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SUMMARY OF FINDINGS

1. Industry Participation in Policy Development

Following the ratification of the WHO FCTC through Law 17,793, it is prohibited to accept, support, or endorse any offer of assistance from, or in collaboration with, the tobacco industry (TI) in the establishment or implementation of tobacco control policies. In the current reporting period, no instances of TI involvement in tobacco control policy decisions were recorded. However, no new regulatory measures addressing this issue were adopted either.

2. Industry CSR Activities

Under Law 17,793 (2004), which ratified the WHO FCTC, and Law 18,256 (2008), the National Tobacco Control Law, corporate social responsibility (CSR) activities by the TI are strictly prohibited in Uruguay. However, as part of National Heritage Day, Monte Paz S.A., in coordination with the Uruguayan Heritage Department of the Ministry of Education and Culture, opened the doors of the Tobacco Museum to the public. This activity was considered part of Monte Paz's CSR efforts.

3. Benefits to the Industry

Several benefits for the TI in Uruguay remain in effect, including tax exemptions for small tobacco growers, exemption from phytosanitary controls, preferential taxes for tobacco products in border areas, and duty-free tobacco allowances for international travelers, which may contribute to illicit trade. Workers in the tobacco sector continue to receive free cigarettes monthly as part of wage recovery. Additionally, Monte Paz was granted substantial tax and import duty exemptions through an approved investment project. In 2022 and 2024, tobacco-focused rural associations and growers received financial support from the Ministry of Livestock, Agriculture, and Fisheries. The 2023 National Accountability Act also introduced a tax reduction in border regions that may apply to local tobacco producers, though this remains unconfirmed.

4. Unnecessary Interaction

In January 2024, a media report indicated that the President of the Republic was aboard a vessel belonging to the Mailhos family, owners of Monte Paz S.A.

In 2023, the Ministry of Education and Culture approved the legal status of the Association of Vapers (ASOVAPE Uruguay), an organization that promotes the use of e-cigarettes, despite their sale being prohibited in the country. This approval was granted without consultation with the Ministry of Public Health. ASOVAPE Uruguay has continued to operate since receiving legal recognition.

5. Transparency

There is no national legislation establishing the disclosure of meetings with the TI or actors linked to it, in accordance with Article 5.3 of the WHO FCTC. During this period, there were no new meetings recorded between members of the government and the TI. There are no rules for the disclosure or registration of TI entities, affiliated organizations, and individuals acting on their behalf, including lobby groups.

6. Conflict of Interest

Dr. Eduardo Mezzera, a public figure with strong links to the National Party and the Lacalle family, served as Vice Minister of Foreign Affairs during the government of Luis Alberto Lacalle Herrera (father of President Lacalle Pou). He later continued to be a legal advisor to Monte Paz, the main tobacco company in Uruguay.

7. Preventive Measures

The Uruguayan State has not formulated a policy or adopted a specific code of conduct to regulate the interaction of public officials with the TI. It does not have a procedure for disclosing records of interactions with the TI and its representatives.

Uruguay does not require the TI to report information on marketing expenditures or other activities such as lobbying and political contributions. Furthermore, there is currently no program or plan to raise awareness within government agencies about Article 5.3 of the WHO FCTC. Nonetheless, existing transparency regulations prohibit accepting any form of contribution or gift, monetary or otherwise, from any industry, including the TI.

The Tobacco Products Control Act, 2017 requires the TI to submit reports, including audited financial statements and other information needed for tobacco product control.

RECOMMENDATIONS

1. Adopt and operationalize legal and policy measures to fully comply with Article 5.3 of the WHO FCTC and its guidelines, including issuing guidance for public officials on their interactions with the TI.
2. Enforce existing national transparency and anti-corruption regulations in the interactions of public officials, including political authorities, with companies, corporations, and third parties affiliated with the TI.
3. Ensure the implementation of regulations prohibiting donations from the TI, particularly in relation to political campaigns during election periods.
4. Promote and support the active participation of civil society organizations engaged in tobacco control, excluding those with ties to the TI, in monitoring and addressing TI interference.
5. Eliminate all incentives granted to the TI across the entire production and marketing chain.
6. Adopt and implement regulations to operationalize the Protocol to Eliminate Illicit Trade in Tobacco Products, including establishing due diligence mechanisms for tobacco product exports originating from the country.