El Salvador

TOBACCO INDUSTRY INTERFERENCE INDEX 2023

Author:

Centro para la Defensa del Consumidor

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Thanks to members of civil society and the government who continue working in the fight against tobacco, which has made progress in the last decade but still presents great challenges for the future.

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Executive Director: Lic. Danilo Perez

The research team was made up of the consultants: Lic. Ethel Verónica Villalta de Rodríguez and Lic. Carmen Tatiana Marroquín.

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Background and Introduction

Since 2011, El Salvador has started a path of strengthening tobacco control – its laws and regulations on educating the public about the harms of tobacco use were developed and adopted in accordance with guidelines of the WHO Framework Convention on Tobacco Control (FCTC).

To date, El Salvador has 7 regulatory frameworks for tobacco control, developed before 2022. According to information provided by the Virtual Regulatory Documentation Center of the Ministry of Health and other official information sources, the main regulatory standards are the following:

El Salvador Regulatory Frameworks

- Tobacco Control Law (and its amendments) July/2011
- Technical guidelines for the implementation of health warnings under the Tobacco Control Law October/2011
- Ratification of the WHO Framework Convention on Tobacco Control -April/2014
- Tobacco Control Law Regulations June/2015
- Creation of the Tobacco Technical Commission, by ministerial agreement No. 1239 of the Ministry of Health - August/2015
- Technical standard for the implementation of health warnings for tobacco control November/2016
- Reform to the Technical Standard for the Implementation of Health

Note: From the Virtual Regulatory Documentation Center¹

Despite the efforts made to create legislation and regulations for tobacco control, only in 2016 tobacco consumption cost El Salvador \$264 million or around US\$9 per package consumed. With the income from the tobacco tax, the state only recovered 10%, leaving with a deficit of US\$237 million².

El Salvador has great opportunities to strengthen the application of the FCTC and develop 7 effective measures to combat the tobacco epidemic, thereby avoiding further deaths, disabilities, and economic losses. For example, the gradual increase in tobacco taxes until reaching the standard of 75% of the sale price would generate more resources for health care for the population.

¹ Virtual Regulatory Documentation Centre, El Salvador. https://bit.ly/3MQ5I57

² "Investment Case for Tobacco Control in El Salvador", 2019. https://bit.ly/3qxqhM2

In relation to health warnings, it is suggested the periodic renewal, as established by law, and the incorporation of warnings for electronic devices or vaping, this action can strengthen the enforcement of a complete ban on tobacco advertising, promotion, and sponsorship (not allowing advertising on points of sale).

At the same time, it is advisable supporting measures to treat addiction, brief counseling and facilitating cessation through the training of health professionals, as well as establishing telephone cessation lines, increase the benefits for smoking cessation.

Main regulatory challenges



Note: figure of own elaboration based on regulatory information and international criteria.

These efforts become essential based on the statistics of tobacco consumption in El Salvador, especially in youth. According to the data on the prevalence of tobacco from the 2014 National Alcohol and Tobacco Survey of El Salvador (ENAT), 35.1% of adults older than 18 years have smoked a cigarette at some point in their life. Approximately, one in four people, who ever tried a cigarette, is a current smoker, this means who have smoked at least once in the past 30 days.

This same survey shows that the prevalence of smoking by sex, has a great disparity in consumption between men and women. Men are more likely to try cigarettes and are more than twice as likely as women to become smokers after try tobacco for the first time (figure 1).



Figure 1. Prevalence of tobacco use in adults, by sex

Note: From ENAT, 2014

In the case of prevalence by age, in the adult population aged 18 or over, those between 25 and 34 years of age have the highest current smoking prevalence, with 10.9% (figure 2).



Figure 2. Prevalence of current smokers, by age group

Note: Age 13–15*, 2015 GYTS, Age 18 and over, ENAT 2014. *The survey only included children enrolled in schools.

For its part, the most recent World Youth Tobacco Survey conducted in El Salvador in 2021 shows that the age of initiation of consumption smoking was before the age of 12 (36.1%) for the population surveyed; and that more than 70% of the students, between 13 and 15 years old, started smoking cigarettes before the age of 14^3





Note: World Youth Tobacco Survey conducted in El Salvador in 2021

³ World Youth Tobacco Survey, El Salvador, 2022; https://bit.ly/43s1LKP

In relation to the effects of tobacco in the Salvadoran population, according to the study "Investment Case for Tobacco Control in El Salvador", RTI International, 2019; the use of tobacco caused 1,624 deaths in 2016, 46% of those deaths occurred in Salvadorans under 70 years of age, 78% are caused by direct consumption; and 22%, due to exposure to other people's tobacco smoke4. The recognition of these figures as a public health problem stimulated the creation of various national regulations and continues to engage the attention of civil society organizations.

For their part, in 2021, the civil society organization Center for Consumer Defense (CDC El Salvador) developed the first Global Tobacco Industry Interference Index, covering the period from January 2019 to March 2021. This report found strengths in the existing regulations, but also many opportunities for improvement in advancing transparency with which governments relate to the tobacco industry, among others.

The investigation of interference by the tobacco industry in El Salvador for the year 2023, concluded with a score of 65; higher than that obtained in 2021 of 54, an increase of 11 points (figure 4).



Figure 4. Tobacco Industry Interference Index, El Salvador, 2021 and 2023

⁴ "Investment Case for Tobacco Control in El Salvador", RTI International, 2019; https://bit.ly/45KHBxr

Of the 7 components that make up the index, 4 of them show greater interference from the industry, these being: corporate social responsibility activities, forms of unnecessary interaction, benefits to the industry and transparency (figure 5).



Figure 5. Tobacco Industry Intervention Index Evaluation Components

Several events show a greater intervention of the industry in government work, the most relevant being direct cooperation in public policy actions aimed at young people by the Ministry of Justice and a cooperation agreement between the Vice Presidency and one of the largest tobacco companies in El Salvador.

Many of the challenges related to transparency and regulation development remain, so the challenges for the future lie in more and better regulations to avoid unnecessary interaction and intervention from the industry.

This 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 is applied to make the assessment. The score ranges from 0 - 5, where 5 indicates highest level of industry interference, and I is low or no interference. Hence the lower the score, the better for the country. The report includes information on incidents from April 2021 to March 2023, but also includes incidents prior to 2018 that still have relevance today.

Summary Findings

I INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

From the review, it is not evident that existing laws and regulations have included industry participation in their creation. However, as reported in 2021, the ratification of the Protocol for the Elimination of Illicit Trade in Tobacco Products is still pending approval, although the document was finalized and presented to the Legislative Assembly for ratification in 2018. The legislative discussion of this ratification had the participation of the industry as a third party with interest, and in this discussion the industry expressed several observations regarding the approval of the law as it was presented to the Legislative Assembly.

After that meeting between members of the Assembly and the industry, the discussion did not continue and to date, its ratification has not been completed.

In 2022, a meeting between the industry and a senior government official is evidenced, in which a cooperation agreement was signed between both parties to strengthen the public administration of the entire government.

2 INDUSTRY CSR ACTIVITIES

Regarding the interaction of the tobacco industry with the government, through corporate social responsibility activities organized by the tobacco industry or organizations that represent their interests, the intervention of the industry as a donor of organizations that actively support Salvadoran customs is evident. In addition, there is support from the industry for safety and prevention policies for young people; this is one of the most popular and relevant public policies today.

These forms of intervention allow tobacco companies to indirectly position themselves as an industry that supports the health of the population, reducing the image of the harmful nature of tobacco. It is of special significance that one of the interventions is directed at young people, who may be more vulnerable to these interventions by the tobacco industry.

3 BENEFITS TO THE INDUSTRY

El Salvador has maintained a Tobacco Products Tax Law, approved in 2004, which aims to provide additional resources to cover the health care costs of the population due to the consumption of tobacco products. The Law establishes an ad valorem tax on a specific tax on said products, to obtain the necessary funds to cover sociosanitary costs.

The investigation showed that the tax benefits for the tobacco industry within the framework of free trade agreements, specifically the North American Free Trade

Agreement – NAFTA, are maintained. This allows a commercial advantage in the import and export of tobacco products, which are exempt from the excise taxes.

4 UNNECESSARY INTERACTION

When investigating the interaction of the industry with the public sector, interactions outside what was strictly necessary for the application of regulations or commercial and tax collection of the industry were found.

The interaction of the tobacco industry with the government is evident, directly through business unions, in technical assistance on smuggling issues. On the other hand, greater and stronger alliances were found between industry and the central government, both in citizen security programs focused on youth and in broader agreements with the vice presidency of the republic to strengthen the entire public administration, opening more doors of intervention of the industry in the government's governance.

5 TRANSPARENCY

There is little transparency on the interactions between the tobacco industry and the state. This is a result of the absence of regulations or transparency mechanisms that require records or reports of these interactions.

The interactions that can be evidenced are those that are publicized by the government or by the industry, however the regulation does not require the recording of all types of meetings or interactions.

In commercial and tax terms, the Tobacco Control Law and the Tobacco Products Tax Law allow the State to collect general information on the participation of the industry in the economic activity of the country; this information does not allow monitoring the participation of the tobacco sector with affiliated organizations and persons acting on their behalf, identifying lobbyists or lobbying agents.

6 CONFLICT OF INTEREST

National regulation related to the financing of political parties is generally deficient, so there are no regulations that prohibit or regulate the contributions of the tobacco industry to officials, political parties, candidates, or campaigns.

Despite these, there is no evidence of any current or former high-level civil servants doing direct business with the tobacco industry, nor their relatives.

7 PREVENTIVE MEASURES

There is still a lack of regulation and mechanisms to prevent tobacco industry interference in the creation of tobacco control policies. There are no laws, regulations or mechanisms for transparency or accountability in meetings between officials and members of the tobacco industry or their representatives; nor is their evidence of the existence of a code of conduct that provides standards of interaction between government officials and the industry.

Recommendations

Efforts to reduce tobacco consumption in El Salvador undoubtedly require strengthening regulations and actions that prevent the influence of the tobacco industry on government actions. This strengthening of regulations must be accompanied by multisectoral efforts to educate the population, public officials, and others, on the effects of tobacco use on public health and international regulations in this area.

The review, results and findings that allowed the construction of the Tobacco Industry Interference Index 2022 for El Salvador, provide insights in relation to the areas that most urgently need to be strengthened such as better and stronger regulations on government interaction with industry through corporate responsibility actions and strong measures to avoid unnecessary interactions with industry are urgent.

The messages of collaboration and development of joint actions between the government and the tobacco companies undermine the path of efforts to make the population aware of the negative effects on health of tobacco use.

The absence of forceful regulation in the prohibition of acceptance of support, royalties, or patronage from the industry to public officials continues to be one of the greatest weaknesses and the open door to undermine the progress that El Salvador has achieved to date in relation to the control of tobacco.

RECOMMENDATION I

Strengthen the knowledge and information of government agencies about international tobacco control treaties.

Knowledge of the effects of tobacco use on public health and international recommendations in terms of actions and regulations for tobacco control will make it possible to sensitize decision makers to the urgency of continuing with the regulation of tobacco in El Salvador.

RECOMMENDATION 2

Incorporate the recommendations of the international treaties related to tobacco control (FCTC and Art. 5.3) in the law of Government Ethics

The Government Ethics Tribunal needs to know first-hand the Framework Agreement of WHO Tobacco Control and the application mandate in El Salvador upon ratifying said agreement in 2014; so, the Ethics Court get to apply guidelines of the article 5.3 to avoid the interference of the tobacco industry in public policies and discuss the form of application of these guidelines in the different instances governmental.

RECOMMENDATION 3

Empower the role of civil society in the fight for tobacco control.

Empower role of civil society it as watchdog of the business activities in such a way that these activities do not cover up will-buying activities. Also, encourage social organizations to request information regarding government relations with industry, making use of current laws and respecting their rights to access public information.

RECOMMENDATION 4

Strengthen awareness of the effects of tobacco on public health

Strengthen the education and awareness of the population about the damage to health of tobacco consumption, establishing planned and constant educational campaigns. In turn, offer to the government and related entities and civil society training on their own legal framework and regulations given by prestigious organizations such as the UN, train technicians and political decision makers.

RECOMMENDATION 5

Avoid unnecessary interactions with the industry.

Raising awareness of the public health effects of tobacco includes special handling of industry-government interactions. Messages that suggest this industry as an ally of the government should be avoided, since it deteriorates the coherence of the fight for tobacco control.

RECOMMENDATION 6

Establish regulatory frameworks for recording interactions with the industry.

El Salvador totally lacks regulations that make government interactions with industry transparent, which facilitates its intervention in hindering tobacco control actions.

RECOMMENDATION 7

Elimination of tax benefits

Reduce the tax benefits of the industry that allow establishing economic incentives for tobacco consumption and that deteriorate the financial capacity of the State to face the negative effects of tobacco use on public health.

El Salvador

Tobacco Industry Interference Index 2023 Results and Findings

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INDICATOR I: Level of Industry Participation in Policy-Developm	nent	t				
 The government⁵ 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.⁶ in setting or implementing public health policies in relation to tobacco control⁷ (Rec 3.4) 	0					
For each regulation, information was sought regarding the discussion, both w legislative bodies, contingent on finding evidence that the tobacco industry has establishing or implementing these regulations in relation to tobacco control framework or implementation of the Tobacco Control Law, adopted in 201 Neither in the regulations already in place before 2022, nor in the period evidence of any offer of assistance by the tobacco industry to the governmen creation of anti-tobacco policies or regulations; Nor is it accepting assistance to implement tobacco control policies.	ad o ol; ii I. d ev it of	ffere n pa alua El S	ed a rticu ted, alva	ssist ular wa: dor	ance on 1 s the for 1	e in the ere the
<u>Score differentials between 2021 and 2022:</u> In 2021 and after reviewing all the main regulations created, it was stated the of offers of this nature by the tobacco industry. From that time to date, no regulation or policy has been developed. Therefore, the rating is maintained	o ne	w to	obac	co o	ont	rol
2. The government accepts, supports, or endorses <u>policies or legislation</u> <u>drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)	0					
The public regulatory framework defined in the Regulatory Documentation of Health lists 7 regulatory frameworks for tobacco control already me Tobacco Control Law, the WHO FCTC and various regulations).						
An investigation was carried out, looking into past legislative agenda and m framework of the approval of these regulations. None of these laws, regu show public evidence of support or collaboration with the tobacco industry. of the Protocol for the Elimination of the Illicit Trade of Tobacco Products, a and presented to the Legislative Assembly for its ratification in 2018, was industry assistance to the legislative discussion. The tobacco industry partic with interest' on the issue but did not offer any technical assistance ⁸	latic Onl a do s the	ons, ly in cum ere	or i the ient an e	ratifi rati con evide	catio ficat nplet ence	ons ion ted of

⁵ The term "government" refers to any public official whether acting within the scope of authority as long as cloaked with such authority or holding out to another as having such authority.

⁶ The term, "tobacco industry' includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

⁷ "Offer of assistance" may include draft legislation, technical input, recommendations, oversees study tour.

⁸ Asamblea Legislativa. Comisión: Relaciones Exteriores, Integración Centroamericana y Salvadoreños en el Exterior, Jul 2018. https://bit.ly/3tNjOtc

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Score differentials between 2021 and 2022:

In 2021, no evidence of acceptance of assistance or cooperation by the tobacco industry in policy writing was found. To date, no new tobacco control regulation or policy has been developed. Therefore, the qualification is maintained under the evaluation standards of 2021.

3.	The government allows/invites the tobacco industry to sit in			
	government interagency/ multi-sectoral committee/ advisory group		3	
	body that sets public health policy. (Rec 4.8) Never 5 Yes			

Although there is no evidence of offers of cooperation, assistance, or participation by the tobacco industry in the discussions in the context of its elaboration, approval, or implementation of public health policies. However, there is evidence of participation in the discussion of a regulation in process: the ratification of the Protocol for the Elimination of the Illicit Trade of Tobacco Products⁹.

This participation of the industry in the legislative discussion was the last discussion related to the subject, therefore said ratification is still awaiting approval. In addition, from that moment (2018), to date, no other bill to regulate tobacco has been entered.



Score differentials between 2021 and 2022:

Since there have been no discussions regarding new regulations or public policies, evidence of the last intervention of this nature remains in the last public discussion on new regulations. In this aspect, there is no evidence of setbacks or improvements, the 2021 rating is maintained.

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) ¹⁰ (Rec 4.9 & 8.3)	•		
	For non-COP year, follow the previous score of COP year. For non-			
	Parties, apply a score of '0'			

⁹ Asamblea Legislativa. Comisión: Relaciones Exteriores, Integración Centroamericana y Salvadoreños en el Exterior; https://bit.ly/3tNjOtc

¹⁰ Please annex a list since 2009 so that the respondent can quantify the frequency, <u>http://www.who.int/fctc/cop/en/</u>

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 According to the published list of the parties, there is no evidence of participation outside of personnel delegated by the government.

COP9 participants¹¹:

- Head of delegation: Ms. P. Benedetti, Graduate
- Deputy Chief Delegate: Dr J. Garcia, PhD
- Delegate: Mr. E. Segura, Graduate
- Alternate: Mr. J. Maza, Graduate
- Adviser: Mr. E. López, Graduate; Miss A. Sarmiento, Graduate; Mr. J. Franco, Graduate

COP participants delegated by the government sign an affidavit regarding their non-involvement with the industry.

Score differentials between 2021 and 2022:

The participation dynamics, according to public information, have not changed in relation to 2021. Therefore, the rating remains the same.

IN	DICATOR 2: Industry CSR activities			
5.	 A. Government agencies or their officials endorse, support, form partnerships with or participates in activities of the tobacco industry described as "socially responsible" or "sustainable". For example, environmental programs. (Rec 6.2) B. The government (its agencies and officials) receives CSR contributions¹² (monetary or otherwise, including CSR contributions) from the tobacco industry or those working to further its interests during the pandemic. (Rec 6.4) NOTE: exclude enforcement activities as this is covered in another question 			5

Industry endorsements are evident in CSR dynamics related to:

- Security strategies: Phillip Morris has publicly supported youth-focused security policies of the central government. Phillip Morris staff attended a visit to communities in the company of the government. This activity was publicized and the official in charge of the project directly thanked Phillip Morris for his support and announced a process of greater cooperation¹³.



¹¹ List of Participants, COP 8 participants; https://bit.ly/3BvSIBB

¹² political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

¹³ Contrapunto, "Jovenes organizados de Cubo Zacamil reciben apoyo de Philip Morris El Salvador"; https://bit.ly/3o51kXz

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The score is structured according to the following scheme: +1 for being a high-level public official (Director of Reconstruction of the Social Structure, Ministry of Justice), +1 because there is recognition (speech) of cooperation with the tobacco company, + 1 because it expresses an apparent commitment to involve government resources and to continue collaboration, +1 because it is a youth policy, +1 because various government agencies are involved (Ministry of Justice and the Presidency of the Republic in its Secretariat of Technological Innovation)

Score differentials between 2021 and 2022:

In 2021, there is evidence of tobacco cooperation with the Ministry of Health through indirect aid for the pandemic, in which case the score was defined as 3. On this occasion, the evidence of intervention is more forceful, since it is direct, related to a high-level official, with a publicized promise of cooperation between the government through two institutions and the tobacco company. The speeches made by the public official in the public statements are forceful in the support and cooperation with the tobacco company in interventions related to youth and violence prevention.

IN	IDICATOR 3: Benefits to the Tobacco Industry				
6.	The government accommodates requests from the tobacco industry				
	for a longer time frame for implementation or postponement of			4	
	tobacco control law. (e.g., 180 days is common for PHW, Tax			-	
	increase can be implemented within I month) (Rec 7.1)				

The discussion on the adoption and implementation of the Tobacco Control Law does not show any delay or procrastination related to the pressures of the tobacco industry.

However, regarding the discussion of the Protocol for the Elimination of the Illicit Trade of Tobacco Products, after a discussion was held in the Legislative Assembly and listening to the opinions of the tobacco industry against its approval of the protocol as it was presented, the discussions stopped and have not been resumed since 2018. The protocol has not been ratified to date. This discussion was held in 2018 but it is the last discussion of issues related to tobacco legislation held in the country.

Score differentials between 2021 and 2022:

In 2021, the score was assigned as 2, due to the delay in the ratification of the Protocol for the Elimination of Illicit Trade in Tobacco Products. To date, the delay continues and no discussion regarding its progress has been established. Since the question refers to delays, the continuity in postponing the decision exacerbates the obstacles evidenced in this component. Score of 4.

7. The government gives privileges, incentives, tax exemptions or benefits to the tobacco industry (Rec 7.3)

5

There is a reduction in tariffs as part of the North American Free Trade Agreement (NAFTA), free trade agreements with 20 countries, providing them zero or reduced customs duties. These countries include El Salvador¹⁴.

There is a tax exemption in the Law on Tax on Tobacco Products, the national manufacture of tobacco, that they are exported, in article 10: "The national manufacture of goods subject to the

¹⁴ World Bank, "Manual on the Economics of Tobacco Tax Application" 2018, p. 271

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tax provided for in this law that are exported, they will be exempt from the taxes established in this law $^{15.16}$

The government allows international travelers to duty-free import 200 cigarettes or 25 cigars and cigarillos, or 250 grams of tobacco into the country¹⁷.

Score differentials between 2021 and 2022:

The privileges in terms of tax incentives or exemptions are maintained according to the 2021 regulations; therefore, the 2021 rating is maintained.

IN	DICATOR 4: Forms of Unnecessary Interaction			
8.	Top level government officials (such as President/ Prime Minister or Minister ¹⁸) 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)			5

In this sense, the meeting between Phillip Morris and the Vice President of the Republic where a letter of intent was signed between the Vice Presidency and Phillip Morris for the "strengthening of the Public Administration in the country with the objective of strengthening the powers of public officials in matters of Central and Municipal Public Administration, through training programs and certifications that guarantee the knowledge acquired; it becomes compelling evidence of the new and powerful channels of the tobacco industry with the government¹⁹



¹⁵ Consultation of the policy for the quantification of new tax incentives and current tax exemptions, p. 76, Tobacco Products Tax Law, Article 10

¹⁶ World Bank, "Manual sobre los aspectos económicos de la aplicación de impuestos al tabaco", 2018; <u>https://bit.ly/32JVVqs</u>, <u>https://bit.ly/3sNIvUU</u>, https://bit.ly/2QTAMay

¹⁷ Iatravelcentre, El Salvador Customs, Currency & Airport Tax regulations details; https://bit.ly/3J4MJm7

¹⁸ Includes immediate members of the families of the high-level officials.

¹⁹ Presidencia de El Salvador, "Firman carta de intención para fortalecer la administración pública"; https://bit.ly/3MiXnGW

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Score differentials between 2021 and 2022:

In 2021, there was no evidence of high-level government officials meeting or fostering relationships with tobacco companies, for which the rating was 0. By 2022, the evidence of direct, publicized relationships and extensive intervention in the Salvadoran State with a high-level official such as the Vice President raises the score to the highest.

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			4	
	minors. (Including monetary contribution for these activities) (Rec 4.3)				

According to public information from ADES (Association of Distributors of El Salvador), an organization to which Philips Morris El Salvador, S.A. belongs. De C.V.: Customs department of El Salvador and ADES carried out training in anti-smuggling investigation techniques to combat the illicit tobacco trade in 2022, with the support of the tobacco industry.²⁰





ADES and Philip Morris joint anti-smuggling activity, December 2022²¹

ADES and Philip Morris joint anti-smuggling activity, December 2022

Score differentials between 2021 and 2022:

Interactions of this nature were evidenced in 2021, with the same industry lobbying institution and in the same public policy activities related to tobacco control. These relationships have remained in the same dynamic. The rating remains the same as in 2021.

10. 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 <u>not</u> involve CSR, enforcement activity, or tobacco control policy development since these are already covered in the previous questions.						5
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In terms of acceptance of aid and alliances with the tobacco industry, the meeting between Phillip Morris and the Vice President of the Republic stands out again, where a letter of intent was signed between the vice presidency and Phillip Morris for the "strengthening of the Public Administration in the country with the objective of strengthening the competencies of officials in matters of Central and Municipal Public Administration, through training programs and certifications that guarantee the

²⁰ El Salvador Customs, twitter account; https://bit.ly/3IjWDA6 , https://bit.ly/3MdfvI9

²¹ ADES El Salvador. 17 Dec 2022. Available at: <u>https://twitter.com/AdesElSalvador/status/1603765485585170433/photo/3</u>

0 I 2 3 4 5

knowledge acquired²². At the same time, security strategies by Phillip Morris with attention to young people are promoted by the government as strong alliances with this industry²³.

Score differentials between 2021 and 2022:

The rating of 5 is maintained due to the existence of strong evidence of unnecessary interaction between senior officials and the tobacco industry directly.

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)	0			

No evidence of undisclosed meetings was found. Evidence of meetings between the tobacco industry and the government is announced in the context of support for central government actions on various publicized issues (fight against smuggling, institutional strengthening, violence prevention programs for youth). There is no evidence of non-public meetings between the State and the industry.

Score differentials between 2021 and 2022:

As in 2021, there is no evidence that the government has held undisclosed meetings with the tobacco industry. Therefore, it is considered that the 2021 rating is maintained, in the absence of impairment in this element.

12. The government requires rules for the disclosure or registration of			
tobacco industry entities, affiliated organizations, and individuals acting		3	
on their behalf including lobbyists (Rec 5.3)			

The Ministry of Finance requires the registration of companies that produce, manufacture or import tobacco as part of the procedure to apply the tax on tobacco regulated in the Law on Tax on Tobacco Products in article 6²⁴; In addition, the Ministry of Health requires a sales authorization from any natural or legal person in the manufacture, import, commercialization and wholesale distribution of tobacco products, as established in Article 8 of the Tobacco Control Law²⁵.

Several front groups have been identified (see Annex A). However, there is no registry for affiliated organizations and individuals acting on their behalf, including pressure or lobbyists.

Score differentials between 2021 and 2022:

Because the rules for the disclosure or registration of tobacco industry entities have not changed in relation to the situation evidenced in 2021, the rating of 3 is maintained.

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

²² Presidencia de El Salvador, "Firman carta de intención para fortalecer la administración pública"; https://bit.ly/3MiXnGW

²³ Contrapunto, "Jóvenes organizados de Cubo Zacamil reciben apoyo de Philip Morris El Salvador"; https://bit.ly/3o51kXz

²⁴ Ministerio de Hacienda de El Salvador; https://bit.ly/3xnllsf

²⁵ Tobacco Control Law, El Salvador;https://bit.ly/3tMBy89

There is no prohibition in law or secondary regulation limiting or regulating tobacco industry contributions to political parties or campaigns or requiring disclosure of these contributions. The absence of regulation regarding the contributions of the private sector (companies or individuals) to political parties, candidates or campaigns transcends do not exist for any industry. Score differentials between 2021 and 2022: In 2021, there were no regulations to prohibit contributions from the tobacco industry or any entity that works to promote their interests to political parties, candidates, or campaigns or to require full disclosure of such contributions. This aspect has not improved in relation to 2021, so the 2021 rating is maintained. 14. Retired senior government officials form part of the tobacco industry 0 (former Prime Minister, Minister, Attorney General) (Rec 4.4) There is no evidence that retired or retired senior government officials are part of the tobacco industry. Score differentials between 2021 and 2022: The absence of evidence of retired senior government officials who are part of the tobacco industry remains, as in 2021. Score see remains at 0. 15. Current government officials and relatives hold positions in the 0 tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10) There is no evidence that current senior government officials are part of the tobacco industry. Score differentials between 2021 and 2022: In 2021, a member of Congress was found to be connected to the tobacco industry. This member, due to the change in legislature, is no longer part of Congress and there is no evidence that any of the current members have ties of this nature. So, the rating improves and by 2022 it is placed at 0 **INDICATOR 7: Preventive Measures** 16. The government has put in place a procedure for disclosing the records of the interaction (such as agenda, attendees, minutes, and 5 outcome) with the tobacco industry and its representatives. (Rec 5.1) After the review of the public regulatory framework for tobacco control already mentioned above (including the Tobacco Control Law, the WHO FCTC and various regulations) it is evident that none shows any control or procedures for the diffusion of interactions between government

Score differentials between 2021 and 2022:

entities and the tobacco industry.

The absence of regulation evidenced in 2021 remains without any progress. 2021 rating is maintained.

17. The government has formulated, adopted, or implemented a code of			F
conduct for public officials, prescribing the standards with which they			5

	0	2	3	4	5
should comply in their dealings with the tobacco industry. (Rec 4.2);					
I for whole of government code; 2 for Yes but partial if only MOH					

The absence of a code of conduct for public officials that regulates relations with the tobacco industry persists. There are two normative frameworks for the general regulation of the conduct of public servants: the "Code of Conduct for Public Order Agents" and the "Code of Ethics of the Government Ethics Tribunal", but neither stipulates specificities in the relationship of the executives with the tobacco industry or solicitations from the tobacco industry.

However, this code of ethics and the relationship with private parties is more related to interactions that have generalized conflicts of interest and are not fully developed. There is also no clarity on the sanctions. Therefore, it is considered a weak regulation in general terms and totally absent from the intention of regulating tobacco company interventions.

Score differentials between 2021 and 2022:

The absence of regulation evidenced in 2021 remains without any progress. 2021 score is maintained

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		2		
lobbying, philanthropy, political contributions, and all other activities.				
(5.2)				

The government requests some categories of information through the Central Reserve Bank of El Salvador, which collects production information for the construction of the Monthly Index of Economic Activity to estimate GDP. In addition, tobacco importers and marketers are registered with the Ministry of Finance and the Ministry of Health.

They must present annually, like any other company, information on income, marketing expenses, etc. This information is required by the Ministry of Finance based on the payment of taxes, both general and special for the industry.

However, there is no requirement for the tobacco industry to provide information about its spending on marketing, lobbying, philanthropy, sponsorship, and political contributions.

Score differentials between 2021 and 2022:

From 2021 to date, the regulation for the sending of information related to lobbying, philanthropy, political contributions, and all other activities has not been strengthened. Deficiencies are maintained and the 2021 rating is maintained.

19. The government has a program / system/ plan to consistently ²⁶ ra	ise			
awareness within its departments on policies relating to FCTC Ar	ticle			5
5.3 Guidelines. (Rec 1.1, 1.2)				

No evidence was found of a long-term plan that integrates all State institutions (Executive, Legislative, and Judicial) in raising awareness about Article 5.3 and the influence of the tobacco industry on health policies. This is confirmed by the government's report to the COP in 2020.²⁷

 ²⁶ For purposes of this question, "consistently" means: a. Each time the FCTC is discussed, 5.3 is explained. AND b.
 ²⁷ Whenever the opportunity arises such when the tobacco industry intervention is discovered or reported.
 ²⁷ El Salvador. 2020 - CORE QUESTIONNAIRE OF THE REPORTING INSTRUMENT OF WHO FCTC. 2020 Available at: https://untobaccocontrol.org/impldb/wp-content/uploads/Elsalvador_2020_WHOFCTCreport.pdf

2 3 4 0 General tobacco control efforts are centralized in the Alcohol and Tobacco Unit (UDAT) in the Ministry of Health and supported by FOSALUD (Solidarity Fund for Health), which in the period analyzed has developed the fourth edition of the World Youth Tobacco Survey 2022²⁸ and some public interventions regarding electronic cigarettes²⁹.

Score differentials between 2021 and 2022:

Unlike 2021, there is no evidence of a plan to constantly educate their departments about policies related to the Guidelines of Article 5.3 of the FCTC in public information. In this sense, the rating of this preventive measure decreases, going from 2 to 5.

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,			5
or study visit invitations given or offered to the government, its			
agencies, officials, and their relatives. (3.4)			

There is an absence of a policy for public officials that regulates the contribution or gifts from the tobacco industry, as well as assistance, invitations to visits or studies, persists. There are two regulatory frameworks for the general regulation of the conduct of officials: the "Code of Conduct for Public Order Agents" and the "Code of Ethics of the Government Ethics Tribunal", but neither stipulates regulation in the relationship of officials with the tobacco industry.

Score differentials between 2021 and 2022:

The absence of regulation evidenced in 2021 remains without any progress. 2021 score is maintained.

TOTAL SCORE

65

²⁸ https://bit.ly/3nZ5PTC

²⁹ https://bit.ly/3od8dWD

Annex A: Sources of Information

	TOP TOBACCO COMPANIES/ DISTRIBUTORS	MARKET SHARE	BRANDS	SOURCE
I	Tabacalera de El Salvador (Philip	N/A	Marlboro,	https://webquery.ujmd.edu.s
	Morris)		Diplomat, L&M	v/siab/bvirtual/BIBLIOTECA
	,			%20VIRTUAL/TESIS/01/ME
				R/ADCC0001001.pdf
2	Cigarrería Morazán	N/A	Pall Mall, Dunhill,	https://webquery.ujmd.edu.s
	C		ROTHMANS	v/siab/bvirtual/BIBLIOTECA
	(British American Tobacco –			%20VIRTUAL/TESIS/01/ME
	BAT)			R/ADCC0001001.pdf

	TOP MEDIA/ NEWSPAPERS	URL	
Ι	El Diario de Hoy	Impreso y online	
2	La Prensa Gráfica	Impreso y online	
3	Diario el Mundo	Impreso y online	
4	El Faro	online	
5	CentralAmericaData.com	online	
6	El Diario de Hoy	Impreso y online	
7	La Prensa Gráfica	Impreso y online	

	MAIN TOBACCO INDUSTRY ALLIES/ FRONT GROUPS	TYPE (FRONT GROUP, LOBBY GROUP, INDIVIDUAL)	SOURCE
Ι	Asociación de Distribuidores de El Salvador (ADES)	Afiliado (Philip Morris)	https://ades.org.sv/directorio-de-socios/
2	Asociación Salvadoreña de Industriales	Afiliado (Philip Morris)	<u>https://industriaelsalvador.com/listado-</u> <u>de-socios/</u>
3	AMCHAM		
4	Fondo de la Solidaridad - FUSAL	Donante (Philip Morris)	https://www.fusal.org/solidaridad/ https://www.fusal.org/fondo-de-la- solidaridad-de-fusal-impulsa-estrategia- de-impacto-para-enfrentar-el-covid-19/