

ISRAEL

2023

**TOBACCO INDUSTRY
INTERFERENCE INDEX**

November 2023

Background and Introduction

The State of Israel has instigated legislation against smoking as early as 1983, including the Restriction of Advertising and Marketing of Tobacco Products Law and the Prevention of Smoking in Public Places Law. In 2003, Israel signed the international WHO Framework Convention on Tobacco Control (FCTC), and ratified its adoption of the treaty in May 2005. The year 2010 saw the Public Committee for the Prevention of Smoking and Its Harmful Effects, headed by Prof. Gamzo. The committee adopted the recommendations of a professional team working as part of the Ministry of Health's initiative, 'Healthy Israel 2020'. The initiative set targets for the prevention of smoking until 2020, and promoted the adoption of Government Resolution No. 3247 in May 2011 on a national plan for the prevention of smoking and its harmful effects. Though the fight against smoking started off strong, and has seen many developments, towards the end of 2013, it finally came to a halt. The existing regulation has now become outdated, unable to mount an up-to-date response against the tobacco and nicotine companies' strategies. As a result, the smoking rates among the adult population, as measured in 2019, remained unchanged compared to the start of the decade.ⁱ

The years 2017-2018 have seen simultaneous moves by the tobacco and nicotine industry intended to introduce new smoking products, such as IQOS and JUUL. This came alongside large-scale regulatory activity around smoking prevention, including, among other things, the approval of Amendment No. 7 of the Prohibition of Advertising Law. This included a designation of electronic cigarettes as a smoking product, a prohibition of advertising (excluding print media), mandatory plain packaging, and a ban on display in stores. In addition, it included a designation of IQOS as a tobacco product for all intents and purposes, and its taxation at a rate equal to the tax on cigarettes. It also equated the tax on rolling tobacco to the tax on cigarettes, updated the Prohibition of Smoking in Public Places Order, and updated the government subsidized health package to include smoking cessation treatments. Between March 2019 and June 2020, various Sections of Amendment No. 7 of the Prohibition of Advertising of Tobacco and Smoking Products Law entered into force in four stages.

This report examines the interference and impact of the tobacco and smoking industry over Israeli government and policy around the fight against smoking, from April 2021 to March 2023. To fully comprehend the complete picture, we recommend that you review the industry's interference indexes for 2020 and 2021, in this [link](#).

During the period covered by this report, two significant events have taken place, impacting the world of smoking in Israel:

1. Two rounds of national elections have taken place, for the 24th Knesset (March 23, 2021) and the 25th Knesset (November 1, 2022), which currently remains in power.
2. The entry of disposable electronic cigarettes to the Israeli market in February 2021 (as the market reopened its activity following the third lockdown in response to the COVID-19 pandemic).

ⁱ [The Minister of Health's Report on Smoking in Israel, 2019, May 2020](#), pp. 22.

Concurrently, two phenomena have been noted as impacting the smoking market and its regulation. The first is the exacerbation of the “oppositional” element in the Knesset and government’s decisions, as a result of the change in elected officials, with the explicit purpose of changing the policy led by the elected officials of the 24th Knesset, as such the tax rate on electronic cigarettes.ⁱⁱ

Another phenomenon noted throughout the report period is the growth and expansion of the smoking product industry, following the entry of disposable e-cigarettes into the Israeli market. In the past, the Israeli market included three leading tobacco companies (Philip Morris, Globrands, which represents **JTI** and **BAT**, and the Israeli company Dubek), as well as 10 additional local companies for the manufacture, import, and marketing of electronic cigarettes and e-liquids.ⁱⁱⁱ The entry of disposable e-cigarettes has led to a significant growth in the scope of the market,^{iv} with hundreds of small and large importers entering the field, not necessarily coming from the field of tobacco and nicotine, but rather from consumer goods import (mainly food and toys). This group is not proficient in smoking regulation, leading to a significant increase in violations of existing legislation, lawsuits filed to the court to release non-compliant goods, as well as pressure exerted by these entities on the Tax Authority and the Ministry of Health to change the provisions of the law in concurrence with the ever increasing variety of smoking products and their characteristics.

Compared to the industry’s interference index for 2020 and 2021, it is clear that the traditional tobacco industry has changed its patterns of behavior. Between 2018-2019, the industry was directly involved in the development of policy, advancing regulation in the Knesset and government ministries, followed by attempts to influence their application. However, now it seems to have moved to acting through intermediaries, alongside efforts to construct a positive image in the field of corporate social responsibility. These changes are a result of the increase in exposure to tobacco companies’ modes of action, both among the public and among various personnel in the Knesset and the government. On the one hand, these have led to an increase in oversight of the industry’s activity as it was known so far, both on part of the public and on part of the Knesset and government. On the other hand, this led to the development of a variety of new methods on part of tobacco and lobbying companies, such as the lobbyists’ transition directly to key positions in political parties.^v

During that same period, another sphere of activity has developed in the form of an entire industry feeding off various electronic cigarette products (e-liquids, open systems, closed systems and cartridges, as well as disposable e-cigarettes). This, in turn, has generated new challenges for the government to handle, from the definition and designation of the registry of companies themselves, the regulation of the smoking products throughout the chain of manufacture and supply, to supervision and enforcement on all levels – entry points into Israel, taxation, contents, accessibility and availability, the scope of physical, online and social media points of sale, and illicit trade. Both spheres of activity – the old tobacco industry and the electronic cigarette industry – both set challenges to government agencies, both separately and jointly, requiring regulatory authorities to find effective ways to fight smoking and all its products.

ii Minutes No. 56 of the Finance Committee, 14 February, 2023, 13:05.

iii JUUL has made a swift entry to the Israeli market during 2018; however, during 2020, it made a business decision to stop marketing its products in Israel.

iv [The Minister of Health’s Report on Smoking in Israel, 2021, February 2023](#). Chapter 9 – Financial Aspects of Tobacco Smoking in Israel, pp. 113-114.

v [Lieberman Instructed His Parliamentary Caucus: Not to Meet with Lobbyists](#). Zvi Zerahia, Calcalist, 21 June, 2021.

Main Findings

Indicator 1: Tobacco Industry Participation in Policy Development

During 2021, the *Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law (Amendment – Cancellation of the Exclusion of Print Media) Bill 5781-2021*. During the debate in the Economic Affairs Committee in view of the bill's preparation for second and third readings, the focus on the discussion moved from the immediate cancellation of the exclusion of print media from the blanket ban on advertisement, to the terms for the extension of the exclusion period by seven additional years, in return for doubling the ad space provided to the Ministry of Health for counter-advertisements near tobacco advertisement, for a period of three years, based on the proposal of Haaretz's and Yediot Ahronoth publishers.^{vi} Thus, the tobacco and nicotine companies, along with the publication and print media companies, guaranteed the continued advertising and exposure of tobacco and smoking products, through the law and at a larger scale.

As part of the discussions of the Finance Committee, electronic cigarette manufacturers and importers requested the committee members to differentiate and significantly reduce the tax on E-liquids, in comparison with the tax on disposable e-cigarettes. This was done in opposition to the Ministry of Health's professional opinion, in favor of equating the tax on all electronic cigarette products to the tax on cigarettes, rolling tobacco, and heating tobacco.^{vii} A series of orders published during this period^{viii} reduced the tax on electronic cigarettes in general, and e-liquids in particular.

The pressure by Philip Morris and its representatives to change the existing HTP (IQOS) regulation still continues, but has failed to reach success with the Israeli regulatory authorities.

The material published publicly contains no indication for the existence of any official committees or meetings with the government ministries to which tobacco and nicotine company representatives are invited.

Indicator 2: Industry-Related CSR Activities

The public material published contains no indication of any support, partnership or accepted contributions by the government, its agencies or officials. However, robust activity has been noted in the area of "corporate social responsibility" by tobacco company Philip Morris. Among other things, this included attempts by an Israeli company by the name of Pharmaquest, and an international company by the name of SERMO,^{ix} to recruit Israeli researchers and healthcare professionals to the Smoke Free Foundation's international advisory committee; renewed attempts by PMI Science to contact medical students with offers of scholarships, and the publication of two rounds of calls for proposals for contribution to the community.^x

vi Minutes No. 168 of the Economic Affairs Committee, 31 January, 2022, 12:00.

vii Position Paper on the Taxation of Electronic Cigarettes, Dr. Udi Kaliner, the Ministry of Health, November 2019.

viii Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 7) 5782-2021 (Tax on Electronic Cigarette Liquid).
Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 17) 5782-2022 (Tax on Electronic Cigarette Liquid).
Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 18) 5782-2022 (Tax on Electronic Cigarette Liquid).
Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 22) 5782-2022 (Tax on Electronic Cigarette Liquid).
Customs Tariff and Exemption Tariff Order on Goods (Temporary Order No. 5) 5783-2023 (Tax on Electronic Cigarette Liquid).

ix [Foundation for a Smoke Free World \(funded by Philip Morris International\) recruiting for its "Advisory Board for Smoking Cessation Research"](#); Tim McAfee, Jhon Baker. August 5, 2021. Blog Tobacco Control.

x [Philip Morris Israel's website about sustainability and community relations](#). Accessed 19 July 2023.

Indicator 3: Benefits of the Tobacco Industry

As of March 2019, the implementation of the *Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983* commenced in four stages, until June 2020. As of today, three years after the law entered into force, no authorities or supervision and enforcement mechanisms have been designated with regards to this law, and no government ministry is responsible for its enforcement.^{xi}

In June 2020, the *Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983* entered into force, requiring tobacco and smoking product manufacturers and marketers to report the contents of smoking products marketed in Israel – components, emissions, as well as toxicological information, if any, with respect to each separate product marketed by them during the last year. The Ministry of Health, on its part, was required to publish the content details of such smoking products on the Ministry of Health's website. Until the closing date of this report, the Ministry of Health has not yet commenced the creation of a tobacco and nicotine company registry, and the tobacco and nicotine companies' data, with respect to the contents of smoking products marketed in Israel, have not yet been published on the Ministry's website, as provided by law.^{xii}

In August 2021, Minister of Interior (at the time) Ayelet Shaked, and Deputy Minister in the Prime Minister's Office Abir Kara, published the *Draft Business Licensing Order (Businesses Requiring Licensing) (Amendment), 5781-2021* for public comment.^{xiii} Among other things, this draft sought to cancel Unified Specifications 6.14 of the Licensing of Businesses Law, regulating the terms for the sale of tobacco and smoking products in points of sales. Following the exposure of the inclusion of tobacco and smoking products' points of sale under the list of small businesses to be granted regulation easements, government officials have acted in cooperation and prevented this move.

Indicator 4: Forms of Unnecessary Interactions

Philip Morris assisted with the financing of a professional seminar concerning smuggling and illicit tobacco trade, in which it provided training to law enforcement officials from the Israel Police, the Israel Border Police, the IDF, the Tax Authority, and others; its representatives were seen involved in enforcement activities on the ground together with the State of Israel's proper law enforcement officials.^{xiv} However, the State of Israel has not yet ratified its adoption of the International Protocol to Eliminate Illicit Trade in Tobacco Products, which it signed on December 23, 2013.^{xv}

As part of *Amendment No. 8 of the Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983*, an agreement was signed with Haaretz and Yediot Aharonot's publishers. The agreement promised to provide the Ministry of Health with ad space in print media free of cost, with double the ad space dedicated to tobacco and smoking product advertisements, for a period of three years, until March 2025. This, in return for the continued exclusion of print media from the blanket ban on smoking product advertising, for a period of seven years.^{xvi}

xi [Sloughing Off Responsibility, the Knesset is Combating Smoking – But the Law Isn't Enforced](#). Yael Finkelstein, Shakuf, 26 April 2021.

xii [The Minister of Health's Report on Smoking in Israel, 2020, November 2021](#). Chapter 8 – Reports on expenses on tobacco product advertising for 2019. pp. 117- 118.

xiii *Draft Business Licensing Order (Businesses Requiring Licensing) (Amendment), 5781-2021*, and an explanatory document regarding the non-necessity of an RIA process.

xiv [What is the Connection Between Israel's Fiscal Deficit and the Illicit Trade Phenomenon?](#) Shurat Harevach Editorial, Calcalist, 27 December 2021.

xv [Signatory status and ratification of the International Protocol to Eliminate Illicit Trade in Tobacco Products](#). Accessed 25 July 2023.

xvi *Prohibition of Advertising and Restriction of Marketing of Tobacco Products (Amendment for Cancellation of the Exclusion of Print Media) Bill – Letter of Undertaking to the Members of Knesset*. Amos Schoken and Yinon Engel, 12 February, 2022.

Indicator 5: Transparency

The obligation to report meetings with persons representing the tobacco and nicotine industry is limited to the Ministry of Health only, and does not apply to all government entities.

Indicator 6: Conflict of interests

There is no official and regulated registry of entities in the tobacco and nicotine industry, their subsidiaries, branches, and representatives, such as legal counsels, acting on their behalf. No transitions by retired politicians to positions in the tobacco and smoking industry have been identified during 2021 and until March 2023. However, there is a phenomenon wherein parliamentary consultants and assistants move on to positions in tobacco and nicotine companies, sometimes without any cooling-off period with respect to their government positions.

Indicator 7: Preventative measures

In February 2022, during the 24th Knesset, the Speaker of the Knesset addressed all Members of Knesset in writing, in coordination with the Knesset Legal Adviser, and requested them to publicly report talks and meetings, which tobacco company representatives and lobbyists on their behalf conducted or wished to conduct with Members of Knesset, as well as the topics of such meetings.^{xvii} Simultaneously, Director General of the Knesset, Gil Segal, instructed all Knesset employees to report any meeting with tobacco company representatives.^{xviii}

The government does not require the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities.

No information is available on the govt website with respect to the actions taken pursuant to Article 5.3 of the FCTC Treaty. The information provided to the COP, in a report of 2020, states that no consistent action plan exists to raise awareness regarding the provisions of Article 5.3 of the FCTC Treaty.^{xix}

xvii Address from the Speaker of the Knesset to the Members of Knesset – Reporting on Meetings with Tobacco Company Representatives and Lobbyists on Their Behalf, 6 February 2022.

xviii [Employees and Members of Knesset To Report Their Meetings with Tobacco Company Representatives](#). Ronny Linder, TheMarker, 3 February 2022.

xix [Core questionnaire of the reporting instrument of the WHO FCTC – 2020, Israel](#). p. 18.

Recommendations

- **Tobacco and nicotine industry registry** – The creation of a registry of tobacco and nicotine industry entities, including their affiliates and representatives.
- **Mandatory reporting and transparency** – Mandatory reporting on meetings with the tobacco and nicotine industry representatives is currently limited to the Ministry of Health regarding its reports on smoking in Israel. This should be extended to apply to all government entities.
- **The Knesset Rules of Procedure** – The Rules of Ethics for Members of the Knesset should prohibit acceptance of offers of assistance and/or draft policies from the tobacco and nicotine industry and its representatives.
- **Training** – The creation of a consistent action plan to increase awareness among Members of Knesset and public officials regarding the policy arising from the provisions of Article 5.3 of the FCTC Treaty.
- **Exit policy** – Following cases where former government officials have gone on to working for the tobacco and nicotine industry, a policy should be created providing for a cooling-off period of at least 3 years.
- **Commercial engagements** - To prevent the tobacco and nicotine industry from engaging with additional sectors, existing guidelines for the commercial engagement of health institutions should be extended to apply to the entire government.

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Findings

Indicators	0	1	2	3	4	5
Indicator 1: Tobacco Industry Participation in Policy Development						
1. The government ^{xx} accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry, or any entity of person acting to further the industry's ^{xxi} interests in setting or implementing public health policies in relation to tobacco control ^{xxii} (Recommendation 3.1)					4	
<p>Cancellation of the print media exclusion in the Prohibition of Advertising Law</p> <p>Amendment No. 7 of the Restriction of Advertising and Marketing of Tobacco Products Law included a blanket ban on advertising, excluding print media – a demand made by the Minister of Health as a condition for the Ministry of Health's endorsement of a private bill.¹ The law stipulates that a counter-advertisement must be featured next to any permitted tobacco and smoking product advertisement in a newspaper, detailing the harmful effects of smoking, in wording provided by the Ministry of Health, and with ad space equal to the original advertisement's ad space. The cost of the counter-advertisement's ad space will not be borne by the Ministry of Health.² The very act of excluding print media from the blanket ban on advertising constitutes a clear benefit provided to tobacco and smoking companies. In addition, the Ministry of Health's choice to feature counter-advertisements through a roster that changes once per month, for one year retroactively,³ also allows tobacco and nicotine companies to adjust their advertisements in accordance with the content of the counter-advertisements. Petition 2951/19, filed to the Supreme Court of Israel by the Smoke Free Israel Initiative Vs. the Knesset, the Government of Israel, and the Ministry of Health, seeking to cancel the exclusion of print media from the blanket ban on advertising, was dismissed by the Court.⁴ Petition 7642/19, filed to the Supreme Court of Israel by former MK Yehudah Glick and the Clean Air Association Vs. the Minister of Health, seeking better control of an effective counter-advertisement mechanism in print media⁵ was struck off, following the onset of the COVID-19 pandemic, as the Ministry of Health declared that it would make use of the counter-advertisements in favor of its campaign about the harmful effects of smoking and COVID-19.</p> <p>During 2021, <i>the Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law (Amendment – Cancellation of the Exclusion of Print Media) Bill 5781-2021</i>, by MK Mossi Raz, MK Ofer Cassif et. al., was submitted and debated in the 24th Knesset. The bill provides the following:</p> <p><i>"...Therefore, it is suggested to amend the law and to cancel the exclusion of print media from the prohibition of advertisement as aforesaid, with the purpose of minimizing the exposure of young people and all members of the public to the temptation of advertisements for smoking and tobacco consumption, including all products thereof, thus reducing the number of smokers and cases of deaths caused by smoking.⁶ ..."</i></p>						

xx The term "government" refers to any office holder in the legislative or executive branch, whether or not acting in their capacity as such, or represent themselves to any other person as having such capacity.

xxi The term the "tobacco and nicotine industry" also includes anyone representing or acting to advance the industry's interests, including the state-owned tobacco and nicotine industry.

xxii "Offer for assistance" may include draft policies, technical information, recommendations, educational tours abroad.

Indicators	0	1	2	3	4	5
<p>In the preliminary debate, which took place in the Economic Affairs Committee on January 31, 2022, the Members of Knesset who submitted the bill noted the need to cancel the exclusion of print media from the blanket ban on advertising, provided three years prior under political circumstances, and has not proven beneficial.⁷ The print media publications' representatives offered a compromise to the Committee:⁸</p> <p><i>"... Amos Schoken, Haaretz publisher: Anyway, our proposal is that you don't cancel advertisements in print media, but rather that we increase the ad space, double the ad space, that we give the Ministry of Health to promote its campaign against smoking. That we do it for a while, and see the effects at the end of that period. ..."</i></p> <p><i>"... Yinon Engel, Yediot Aharonot CEO: I'm a little bit stunned by the things I've heard here. If anyone thinks that a newspaper in the State of Israel would want to receive money from a government entity in compensation of not featuring cigarette ads, this is just a pipe dream. It's not going to happen, it's not happening, and it shouldn't even be on the agenda. Following what Amos said, we agreed to provide alternative ad space, I agree with some of the speakers that it wasn't used well enough in terms of marketing. I'm not a marketing expert, but this works so that the Ministry of Health submits, through the internet, an ad for a certain month, and that ad runs constantly. I think there's room for more creativity... In principle, we are willing to add more free ad space to the Ministry of Health, so that they have the opportunity to better advertise. I'm not a marketing professional, but I think there's room for improvement with the ads, right now it's one ad for the entire month, this is not what I'm talking about... What we figured, both Haaretz and Yediot Aharonot, was that we should increase the ad space provided to the advertising agencies, instead of one page, we'll provide two page. We'll let it advertise whatever it wants, maybe even about COVID and not just tobacco. This thing, with better marketing by the Ministry of Health, makes a precise contribution. ..."</i></p> <p>During the debate in the Economic Affairs Committee in view of the bill's preparation for second and third readings, the focus on the discussion moved from the immediate cancellation of the exclusion of print media from the blanket ban on advertisement, to the terms for the extension of the exclusion period by seven additional years, in return for doubling the ad space provided to the Ministry of Health for counter-advertisements near tobacco advertisement, for a period of three years. As part of this compromise, the Ministry of Health sought to impose a number of restrictions on the advertisers, including a ban on presenting one type of smoking product as preferable to another smoking product; a ban on presenting QR codes or referencing websites; and a ban on presenting smoking products in any manner other than plain packaging in accordance with the law,⁹ all of which being violations recorded within the industry's advertisements in the years since the print media's exclusion from the blanket ban on advertising entered into effect.¹⁰</p> <p>Thus, the tobacco and nicotine companies, along with the publication and print media companies, guaranteed the continued advertising and exposure of tobacco and smoking products, through the law and at a larger scale. All while the Ministry of Health got the short end of the stick – this deal included no protections to public health, and was made in partnership and while providing benefits to tobacco companies, advertising companies, and print media. In addition, if the Ministry of Health failed to comply with the terms of the deal or to use the ad space to its full potential, along with its campaign – it would lose more than it gained, as was made clear by Yediot Aharonot's publisher:</p> <p><i>"... Once the Ministry of Health's ads flood the print media, you'll be surprised to see, I don't want to say that perhaps they would even ask to extend the compromise. 75% will be provided to the Ministry of Health. As former MK Yehudah Glick said, you got an option worth millions of ILS. Use it wisely by being creative."¹¹ ..."</i></p>						

Indicators	0	1	2	3	4	5
<p>Changing regulations on heated tobacco products (IQOS)</p> <p>The pressure by Philip Morris and its representatives to change the existing HTP (IQOS) regulation still continues, but has failed to reach success with the Israeli regulatory authorities. For example, as part of a global campaign by Philip Morris during June 2021, an interview was published with Jacek Olczak, Philip Morris International CEO, in which he addressed Israeli regulators:</p> <p><i>"... Smokescreen – "The existing cigarette smoking alternatives in the market fail to assist in reducing the number of smokers in Israel," however the restrictions imposed by the Ministry of Health fail to deter smokers, either. In a special interview, Philip Morris International CEO insists that the company's electronic cigarette (the IQOS, added by SK) is the lesser evil, and entreats the regulatory authorities not to dismiss it out of hand..."¹²</i></p> <p>The Ministry of Health's response in the paper rejects the company's claims and entreatments, and clarifies:</p> <p><i>"... The Ministry of Health has responded as follows: The product is a tobacco product. In accordance with the FDA's notices, it should not be claimed that a tobacco heating product is less dangerous than a tobacco burning product, and it should not be stated in any way that such a product carries a reduced risk. We emphasize that this product is harmful and emits carcinogens, causing illness and death to others due to secondhand smoking. Heating tobacco contains and emits harmful, carcinogenic, and addictive materials when used, and therefore the Ministry has applied equal regulation on all products. Our recommendation to smokers is to cease smoking rather than rely on alternatives which maintain nicotine addiction, and expose the user and their surroundings to carcinogens and toxins. ..."¹³</i></p>						
<p>2. The government accepts, supports or endorses policies or legislation drafted by or in collaboration with the tobacco industry. (Rec 3.4)</p>					4	
<p>Electronic cigarettes are being sold in Israel since 2012. Throughout the years, the technology has been significantly developed to allow the offering of various different products within this market sector. Despite the Ministry of Health's position that electronic cigarettes should be treated as regular cigarettes, and despite the 2018 amendment of the law, which provided for the inclusion of electronic cigarettes as a smoking product, subjecting them to the regulation enacted in this area¹⁴ – the Israeli government has not acted to impose any purchase tax on electronic cigarettes. This omission, and the lack of any purchase tax on electronic cigarettes sold in Israel, have led to a significant tax distortion between these products and other tobacco and nicotine products, which are subject to significant purchase taxes. In light of the above, the Smoke Free Israel Initiative filed an appeal to the Supreme Court of Israel (HCJ 7875/20).¹⁵ Following the appeal, in November 2021, the Minister of Finance Avigdor Lieberman signed an order for the taxation of electronic cigarettes,¹⁶ as noted by the Honorable Judge Daphne Barak-Erez in her ruling.¹⁷</p> <p>Orders for the taxation of smoking products immediately enter into force, but they also require debate and approval by the Finance Committee within 60 days following their publication. The Finance Committee's debates on the orders for the taxation of electronic cigarettes included two waves – the first from January 2022 to June 2022, presided by MK Alex Kushnir, Chair of the Finance Committee in the 24th Knesset, and the second from January 2023 to May 2023, presided by MK Moshe Gafni, Chair of the Finance Committee in the 25th Knesset.</p>						

Indicators

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As part of the first wave of discussions, electronic cigarette manufacturers and importers requested the committee members to differentiate and significantly reduce the tax on E-liquids, in comparison with the tax on disposable e-cigarettes. This was done in opposition to the Ministry of Health's professional opinion, in favor of equating the tax on all electronic cigarette products to the tax on cigarettes, rolling tobacco, and heating tobacco.¹⁸ A series of orders published during this period¹⁹ reduced the tax on electronic cigarettes in general, and e-liquids in particular.

In addition, the electronic cigarette industry representatives requested to cancel the tax on the raw materials of e-liquids. During the first discussions on the order for the taxation of electronic cigarettes, conducted in January 2022, the electronic cigarette company representatives requested to exclude the tax on the raw materials:

"... Shay Fertig, representative of the Israeli Vaporization Companies Forum: I mean if this is a flavor extract, a raw material used to manufacture a liquid, this is not something that should be subject to the order? Rather, only the electronic cigarette liquid should be taxed. This is a new customs code added, and it's unclear why it was added, it's not electronic cigarette liquid. This is a flavor extract used as a raw material to manufacture electronic cigarette liquid. This is a generic flavor extract, by the way, for food and drink, completely normal. ... We believe that this is a mistake, this is a customs code relating to a raw material for the manufacture of cigarette liquid. You can't put this in an electronic cigarette, this extract, it's very concentrated and you can't vape it.

Head Appraiser Senior Department Manager, the Israel Tax Authority: As it is, no, it's a raw material, you are correct. We decided to tax these extracts that are intended to be part of a liquid.²⁰ ..."

And indeed, in a follow-up discussion of the order, it was decided to exclude the raw materials from the order for the taxation of electronic cigarettes:

"... Chair of the Finance Committee: During the discussions, one issue was raised with regards to flavor extracts as a customs code, it being a raw material rather than the final product. After speaking to the [Tax] Authority at that time, it was decided to remove this customs code from the order, so that this specific product would not be taxed. The reason why we decided to remove the flavor extracts from the order, and this is according to the Tax Authority, is to avoid taxing the raw materials, but rather to only tax the final product. In case they begin preparing the materials and manufacturing this in Israel – we will tax that.²¹ ..."

The course of the discussion throughout the Finance Committee's meetings, surrounding the contents of the order, demonstrates the way in which a request made by the industry's representatives to alter the order's components, and the Tax Authority's assent, has made way for the development of a black market for e-liquid components and tax evasion. Absurdly enough, these circumstances have led industry personnel to turn the other way and direct accusations at the regulatory authorities, especially the Ministry of Finance and the Tax Authority. They have argued that the taxation of electronic cigarettes has led to the development of this black market, which has grown into independent import and assembly of e-liquid components by both importers and ordinary buyers.

"... Avi Cohen, owner of Smoking Requirements Center Ltd.: What's happening today, local manufacture. It's no trouble to go and buy these products in pharmacies, bakeries, food stores. These are the materials in electronic cigarettes. Domestic labs were created.

Zvi Herzig, Vebacharta Bachayim Institute CEO: This thing is very easy to make at home, and so there's no reason why the tax would work. The tax is hurting the honest players.²² ..."

Indicators	0	1	2	3	4	5
<p>3. The government allows/invites the tobacco industry to sit in government interagency/ multi-sectoral committee/ advisory group body that sets public health policy. (Rec 4.8)</p> <p>The material published publicly contains no indication for the existence of any official committees or meetings with the <u>government ministries</u> to which tobacco and nicotine company representatives are invited.</p> <p>Some of the Knesset's committees allow the participation of tobacco and nicotine company representatives and/or lobbyists in their discussions. For example, the Finance Committee has allowed electronic cigarette company representatives and lobbyists to take part in discussions about the orders for the taxation of electronic cigarettes. However, it's important to note that the Chairs of such committees would, in most cases, ask the speakers to note their positions and ties to the tobacco and nicotine industry.</p> <p>For example, Prof. Dimitri Karossis, Chair of the Israel Society of Neuroimmunology, participated and took part of the Finance Committee's discussion on January 24, 2022, regarding: "<i>Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 7) 5782-2021 (Tax on Electronic Cigarette Liquid) Proposal</i>";²³ where he spoke out against the taxation of electronic cigarettes. When asked by the Chair of the committee if he had any ties with the industry, he responded: "Never." However, according to JUUL, he was a member of its scientific council. Karossis: "... It would have been appropriate to note this, but I never received financial compensation...²⁴"</p>		1				
<p>4. The government nominates or allows representatives from the tobacco industry (including State-owned) in the delegation to the COP or other subsidiary bodies or accepts their sponsorship for delegates. (i.e. COP 4 & 5, INB 4 5, WG)^{xxiii} (Rec 4.9 & 8.3)</p> <p>The COP9 meeting took place during November 2021 as a virtual event due to the COVID-19 pandemic, and included only representatives from the Ministry of Health.</p>		1				
Indicator 2: So-called "corporate social responsibility"						
<p>5. a. The government agencies or its officials endorses, supports, forms partnerships with or participates in so-called CSR activities organized by the tobacco industry. (Rec 6.2)</p> <p>b. The government (its agencies and officials) receives contributions^{xxiv} (monetary or otherwise) from the tobacco industry or those furthering the industry's interests during the COVID-19 pandemic (including so-called CSR contributions). (Rec 6.4)</p> <p>The public material published contains no indication of any support, partnership or accepted contributions by the government, its agencies or officials.</p> <p>However, robust activity has been noted in the area of "corporate social responsibility" by tobacco company Philip Morris. Among other things, this included the publication of a variety of op-eds on topics concerning the tobacco company's corporate social responsibility activity, and its</p>		1				

xxiii See meeting times <https://fctc.who.int/publications/m/item/cop-9-div-1-list-of-participants>

xxiv Political, social financial, educational, community, technical expertise, training on smuggling, or any other kind of contribution.

Indicators	0	1	2	3	4	5
<p>'smoke-free future' vision as a matter of sustainability;²⁵ an attempt by Adv. Coral Aviram, Philip Morris Israel's Regulatory, Public Affairs & CSR Manager, to participate in a special conference in honor of International Women's Day, held on March 8, 2022, in the presence of the President's wife,²⁶ an attempt which ultimately failed;²⁷ attempts by an Israeli company by the name of Pharmaquest, and an international company by the name of SERMO,²⁸ to recruit Israeli researchers and healthcare professionals to the Smoke Free Foundation's international advisory committee; renewed attempts by PMI Science to contact medical students with offers of scholarships, and the publication of two rounds of calls for proposals for contribution to the community. The calls for proposals in support of social and environmental projects during 2022 and 2023 were distributed through social networks, emphasizing support in the activities of nonprofits advancing goals 5, 8, 10, and 12 of the UN's Sustainable Development Goals (SDGs).²⁹</p> <p>With regards to scholarships for medical students, in the past, the Ministry of Health has written to the Dean of the Bar Ilan Faculty of Medicine, demanding to remove the scholarships, even if they were provided through the students' associations, and noted that it was examining ways of preventing such moves in the future.³⁰</p>						
Indicator 3: Benefits of the Tobacco Industry						
<p>6. The government accommodates requests from the tobacco industry for a longer time frame for implementation or postponement of tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)</p>					4	
<p>No regulation of supervision and enforcement mechanisms for the Prohibition of Advertising Law</p> <p>In May 2011, Government Resolution No. 3247 was adopted, being a "National Plan for the Reduction of Smoking and its Harmful Effects."³¹ Pursuant to this government resolution, during 2012, the <i>Restriction of Advertising and Marketing of Tobacco Products (Amendment No. 7) Government Bill, 5772-2012</i> was submitted and debated.³² The Ministry of Health withdrew this bill during 2013 following inference and disruptions on part of the tobacco companies.³³ Following a delay of five years, the <i>Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Bill, 5779-2018</i> was submitted and debated as a private bill. This was a watered-down version which included an exclusion of print media from the blanket ban on advertising, and did not include graphic warnings on the packages, or a designation of supervision and enforcement authorities and mechanisms with respect to this law.³⁴</p> <p>As of March 2019, the implementation of the <i>Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983</i> commenced in four stages, until June 2020. On July 15, 2020, a follow-up discussed was conducted by the Knesset's Economic Affairs Committee on the: Implementation of the <i>Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law</i>.³⁵ The discussion included the presentation of the government Ministries' and various agencies' positions, including the Ministry of Health, the Ministry of Justice, the Ministry of Public Security, and the Israel Police, as concerning the supervision and enforcement mechanisms of this law. Each of them made the argument that the supervision and enforcement of the law are not under its responsibility or authority. The discussion concluded with a request for the Ministry of Health to submit a government amendment bill to the committee, granting supervision and enforcement authorities to the Ministry of Health's officials, including the authority to impose</p>						

Indicators	0	1	2	3	4	5
<p>financial sanctions.³⁶ By the closing date of this report, the draft bill discussed above has not yet been submitted to the Knesset's Economic Affairs Committee. A recent discussion has taken place in March 2023 as part of the Special Committee for Combating Drug and Alcohol Abuse, regarding the causes for the rise in the electronic cigarette use among youth. The issue of enforcement was again raised in this discussion, as well as the lack of any responsible government agency or proper enforcement mechanisms for the Prohibition of Advertising Law, especially as concerning the prohibition of selling tobacco and smoking products to minors.³⁷ As of today, three years after the law entered into force, no authorities or supervision and enforcement mechanisms have been designated with regards to this law, and no government ministry is responsible for its enforcement.³⁸</p> <p>Electronic cigarette taxation</p> <p>In November 2021, an order for the taxation of electronic cigarettes was signed and published, including the taxation of existing inventories.³⁹ The order immediately entered into force, and simultaneously, the Finance Committee's approval was required within 60 days of the committee's activity. The importers' requests to release their inventories before the electronic cigarette tax's implementation were discussed by Finance Committee a number of times, in light of the changes in the orders of taxation and the tax rate on all various forms of electronic cigarettes; however, all requests were dismissed.⁴⁰</p>						
7. The government gives privileges, incentives, exemptions or benefits to the tobacco industry (Rec 7.3)				3		
<p>Regulation reduction - cancellation of Specifications 6.14 for Tobacco and Smoking Products Points of Sale</p> <p>In August 2021, Minister of Interior (at the time) Ayelet Shaked, and Deputy Minister in the Prime Minister's Office Abir Kara, published the <i>Draft Business Licensing Order (Businesses Requiring Licensing) (Amendment), 5781-2021</i> for public comment.⁴¹ Among other things, this draft sought to cancel Unified Specifications 6.14 of the Licensing of Businesses Law, regulating the terms for the sale of tobacco and smoking products in points of sales.</p> <p>This was performed as part of a comprehensive framework of smart regulation processes (Government Resolutions 2118 and 4398)⁴², and acts to reduce the regulatory burden, advanced during 2019-2020 by the "I am Shulman" movement which advocates for small business owners,⁴³ and the Kohelet Policy Forum, which advocates for the implementation of free market principles in Israel.⁴⁴</p> <p>Following the exposure of the inclusion of tobacco and smoking products' points of sale under the list of small businesses to be granted regulation easements, government officials have acted in cooperation and prevented this move. The Ministry of Health expressed its opposition to the cancellation of mandatory licensing for businesses with smoking product points of sale (Unified Specifications 6.14), and the Minister of Interior, on her part, announced the cancellation of the clause's removal from the Licensing of Businesses Law, so that Unified Specifications 6.14 would remain unchanged under the Licensing of Businesses Law.⁴⁵</p>						

Indicators

0 1 2 3 4 5

Reporting the contents of tobacco and smoking products marketed in Israel

In June 2020, the *Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983* entered into force, requiring tobacco and smoking product manufacturers and marketers to report the contents of smoking products marketed in Israel – components, emissions, as well as toxicological information, if any, with respect to each separate product marketed by them during the last year. The Ministry of Health, on its part, was required to publish the content details of such smoking products on the Ministry of Health's website.

In response to a query by MK Ofer Cassif to the Minister of Health made in October 2020, with respect to the implementation scope of the tobacco and nicotine companies' reports, the Ministry of Health wrote:

"... The Ministry of Health does not possess information about all manufacturers and importers operating in Israel, and the Ministry of Health is acting to obtain such information. As such, as of this time, the Ministry of Health has no knowledge of whether all smoking product companies have submitted reports as required.

As aforesaid, as of right now, the Ministry of Health possesses no list of all smoking product companies operating in Israel, and therefore, we are unable to ensure that all companies required to submit annual reports pursuant to the Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law, do indeed submit them as required – both with respect to advertisement expenses and with respect to the contents and emissions of smoking products.

The Tax Authority is currently in possession of a list of smoking product companies, importers and manufacturers – including all information allowing contact for the purpose of report compliance control; however this information is designated as classified, and an approval by the Ministry of Finance is required to make it available to the Ministry of Health. The Ministry of Health has commenced a process to obtain this information from the Minister of Finance.⁴⁶ ..."

One year later, in October 2021, a discussion took place in the Special Committee on Addiction, Drugs, and Challenges Facing Young People In Israel on a: Motion for a quick debate by MK Inbar Bezek regarding the problematic advertising and marketing of electronic cigarettes, which may encourage the purchase of such products and mislead the public, as well as the existing enforcement of this issue. In this discussion, the Ministry of Health's representative gave an update about the progress status:

"... We will submit a 7a Form as soon as possible to the Ministry of Finance in order to officially obtain the list of all import companies, in order to enforce and ensure that everyone is submitting their reports pursuant to the mandatory reporting law... We have no data. As was mentioned here, as was noted by the Member of Knesset who filed the debate motion, we currently don't have this list. In order to obtain this list from the Ministry of Finance, we need to process Form 7a. We need to handle information committees, we need to obtain the approval of the Ministry of Health's science committee, and then make it available to the Ministry of Finance. I know that Koby from the Tax Authority is also here, and I don't foresee any issue, and we will obtain and could certainly review and enforce and ensure that all importers are indeed submitting their reports as required by law..."⁴⁷

Indicators	0	1	2	3	4	5
<p>The Minister of Health's report on Smoking in Israel, 2020, published in November 2021, states with regards to the Ministry of Health:</p> <p><i>"... It is important to note that this year, too, similar to previous years, only the large tobacco and cigarette companies have submitted their reports as required, whereas other cigarette and tobacco companies, cigarette and nargile tobacco importers, cigar importers, and others, have not submitted reports as required and stipulated by law. Manufacturers/importers that have failed to submit their reports as required are in violation of the law and are expected to receive a fine of up to ILS 226,000, or double this amount in case of a corporation; however, until today, no enforcement was enacted for this provision of the law, due to the lack of lawful enforcement authorities, as well as a lack of vital information: the Ministry of Health has no database with respect to the tobacco companies operating in Israel, nor any list of the companies or ways to contact them, information of which only a small part might be found easily and freely online. However, this information exists and is regularly updated in the database under the responsibility of the Tax Authority, as part of the obligation of any dealer engaged in the trade of tobacco and smoking products to open a file with the Tax Authority and Value Added Tax; however, all information in the Tax Authority's possession is designated as classified information; this, despite the fact that the name of the company, its address and contact details do not constitute confidential commercial information. In accordance with the Law, the Minister of Finance has the authority to permit the disclosure of this information or part thereof, in accordance with his discretion, and a number of queries have been made by the Ministry of Health to the Ministry of Finance in recent years, requesting to obtain only the basic information for the purpose of contact required for enforcement. The lack of authority and enforcement capacity of the Ministry of Health, alongside disregard of the provisions of the law on part of companies engaged in the trade of tobacco and smoking products, constitutes a deficiency, and therefore possibilities must be examined for the resolution of this issue, such as regulation to allow the Ministry of Health to access the basic information it requires, or the creation of a licensing and registry mechanism similar to that of the Tax Authority, for the purpose of registering tobacco and smoking product merchants, and the development of supervision and control capacity, as is also required in the Protocol to Eliminate Illicit Trade in Tobacco Products. Unless such circumstances change, it would be difficult for the Ministry of Health of conduct the control and enforcement of the provisions of the law in this matter.⁴⁸ ..."</i></p> <p>Until the closing date of this report, the Ministry of Health has not yet commenced the creation of a tobacco and nicotine company registry, and the tobacco and nicotine companies' data, with respect to the contents of smoking products marketed in Israel, have not yet been published on the Ministry's website, as provided by law.⁴⁹</p> <p>Duty free purchases of tobacco and smoking products</p> <p>As part of the <i>Purchase Tax Order (Exemption) (Amendment), 5772-2012</i>, the scope of duty free purchases permitted per person has been changed. As of February 2012, any person over the age of 18 may purchase up to one packet (200 cigarettes), or the equivalent of 250gr of rolling tobacco, at a duty free store.⁵⁰ As the order for the taxation of electronic cigarettes entered into force in November 2021, the scope of electronic cigarette's personal import was concurrently limited, and a person over the age of 18 may bring e-liquid in an amount not exceeding 10ml, and up to 5 units of disposable e-cigarettes.⁵¹</p>						

Indicators	0	1	2	3	4	5
Indicator 4: Various unnecessary interactions						
8. Top level government officials (such as President/ Prime Minister or Minister) ^{xxv} meet with/ foster relations with the tobacco companies such as attending social functions and other events sponsored or organized by the tobacco companies or those furthering its interests. (Rec 2.1)	0					
The public material published contains no indication for such activity during 2021 and until March 2023.						
9. 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	
<p>Adv. Coral Aviram, Philip Morris Israel's Regulatory, Public Affairs & CSR Manager, stated in one of the company's sponsored media publications that: "...We cooperate with law enforcement authorities and other partners to prevent the illicit trade and black market of smuggling and tax evasion..."⁵² As part of this cooperation, Philip Morris, among other things, assisted with the financing of a professional seminar concerning smuggling and illicit tobacco trade, in which it provided training to law enforcement officials from the Israel Police, the Israel Border Police, the IDF, the Tax Authority, and others; it launched a snitch line-style campaign in cooperation with the Federation for Intellectual Property and the Elimination of Illicit Trade;⁵³ and its representatives were seen involved in enforcement activities on the ground together with the State of Israel's proper law enforcement officials.⁵⁴</p> <p>However, the State of Israel has not yet ratified its adoption of the International Protocol to Eliminate Illicit Trade in Tobacco Products,⁵⁵ which it signed on December 23, 2013.⁵⁶</p>						
10. The government accepts, supports, endorses, or enters into non-committal partnerships or agreements with the tobacco industry, or those furthering its interests. (Rec 3.1)					4	
<p>As part of <i>Amendment No. 8 of the Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law 5743-1983</i>, an agreement was signed with Haaretz and Yediot Aharonot's publishers. The agreement promised to provide the Ministry of Health with ad space in print media free of cost, with double the ad space dedicated to tobacco and smoking product advertisements, for a period of three years, until March 2025. This, in return for the continued exclusion of print media from the blanket ban on smoking product advertising, for a period of seven years.⁵⁷</p>						
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)					4	
<p>Starting from the Minister of Health's Report on Smoking in Israel, 2016, in its amended version published on February 2018, the report has featured "Chapter 10 – Reporting on Meetings with Tobacco Product Companies," dedicated for reporting on meetings conducted with tobacco and nicotine companies (at this stage, only with regards to the Ministry of Health's representatives).⁵⁸</p>						

xxv This includes the close relatives of such senior government officials.

Indicators	0	1	2	3	4	5
<p>The Minister of Health's reports on smoking in Israel for 2020⁵⁹ and 2021⁶⁰ stated that no meetings were conducted between the Minister of Health's representatives and smoking product company representatives. As of the closing of this report, the Minister of Health's Report on Smoking in Israel for 2022 has not yet been published.</p> <p>The obligation to report meetings with persons representing the tobacco and nicotine industry is limited to the Ministry of Health only, and does not apply to all government entities.</p>						
<p>12. The government established guidelines for voluntary disclosure or registration of entities from the tobacco and nicotine industry, affiliated organizations, and people working on their behalf, including lobbyists.</p>				3		
<p><i>The Knesset Law (Amendment No. 25), 5768-2008, Chapter 12 Addendum: Lobbyists</i>, was legislated in Israel in 2008,⁶¹ and includes mandatory registration of lobbyists and customers, mandatory wearing of orange identification badges while staying in the Knesset building, and various prohibitions, like for example the prohibition on providing benefits and false information. The law only applies to Members of Knesset, and to meetings with lobbyists within the Knesset building. The law does not apply to government Ministers, nor to public officials.</p> <p>Since 2012, the Association for Progressive Democracy has been publishing periodical indexes of lobbyists and clients, currently featured on the news website "Shakuf."⁶² The index data is based on data from the lobbyist registry at the Knesset's website.⁶³ Throughout the report period (2021-2023), the total number of lobbyists has ranged between approximately 119, in the 24th Knesset,⁶⁴ and approximately 116 lobbyists in the 25th Knesset.⁶⁵</p> <p>Since November 2021, Philip Morris has been represented through the lobbying company Berdugo Consulting, headed by lobbyist Behira Berdugo, employing two lobbyists (compared with 10 lobbyists who were registered as Philip Morris representatives when the company was represented by Policy). The cause of this change is the suspected involvement of Erez Gilhar, the CEO of lobbyist company Policy, in acts of corruption.⁶⁶ Larger lobbying companies refused to represent Philip Morris due to its denormalization with the public, for ethical reasons, and due to their fear of losing clients from the field of healthcare.⁶⁷ Lobbyist Shlomo Peretz continued to represent JTI until the end of 2020, but as of early 2021, he stopped representing the company, and as of right now, it is no longer represented in the Knesset. Likewise with respect to all other tobacco companies (Dubek and the Vaporization Product Importers' Forum of the Manufacturers Association of Israel).</p>						
Indicator 6: Conflict of interests						
<p>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)</p>		1				
<p><i>Section 8 of the Political Parties Financing Law 5733-1973</i>⁶⁸ prohibits the receipt of contributions from corporations in general, not necessarily from tobacco and nicotine companies.</p> <p>There is no official and regulated registry of entities in the tobacco and nicotine industry, their subsidiaries, branches, and representatives, such as legal counsels, acting on their behalf.</p>						

Indicators	0	1	2	3	4	5
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)		1				
<p>No transitions by retired politicians to positions in the tobacco and smoking industry have been identified during 2021 and until March 2023.</p> <p>However, there is a phenomenon wherein parliamentary consultants and assistants move on to positions in tobacco and nicotine companies, sometimes without any cooling-off period with respect to their government positions. Several such cases have been noted in the past, and this practice is generally accepted, for example as in the case of Adv. Coral Aviram, a consultant for the Minister of Labor and Social Services, who was appointed as Philip Morris' regulatory manager.⁶⁹</p>						
15. <u>Current</u> government officials and relatives hold positions in the tobacco business including consultancy positions. (Rec. 4.5, 4.8, 4.10)		1				
<p>Keren Barak, a strategy consultant and lobbyist working for large companies in the Israeli market in recent years, and who, among other clients, represented JUUL, was elected in April 2019 as a Member of Knesset for the Likud, and served as a Member of Knesset during the last four Knessets (the 21st, 22nd, 23rd, and 24th Knessets).⁷⁰ In the 25th Knesset elections, she was placed 48th on the Likud's list, and currently no longer serves as a Member of Knesset.</p>						
Indicator 7: Preventative measures						
16. The government has put in place a procedure for disclosing the records of the interaction (such as agenda, attendees, minutes and outcome) with the tobacco industry and its representatives. (Rec 5.1)			2			
<p>Starting from the Minister of Health's Report on Smoking in Israel, 2016, in its amended version published on February 2018, the report has featured "Chapter 10 – Reporting on Meetings with Tobacco Companies," dedicated for reporting on meetings conducted with tobacco and nicotine companies (at this stage, only with regards to the Ministry of Health's representatives).⁷¹</p>						
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)				3		
<p>In January 2017, an investigative report was published, exposing meetings set up with the Deputy Minister of Health and senior officials in the Ministry in return for payment.⁷² In response, the Ministry's Director General founded an external investigation team to formulate recommendations and procedures for the conduction of meetings with persons representing the business sector in general, and tobacco companies in particular.⁷³ To the best of our knowledge, the investigation team has not yet published its findings.</p> <p>In August 2018, the Association for Progressive Democracy submitted queries to the directors general of the Ministries of Health, Finance, and Economy, urging them to formulate a policy and to publish clear guidelines with respect to meetings with tobacco companies and their representatives, pursuant to the provisions of Article 5.3 of the FCTC. As of October 2018, the Ministry of Health Director General gave an instruction to act in accordance with the FCTC Treaty, and to minimize meetings with tobacco companies as much as possible.⁷⁴ The Ministry of Economy responded that requests for meetings initiated by tobacco companies are submitted for review by the Ministry's</p>						

Indicators	0	1	2	3	4	5
<p>legal department, to provide instructions on how to act in accordance with Article 5.3 of the FCTC Treaty.⁷⁵ In March 2019, the Ministry of Finance published guidelines on its website with respect to the conduction of meetings with representatives and lobbyists of tobacco companies or representatives on the lobbying companies' behalf.⁷⁶ According to the new guidelines, such meetings must be conducted for "vital reasons only," and only subject to special permission by the head of department and the head of unit, and following the provision of a notice to the Ministry's director general.⁷⁷</p> <p>On February 2021, the Ministry of Finance completed several years' administrative work and published new and comprehensive procedures, requiring Ministry of Finance officials to provide detailed reports to their superiors with respect to their meetings with lobbyists.⁷⁸ The procedures do not specifically address tobacco company lobbyists. According to the procedures, meetings between Ministry of Finance officials and lobbyists can only take place following advance scheduling, and with respect to a topic defined in advance. In addition, they must provide a report to their superior with regards to the date, participants, and content of the meeting. Once per year, refresher training will be provided to the Ministry of Finance's employees with regards to the procedures, and periodical examinations will be performed by the Ministry of Finance for any need to update the instructions.⁷⁹</p> <p>In February 2022, during the 24th Knesset, the Speaker of the Knesset addressed all Members of Knesset in writing, in coordination with the Knesset Legal Adviser, and requested them to publicly report talks and meetings, which tobacco company representatives and lobbyists on their behalf conducted or wished to conduct with Members of Knesset, as well as the topics of such meetings.⁸⁰ Simultaneously, Director General of the Knesset, Gil Segal, instructed all Knesset employees to report any meeting with tobacco company representatives.⁸¹</p>						
<p>18. The government requires the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. (Rec 5.2)</p>					4	
<p>As part of the <i>Prohibition of Advertising and Restriction of Marketing of Tobacco Products Law, 5743-1983</i>,⁸² tobacco and smoking companies are obligated to report to the Ministry of Health once per year with respect to expenses on permitted advertising, including costs and details sorted by papers, dates, advertisement and counter-advertisement size (as of June 1st, 2020). Before this, the companies were obligated to report on advertisement, promotion and sponsorship expenses.</p> <p>The Minister of Health's Report on Smoking in Israel, 2021, published February 2023, included only partial data from tobacco and nicotine companies as concerning expenses on permitted advertisement in 2020, following the entry into force of Amendment No. 7 of the Prohibition of Advertising Law.⁸³ This is caused by the fact that only a small number of tobacco companies have submitted reports, and due to the lack of any tobacco and nicotine company registry. The latter is a failure which has prevented the Ministry of Health from contacting tobacco and nicotine companies for the purpose of supervision and enforcement, with regards to their failure to submit such data to the Ministry of Health. Minister of Health's Report on Smoking in Israel, 2022, has not yet been published or submitted to the Knesset for debate.</p> <p><i>National Health Insurance Law, 5754-1994</i> required reporting of any donation over ILS 2,500 by any donor to healthcare entities.⁸⁴ Reports from 2011 and on feature no reporting on the donations of tobacco and nicotine companies.⁸⁵</p>						

Indicators	0	1	2	3	4	5
The government does not require the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities.						
19. The government has a program / system / plan to consistently ^{xxvi} raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines (Recs 1.1 and 1.2)					4	
<p>No information is available on the govt website with respect to the actions taken pursuant to Article 5.3 of the FCTC Treaty. The information provided to the COP, in a report of 2020, states that no consistent action plan exists to raise awareness regarding the provisions of Article 5.3 of the FCTC Treaty.⁸⁶</p> <p>It's important to note that the Ministry of Health chose to dedicate the 22nd National Conference for Promoting Health in Israel, held on November 9, 2021, to the issue of "commercial entities affecting health."⁸⁷ The conference included a variety of lectures concerning the disruptive strategies of the tobacco industry and the food industry. In addition, the 2021 Tobacco Industry Interference Index was presented.⁸⁸</p>						
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. (Rec 3.4)			2			
<p>The Knesset Rules of Procedure, the Rules of Ethics for Members of the Knesset include reference to a policy prohibiting the acceptance of all forms of contributions / gifts (monetary or otherwise). In addition, the Knesset's Ethics Committee's approval is required to participate in study visits abroad.⁸⁹</p> <p>However, the Knesset Rules of Procedure do not include any explicit reference to the prohibition of accepting assistance and/or policy drafts from the tobacco and nicotine industry and its representatives.</p>						
Total:					51	

xxvi For the purpose of this question, "consistently" shall mean: a. That Article 5.3 is explained whenever the FCTC Treaty is discussed, and b. Every time such opportunity arises. For example, when any interference by the tobacco and nicotine industry is revealed or reported.

Endnotes

- 1 Resolution of the Ministerial Committee for Legislative Affairs, 24 December, 2017. Affidavit by former MK Yehudah Glick, 24 November, 2019.
- 2 [Restriction of Advertising and Marketing of Tobacco Products \(Amendment No. 7\) Bill, 5779-2018](#). First reading version.
[Prohibition of Advertising and Restriction of Marketing of Tobacco Products Law, 5743-1983](#).
- 3 [Instruction of the Ministry of Health Director General, Determination of Advertisement to Feature in a Newspaper](#), 2 June, 2019.
[Specification of the 12 counter-advertisements according to dates of publication](#). The Ministry of Health website. Accessed 4 August 2023.
- 4 HCJ 2951/19 the **Smoke Free Israel Initiative Vs. the Knesset**, April 2019.
- 5 HCJ 7642/19 **Yehudah Glick, Member of the 20th Knesset, Vs. the Minister of Health**, November 2019.
- 6 [Bill for Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law \(Amendment – Cancellation of the Exclusion of Print Media\)](#). Bill for preliminary debate.
- 7 Minutes No. 168 of the Economic Affairs Committee, 31 January, 2022, 12:00.
- 8 Prohibition of Advertising and Restriction of Marketing of Tobacco Products (Amendment for Cancellation of the Exclusion of Print Media) Bill – Letter of Undertaking to the Members of Knesset. Amos Schoken and Yinon Engel, 12 February, 2022.
- 9 [Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law \(Amendment No. 8\), 5782-2022](#).
- 10 Khayat A, Berg CJ, Levine H, et al. [PMI's IQOS and cigarette ads in Israeli media: a content analysis across regulatory periods and target population subgroups](#). Tobacco Control Published Online First: 23 November 2022. doi: 10.1136/tc-2022-057671.
- 11 Minutes No. 190 of the Economic Affairs Committee, 22 February, 2022, 10:30.
- 12 Hili Yacobi-Handelsman, *Smokescreen*, Israel Hayom, June 2021 (print only).
- 13 Hili Yacobi-Handelsman, *Smokescreen*, Israel Hayom, June 2021 (print only).
- 14 [Prohibition of Advertising and Restriction of Marketing of Tobacco and Smoking Products Law, 5743-1983](#).
- 15 HCJ 7875/20 the **Smoke Free Israel Initiative Vs. the Minister of Finance**, November 2020.
- 16 Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 7) 5782-2021 (Tax on Electronic Cigarette Liquid).
- 17 HCJ 7875/20 the **Smoke Free Israel Initiative Vs. the Minister of Finance**, Ruling, 25 November, 2021.
- 18 Position Paper on the Taxation of Electronic Cigarettes, Dr. Udi Kaliner, the Ministry of Health, November 2019.
- 19 Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 7) 5782-2021 (Tax on Electronic Cigarette Liquid).
- 20 Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 17) 5782-2022 (Tax on Electronic Cigarette Liquid).
- 21 Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 18) 5782-2022 (Tax on Electronic Cigarette Liquid).
- 22 Customs Tariff and Exemption Tariff Order on Goods (Amendment No. 22) 5782-2022 (Tax on Electronic Cigarette Liquid).
- 23 Customs Tariff and Exemption Tariff Order on Goods (Temporary Order No. 5) 5783-2023 (Tax on Electronic Cigarette Liquid).
- 24 Minutes No. 206 of the Finance Committee, 20 January, 2022, 11:00.
- 25 Minutes No. 207 of the Finance Committee, 24 January, 2022, 10:30.
- 26 Minutes No. 44 of the Finance Committee, 31 January, 2023, 12:30.
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