

GEORGIA

2021

**TOBACCO
INDUSTRY
INTERFERENCE
INDEX**

Introduction

The world's top three transnational tobacco companies, Philip Morris International (PMI) Georgia LLC, British American Tobacco (BAT), and Japan Tobacco International (JTI), Imperial Tobacco all have businesses in Georgia. JTI has been operating in Georgia since 2000. In 2011, JTI Caucasus LLC was established in Tbilisi to operate as the regional hub for Armenia, Azerbaijan, and Georgia.^{1 2} According to the Revenue service of Georgia, the transnational tobacco companies bought 98% of excise marks in 2019, meaning they have dominant share of Georgian market last year, while locals' share was 40% in 2018 and it is around 26% during first quarter of 2020. The transnational tobacco companies still control the bulk of the Georgian market.³ At the end of 2020, BAT announced that they closed office in Georgia due to prohibition of any marketing possibilities of tobacco products, but they kept only distribution business.⁴

The FCTC Implementation and Monitoring Center in Georgia – FCTC IMCG (Coordinator of the Tobacco Control Alliance in Georgia) has constantly monitored tobacco industry interference since 2004.

Tobacco industry interference in Georgia

Since 2013, the institutional supporters and lobbyists of tobacco industry interests in government include the Ministry of Economy and Sustainable Development (MoESD), together with the Business Ombudsman's Office (BOO). The MoESD has a special state program "Produce in Georgia" which supports production of local tobacco since 2014.⁵ The MoESD Deputy Ministers permanently support tobacco industry interests on governmental level and in the Parliament.^{6 7} Current Deputy Minister of the MoESD Mr Irali Nadareishvili is former commercial director of Imperial Tobacco in Georgia and Moldova during 2013-2016.⁸ Current Deputy Minister of Finance Mr. Zurab Dzelashvili is former Business Ombudsman of Georgia during 2016-2018, who presented tobacco industry interests in the Government and Parliament permanently.⁹

The Business Ombudsman's Office of Georgia often has meetings and consultations with tobacco industry representatives. They come up with legislative proposals favorable to the

¹ Shalutashvili Al., et al. Tobacco Economic Study in Georgia since the Fall of the Soviet Union. September 2007. FCTC Implementation and Monitoring Center in Georgia. https://www.researchgate.net/publication/332231011_Tobacco_Economic_Study_in_Georgia_since_the_Fall_of_the_Soviet_Union

² Ross Hanna and Bakhturidze George. Georgia: Controlling Illicit Cigarette Trade. Technical Report of the World Bank Group. Editor: Sheila Dutta. December 2018. <http://pubdocs.worldbank.org/en/482091549635012834/WBG-Tobacco-IllicitTrade-Georgia-v2.pdf>

³ Revenue Service of Georgia. Tobacco excise marks issued in 2018, 2019 and I quarter of 2020. May 2020. <https://www.rs.ge/5905>

⁴ Business Formula TV. British American Tobacco closes representative office in Georgia. January 19, 2021. <https://www.facebook.com/FormulaBusiness/videos/741969993361082>

⁵ Governmental Decree N365, 30.05.2014 on "adoption of State program regarding "Produce in Georgia". <https://matsne.gov.ge/ka/document/view/2362780?publication=0>

⁶ Reporter. 05.05.2014. <http://reportiori.ge/old/geworld.ge/?menuid=2&id=25411>

⁷ Liberali. 29.09.2014. <http://liberali.ge/news/view/12396/giorgi-bakhturidze-tambaqos-kontroli-gantskhadebebis-doneze-rcheba>

⁸ Ministry of Economy and Sustainable Development of Georgia, retrieved in July 17, 2020. http://www.economy.ge/?page=deputy-ministers&deputy=73&fname=Irali_Nadareishvili&fbclid=IwAR0h4q-uB7saSWGU-3jvsVWRlqeB8tYmU2o9dCKHm4CemgYyRl2AQPkPcsVVs&lang=ge

⁹ Ministry of Finance of Georgia, retrieved in July 17, 2020. <https://mof.ge/5281>

tobacco industry and send it to the government and the parliament. Tobacco Control Alliance in Georgia pushes for the abolition of this structure, which causes disease and deaths and encourages corruption in the country.^{10 11 12}

Tobacco Industry's front group - Business Association of Georgia (BAG) several times tried to promote Phillip Morris proposal regarding promotion of IQOS and other novel products through Georgian Parliament.^{13 14}

Another front group of TI – the Georgian Retailers Association (GRA) sent legislative proposal to the Parliament and Government in June 2020. They are requesting to postpone internal display ban of tobacco products by two years (it should enter into force due to Jan 1, 2021). The Tobacco Control Alliance responded to the GRA and has addressed to their main donor USAID to stop funding of the GRA the aim of which is to promote healthy Georgian Production and instead they are supporting to death product.¹⁵ GRA announced that they will apply to Constitutional Court against tobacco display ban in March 2021.¹⁶

¹⁰ The Business Ombudsman's Office of Georgia, 2020. <https://businessombudsman.ge/ka/search?q=%E1%83%97%E1%83%90%E1%83%9B%E1%83%91%E1%83%90%E1%83%A5>

¹¹ Annual Report of the Office of Business Ombudsman of Georgia-2018. <https://bit.ly/2XmhEBO>

¹² Qronika Plus. Tobacco Industry-the serial killer. 09.07.2018. <http://qronikaplus.ge/?p=16255>

¹³ The Parliament of Georgia. 2020. <https://info.parliament.ge/#law-drafting/19623>

¹⁴ Business Media Georgia, 08.07.2020. <https://bm.ge/ka/article/fda-s-gadawyvetileba-iqos-tan-dakavshirebit-nika-nanuashvilis-mosazreba-/60020>

¹⁵ I TV. 03.07.2020. <https://itv.ge/news/tambaqos-industria-parlamentshi-akhali-sakanonmdeblo-iniciativit-shesvlas-gegnavs/>

¹⁶ Business Media Georgia. Constitutional claim against tobacco display ban. 03.03.2021. <https://bm.ge/ka/video/sakonstitucio-sarcheli---tambaqos-xilvadoba/23221/>

Summary Findings

1. **INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT**

Tobacco Industry (TI) intensively participates in policy development processes. This business has strong support from the economic arm of the Government and Parliament. Keen supporters of TI include the Ministry of Economy and Office of Business Ombudsman of Georgia who promote the tobacco Industry's position.

2. **INDUSTRY CSR ACTIVITIES**

TI is not allowed to organize CSR actions and support any physical or judicial person. Georgia has no regulations regarding charity. This means that it is possible for TI to make donations as long as there is no promotion of their company or their tobacco products. During of COVID-19, all transnational tobacco corporations working in Georgia (BTA, JTI and PMI) donated to the special StopCov Fund at USD 30,000 each, and in the process promoted their business ignoring the fact that it is responsible for the death of 11,400 Georgians every year.

3. **BENEFITS TO THE INDUSTRY**

The Ministry of Economy and Sustainable Development has a special state program called "Produce in Georgia" which supports production of local tobacco since 2014.

4. **UNNECESSARY INTERACTION**

Unnecessary interaction of TI with Governmental officials or Members of Parliament took place and they have direct and unlimited Interactions and communications.

5. **TRANSPARENCY**

No transparency exists in the relations between TI and state institutions. A draft Decree on "Protecting the State Policy Related to Tobacco Control in Public Institutions and Establishing the Rule of Communication of State Servants with the Tobacco Industry" was prepared in June 2018. However, the draft still awaits the approval of the Georgian Government. The reason for this delay is the TI's broad influence on the government.

6. **CONFLICT OF INTEREST**

A former Minister of Economy owns a local tobacco manufacturing company and influences current Government to create a profitable environment for his business.

7. **PREVENTIVE MEASURES**

No preventive measures have been put in place The government has not adopted or implemented a code of conduct for public officials, to prescribe the standards when dealing with the TI.

Recommendations

1. Adopt the draft Governmental Decree “on Protecting the State Policy Related to Tobacco Control in Public Institutions and Establishing the Rule of Communication of State Servants with the Tobacco Industry” as soon as possible.
2. Disallow participation of the tobacco industry in public health policy setting and implementation.
3. Ban and de-normalize CSR and charitable activities from the tobacco industry.
4. Disclose all records of meeting with the tobacco industry and
5. Implement a code of conduct for public officials to guide them when dealing with the tobacco industry.

2021 Tobacco Industry Interference Index Results and Findings

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INDICATOR I: Level of Industry Participation in Policy-Development						
1. The government ¹⁷ accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry ¹⁸ in setting or implementing public health policies in relation to tobacco control ¹⁹ (Rec 3.1)					4	
<p>The tobacco industry, including local or international companies, has strong ties with Georgian policy or decision-makers.</p> <p>The Business Ombudsman's Office of Georgia has regular meetings and consultations with tobacco industry representatives. They draft pro-TI legislative proposals and send it to the government and the parliament.^{20 21 22} The Georgian Business Association wrote to the Ombudsman's Office with a legislative proposal for the need to amend the tobacco control regulations to accommodate new products and e-cigarettes.</p> <p>All forms of tobacco promotion were banned since 01 May 2018. However, the transnational corporations (BAT, PMI and JTI) operating in Georgia constantly violate these regulations by through contracts with retailers and promote their products through a at points of sale. The Revenue Service of Georgia is obliged to investigate or fine such violations, but the agency failed in its mandate so much so that the Parliament involved the patrol police in enforcing this matter in 2019-2021.²³</p>						
2. The government accepts, supports or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)					4	
<p>This happens mostly through the Business Ombudsman's office involving international tobacco companies like PMI, BAT and JTI, or independently. Tobacco Industry or their front groups (Business Association of Georgia, Gambling Association of Georgia, Georgian Retailers Association) proposed legislative proposals to the Parliament regarding postponement of plain-packaging and display-ban, allowing ads and promotion for e-cigarettes and heating tobacco products, allowing smoking in various gambling facilities, etc. Local tobacco manufacturers became actively involved in the process too regarding promotion of local manufactured cigarettes though low taxation and sale of roll</p>						

¹⁷ The term "government" refers to any public official whether or not acting within the scope of authority as long as cloaked with such authority or holding out to another as having such authority

¹⁸ The term, "tobacco industry" includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

¹⁹ "Offer of assistance" may include draft legislation, technical input, recommendations, oversees study tour

²⁰ The Business Ombudsman's Office of Georgia, 2020.

²¹ <https://businessombudsman.ge/ka/search?q=%E1%83%97%E1%83%90%E1%83%9B%E1%83%91%E1%83%90%E1%83%A5>

²² Annual Report of the Office of Business Ombudsman of Georgia-2018. <https://bit.ly/2LVDJBT>

²³ Qronika Plus. Tobacco Industry-the serial killer. 09.07.2018. <http://qronikaplus.ge/?p=16255>

²³ The Parliament of Georgia. Post legislative scrutiny (PLS) on the Law of Georgia "on Tobacco Control" – Final Report. Healthcare and Social Issues Committee of the Parliament of Georgia.

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

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your own (RYO) tobacco in small amounts. Local manufacturers have full support from the Government and Parliament, but after strong efforts of Tobacco Control Alliance of Georgia, NCDC, WHO and other relevant institutes they couldn't achieve their goal regarding RYO tobacco packaging. ^{24 25 26}						
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)					4	
<p>The tobacco industry still continues to hold closed door meetings with government officials, mostly working in the economic affairs. The regular supporter and lobbyists of tobacco industry interests in the government are the Ministry of Economy and Sustainable Development (MoESD) and the Business Ombudsman's Office of Georgia (BOO). The MoESD has a special state program "Produce in Georgia" which supports the production of local tobacco since 2014.²⁷ The MoESD Deputy Ministers continues supports tobacco industry interests at the governmental level and in the Parliament.^{28 29} During the COVID-19 pandemic, they, together with other business operators, met with Prime Minister, who was the Business Ombudsman a few years ago and supporter of the tobacco industry that time.^{30 31 32}</p> <p>The National Center of Diseases Control of Georgia (NCDC) together with Tobacco Control Alliance in Georgia prepared a draft decree for the implementation of Article 5.3 of the FCTC. This should be approved by the government in July 2018. The draft was sent for approval of the Administration of the Primer-Minister in June 2018, but unfortunately it is still under consideration. The Tobacco Control Alliance in Georgia assumes that the delay is due to the serious influence of the tobacco industry on the Georgian Government.³³ The situation in this regard was heard on the Post legislative scrutiny (PLS) on the Law of Georgia "on Tobacco Control" by the Healthcare and Social Issues Committee of the Parliament of Georgia during March-June 2019. The Parliament adopted special Resolution regarding the issue and addressed to the Government on</p>						

²⁴ NCDC. Guideline for implementation of the tobacco control policy. 2018.

<https://www.ncdc.ge/Handlers/GetFile.ashx?ID=bef2c866-41a3-47ae-9edb-ce1b722c244c>

²⁵ The Parliament of Georgia. Changes in "Tobacco Control" Law. 2020. <https://info.parliament.ge/#/law-drafting/19518>

²⁶ The Parliament of Georgia. Announces of the Healthcare Committee. 2020. <http://parliament.ge/ge/saparlamnto-saqmianoba/komitetebi/djanmrtebobis-dacvisa-da-socialur-sakitxta-komiteti-149/anonsi1150/18-maisijandacva180520.page>

²⁷ Governmental Decree N365, 30.05.2014 on "adoption of State program regarding "Produce in Georgia".

<https://matsne.gov.ge/ka/document/view/2362780?publication=0>

²⁸ Reporter. 05.05.2014. <http://reportiori.ge/old/geworld.ge/?menuid=2&id=25411>

²⁹ Liberali. 29.09.2014. <http://liberali.ge/news/view/12396/giorgi-bakhturidze-tambaqos-kontroli-gantskhadebebis-doneze-rcheba>

³⁰ Business Association of Georgia. 2020. <https://bag.ge/>

³¹ Ipress, 08.07.2016. Tobacco control Alliance's statement regarding business ombudsman links with tobacco industry. <https://ipress.ge/new/thambaqos-kontrolis-alian/>

³² Business Media Georgia, 08.07.2016. <https://bm.ge/ka/article/quottambaqos-moxmarebis-akrdzalvis-shehexeb-kanoni-mtavrobam-tambaqos-industriis-dakvetit-dablokaquot/4793>

³³ Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. 03.04.2019. <https://1tv.ge/news/tambaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

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timely adoption of the Decree on Governments transparency in relation to tobacco industry in April 13, 2021. ^{34 35}						
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) ³⁶ (Rec 4.9 & 8.3)					4	
<p>As reported in the 2020 report, at COP6, there were two instances when the Business Ombudsman or its representative wanted to participate on the COP though BAT financial support. Timely action taken by the Tobacco Control Alliance resulted in those representatives not participating. After these instances, the tobacco industry changed tactics and for the COP-7 in New Delhi in Nov 2016, the Georgian Ambassador participated in all sessions. Throughout this time, the Georgian Ambassador was in contact with BAT representative, Zviad Skhvitaridze, who was also in Delhi at the time, although outside the conference venue. During the process of negotiations, the Deputy Minister of Economy Genady Margvelashvili and Head of Economic Relations of the Ministry of Foreign Affairs had direct contact with the BAT representative and the Georgian Ambassador in India.³⁷ While there is no record of interference for COP8, the tobacco industry's tactic to influence Georgia's delegation to the COP remains.</p>						
INDICATOR 2: Industry CSR activities						
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)					4	
B. The government (its agencies and officials) receives contributions ³⁸ (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)						
<p>Before May 1, 2018 when the ban on tobacco sponsorship, entered into force BAT, JTI, PMI sponsored several state agencies, Universities (state or private), theatres, NGOs, etc. For instance, JTI's CSR Projects in Georgia covered two main areas: (1) arts and culture and (2) community projects.³⁹</p> <p>After ban of sponsorship, we still found some unlawful sponsorship actions by the tobacco industry. For example, there was an unlawful sponsorship event of media representatives by JTI on 18 February 2020. The Tobacco Control Alliance investigated</p>						

³⁴ Post legislative scrutiny (PLS) on the Law of Georgia "on Tobacco Control" – Final Report. Healthcare and Social Issues Committee of the Parliament of Georgia.

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

³⁵ Resolution of the Parliament N 455-IVms-Xmp, adopted 13/04/2021.

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

³⁶ Please annex a list since 2009 so that the respondent can quantify the frequency, <http://www.who.int/fctc/cop/en/>

³⁷ Author's communication with senior government officials from the Ministry of Health (represented on the Conference), Economic Relations department of the Ministry of Foreign Affairs, and the Ambassador of Georgia to India. 7-12 Nov 2016, New Delhi.

³⁸ political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

³⁹ <https://www.finchannel.com/csr/71756-japan-tobacco-international-among-the-few-georgian-companies-with-a-dedicated-budget-for-csr-activities>

the case, and together with the partners from the Unfairtobacco, published a special article on the matter on 06 April 2020.⁴⁰ Then the organizer of the event, Center for Strategic Research and development of Georgia (CSR DG), issued a special statement on the issue and announced that CSR DG fully and publicly opposes any support and popularization of tobacco, its consumption or production.⁴¹



Winners were awarded monetary prizes (1,500 GEL). JTI nominated two journalists, Shorena Labadze, (Kviris Palitra) and Vakhtang Daraselia (Fortuna) who were scheduled to attend the European Publishing Congress in May 2020 in Vienna, also attended by media professionals from all over the world.

During the COVID-19 crisis, all transnational tobacco corporations having business in Georgia, namely BTA, JTI, and PMI, each donated USD 30,000 to the special StopCov Fund. The FCTC IMCG urged the Government not to accept their donation by which they would like to buy political loyalty for the Government in the future. The Government publicized a list of companies that donated to StopCov Fund under the heading “Organizations with high social responsibility”. After efforts from NCDC and Tobacco Control Alliance, the government administration removed all the logos of BAT, PMI, and JTI from the Fund’s site.^{42 43 44} Unfortunately, most media channels covered the donation from the TI, thereby promoting their businesses.^{45 46 47 48}

⁴⁰ Unfairtobacco. April 6, 2020. https://unfairtobacco.org/en/strategies/fighting-bad-reputation-by-sponsoring-media/?fbclid=IwAR3M7XJbbEtL8_UMTTJSXA6PSV1cMx0NtCM5NkSdjZQj88Io7WYyA53OXBy4

⁴¹ Center for Strategic Research and development of Georgia (CSR DG): <http://new.csrdg.ge/6155-2/>

⁴² StopCov Fund of Georgia. <https://stopcov.ge/en/Links>

⁴³ Global Center for Good Governance in Tobacco Control. Tobacco Industry’s COVID Donations vs Economic Cost of Tobacco. April 23, 2020. <https://ggtc.world/2020/04/23/tobacco-industrys-covid-donations-vs-economic-cost-of-tobacco/>

⁴⁴ Tobacco Control Alliance’s Statement, 06.04.2020. <https://www.interpressnews.ge/ka/article/593895-tambakos-kontrolis-aliansi-tambakos-industria-mgvrie-cqalshi-tevzis-dacheras-cdilobs/>

⁴⁵ Commerciant, 23.03.2020. <https://commerciant.ge/ge/post/filip-moris-saqartvelo-covid-19-is-winaagmdeg-brdzolisatvis-100-000-lars-gamoyofs-2>

⁴⁶ TV Pirveli, 30.03.2020. <https://bm.ge/ka/video/biznesis-socialuri-pasuxismgebloba-da-covid-19/17652/>

⁴⁷ BMG, 23.03.2020. <https://bm.ge/ka/article/quotfilip-moris-saqartveloquot-covid-19-is-winaagmdeg-brdzolisatvis-100-000-lars-gamoyofs/51860/>

⁴⁸ TV Pirveli, 23.03.2020. <https://bm.ge/ka/video/quotfilip-moris-saqartveloquot-covid-19-is-winaagmdeg-brdzolisatvis-100-000-lars-gamoyofs/17529>

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INDICATOR 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 tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)					4	
<p>The law mandating plain packaging was postponed from January 2018 to January 2023 due to interference from PMI and American Chamber of Commerce.⁴⁹ Another example is the two-year delay in the approval of the decree of Government that implements Article 5.3 of the FCTC.</p>						
7. The government gives privileges, incentives, exemptions or benefits to the tobacco industry (Rec 7.3)					4	
<p>Sales in duty-free Zones in Georgia are not required for tobacco packs to apply pictorial health warnings. Hence, they can display tobacco products without restrictions.⁵⁰</p> <p>International travellers entering Georgia can bring in duty-free 200 sticks of cigarettes or 50 cigarillos or 50 cigars or 250 grams of tobacco.⁵¹</p> <p>Smoking is permitted in casinos and also slot clubs that operate 20 slot machines. In return, they pay GEL 200,000 per year as license fees.⁵²</p>						
INDICATOR 4: Forms of Unnecessary Interaction						
8. Top level government officials (such as President/ Prime Minister or Minister ⁵³) 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)					4	
<p>During the COVID-19 crisis, BAT, JTI, and PMI met with the Prime Minister. They have regular meetings with Minister or Deputy Ministers of Economy and Finance, also with Business Ombudsman of Georgia to lobby their proposals regarding tax reduction or weaken effective tobacco control regulations.^{54 55 56}</p> <p>Local manufacturers also have close ties with Government officials. In October 2018, Transparency International Georgia reported how key tobacco industry executives participated in a corruption scheme involving high-level government officials and the ruling</p>						

⁴⁹ Law of Georgia on "Tobacco Control". Amendment N 1278 RS.

⁵⁰ Law of Georgia on "Tobacco Control". Updated in 16.10.2019.

<https://matsne.gov.ge/ka/document/view/1043717?publication=161>

⁵¹ Tax Code of Georgia, updated 17.03.2020. <https://matsne.gov.ge/ka/document/view/1043717?publication=161>

⁵² Ibid

⁵³ Includes immediate members of the families of the high-level officials

⁵⁴ StopCov Fund of Georgia. <https://stopcov.ge/en/Links>

⁵⁵ Global Center for Good Governance in Tobacco Control. Tobacco Industry's COVID Donations vs Economic Cost of Tobacco. April 23, 2020. <https://ggtc.world/2020/04/23/tobacco-industrys-covid-donations-vs-economic-cost-of-tobacco/>

⁵⁶ Tobacco Control Alliance's Statement, 06.04.2020. <https://www.interpressnews.ge/ka/article/593895-tambakos-kontrolis-aliansi-tambakos-industria-mgvrie-cqalshi-tevzis-dacheras-cdilobs/>

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Georgian Dream Party has been implicated. ⁵⁷ Then they wanted to weaken regulations of RYO tobacco, but this was exposed and the Parliament stopped their efforts in 2021. ^{58 59} 60						
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	
JTI reports that it has successfully conducted a series of anti-illicit trade (AIT) seminars to the Georgian State Customs and sponsored students in business administration in several universities. ⁶¹ BAT sponsored several trainings of staff members of the Ministry of Economy, Ministry of Finance, Customs Service, students of Faculty of Economy of the Tbilisi State University, and other state or private universities, as well as media companies. ⁶²						
10. The government accepts, supports, endorses, or enters into partnerships or agreements with the tobacco industry. (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.					4	
The Georgian government sometimes accepts, supports, endorses or enters into partnerships or agreements with the tobacco industry. The last time it happened was between the Minister of Adjara Autonomy Republic of Georgia and China's company "Georgian Tobacco" on 19 December 2019. Both sides signed a Memorandum of Understanding on the promotion of growing and production of tobacco in the Adjara region and the promotion of Georgian tobacco in China. ⁶³						
INDICATOR 5: Transparency						
11. The government does not publicly disclose meetings/ interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation. (Rec 2.2)						5
The interactions between government and tobacco industry is absolutely not transparent. They have systematic meetings in the MoESD, MoF, Business Ombudsman's Office, Administration of Primer-Minister, which are contrary to the provisions of Article 5.3 of the FCTC. These meetings are not disclosed.						

⁵⁷ Transparency International. Smoke of corruption. 3 October 2018 <https://www.transparency.ge/en/blog/smoke-corruption-grand-scheme-allocate-tobacco-market>

⁵⁸ NDCD. New regulations on RYO tobacco. 2019. <https://www.ncdc.ge/#!/pages/content/391ee005-0981-4090-ad2c-fc5940b30349>

⁵⁹ The Parliament of Georgia. Changes in "Tobacco Control" Law. 2020. <https://info.parliament.ge/#law-drafting/19518>

⁶⁰ The Parliament of Georgia. Announces of the Healthcare Committee. 2020. <http://parliament.ge/ge/saparlamento-saqmianoba/komitetebi/djanmrtelobis-dacvisa-da-socialur-sakitxta-komiteti-149/anonsi1150/18-maisijandacva180520.page>

⁶¹ <https://www.jti.com/europe/georgia>

⁶² Business Media Georgia, 08.07.2016. <https://bm.ge/ka/article/quottambaqos-moxmarebis-akrdzalvis-shehexeb-kanoni-mtavrobam-tambaqos-industriis-dakvetit-dablokaquot4793>

⁶³ Government of Adjara Region of Georgia, 19.12.2019.

http://www.adjara.gov.ge/branches/description.aspx?gtid=841324&gid=4#.Xslc_GgzaM8

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<p>The “Tobacco Control” Law mandates the government to adopt a special decree “on Protecting the State Policy Related to Tobacco Control in Public Institutions and Establishing the Rule of Communication of State Servants with the Tobacco Industry” (to implement the Article 5.3 of the FCTC) before 01 May 2018.⁶⁴</p> <p>The National Center of Diseases Control of Georgia (NCDC) together with Tobacco Control Alliance in Georgia prepared a draft of the abovementioned Decree. This should be approved by the government before July 2018. It was sent for approval to the Administration of the Primer-Minister in June 2018. Unfortunately, it is still under consideration. The Tobacco Control Alliance in Georgia assumes the delay is because of serious influence of the Tobacco Industry on the Government.⁶⁵ The situation was heard in the post-legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” by the Healthcare and Social Issues Committee of the Parliament of Georgia during the March-June 2019 period. The Parliament issued special recommendations on the issue in April 13, 2021 and awaits adoption in a future session.^{66 67}</p> <p>Government departments do not publicly disclose their meetings or interactions with the tobacco industry. Through news reports, the public learned that BAT had a meeting with the Finance Minister in the middle of 2020 to discuss tobacco regulations. According to the Corporate and Legal Director of BAT, they have a “good relationship with the Ministry of Finance, Revenue Service and Ministry of Finance, but we must work in a way that given promises must be fulfilled. We had an extended meeting with the Minister in the middle of the year and we talked about two issues - one was cutting tobacco regulation, however we have achieved and regulated it. While, the second was an action plan for several years, which will become part of the tax code related to excise tax increase, but that promise remained as a promise.”⁶⁸</p>						
<p>12. The government requires rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists (Rec 5.3)</p>						5
<p>The government does not have rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists.</p>						
<p>INDICATOR 6: Conflict of Interest</p>						
<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>						5

⁶⁴ Ibid

⁶⁵ Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. 03.04.2019. <https://1tv.ge/news/tambaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

⁶⁶ Post legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” – Final Report. Healthcare and Social Issues Committee of the Parliament of Georgia.

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

⁶⁷ Resolution of the Parliament N 455-IVms-Xmp, adopted 13/04/2021.

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

⁶⁸ Business Media Georgia. Promise has remained as a promise. 25 December 2019. <https://bm.ge/en/article/promise-has-remained-as-a-promise-quot-corporate-director-of-british-american-tobacco-declares/45965/>

	0	1	2	3	4	5
The government does not prohibit contributions from the TI or any entity working to further its interests in political parties.						
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)				3		
The Transparency International Georgia (TIG) Office investigated corruption negotiations between high officials and local manufacturers. The main author of the idea was Ivane Chkhartishvili, former Minister of Economy and multi-millionaire and real ruler of “Tbilisi Tobacco”. After that scandal, ruling party lashed out to TIG. Then head of ruling party and former Prime-Minister of Georgia, billionaire Bidzina Ivanishvili announced that “we wanted to have cheap cigarettes on the market, special shops for this product ...” ^{69 70 71 72}						
15. <u>Current government officials</u> and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)	0					
There is currently no record of relatives of current government officials holding positions in the tobacco business, including consultancy positions, because it is a commercial secret. However, there is no procedure to prevent this.						
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 outcome) with the tobacco industry and its representatives. (Rec 5.1)						5
There is no proper procedure for disclosing records of interaction (agenda, attendees, minutes, etc.) with the tobacco industry.						
17. The government has formulated, adopted or implemented a code of conduct for public officials, prescribing the standards with which they should comply in their dealings with the tobacco industry. (Rec 4.2)						5
The government has not adopted or implemented a code of conduct for public officials, prescribing the standards when dealing with the TI. The National Center of Diseases Control of Georgia (NCDC) together with Tobacco Control Alliance in Georgia prepared a draft of the abovementioned decree, which should be approved by the						

⁶⁹ Qronika Plus. “Stop the Corruption” disclosures ruling party “Georgian Dream”. 29.09.2018.

<http://qronikaplus.ge/?p=16669>

⁷⁰ Kvisir Palitra. Secret schemes of Vano Chkhartishvili. 01.10.2018. <https://www.kvirispalitra.ge/economic/46853-vano-chkhartishvilis-sigaretis-saidumlo-sqema-gza-romlithac-thambaqos-biznesi-filtrian-sigarets-ufiltrod-asaghebs.html>

⁷¹ Transference International Georgia. Smoke of Corruption: The Grand Scheme to Allocate the Tobacco Market. 03.10.2018. <https://www.transparency.ge/en/blog/smoke-corruption-grand-scheme-allocate-tobacco-market>

⁷² OC Media. Georgia’s ruling party lashes out at NGOs over Omega tapes criticism. 10.10.2018. <https://oc-media.org/georgia-s-ruling-party-lashes-out-at-ngos-over-omega-tapes-criticism/>

	0	1	2	3	4	5
government before July 2018. Then it was sent for approval in the Administration of the Primer-Minister in June 2018, but unfortunately it still is under consideration. The Tobacco Control Alliance in Georgia assumes that this delay is because of the serious influence of the TI on the Georgian government. ⁷³ The situation in this regard was heard on the post-legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” by the Healthcare and Social Issues Committee of the Parliament of Georgia in March-June 2019. The Parliament issued special recommendations on the issue in April 13, 2021 and awaits adoption in a future session. ^{74 75}						
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. (5.2)			2			
There is partial requirement for information from the tobacco industry, such as for tax purposes. However, there is no requirement for reporting on marketing expenditures, revenue, lobbying, and philanthropy.						
19. The government has a program / system/ plan to consistently ⁷⁶ raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)						5
The government does not have a program or plan to consistently raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines.						
20. The government has put in place a policy to disallow the acceptance of all forms of contributions/ gifts from the tobacco industry (monetary or otherwise) including offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials and their relatives. (3.4)						5
The government has not put in place a policy to disallow contributions or gifts from the tobacco industry, including offers of assistance, policy drafts, or study visit invitations.						
TOTAL						80

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FCTC Implementation and Monitoring Center in Georgia
May 28, 2021**

⁷³ Georgian Public Broadcasting Company. Statement of the Tobacco Control Alliance in Georgia. 03.04.2019. <https://1tv.ge/news/tambaqos-kontrolis-aliansi-ganckhadebas-avrcelebs/>

⁷⁴ Post legislative scrutiny (PLS) on the Law of Georgia “on Tobacco Control” – Final Report. Healthcare and Social Issues Committee of the Parliament of Georgia.

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

⁷⁵ Resolution of the Parliament N 455-IVms-Xmp, adopted 13/04/2021.

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

⁷⁶ For purposes of this question, “consistently” means: a. Each time the FCTC is discussed, 5.3 is explained. AND b. Whenever the opportunity arises such when the tobacco industry intervention is discovered or reported.