Global Center for Good Governance in Tobacco Control
STOP. A GLOBAL TOBACCO INDUSTRY WATCHDOG

Korea

57

SUMMARY OF FINDINGS

1. Industry Participation in Policy Development

The government of Korea does not accept or endorse tobacco industry (TI) involvement in public health policy development. During the formulation of the Enforcement Decree and Rules of the new Tobacco Harm Management Act, the TI was explicitly excluded. However, some minor instances of passive tolerance remained, such as allowing TI representatives to participate in market-related surveys.

The Korean delegation to COP10 in 2024 did not include any TI representatives.

2. Industry CSR Activities

Tobacco companies, particularly KT&G, continued wide-ranging corporate social responsibility (CSR) activities, including donations to the Ministry of Justice and partnerships for local market revitalization projects. While no direct government endorsements were found at the central level, projects such as the KT&G Sosodi campaign were co-hosted with local governments including Daegu.

KT&G also received favorable evaluations from government-affiliated environmental, social, and governance (ESG) rating institutions, indirectly reinforcing its image as a socially responsible company.

3. Benefits to the Industry

The TI continues to enjoy financial and regulatory advantages. Synthetic nicotine products are not yet classified as tobacco, allowing companies to bypass existing regulations. Efforts to amend the law have been delayed.

Longstanding privileges such as tax benefits for tobacco leaf production, duty-free allowances for travelers, and direct subsidies to tobacco farmers also persist under existing legislation.

4. Unnecessary Interaction

Several high-level government officials participated in events involving the TI. KT&G received a Presidential Citation in 2023, and ambassadors endorsed overseas factory ceremonies in Türkiye, and Kazakhstan. The South Korean embassy in Indonesia also partnered with KT&G for a public event.

These cases contradict Article 5.3 of the WHO FCTC, including the COP6 decision to cover diplomatic missions.

5. Transparency

Korea lacks transparency in reporting interactions with the TI. There is no system to publicly disclose meetings or correspondence between the government and tobacco companies.

There are also no registration or reporting requirements for TI lobbyists or affiliated organizations.

6. Conflict of Interest

There is no prohibition on political contributions from the TI.

The Ministry of Finance owns 37.56 percent of JT and is responsible for ensuring the profitability of its investment. This creates a conflict of interest with public health. Senior officials have also moved into leadership positions at JT after retirement.

7. Preventive Measures

Korea still lacks a dedicated policy or system to prevent TI interference. Although a general code of conduct exists for public officials, there are no specific measures related to Article 5.3 of the WHO FCTC.

The Tobacco Harm Management Act (effective November 2025) introduces new disclosure rules on product ingredients and emissions but does not mandate full transparency on marketing, lobbying, or CSR activities. No education or awareness programs on Article 5.3 are currently conducted for government officials.

RECOMMENDATIONS

1. Establish a legally binding disclosure mechanism requiring all interactions between public officials and the TI, including meeting agendas, attendees, and outcomes, to be recorded and made public.
2. Introduce mandatory registration for all TI lobbyists and affiliated entities.
3. Amend the Tobacco Business Act to close regulatory loopholes by including synthetic nicotine and next-generation products within the definition of tobacco, guaranteeing equal regulatory treatment.
4. Prohibit all political contributions and donations from TI entities, and mandate full disclosure of any such transactions.
5. Adopt and institutionalize a comprehensive, government-wide code of conduct specifically addressing TI influence and limiting interaction with the TI to when strictly necessary, supported by mandatory training programs for public officials.
6. Ensure public access to TI data by creating a centralized, publicly accessible repository covering marketing expenditures, CSR activities, lobbying efforts, and affiliated front groups.