

Georgia
Tobacco Industry Interference
Index 2023

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Background and Introduction

Georgia is a European country with a population of 3.7 million¹ that has been a member of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) since May 2006.² The smoking prevalence in Georgia was 31% (57% among men and 7% among women) in 2016.³ Tobacco smoking caused at least 11,400 death in 2017.⁴

Georgia implemented most requirements of the WHO FCTC and its guidelines on May 17, 2017 (effective since May 1, 2018). This implementation includes the prohibition of smoking various tobacco products, including e-cigarettes and Heated Tobacco Products (HTPs), in all public places, with a few exemptions. Additionally, tobacco advertisement, promotion, and sponsorship (TAPS) are banned, along with indoor and outdoor displays of all tobacco products.⁵

These comprehensive measures affected smoking prevalence, which decreased by 3% among the general population and by 9% among smokers between 2016–2019. Consumption of all tobacco products decreased by 15% during the same period.⁶

Georgia, after such tremendous changes and successes, became one of the countries with good achievements in tobacco control in the European Region. The World Health Organization's Office for Europe issued a special documentary on the success of Georgia, "[Uphill Battle](#)," that gives an account of this.^{7 8} However, the battle still continues today as this report shows tobacco industry (TI) interference over the last two years. TI interference was especially active just after the adoption of comprehensive tobacco control measures in the country in May 2017.

The most important problem Georgia faces in the adoption of comprehensive tobacco control measures is related to the implementation of Article 5.3 of the WHO FCTC and its guideline. Particularly, the Georgian government still has not adopted the draft 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," which was prepared in June 2018 and renewed in 2022. However, the draft still awaits the approval of the Georgian government. The reason for this delay is the TI's broad influence on the government.

¹ National Statistics Office of Georgia (GeoStat). (2023). *Population and Demography*. Retrieved June 16, 2023: <https://www.geostat.ge/en/modules/categories/316/population-and-demography>

² United Nations. (2006). 4. *WHO Framework Convention on Tobacco Control*. Retrieved June 17, 2023: https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=IX-4&chapter=9&clang=_en

³ National Center for Diseases Control and Public Health (NCDC). STEPS Survey, 2016. Retrieved June 17, 2023: <https://ncdc.ge/#/pages/file/4c558bf2-4b06-4fd6-a5af-5c98e85c321c>

⁴ National Center for Disease Control and Public Health of Georgia (NCDC). (2018). *The Case for Investing in WHO FCTC Implementation in Georgia*. UNDP. Retrieved June 17, 2023: https://www.undp.org/sites/g/files/zskgke326/files/publications/The_Case_for_Investing_in_WHO_FCTC_Implementation_in_Georgia.pdf

⁵ The parliament of Georgia. *Amendments to "Tobacco Control" Law, 859-Il.* May 17, 2017. Legislative Herald of Georgia. Retrieved June 18, 2023: <https://matsne.gov.ge/ka/document/view/3676731?publication=2>

⁶ National Center for Disease Control and Public Health (CDC). National Adults Tobacco Survey (NATS): Georgia 2019. Retrieved June 18, 2023: <https://www.ncdc.ge/#/pages/file/22c5e2c0-36d9-4a08-975c-03fa09d21c2e>

⁷ The uphill battle: the story of Georgia's fight for a tobacco-free future. WHO, May 30, 2022. Retrieved June 18, 2023: <https://www.who.int/europe/news/item/30-05-2022-the-uphill-battle--the-story-of-georgia-s-fight-for-a-tobacco-free-future>

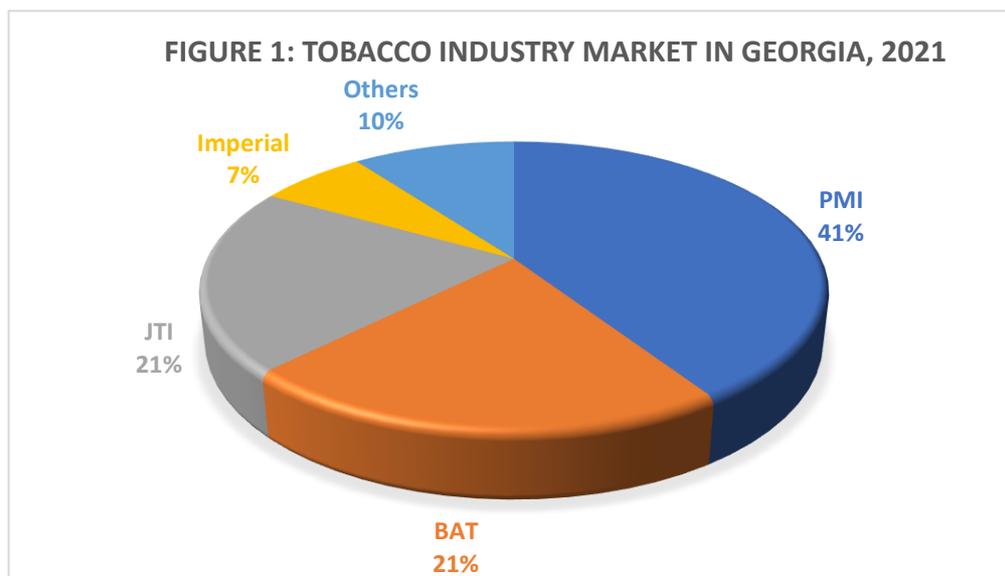
⁸ George Bakhturidze. The impact assessment of law on tobacco control on health and economy of Georgia, December 2019. Retrieved June 18, 2023: <https://test.ncdc.ge/Handlers/GetFile.ashx?ID=92a34feb-3a6b-4895-b623-042279397f18>

The TI involved politicians and health professionals in promoting some tobacco products under a “tobacco harm reduction” marketing strategy between 2021-2023. Also, the TI and their allies postponed plain tobacco packaging regulation; instead of January 1, 2023, it will now enter into force on July 31, 2024.

This report presents the results of tobacco industry interference monitoring for the period between April 2021 and August 2023. Overall, the results of the monitoring show that the tobacco industry still has a strong influence over the Georgian government and parliament. Below are instances of the tobacco industry interferences affecting the implementation of WHO FCTC Article 5.3 and its guideline.

Tobacco Industry’s profile and marketing during 2021-2023

According to data from Euromonitor 2021, **40.8%** of the cigarette market share in Georgia belonged to Philip Morris International (PMI), 21.7% to British American Tobacco (BAT), 20.7% to Japan Tobacco International (JTI) and 6.7% to Imperial Tobacco (IT).⁹ Nearly 90% of the tobacco market is controlled by transnational tobacco companies in Georgia (Figure 1).



Source: Euromonitor, 2021

PMI’s influence on Georgian health policy increased after the US Food and Drug Administration (FDA)’s decision (authorizing the marketing of IQOS as a modified risk tobacco product) in July 7, 2020.¹⁰ PMI announced it would enter the Georgian market just after the FDA decision. PMI has continued more intensive, aggressive and unlawful marketing (Georgia prohibited all forms of TAPS since September 1, 2018) of their HTPs

⁹ Euromonitor International, Ltd. 2021 Tobacco Market Research Data. Retrieved May 1, 2023: <https://www.portal.euromonitor.com/statisticsevolution/index>

¹⁰ U.S. Food and Drug Administration, FDA Authorizes Marketing of IQOS Tobacco Heating System with “Reduced Exposure” Information. July 07, 2020: <https://www.fda.gov/news-events/press-announcements/fda-authorizes-marketing-iqos-tobacco-heating-system-reduced-exposure-information>

since 2021.¹¹ PMI has been one of the influential lobbyists over the last few years through the Business Association of Georgia (BAG), whose other members include JTI.^{12 13 14}

PMI involved new front groups, including the Institute of Social Researches (ISR), to continue promoting IQOS.¹⁵ The ISR, in its work as speakers/trainer/organizer, involved former Health Ministers like Mr. Andrew Urushadze, Mr. Giorgi (Gigi) Tsereteli (former Deputy Chairman of the parliament of Georgia), Mr. Zurab Tchiaberashvili and Deputy Health Ministers like Mr. Lavan Jugeli, Mr. Nikoloz (Koka) Pruidze, Mr. Irakli Giorgobiani. Some prominent medical doctors are also involved with ISR, although most of the medical professionals terminated their contracts with ISR when it became clear that the tobacco industry was behind these trainings. Since 2021, the ISR has worked directly with family doctors, dentists (Paradontologists Association was a co-organizer for their seminars), oncologists, pulmonologists and cardiologists to organize a of series of seminars/trainings on so-called "tobacco harm reduction." The main message of their events is to advise that patients who smoke switch from cigarettes to IQOS as a "harm reduction product".^{16 17 18 19 20}

The FCTC Implementation and Monitoring Center in Georgia set a precedent when the TI involved medical doctors and former high officials of the Ministry of Health to promote the use of "harm reduction products." The FCTC Implementation and Monitoring Center defined the unlawful sponsorship and promotion facts and addressed these issues with the appropriate enforcement bodies for legal action.²¹

Ukrainian NGO "Healthy Initiative," which receives funding through PMI-funded Foundation for a Smoke-Free World (FSW), funded Georgian economist Mr. Giorgi Mzhavanadze to prepare a Report on Georgia. He evaluated existing tobacco control policy and identified stakeholders who hold positive attitudes towards "tobacco harm

¹¹ Forbes Georgia. PMI's IQOS officially enters to Georgian market. July 24, 2020: <https://forbes.ge/philip-morris-saqarthvelo-2/>

¹² List of Members of the Business Association of Georgia (BAG). Retrieved May 3, 2023: <https://bag.ge/en/33>

¹³ Maka Rukhadze. Everything you should know regarding heating tobacco – IQOS! What marketing thick does Phillip Morris Have? Akhali Versia, August 3, 2020: <http://versia.ge/index.php/versia/21-middle-east/4229-iqos>

¹⁴ Business Association of Georgia. Tobacco Tactics, updated July 7, 2023. Retrieved July 10, 2023: <https://tobaccotactics.org/article/business-association-of-georgia/>

¹⁵ Institute of Social Research (ISR), section related to tobacco harm reduction. Retrieved in May 2, 2023: <https://www.isr.ge/tobacco-harm-reduction>

¹⁶ Interpressnews. We are always open to discussion – Institute of Social Research appeals to the National Center for Disease Control and Public Health of Georgia. June 19, 2021: <https://bit.ly/46canHt>

¹⁷ Mediaholding Kvira. "Tobacco industry has started hunting for medical personnel - trying to bribe doctors" - "Tobacco Control Alliance". June 28, 2021: <http://kvira.ge/669131>

¹⁸ TV Rustavi2. International Conference on Tobacco Harm Reduction: Challenges and Opportunities in the 21st Century. May 24, 2022: bit.ly/3qu4aqf

¹⁹ Business Media Georgia. Giorgi (Gigi) Tsereteli on tobacco harm reduction. May 25, 2022. Retrieved June 20, 2023: <https://www.youtube.com/watch?v=msDcV-OzTVg>

²⁰ Maka Rukhadze. Everything you should know regarding heating tobacco – IQOS! What marketing thick does Phillip Morris Have? Akhali Versia, August 3, 2020: <http://versia.ge/index.php/versia/21-middle-east/4229-iqos>

²¹ FCTC Implementation and Monitoring Center in Georgia. Letter dated May 2, 2023.

reduction” products like HTPs (p. 36-37) (Table I).²² He also made special presentations at two international meetings in Warsaw funded by the same foundation.^{23 24}

Table I. Politicians, Business and Media organizations supporting tobacco industry in Georgia

Members of the parliament	Business Associations	Media
Mr. Irakli Mezurnishvili; Mr. Sulkhan Makhatadze; Mr. Irakli (Dachi) Beraia; Mr. David Songulashvili; Mr. Zurab Macharashvili	Business Association of Georgia (BAG); International Chamber of Commerce; Georgian Retailers Association	Business Media Georgia (BMG); Georgia Today

Recourse: *Healthy Initiatives. Georgia, country report. December 2021: bit.ly/3XQLDRh*

The BMG has broadcasting on TV Pirveli, the owner of which is a son of the former owner of Georgian Tobacco Manufacturer Company “Pirveli” Avtandil Tsereteli who was involved in a money laundering scandal when he owned this local tobacco manufacture.²⁵

Towards the end of 2020, BAT announced they were closing their marketing office in Georgia due to a prohibition of any marketing of tobacco products.²⁶ However, former head of the marketing of BAT, Zviad Skhvitardze, continues lobbying tobacco industry interests as an economic and legal expert, and he also intensively uses BMG channel.²⁷ The lobbyist from the side of JTI is a representative of this company, Iva Khasia, who also manipulates with their misleading information through different media channels, mostly through BMG.²⁸

The e-cigarette and vape markets have dramatically increased in Georgia, mainly among the youth population. Monitoring by the FCTC IMCG revealed several facts of display, advertisement and promotion of such products at the point of sale and on the internet. Hence, the tobacco industry unlawfully promotes their products.²⁹ Famous public persons and celebrities are involved in unlawful promotion of e-cigarettes that is prohibited by tobacco control regulations.³⁰ The data published by the Revenue Service indicates a significant increase in consumption of e-cigarettes/vapes. In 2020, the Revenue Service issued 41,000 excise stamps for e-liquids for local manufacturers. This number skyrocketed to 979,000 stamps in 2021, marking a 24-fold increase. In 2022, the number of stamps issued for local manufacturers decreased to 559,000. However, importers

²² Giorgi Mzhavanadze. Georgia – country report. Healthy Initiatives, December 2021: https://www.smokefreeworld.org/wp-content/uploads/2021/12/Georgia_country_report_3.21.22.pdf

²³ Healthy Initiatives. Global Forum on Nicotine, June 16-18, 2022. Warsaw, Poland/Virtual. Retrieved June 20, 2023: <https://hi-ua.org/tpost/duxayr92jl-global-forum-on-nicotine-june-16-18-2022>

²⁴ Healthy Initiatives. Forum: “Science and Tobacco Control in Eastern Europe”, June 20, 2023. Warsaw, Poland. Retrieved July 12, 2023: <https://hi-ua.org/tpost/k98bhsl6l-warsaw-public-event-on-science-and-tobac>

²⁵ Tabula. The father of the founder of TV Pirveli, businessman Avtandil Tsereteli, was charged. August 22, 2019: <https://tabula.ge/ge/news/629751-tv-pirvelis-dampudzneblis-mamas-biznesmen>

²⁶ Business Formula TV. British American Tobacco closes representative office in Georgia. January 19, 2021: <https://www.facebook.com/FormulaBusiness/videos/741969993361082>

²⁷ Business Media Georgia. Interviews with Zviad Skhvitardze, BAT’s former head of marketing department. Retrieved May 2, 2023: <https://bm.ge/ka/topic/zviad-sxvitaridze/3940/1/>

²⁸ Business Media Georgia. Interviews with Iva Khasia, JTI’s representative. Retrieved May 2, 2023: <https://bm.ge/ka/topic/iva-xasia/10561/1/>

²⁹ FCTC Implementation and Monitoring Center in Georgia. Letter on the results of monitoring, dated May 1, 2023.

³⁰ The parliament of Georgia. *Amendments to "Tobacco Control" Law*, 859-III. May 17, 2017. Legislative Herald of Georgia. Retrieved June 18, 2023: <https://matsne.gov.ge/ka/document/view/3676731?publication=2>

began acquiring 3,913,000 stamps in 2022, representing a substantial increase in the e-cigarettes/vapes market compared to 2021. Specifically, the market saw a 4.5-time increase in 2022.³¹

Unfortunately, the tobacco industry can sell their products at a cost which is lower than the production costs. They can do this because BAT issued a Constitutional complaint N 876 against the parliament of Georgia in March 17, 2017. The complaint was about the constitutionality of the ban on the low-priced sale of tobacco products on the market in accordance with the principle of the freedom of entrepreneurship and the prohibition of monopoly, as stipulated in Article 26, paragraph 4 of the Constitution of Georgia.³²

On May 20, 2022, the First Collegium of the Constitutional Court of Georgia satisfied the complaint of BAT and issued the decision: “The normative content of the words “or at a price lower than the cost price” of Article 5, Paragraph 2, Sub-paragraph “i” of the Law on Tobacco Control of Georgia, which prohibits, in the presence of reasonable economic interest, the second economic agent operating in the same market by an economic agent operating in the tobacco market, will be declared unconstitutional sales of tobacco products on the agent at a price lower than the cost price.”³³ ³⁴ This decision allows the TI to sell its products at a lower price than its cost.

The Global Tobacco Industry Interference Index scores are created annually by the Global Center for Good Governance in Tobacco Control.³⁵ Georgia had one of the highest Global Tobacco Industry Interference Index scores in 2020 (score: 77; rank: 54 of 57), in 2021 (score: 80; rank: 76 of 80) and in 2023 (score: 83).³⁶ The result means that the TI has serious influence on the State bodies in Georgia, and the situation in 2023 became even worse after reports issued in 2020 and 2021.

To respond to these challenges and to implement WHO FCTC Article 5.3, the Georgian government needs 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.” Permanent monitoring of tobacco industry interference is needed through the strengthening of tobacco control legislation and programs. Capacity building of decision- and policy-makers, as well as various stakeholders, is also important.

The TI interference report is based on a questionnaire developed by the Southeast Asia Tobacco Control Alliance. There are 20 questions based on the Article 5.3 guidelines. Information used in this report is obtained from the public domain only. A scoring system was applied with scores ranging from 0 - 5, where 5 indicates the highest level of industry interference, and 1 is low or no industry interference. Hence the lower the score, the

³¹ Revenue Service. Information regarding issued excise marks. Retrieved May 5, 2023: <https://old.rs.ge/5905>

³² Constitutional Court of Georgia. British American Tobacco Georgia Limited against parliament of Georgia. Decision N 1/2/876, May 20, 2022: <https://constcourt.ge/ka/judicial-acts?legal=13633>

³³ Ibid

³⁴ The Constitutional Court Decision on “BAT against the parliament”, N 1/2/876, May 5, 2022: <https://matsne.gov.ge/ka/document/view/5470473?publication=0>

³⁵ Global Center for Good Governance in Tobacco Control. The Global Tobacco Industry Interference Index. Retrieved June 10, 2023: <https://globaltobaccoindex.org>

³⁶ Global Center for Good Governance in Tobacco Control. Global Tobacco Interference Scores – GEORGIA, 2020, 2021, 2023: <https://globaltobaccoindex.org/country/GE>

better for the country. The 0 score indicates an absence of evidence or not applicable. The report includes information on incidents from April 2021 to August 2023.

Summary 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 tobacco industry's stance.

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 the TI. Consequently, the TI can contribute donations as long as they refrain from promoting their company or tobacco products.

3 BENEFITS TO THE INDUSTRY

The Ministry of Economy and Sustainable Development introduced a designated state initiative named "Enterprise in Georgia" in 2014. Its primary objective was to offer assistance and backing to the local tobacco production sector. In 2023, with the assistance of the "Enterprise 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.

4 UNNECESSARY INTERACTION

Unnecessary interaction of the TI with government officials or members of parliament took place, and they have direct and unlimited interactions and communications.

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

5 TRANSPARENCY

The relations between the 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 the TI on the government.

6 CONFLICT OF INTEREST

A former Minister of Economy owns a local tobacco manufacturing company and influences current government in order 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 involving the TI.

Recommendations

1. It is recommended for the government to adopt the draft 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 tobacco industry 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 tobacco industry and prohibit their engagement in charitable activities;
4. Governmental bodies should be required to disclose all records of meetings held with the tobacco industry;
5. A code of conduct should be implemented for public officials to provide guidance when interacting with the tobacco industry;
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 tobacco industry.

Georgia

Tobacco Industry Interference Index 2023

Results and Findings

Scores: 0-5; 0 – no available evidence or not applicable; 1 – low or no TI interference; 5 – highest level of TI interference

INDICATOR 1: Level of Industry Participation in Policy-Development	Score
The government ³⁷ accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry or any entity or person working to further its interests ³⁸ in setting or implementing public health policies in relation to tobacco control. ³⁹ (Rec 3.4)	5
<p>The local and international tobacco companies based in Georgia have strong ties with Georgian policy or decision-makers from ruling and/or opposition parties.</p> <p>Some members of the parliament pushed to postpone the implementation of tobacco plain packaging regulation until December 31, 2024. With the support of the parliament, they were successful in postponing it until July 31, 2024.⁴⁰ Behind this decision was the tobacco industry, mainly PMI, because plain packaging regulation included HTPs as other tobacco products.⁴¹ The initiators from the parliament were Mr. David Songulashvili (head of Sectoral Economy Committee and leading lobbyist of TI at the parliament), Mr. Isko Dasen (his family controls around 80% of gambling business in Georgia), Mr. Gocha Enukidze and Mr. Gela Samkharauli. The Tobacco Control Alliance actively opposed the postponement of plain tobacco packaging regulation, which was also proposed five years prior but unfortunately it was considered again as the ruling party heads may have had TI ties.^{42 43 44}</p> <p>The Business Ombudsman’s Office of Georgia (BOO) has regular meetings and consultations with tobacco industry representatives. The Annual Report of BOO from 2022 shows that the BOO on behalf of tobacco industry officially applied to the Parliament and required</p>	

³⁷ 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.

³⁸ The term, “tobacco industry” includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

³⁹ “Offer of assistance” may include draft legislation, technical input, recommendations or oversees study tour.

⁴⁰ Parliament of Georgia. Amendment at the Law on Tobacco Control, N 2127-IX⁰ლ-X⁰3, November 29, 2022: <https://matsne.gov.ge/ka/document/view/5626557?publication=0>

⁴¹ Business Media Georgia. Heated Tobacco Products will disappear from the market after 2023: the lawyer talks regarding governmental decision. May 19, 2022: <https://bm.ge/ka/article/2023-wlidan-bazarze-shesadzloa-gasaxurebeli-tambaqo-gaqres---iuristi-dadgenilebis-xarvezze-miutitebs/109182>

⁴² Business Formula. In Whose Interest Is Delaying Tobacco Plain Packaging Regulation – Industry VS Opponents? November 23, 2022: <https://businessformula.ge/News/11528>

⁴³ Rustavi 2. The regulation of plain tobacco packaging, which should come into force on December 31, 2022, may be postponed - the Tobacco Control Alliance objects to the change initiative and issues a statement. November 29, 2022: <https://rustavi2.ge/ka/news/243421>

⁴⁴ Business Time. The bill is against EU law - the Tobacco Control Alliance Statement. November 29, 2022: <https://businesstime.ge/biznesi/kanonproekti-etsinaagmdegeba-evrokavshiris-samartals-tambakos-kontrolis-aliansi>

postponement of plain tobacco packaging as their official recommendation.^{45 46} The BOO addressed the parliament twice in mid-2023 (April 21 and May 8, 2023) and issued recommendations based on TI requirements regarding adding brands names in English for the plain-packaging regulations and giving permission to duty free operators to sell tobacco products without plain-packaging.^{47 48}

The Business Association of Georgia is one of the main lobbyists of PMI in Georgia.⁴⁹ The Deputy Chairman of BAG – Mr. Levan Vepkhvadze (Former Deputy Chairman of the parliament of Georgia) and Mr. Nika Nanuashvili (Head of Legal Department) were involved in direct lobbying to promote IQOS in Georgia. Mr. Nanuashvili passed regulation in parliament to reduce the tax on HTPs and e-cigarettes and to legalize the promotion and advertisement of these new products on behalf of BAG. He also participated in events financed by PMI or their other front groups and made official statements against the strengthening of tobacco control legislation, mostly through Business Media Georgia (BMG).^{50 51 52}

PMI, its UK-based international partner organization - Knowledge Action Change (K.A.C)⁵³ and Health Research Union (HRU) organized the international conference on “Tobacco Harm Reduction: Challenges and opportunities in 21st Century” on May 23, 2022. The conference was facilitated by research head of the HRU. The main speakers and active participants were three former Ministers of Health of Georgia: Mr. Giorgi (Gigi) Tsereteli, Mr. Andrew Urushadze and Mr. Zurab Chiaberashvili.^{54 55} The Tobacco Control Alliance (FCTC Implementation and Monitoring Center is a coordinator of the Alliance), together with medical doctors and students organized action-performance in front of the hotel where the conference was held to protest the TI funded event.^{56 57} The National Center for

⁴⁵ Annual Report of Business Ombudsman Office of Georgia 2022, pp 6-7:

<https://businessombudsman.ge/files/files/საბუღალტრო-2022.pdf>

⁴⁶ Business Media Georgia. The standard tobacco packaging requirement will come into effect on July 31, 2024. November 29, 2022: <https://bm.ge/ka/article/tambaqos-standartuli-shefutvis-motxovna-2024-wlis-31-dekembridan-amqmedeba/121685>

⁴⁷ Letter of the Business Ombudsman of Georgia to the parliament, N 00000172, April 21, 2023

⁴⁸ Letter of the Business Ombudsman of Georgia to the parliament, N 00000202, May 8, 2023

⁴⁹ Tobacco Tactics. Business Association of Georgia. updated 07 July 2023. Retrieved July 10, 2023:

<https://tobaccotactics.org/article/business-association-of-georgia/>

⁵⁰ Business Media Georgia. Parliament resolution on tobacco control - assessment of Nika Nanuashvili. April 19, 2021:

<https://bm.ge/ka/article/tambaqos-kontrolis-shefaxeb-parlamentis-dadgenileba---nika-nanuashvilis-shefaseba/80638>

⁵¹ Business Media Georgia. The legal director of BAG responds to the decline of BAG's initiative regarding changes in the "Tobacco Control Law" by the parliament. July 20, 2021: <https://bm.ge/ka/article/parlamentis-mier-tambaqos-kontrolis-kanonis-iniciativis-chagdebas-bag-is-iuridiuli-direqtori-exmaureba/87634>

⁵² Business Media Georgia. "Heating tobacco product" may disappear from the market since 2023 - the lawyer points to a flaw in the resolution. May 19, 2022: <https://bm.ge/ka/article/2023-wlidan-bazarze-shehadzloa-gasaxurebeli-tambaqo-gaqres--iuristi-dadgenilebis-xarvezze-miutitebs/109182/>

⁵³ Tobacco Tactics from the University of Bath. Knowledge-Action-Change. The page edited on 23 June 2023 Retrieved July 1, 2023 <https://tobaccotactics.org/article/knowledge-action-change/>

⁵⁴ The entrepreneur. International Conference: Tobacco Harm Reduction: Challenges and Opportunities in the 21st Century. May 25, 2022: <https://www.entrepreneur.com/ka/siakhleebi-da-tendentsiebi/saertashoriso/428236>

⁵⁵ Imedi News. Tobacco Control Alliance: Recently, there has been an alarming increase in the tobacco industry's efforts to market new, technological products through the hands of medical professionals. May 21, 2022:

<https://imedineews.ge/ge/sazogadoeba/250391/tambaqos-kontrolis-aliansi-bolo-khans-sagangashod-masshtaburia-tambaqos-industriis-mtsdeloba-akhali-teqnologiuri-produqtebis-marketingi-medikosebis-khelit-atsarmois>

⁵⁶ "Fortuna. Don't become a distributor of death" - doctors and students are holding an action-performance. May 23, 2022: https://fortuna.ge/fortuna/post/nu-gakhdebi-sikvdilis-distributori-eqimebi-da-studentebi-aqcia-performans-martaven?fbclid=IwAR1iwEhL-hAAX2G-47xFZOwZ2_QF22F4mCl3H4P5sDUoFB0orU3_iVLq8bM

⁵⁷ Rustavi2. "Don't become a distributor of death" - with this slogan, the head of the Tobacco Control Alliance held a medical students action in Tbilisi. May 23, 2022: <https://rustavi2.ge/ka/news/229843?fbclid=IwAR3KvzaBMrg9igMfU0o5YQ-rZ0PZEGMsE0-p2SsLlyj-QSv2vXVfuxfoQU>

Disease Control and Public Health (NCDC) expressed its negative position regarding the event one day before the conference.⁵⁸

A promoter of marketing interests of PMI in Georgia is economist Giorgi Mzhavanadze, who on February 14, 2023 published an article regarding alternative tobacco products in BMG. The article was written with funding from the Tobacco Harm Reduction Scholarship Program (THRSP).⁵⁹ This grant program is managed by K.A.C.⁶⁰ Giorgi Mzhavanadze, a PhD student on the Faculty of Economy of the Tbilisi State University also published an article in “Georgia Today” on February 27, 2023, and it was sponsored by PMI’s Foundation for a Smoke-Free World through its Ukrainian NGO “Healthy Initiatives” program.⁶¹

Mr. Mzhavanadze received funds not only from the tobacco industry but also from the Shota Rustaveli National Science Foundation.⁶² The FCTC Implementation and Monitoring Center applied to the head of the Foundation and Rector of Tbilisi State University regarding the direct conflict of interest of this person’s dissertation topic. A decision is still pending as of August 2023.

I. The government accepts, supports or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)					4	
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The TI has regular communication with some members of the parliament, government, BOO, Ministry of Economic and Sustainable Development, and Ministry of Finance, among others.

Ukrainian NGO “Healthy Initiative” that receives funding through PMI-funded Foundation for a Smoke-Free World (FSW) funded Georgian economist Mr. Giorgi Mzhavanadze to prepare a Report on Georgia. He evaluated existing tobacco control policy and identified stakeholders who hold positive attitudes towards “tobacco harm reduction” products like HTPs (Figure 2).⁶³

⁵⁸ The National Center for Diseases Control and Public Health (NCDC). The position of the NCDC regarding the Conference to be held in May 23 on “Tobacco Harm Reduction: Challenges and opportunities in 21st Century”. May 22, 2022: <https://test.ncdc.ge/Pages/User/News.aspx?ID=b9e3c753-5b59-4baf-86aa-75ff727068c0&language=en-US>

⁵⁹ Giorgi Mzhavanadze. What we know regarding tobacco alternative products. BMG, February 14, 2023. Retrieved June 30, 2023: <https://bm.ge/ka/article/ra-vicit-tambaqos-alternatiuli-produqtetebis-sheaxe-126956>

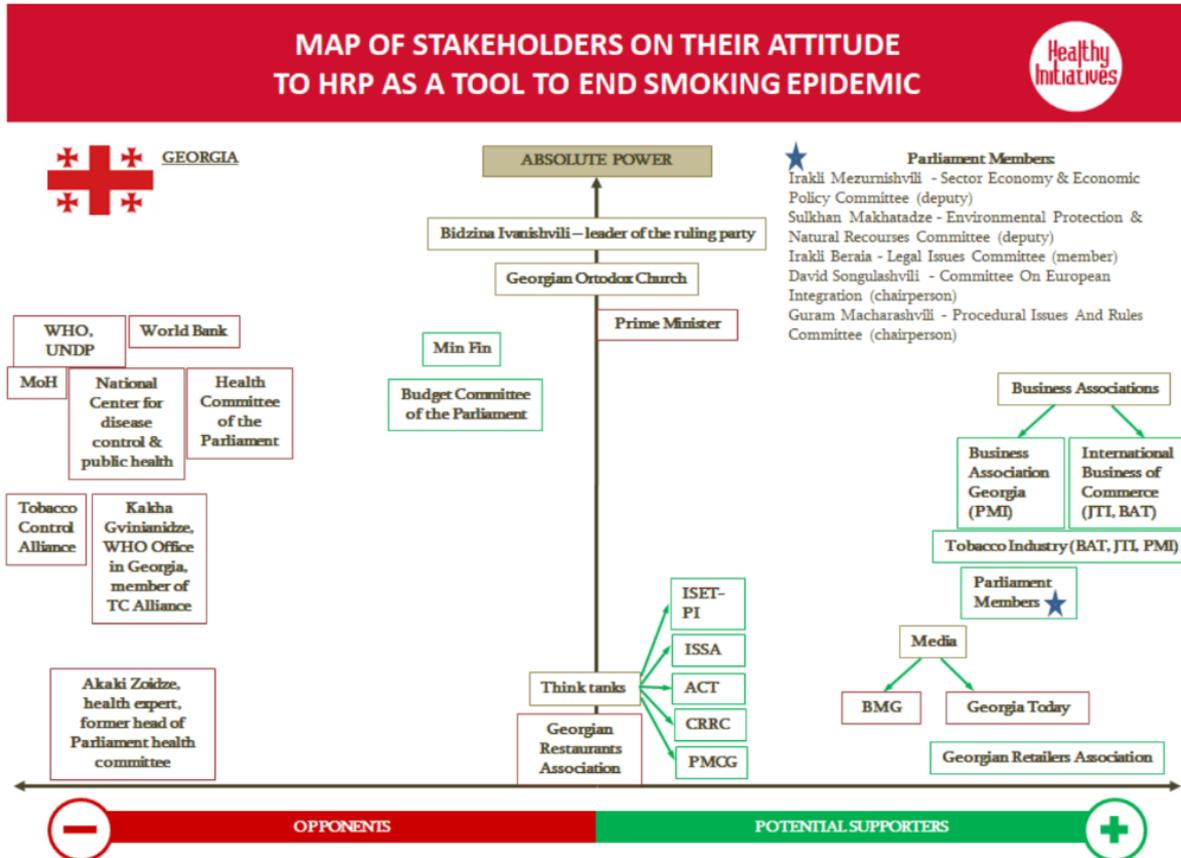
⁶⁰ Knowledge.Action.Change (K.A.C). Tobacco Harm Reduction Scholarship Programme. Retrieved May 5, 2023: <https://thrsp.net/introduction-to-the-thrsp/>

⁶¹ Giorgi Mzhavanadze. Smoking Behavior and Risk Perceptions in Georgia: Results of 2022 Survey. Georgia Today, February 27, 2023. Retrieved June 20, 2023: <https://georgiatoday.ge/smoking-behavior-and-risk-perceptions-in-georgia-results-of-2022-survey/>

⁶² Tbilisi State University. The Results of tobacco control – TSU doctoral student’s research. November 3, 2021: <https://www.tsu.ge/ka/news/თამბაქოს-კონტროლის-შედეგები---თსუ-დოქტორანტის-გამარჯვებული-კვლევა->

⁶³ Giorgi Mzhavanadze. Georgia – country report.. Healthy Initiatives, December 2021: https://www.smokefreeworld.org/wp-content/uploads/2021/12/Georgia_country_report_3.21.22.pdf

Figure 2: Map of Georgian stakeholders on their attitude to harm reduction product (HRP) as a tool to end smoking epidemic, 2021



Recourse: Healthy Initiatives. Georgia, country report. December 2021: bit.ly/3XQLDRh

This report states that WHO, the NCDC, the Tobacco Control Alliance, Akaki Zoidze (who was leader at the parliament when the effective changes made in the tobacco control legislation), and others are opposed to using “harm reduction products” (such as HTPs and e-cigarettes) as a means to reducing smoking.

Unfortunately, famous medical professionals and front organizations like the Institute of Social Research (ISR), Association of Paradontologists, etc., are closely collaborating with the Business Association of Georgia (BAG) to promote PMI’s novel products. Furthermore, BAG proposes new legislation offers to parliament regarding the postponement of plain-packaging and display-bans, allowing ads and promotions for e-cigarettes and HTPs products, allowing smoking in various facilities, etc. As of August 2023, a decision on plain-packaging regulations has been delayed until July 31, 2024.

The Business Ombudsman’s Office (BOO) of Georgia often has meetings and consultations with TI representatives. The Annual Report of the BOO from 2022 shows that BOO officially applied to the parliament and requested postponement of plain tobacco packaging.⁶⁴ BOO’s report also mentioned that the parliament considered their recommendation and postponed the implementation until December 31, 2024 (which is incorrect as the

⁶⁴ Annual Report of Business Ombudsman Office of Georgia 2022, pp 6-7: <https://businessombudsman.ge/files/files/საბუღალტრო-2022.pdf>

parliament ultimately postponed the regulation until July 31, 2024).^{65 66} BOO presented legislative proposals favorable to the TI and sent it to the government and the parliament. The BOO addressed the parliament twice in mid-2023 (April 21 and May 8, 2023) and issued recommendations based on TI requirements regarding adding brand names in English for the plain-packaging regulations and giving permission to duty free operators to sell tobacco products without plain-packaging.^{67 68}

2. The government allows/invites the tobacco industry to sit on government interagencies/multi-sectoral committees advisory group bodies that set public health policy. (Rec 4.8)

5

The tobacco industry continues to hold closed door meetings with government officials, mostly individuals working on economic affairs. The regular supporters and lobbyists of the TI interests in the government are the Ministry of Economy and Sustainable Development (MoESD) and the Business Ombudsman’s Office of Georgia (BOO). The MoESD has a special state program titled “Enterprise in Georgia,” which has supported the production of local tobacco since 2014.⁶⁹ The MoESD Deputy Ministers continue to support tobacco industry interests at the governmental level and in the parliament.^{70 71}

The National Center of Diseases Control of Georgia (NCDC), together with the Tobacco Control Alliance in Georgia, prepared a draft decree for the implementation of Article 5.3 of the WHO FCTC. The draft was sent for approval to the Administration of the Prime-Minister in June 2018, but unfortunately it is still under consideration five years later. The Tobacco Control Alliance in Georgia assumes that the delay is due to the serious influence of the tobacco industry on the Georgian government.⁷² The Healthcare and Social Issues Committee of the parliament of Georgia held a hearing during March-June 2019 on the issue. On April 13, 2021, the parliament adopted a special resolution and addressed the government on the timely adoption of the Decree and the need for governmental transparency in relation to the TI.^{73 74} The NCDC renewed work on the issue during 2022 and conducted several meetings with different stakeholders. The new draft was ready and uploaded to the governmental portal at the end of 2022, but it still needs approval from the economic team of the government.

⁶⁵ Annual Report of Business Ombudsman Office of Georgia 2022, pp 6-7:
<https://businessombudsman.ge/files/files/საბუღალტრო-2022.pdf>

⁶⁶ Business Media Georgia. The standard tobacco packaging requirement will come into effect on July 31, 2024. November 29, 2022: <https://bm.ge/ka/article/tambaqos-standartuli-shefutvis-motxovna-2024-wlis-31-dekembridan-amoqmedeba/121685>

⁶⁷ Letter of the Business Ombudsman of Georgia to the parliament, N 00000172, April 21, 2023

⁶⁸ Letter of the Business Ombudsman of Georgia to the parliament, N 00000202, May 8, 2023

⁶⁹ Governmental Decree N365, 30.05.2014 on “adoption of State program regarding “Enterprise in Georgia”.
<https://matsne.gov.ge/ka/document/view/2362780?publication=0>

⁷⁰ Natia Khutsishvili. George Bakhturidze accuses politicians of being involved in lobbying for the tobacco industry. May 5, 2014: <http://reportiori.ge/old/geworld.ge/?menuid=2&id=25411>

⁷¹ Natia Amiranashvili. George Bakhturidze: Tobacco control remains on the level of declarations. Liberali. September 29, 2014: <http://liberali.ge/news/view/12396/giorgi-bakhturidze-tambaqos-kontroli-gantskhadebebis-doneze-rcheba>

⁷² Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. April 3, 2019:
<https://1tv.ge/news/tambaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

⁷³ Healthcare and Social Issues Committee of the parliament of Georgia. Post legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” – Final Report. 2019:
https://parliament.leavingstone.club/storage/files/shares/naak/jandacva/tambaqo/report_eng.pdf

⁷⁴ Parliament of Georgia. Resolution of the Parliament N 455-IVms-Xmp, adopted April 13,2021:
<https://matsne.gov.ge/ka/document/view/5148191?publication=0>

The Tobacco Industry and BAG representatives participate on the governmental Councils on Economy as invited members.⁷⁵

3. 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)⁷⁶ (Rec 4.9 & 8.3)
For non-COP year, follow the previous score of COP year.
For non-Parties, apply a score of '0'.

1

Economic-related governmental structures of Georgia attempted to appoint delegates from TI-related governmental representatives in previous COPs: COP 6 and COP 7. In COP-8/MOP-1 and COP-9/MOP-2, only representatives of the Healthcare Committee of the parliament, NCDC and MoF participated.^{77 78 79 80} Intention was again from the side of BOO through promised funding from the TI, but it was prevented by NCDC before the COP-8. No intention was declared for the COP-9. However, we have no information regarding links of MoF representatives to the TI.

INDICATOR 2: Industry CSR activities

4. A. Government agencies or their officials endorse, support, form partnerships with or participate in tobacco industry activities that are promoted as “socially responsible” or “sustainable.” For example, environmental programs. (Rec 6.2)

B. Government agencies or officials receive CSR contributions⁸¹ (monetary or otherwise) from the tobacco industry or those working to further its interests during the pandemic. (Rec 6.4)
NOTE: Excludes enforcement activities which is covered elsewhere.

2

Under CSR, PMI’s initiative “Ubi Concordia, Ibi Victoria” focused on employee well-being during the COVID-19 pandemic and was publicized on the Center for Strategic Research and Development of Georgia (CSR DG) blog.⁸²

⁷⁵ Economic Council of the Government. Decree N 592, Dec 26, 2022: <https://matsne.gov.ge/ka/document/view/5666418?publication=0>

⁷⁶ Please annex a list since 2009 so that the respondent can quantify the frequency, <http://www.who.int/fctc/cop/en/>

⁷⁷ WHO. FCTC/COP/8/DIV/1 List of Participants. Oct 5, 2018: <https://fctc.who.int/publications/m/item/fctc-cop-8-div-1-list-of-participants>

⁷⁸ WHO. FCTC/MOP/1/DIV/2 List of Participants. Oct 10, 2018: <https://fctc.who.int/publications/m/item/fctc-cop-8-div-1-list-of-participants>

⁷⁹ WHO. 9th Session of the COP to the FCTC. List of Participants, Nov 8, 2021:

<https://untobaccocontrol.org/downloads/cop9/additional-documents/COP9-List-of-Participants.pdf>

⁸⁰ WHO. FCTC/MOP/2/DIV/1 List of participants. Nov 15, 2021: <https://fctc.who.int/publications/m/item/mop2-div-1-list-of-participants>

⁸¹ This includes political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions.

⁸² Elene Chkheidze. PMI supports their workers during pandemic. CSR DG, September 23, 2021: <http://csrblog.ge/2021/09/23/philipmorrisgeorgia/>

The TI continues to violate regulations that prohibit Tobacco Advertisement Promotion and Sponsorship (TAPS) since September 1, 2018.⁸³ The FCTC Implementation and Monitoring Center in Georgia defined several unlawful IQOS promotion actions organized by the Institute of Social Research (ISR) through funding from PMI. At least 15 seminars/meetings/conferences for medical doctors and other stakeholders were organized during 2021-23 with PMI support.^{84 85 86 87}

PMI sponsored an international competition for youth in Georgia, Armenia and Moldova called “Disrupt Camp.”⁸⁸ The aim of the project was to create an inclusive environment for innovative and motivated young people where they could implement their ideas in technology, science, sustainable development, human resources and business. Young leaders had the opportunity to become a member of the MPI Global Network and gain experience working with international professionals.^{89 90}



INDICATOR 3: Benefits to the Tobacco Industry

5. 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 Pictorial Health Warning (PHW), Tax increase can be implemented within 1 month). (Rec 7.1)									5
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According to Article 5.3 of the WHO FCTC and the Article 6.4 of the “Law on tobacco control,” the government was obliged to adopt the law in May 2018, but it still is under consideration as of August 2023. The law mandating plain packaging was initially postponed from January 2018 to January 2023 due to interference from PMI and the American

⁸³ Parliament of Georgia. *Amendments to "Tobacco Control" Law*, 859-Il. May 17, 2017. Legislative Herald of Georgia. Retrieved June 18, 2023: <https://matsne.gov.ge/ka/document/view/3676731?publication=2>

⁸⁴ Mediaholding Kvira. "Tobacco industry has started hunting for medical personnel - trying to bribe doctors" - "Tobacco Control Alliance". June 28, 2021: <http://kvira.ge/669131>

⁸⁵ Imedi News. Tobacco Control Alliance: Recently, there has been an alarming increase in the tobacco industry's efforts to market new, technological products through the hands of medical professionals. May 21, 2022: <https://imedinews.ge/ge/sazogadoeba/250391/tabaqos-kontrolis-aliansi-bolo-khans-sagangashod-masshtaburia-tabaqos-industriis-mtsdeloba-akhali-teqnologiuri-produqtebis-marketingi-medikosebis-khelit-atsarmoos>

⁸⁶ TVI. Tobacco Control Alliance statement on the results of monthly monitoring. June 30, 2023. Retrieved July 15, 2023: <https://1tv.ge/news/tabaqos-kontrolis-aliansi-yoveltviuri-monitoringis-shedegebs-aqveynebs-2/?fbclid=IwAR2AsHSHMU65Inc2jQUH0ASpkNRpwQgwusxr-l6-2xA39EVyKGowxWZxm-8>

⁸⁷ FCTC Implementation and Monitoring Center. Letter dated July 1, 2023.

⁸⁸ Entrepreneur. International innovative competition for youth, “Disrupt Camp” starts! Feb 14, 2022: <https://www.entrepreneur.com/ka/siakhleebi-da-tendentsiebi/saertashoriso/418429>

⁸⁹ Georgian National University – SEU. Disrupt Camp 22. February 28, 2022: <https://www.seu.edu.ge/en/events/572/>

⁹⁰ Csopepo. Internship Opportunity from Philip Morris International: Disrupt Camp 2022. February 23, 2022: <https://hkdepo.am/en/opportunity/internship-opportunity-from-philip-morris-international-disrupt-camp-2022>

Chamber of Commerce.⁹¹ It was postponed again until July 31, 2024 through the tobacco industry's proposal, which adopted by the Parliament in November 29, 2022 without any serious arguments or opposition.⁹²

Georgia is not a part of the WHO FCTC Protocol to Eliminate Illicit Trade in Tobacco Products. The TI resists additional effective control mechanisms to prevent illicit tobacco trade through licensing of production, sale and import/export of tobacco, and opposes the full implementation of a tobacco tracking and tracing system. Several meetings were held on this issue with members of the parliament, MoF, MoH and other stakeholders participating; however, the influence from the TI is still high. The MoF expressed interest in the issue; however, this agency, together with Ministry of Sustainable Development and Economy, still are not giving permission to the government regarding accession of the Protocol from the Georgian side.^{93 94}

In June 2022, the Report of the Government of Georgia mentioned the entry of Régie Libanaise des Tabacs et Tombacs (RLTT), a Lebanese state-owned company, as a producer of cigarettes and importer-exporter of tobacco, into the Georgian market. This designation means the tobacco company received support from the government of Georgia,^{95 96} As outlined in the article, "Hookah Factory in Kobuleti Opening with Lebanese Investment" that was published on July 12, 2023 in "Georgia Today."⁹⁷ In July 14, 2023, it became clear that the Hookah Factory received financial and technical support from the state agency "Enterprise in Georgia." 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.⁹⁸

Georgian legislation has prohibited all forms of TAPS since September 1, 2018. However, the transnational corporations operating in Georgia often violate these regulations by promoting their products at the point of sale. The Revenue Service of Georgia does not have a 24-hour service, such as Patrol Police, and since 2019 the parliament has issued a recommendation to involve in Patrol Police to react to violations.⁹⁹

⁹¹ Parliament of Georgia. Law of Georgia on "Tobacco Control". Amendment N 1278 RS. Retrieved July 9, 2023: <https://matsne.gov.ge/ka/document/view/3754138?publication=0>

⁹² Parliament of Georgia. Law of Georgia on "Tobacco Control". Amendment N 2127-IXM-XMP. Retrieved July 10, 2023: <https://matsne.gov.ge/ka/document/view/5626557?publication=0>

⁹³ Prime Time. Tobacco Black Market – the places where you can find most violations. August 11, 2021. Retrieved July 10, 2023: <https://old.primetime.ge/tambaqos-shavi-bazari-adgilebi-saqartveloshi-sadats-kvelaze-meti-kanondarghvevaa>

⁹⁴ GEOECOHUB. Meeting held in Tbilisi to promote accession to the Protocol to Eliminate Illicit Trade in Tobacco Products. March 24, 2022: <http://geoecohub.ge/2022/03/24/თბილისში-გაიმართა-შეხვედი/>

⁹⁵ Shota Tkeshelashvili. The Lebanese company plans to build a tobacco factory in Georgia – the government. Forbes Georgia, June 1, 2022: <https://forbes.ge/libanuri-kompania-saqarthveloshi-thambaqos-qarkhnis-ashenebas-gegmavs-mthavroba/>

⁹⁶ Government of Georgia. The Government program performance Report for June 2021-May 2022, p 89: <https://www.gov.ge/wp-content/uploads/2022/07/report2022.pdf>

⁹⁷ Mariam Gorkhelashvili. Hookah Factory in Kobuleti Opening with Lebanese Investment. Georgia Today, July 12, 2023. Retrieved July 13, 2023: <https://georgiatoday.ge/the-hookah-factory-in-kobuleti-is-opening-with-lebanese-investment/>

⁹⁸ Business Media. With the support of the state agency "Enterprise in Georgia", a hookah new enterprise was opened in Kobuleti. July 14, 2023: <https://bm.ge/news/saagentos-awarmoe-saqartveloshi-mxardacherit-qobuletshi-chilimis-aromatebis-sawarmo-gaixsna/138661>

⁹⁹ Parliament of Georgia. Post legislative scrutiny (PLS) on the Law of Georgia "on Tobacco Control" – Final Report. Healthcare and Social Issues Committee of the parliament of Georgia. 2019: http://www.parliament.ge/ge/ajax/downloadFile/132419/jandacvis_komit_broshura_ENG_PRINT

6. The government gives privileges, incentives, tax exemptions or benefits to the tobacco industry. (Rec 7.3)										5
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The Ministry of Economy and Sustainable Development (MoESD), together with the Business Ombudsman’s Office (BOO), are main supporters and lobbyists of the tobacco industry from the governmental side. The MoESD has a special state program, “Enterprise in Georgia,” which has supported the production of local tobacco since 2014.¹⁰⁰ The web site of the agency “Enterprise in Georgia” has listed priorities such as production/farming and retail sale of tobacco production.^{101 102} Last fact of the support of this state agency to Lebanese tobacco company is provided in previous paragraph (question 5).

Tobacco products sold in duty-free zones in Georgia are not required to carry pictorial health warnings. Hence, duty-free zone retailers can display tobacco products without restrictions.¹⁰³

International travellers entering Georgia can bring in duty-free 200 sticks of *cigarettes* or 50 cigarillos or 50 cigars or 250 grams of tobacco.¹⁰⁴

Smoking is permitted in casinos and slot clubs that operate 20 slot machines. In return, they pay GEL 200,000 per year as license fees.¹⁰⁵

The government has not proposed tobacco tax increases since November 2019, and has not even adjusted taxes to account for inflation during these years.¹⁰⁶

INDICATOR 4: Forms of Unnecessary Interaction

7. Top level government officials (such as President/Prime Minister or Minister ¹⁰⁷) meet with/foster relations with tobacco companies by attending social functions and other events sponsored or organized by the tobacco companies or those furthering the interests of tobacco companies. (Rec 2.1)										5
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In 2022, a Hookah factory was established in Kobuleti by a Lebanese company. The state agency, "Enterprise in Georgia," provided financial and technical aid to support the company. This assistance included funding for construction, procurement of raw materials, and

¹⁰⁰ Government of Georgia. Decree N365, 30.05.2014 on “adoption of State program regarding “Enterprise in Georgia”. Retrieved June 15, 2023: <https://matsne.gov.ge/ka/document/view/2362780?publication=0>

¹⁰¹ GeoStat. National Classificatory of Georgia, Types of economic activity, sec 006-2016, redaction 2. 2016. Retrieved May 5, 2023: <https://www.enterprisegeorgia.gov.ge/files/1/ეკონომიკური%20საქმიანობის%20სახეები.pdf>

¹⁰² Agency “Enterprise in Georgia”, NACE activity code. Retrieved May 5, 2023: <https://www.enterprisegeorgia.gov.ge/files/1/NACE%20საქმიანობის%20კოდი2.pdf>

¹⁰³ Parliament of Georgia. Law of Georgia on “Tobacco Control”. Updated in 29.11.2022: <https://matsne.gov.ge/document/view/1160150?publication=10>

¹⁰⁴ Parliament of Georgia. Tax Code of Georgia, updated 17.03.2020: <https://matsne.gov.ge/ka/document/view/1043717?publication=161>

¹⁰⁵ The parliament of Georgia. *Amendments to "Tobacco Control" Law*, 859-lls. May 17, 2017. Legislative Herald of Georgia. Retrieved June 18, 2023: <https://matsne.gov.ge/ka/document/view/3676731?publication=2>

¹⁰⁶ Business Media Georgia. Taxes will be increased of some kind of tobacco products since November 21. Nov 5, 2019: <https://bm.ge/ka/article/21-noembridan-tambaqos-saxeobebze-aqcizi-izrdeba---agwevs-tu-ara-mizans-aqcizis-zrda/43009>

¹⁰⁷ Includes immediate members of the families of the high-level officials.

obtaining the necessary equipment to assess and manufacture hookah tobacco.^{108 109 110 111} Further details about this tobacco company can be found in the response to question 5 of this report.

Former Minister of Economy and one of the favorite businessmen of the government and owns a local tobacco manufacturer company.¹¹²

Former Health Ministers participated in an international meeting organized by K.A.C., together with Ukrainian organization “Healthy Initiatives,” in Warsaw during June 16-18, 2022 and on June 20, 2023.^{113 114 115} “Healthy Initiatives” received funds from PMI-funded Foundation for Smoke-Free World (FSFW) to produce a report to persuade policy makers to accept harm reduction policy in Georgia.¹¹⁶

8. The government accepts assistance/offers of assistance from the tobacco industry on enforcement such as conducting raids on tobacco smuggling or enforcing smoke free policies or no sales to minors (including monetary contribution for these activities). (Rec 4.3)					4	
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4

The tobacco industry supports the Revenue Service of the MoF by conducting trainings for their staff, dogs and drones to identify smuggling. JTI reported that it has successfully conducted a series of anti-illicit trade (AIT) seminars for the Georgian State Customs department and has sponsored students in business administration in several universities.¹¹⁷

¹⁰⁸ Shota Tkeshelashvili. The Lebanese company plans to build a tobacco factory in Georgia – the government. Forbes Georgia, June 1, 2022: <https://forbes.ge/libanuri-kompania-saqarthveloshi-thambaqos-qarkhnis-ashenebas-gegmavs-mthavroba/>

¹⁰⁹ Government of Georgia. The government program performance Report for June 2021-May 2022, p 89: <https://www.gov.ge/wp-content/uploads/2022/07/report2022.pdf>

¹¹⁰ Mariam Gorkhelashvili. Hookah Factory in Kobuleti Opening with Lebanese Investment. Georgia Today, July 12, 2023. Retrieved July 13, 2023: <https://georgiatoday.ge/the-hookah-factory-in-kobuleti-is-opening-with-lebanese-investment/>

¹¹¹ Business Media. With the support of the state agency “Enterprise in Georgia”, a hookah new enterprise was opened in Kobuleti. July 14, 2023: <https://bm.ge/news/saagentos-awarmoe-saqartveloshi-mxardacherit-qobuletshi-chilimis-aromatebis-sawarmo-gaixsna/138661>

¹¹² Shota Tkeshelashvili. How many millions of incomes does Ivane Chkharthvili's tobacco business have? BMG, Sep 20, 2022: <https://bm.ge/ka/article/ramdeni-milionis-shemosavali-aqvs-ivane-chkharthvilis-tambaqos-bizness/116857>

¹¹³ Healthy Initiatives, Ukraine. Global Forum on Nicotine: June 16-18, 2022. Warsaw, Poland/Virtual. Retrieved June 20, 2023: <https://hi-ua.org/tpost/duxayr92j1-global-forum-on-nicotine-june-16-18-2022>

¹¹⁴ Healthy Initiatives, Ukraine. Roadshow “Integrating harm reduction into tobacco control in Eastern Europe and Central Asia”: how to help people in the region to quit. June 2022: <https://hi-ua.org/tpost/ir53xgt4p1-roadshow-integrating-harm-reduction-into>

¹¹⁵ Healthy Initiatives, Ukraine. Forum: “Science and Tobacco Control in Eastern Europe”, June 20, 2023. Warsaw, Poland. Retrieved July 12, 2023: <https://hi-ua.org/tpost/k98bhls61-warsaw-public-event-on-science-and-tobac>

¹¹⁶ PMI funded Foundation for Smoke-free World (FSFW).Grantee: Ukrainian organisation “Healthy Initiatives”. Retrieved June 19, 2023: <https://www.smokefreeworld.org/awarded-grants/healthy-initiatives-ukraine-534/>

¹¹⁷ Japan Tobacco International. JTI in Georgia. Retrieved June 20, 2023: <https://www.jti.com/europe/georgia>



Picture shows the training material designed by JI for the Georgian Revenue Service officers. Source: JTI web site <https://www.jti.com/europe/georgia>

9. The government accepts, supports, endorses, or enters into partnerships or non-binding agreements with the tobacco industry or any entity working to further its interests. (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.

3

The Georgian government sometimes accepts, supports, endorses or enters into partnerships or agreements with the TI. One of the last examples of this kind of support from the Governmental structure was provided financial and technical support to Hookah factory established by a Lebanese company in Kobuleti in 2022. Further details about this tobacco company can be found in the response to question 5 of this report.

INDICATOR 5: Transparency

11. The government does not publicly disclose meetings/interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation. (Rec 2.2)

5

The interactions between the government and the tobacco industry are not disclosed. TI representatives conduct closed meetings with members of the parliament, MoESD, MoF, Business Ombudsman's Office, MoH, and the Administration of the Prime-Minister, which contradicts the provisions of Article 5.3 of the WHO FCTC.

The amendment on "Tobacco Control" Law adopted in May 2017 requires the government to adopt a special 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 (to implement Article 5.3 of the WHO FCTC) before May 1, 2018.¹¹⁸

The National Center of Diseases Control of Georgia (NCDC), together with Tobacco Control Alliance in Georgia, prepared a draft of the abovementioned Decree. This should have been approved by the government before May 2018. It was sent for approval to the Administration of the Prime-Minister in June 2018. **Unfortunately, even after 5 years it is still under consideration.** The Tobacco Control Alliance in Georgia assumes the delay

¹¹⁸ Parliament of Georgia. Amendments to "Tobacco Control" Law, 859-III. May 17, 2017. Legislative Herald of Georgia. Retrieved June 18, 2023: <https://matsne.gov.ge/ka/document/view/3676731?publication=2>

is because of heavy influence of the TI on the government.¹¹⁹ The Healthcare and Social Issues Committee of the parliament of Georgia held a hearing on the issue between March and June 2019. The parliament adopted a special resolution and addressed the government on the timely adoption of the Decree on governments transparency in relation to the TI on April 13, 2021.^{120 121}

The NCDC renewed work on the document during 2022 and an agreed upon draft bylaw was uploaded to the governmental system before the end of 2022, however it is still under discussion at the MoF and the Administration of the Prime Minister as of August 2023. The MoF tries to avoid all related new regulations regarding transparency, not receiving gifts from the TI, and declaring any relations with the TI.

12. The government requires rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists. (Rec 5.3)								5
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The government does not have rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists. The process to promote adoption of a special bylaw is still under consideration by the governmental agencies.

INDICATOR 6: Conflict of Interest

13. The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions. (Rec 4.11) / Never 5 Yes								5
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The government does not prohibit contributions from the TI or any entity working to further its interests in political parties.

14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General). (Rec 4.4)							4	
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The Transparency International Georgia (TIG) Office investigated corruption negotiations between high officials and local manufacturers. The main authors of the corruption deal were Ivane Chkhartsvili, former Minister of Economy and multi-millionaire and his son Michael Chkhartishvili who owns local tobacco manufacturer “Tbilisi Tobacco.”¹²² After that,

¹¹⁹ Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. April 3,2019: <https://1tv.ge/news/tambaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

¹²⁰ Parliament of Georgia. Post legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” – Final Report. Healthcare and Social Issues Committee of the parliament of Georgia. 2019:

http://www.parliament.ge/ge/ajax/downloadFile/132419/jandacvis_komit_broshura_ENG_PRINT

¹²¹ Parliament of Georgia. Resolution of the parliament N 455-IVms-Xmp, adopted 13/04/2021.

<https://matsne.gov.ge/ka/document/view/5148191?publication=0>

¹²² National Agency of Public Registry. Joint stock company “Tbilisi Tobacco”. Extract of entrepreneurs and non-entrepreneurs (non-commercial) legal entities from the registry, last updated: Oct 25, 2022. Retrieved July 12, 2023: <https://bs.napr.gov.ge/GetBlob?pid=400&bid=boVlyOwlsX3qmYsntmLmFIKjx4xbV2HZQKVXMjx28kSEJLBok7xEJ7sefq3Rb eq2>

the ruling party lashed out at TIG. Then head of ruling party and former Prime-Minister of Georgia, billionaire Bidzina Ivanishvili in order to support local tobacco manufacturers, announced that “we wanted to have cheap cigarettes on the market, special shops for this product ...”^{123 124 125 126} Ivane Chkhartishvili continues to promote local tobacco production and grow his profit.¹²⁷

PMI increased its financial support among politicians during the last three years and now they have several former Health Ministers and Deputy Ministers of Health, also active members of the Parliament (MPs) to promote their HTPs as so called “tobacco harm reductions” products.^{128 129 130 131 132}

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

3

There is currently no record of relatives of current government officials holding positions in tobacco businesses, including consultancy positions. This information may be withheld by tobacco businesses, and there is **no procedure in place to prevent or disclosure such arrangements.**

Current Deputy Minister of the MoESD, Mr. Irakli Nadareishvili, was the commercial director of Imperial Brands in Georgia and Moldova from 2013-2016.¹³³ Current Deputy Minister of Finance, Mr. Zurab Dzelashvili, was a former Business Ombudsman of Georgia from 2016-2018. During this time, he presented tobacco industry interests in the government and parliament.¹³⁴

¹²³ Qronika Plus. “Stop the Corruption” disclosures ruling party “Georgian Dream”. September 29, 2018: <http://qronikaplus.ge/?p=16669>

¹²⁴ Kviris Palitra. Secret schemes of Vano Chkhartishvili. October 1, 2018: <https://www.kvirispalitra.ge/economic/46853-vano-chkhartishvilis-sigaretis-saidumlo-sqema-gza-romlithac-thambaqos-biznesi-filtrian-sigaretis-ufiltrod-asaghebs.html>

¹²⁵ Transference International Georgia. Smoke of Corruption: The Grand Scheme to Allocate the Tobacco Market. October 3, 2018: <https://www.transparency.ge/en/blog/smoke-corruption-grand-scheme-allocate-tobacco-market>

¹²⁶ OC Media. Georgia’s ruling party lashes out at NGOs over Omega tapes criticism. October 10, 2018: <https://oc-media.org/georgia-s-ruling-party-lashes-out-at-ngos-over-omega-tapes-criticism/>

¹²⁷ Business Media Georgia. How many millions of income does Ivane Chkhartishvili’s tobacco business have? BMG, September 20, 2022: <https://bm.ge/ka/article/ramdeni-milionis-shemosavali-aqvs-ivane-chxartishvilis-tambaqos-bizness/116857>

¹²⁸ Interpressnews. We are always open to discussion – Institute of Social Research appeals to the National Center for Disease Control and Public Health of Georgia. June 19, 2021: <https://bit.ly/46canHt>

¹²⁹ Mediaholding Kvira. "Tobacco industry has started hunting for medical personnel - trying to bribe doctors" - "Tobacco Control Alliance". June 28, 2021: <http://kvira.ge/669131>

¹³⁰ Business Media Georgia. Giorgi (Gigi) Tsereteli on tobacco harm reduction. May 25, 2022. Retrieved June 20, 2023: <https://www.youtube.com/watch?v=msDcV-OzTVg>

¹³¹ The entrepreneur. International Conference: Tobacco Harm Reduction: Challenges and Opportunities in the 21st Century. May 25, 2022: <https://www.entrepreneur.com/ka/siakhleebi-da-tendentsiebi/saertashoriso/428236>

¹³² Imedi News. Tobacco Control Alliance: Recently, there has been an alarming increase in the tobacco industry's efforts to market new, technological products through the hands of medical professionals. May 21, 2022: <https://imedinews.ge/ge/sazogadoeba/250391/tambaqos-kontrolis-aliansi-bolo-khans-sagangashod-masshtaburia-tambaqos-industriis-mtsdeloba-akhali-teqnologiuri-produqtetbis-marketingi-medikosebis-khelit-atsarmoos>

¹³³ Ministry of Economy and Sustainable Development of Georgia, retrieved in May 5, 2023: https://www.economy.ge/?page=deputy-ministers&deputy=73&fname=ირაკლი_ნადარეიშვილი

¹³⁴ Ministry of Finance of Georgia, retrieved in May 5, 2023: <https://mof.ge/5281>

INDICATOR 7: Preventive Measures

16. The government has put in place a procedure for disclosing the records interactions (such as agenda, attendees, minutes and outcomes) with the tobacco industry and its representatives. (Rec 5.1)

5

There is no procedure for disclosing records of interaction (agenda, attendees, minutes, etc.) of governmental/public officials with the tobacco industry.

17. The government has formulated, adopted or implemented a code of conduct for public officials, prescribing the standards with which they should comply in their dealings with the tobacco industry. (Rec 4.2);
1 for whole of government code; 2 for Yes but partial if only MOH

4

The government has not adopted or implemented a Decree that could establish code of conduct for public officials prescribing the standards of interaction when dealing with the TI. The Decree was prepared in June 2018 and renewed in 2022. However, the draft still awaits the approval of the Georgian government. The Tobacco Control Alliance in Georgia assumes that this delay is because of the influence of the TI on the Georgian government.¹³⁵

The government was obliged to adopt the Decree before May 2018. The situation regarding adoption of the Decree as heard on the post-legislative scrutiny (PLS) on the Law of Georgia on Tobacco Control by the Healthcare and Social Issues Committee of the parliament of Georgia in March-June 2019. The parliament issued special recommendations regarding the issue on April 13, 2021 and awaits adoption in a future session.^{136 137} The NCDC renewed work on the issue during 2022 and conducted several meetings with different stakeholders. The new draft was ready and uploaded to the governmental Portal at the end of 2022 but it still needs approval from the economic team of the government.

18. The government requires the tobacco industry to periodically submit information on tobacco production, manufacturing, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. (5.2)

3

There is a partial requirement for information from the tobacco industry, such as for tax purposes. However, there is no requirement for reporting on marketing expenditures, revenue, lobbying, political contribution, and philanthropy.

¹³⁵ Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. 03.04.2019.

<https://1tv.ge/news/tabaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

¹³⁶ Post legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” – Final Report. Healthcare and Social Issues Committee of the parliament of Georgia.

http://www.parliament.ge/ge/ajax/downloadFile/132419/jandacvis_komit_broshura_ENG_PRINT

¹³⁷ Resolution of the parliament N 455-IVms-Xmp, adopted 13/04/2021.

<https://matsne.gov.ge/ka/document/view/5148191?publication=0>

19. The government has a program/system/plan to consistently ¹³⁸ raise awareness within its departments on policies relating to WHO FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)									5
The government does not have a program or plan to consistently raise awareness within its departments on policies relating to WHO FCTC Article 5.3 Guidelines.									
20. The government has put in place a policy to disallow the acceptance of all forms of contributions/gifts from the tobacco industry (monetary or otherwise), including offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials and their relatives. (3.4)									5
The government has not put in place a policy to disallow contributions or gifts from the tobacco industry, including offers of assistance, policy drafts, or study visit invitations.									
TOTAL SCORE								83	

¹³⁸ For purposes of this question, “consistently” means: a. Each time the WHO FCTC is discussed, Article 5.3 is explained. AND b. Whenever the opportunity arises, such as when tobacco industry intervention is discovered or reported.

Annex A: Sources of Information

	TOP TOBACCO COMPANIES/ DISTRIBUTORS	MARKET SHARE	BRANDS	SOURCE
1	PMI	40.8%		Euromonitor 2021
2	BAT	21.7%		Euromonitor 2021
3	JTI	20.7%		Euromonitor 2021
4	Imperial	6.7%		Euromonitor 2021

	TOP MEDIA/ NEWSPAPERS	URL
1	TV Mtavari	https://mtavari.tv
2	TV Pirveli	https://tvpirveli.ge
3	Business Media Georgia (BMG)	https://bm.ge
4	Georgia Today	https://georgiatoday.ge
5	Entrepreneur	https://entrepreneur.com
6	Forbes Georgia	https://forbes.ge
7	Commersant	https://commersant.ge

	MAIN TOBACCO INDUSTRY ALLIES/ FRONT GROUPS	TYPE (FRONT GROUP, LOBBY GROUP, INDIVIDUAL)	SOURCE
1	Business Association Georgia	Front group, lobby group	bit.ly/3XQLDRh https://tobaccotactics.org/article/business-association-of-georgia/
2	International Chamber of Commerce	Front group, lobby group	bit.ly/3XQLDRh
3	Georgian Retailers Association	Front group	bit.ly/3XQLDRh
4	David Songulashvili, MP	Individual	bit.ly/3XQLDRh https://bit.ly/3PXatwl
5	Guram Macharashvili, MP	Individual	bit.ly/3XQLDRh
6	Irakli (Dachi) Beraia, MP	Individual	bit.ly/3XQLDRh
7	Irakli Mezurnishvili, MP	Individual	bit.ly/3XQLDRh
8	Sulkhan Makhatadze, MP	Individual	bit.ly/3XQLDRh
9	Isko Dasen, MP	Individual	https://bit.ly/3PXatwl
10	Gela Samkharauli, MP	Individual	https://bit.ly/3PXatwl
11	Gocha Enukidze, MP	Individual	https://bit.ly/3PXatwl
12	Giorgi (Gigi) Tsereteli, MP, Former Minister of Health	Individual	bit.ly/3qu4aqf https://www.youtube.com/watch?v=msDcV-OzTVg
13	Andrew Urushadze, Former Minister of Health	Individual	http://kvira.ge/669131 bit.ly/3rxrd3G
14	Zurab Chiaberashvili, Former Minister of Health	Individual	bit.ly/3rxrd3G
15	Levan Jugeli, Former Deputy Minister of Health	Individual	bit.ly/3rxrd3G
16	Giorgi Mzhavanadze, Economist	Individual	bit.ly/3XQLDRh

			https://georgiatoday.ge/smoking-behavior-and-risk-perceptions-in-georgia-results-of-2022-survey/ https://bit.ly/3NVI Cj n
17	Institute of Social Research (ISR)	Front group	https://www.isr.ge/tobacco-harm-reduction bit.ly/46canHt