industry and Trade to VINATABA in 2014 that are still in office, and received promotions in 2020.

Mr. Ha Quang Hoa, Deputy Director of Department of Light Industry, was appointed to be Vice Director of VINATABA in 2014, and then was appointed to be General Director of VINATABA in 2020; Mr. Ho Le Nghia, Vice Director of Industrial Policy and Strategy Institute, was appointed to

be a Board Member of VINATABA in 2014, acted as the Party Secretary and Chairman of the Members' Council of VINATABA in 2018, and re-elected to be the Party Secretary of VINATABA in the new term in 2020.

7. PREVENTIVE MEASURES

The government has not put in place a procedure for disclosing the records of interaction with the TI, nor adopted or implemented a code of conduct for public officials yet. However, the Ministry of Health makes efforts to inform the public about TI tactics and as well as preventing interaction with the TI.

In 2021 the Ministry of Health issued Official Dispatch No. 5680/BYT-KCB to Health Departments of the provinces, cities and hospitals directly under the Ministry of Health on strengthening the implementation of the Law on Prevention and Control of Harmful Effects of Tobacco. The goal of this issue was accelerating smoking cessation at medical facilities, dissemination of information on the harmful effects of new tobacco products, and reiterating to its units not to cooperate with Foundation for a Smoke-Free World in the implementation of WHO FCTC Article 5.3 in the country.

The Ministry of Industry and Trade has a reporting scheme for tobacco enterprises, tobacco suppliers, tobacco distributors, wholesalers, and retailers. However, the government does not require the industry to submit information on TI's marketing, lobbying and philanthropy.