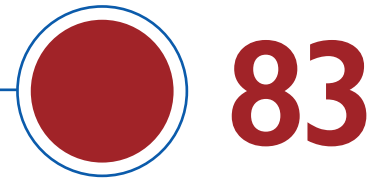


Georgia



Summary of Findings

1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The tobacco industry (TI) actively participates in the development of policies, receiving substantial support from the economic sector of the government and parliament. Key supporters of the TI include the Committee of Sectoral Economy of the Parliament, the Ministry of Economy and Sustainable Development, and the Office of Business Ombudsman of Georgia, all of whom promote the TI's stances and interests.

2. INDUSTRY CSR ACTIVITIES

The TI is prohibited from organizing Corporate Social Responsibility (CSR) initiatives and providing assistance to any individual or legal entity. Philip Morris International for example, promoted heated tobacco products as part of its CSR initiative, "Ubi Concordia, Ibi Victoria" (Making History in the Pandemic). In Georgia, there are no specific rules governing philanthropic contributions made by TI. Consequently, the TI can contribute donations as long as they refrain from promoting their company or tobacco products.

3. BENEFITS TO THE INDUSTRY

In 2014 The Ministry of Economy and Sustainable Development introduced a designated state initiative named "Produce in Georgia". Its primary objective is to offer assistance and backing to the local tobacco production sector. In 2023, with the assistance of the "Produce in Georgia" agency, a new tobacco company was founded in Kobuleti. The agency offered assistance in various forms to establish a hookah factory from Lebanon, including funding for construction, procurement of raw materials, and acquiring necessary equipment for evaluating and producing hookah tobacco.

Government did not introduce any tobacco tax increase since November 2019, even for adjusting inflation during these years.

4. UNNECESSARY INTERACTION

Unnecessary interaction of TI with government officials or Members of Parliament was recorded, and as a part of general course there are direct, unlimited, and unregulated interactions and communications.

The TI still continues to support the Revenue Service of the Ministry of Finance by conducting training for their staff, and provides dogs and drones for the custom services to fight against smuggling. JTI for example reports that it has successfully conducted a series of anti-illicit trade seminars to the Georgian State Customs.

5. TRANSPARENCY

The relations between TI and state institutions lack transparency. In June 2018, a draft Decree called "Protecting the State Policy Related to Tobacco Control in Public Institutions and Establishing the Rule of Communication of State Servants with the Tobacco Industry" was prepared. However, the approval of the Georgian Government is still pending for this draft. The delay in approval is attributed to the extensive influence of TI on the government.

6. CONFLICT OF INTEREST

A former Minister of Economy owns a local tobacco manufacturing company and influences the current government to create a profitable environment for his business.



7. PREVENTIVE MEASURES

Preventive measures have not been taken to address the issue at hand. The government has failed to adopt or enforce a code of conduct for public officials, which would outline the appropriate standards for interactions with the TI.

Recommendations

1. It is recommended to adopt the draft Governmental Decree on “Protecting the State Policy Related to Tobacco Control in Public Institutions and Establishing the Rule of Communication of State Servants with the Tobacco Industry” as soon as possible.
2. It is necessary to prohibit the involvement of the TI in the preparation, establishment, and execution of public health policies.
3. It is essential to implement a ban on corporate social responsibility (CSR) initiatives by the TI and prohibit their engagement in charitable activities.
4. Governmental bodies should be required to disclose all records of meetings held with the TI.
5. A code of conduct should be implemented for public officials to provide guidance when interacting with the TI.
6. Efforts should be made to provide capacity building and raise awareness among decision and policy-makers regarding WHO FCTC Article 5.3 and its guidelines, which aim to protect public health policies from the commercial and vested interests of the TI.