

INDONESIA

2021

TOBACCO
INDUSTRY
INTERFERENCE
INDEX

Introduction

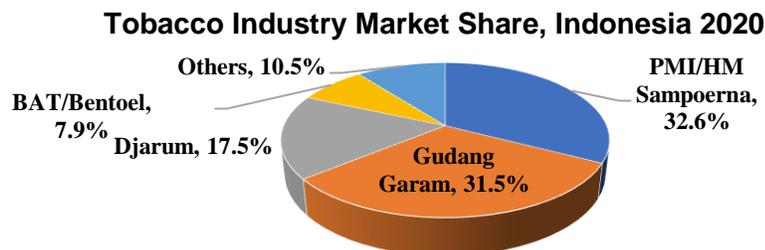
Indonesia, a non-party to the FCTC, is experiencing relentless tobacco industry interference. The country is home to 770 cigarette manufacturers that produced 356 billion cigarette sticks in 2019, a 7.3% hike from the 2018 production volume following *excessive interference from the tobacco industry* to cancel cigarette tax increase and revoke the simplification roadmap in 2019.

To compensate the absence of a tax increase in 2019, the government raised the excise tariff by 23% per stick and the retail selling price by 35% in 2020. While the excise increase occurred during the COVID-19 pandemic, it was accompanied by the government's decision to relax taxation in the form of postponement of excise stamps payment from the previous 60 days to 90 days extending from April 2020 through July 2020. *The benefit given to the tobacco industry* is meant to maintain sustainability of the industry amid the pandemic and to prevent layoffs due to lack of production. This provision will continue throughout 2021, whereby the increase of the excise tariff by an average of 12.5% per stick only applies to machine-made cigarettes, and no increase in hand-rolled cigarette's tariff. Sampoerna benefits from the government's decision to freeze the excise tariff on hand-rolled cigarettes; it is viewed as an opportunity to recover from the decrease in sales volume by 19.3% in 2020, and to increase the sales of this segment that remained low in the past year.

The Indonesian Cigarette Manufacturers Association (GAPPRI) interfered in policy development by rejecting the PP revision that is still in the process of discussion. The GAPPRI letter to the President expressed its objection to their claim as three "tobacco-industry related issues" mandated in the RPJMN 2020-2024 (National Medium-Term Development Plan), i.e., 1) excise tax simplification, 2) banning tobacco ads and promotion; enlargement of pictorial health warnings, and 3) the revisions of the Government Regulation (PP) No. 109/2012. The letter was also sent to, among others, Health Minister Terawan. It is unclear whether Health Minister Terawan's decision to discontinue the PP revision, even after CSOs submitted three (3) consecutive legal notices and further warning letter from the Ombudsman office, has some relation with the GAPPRI letter.

The number of tobacco industry CSR activities continues to increase as the COVID-19 pandemic rages on. Aside from the usual CSR activities, donations from the tobacco industry during the pandemic were received and highly appreciated by the government, including in-kind donations of grocery packages, Personal Protection Equipment (PPEs) and Polymerase Chain Reaction (PCR) machines for hospital ambulances.

Indonesia's index score still ranks high among countries where tobacco industry interference occurs. Indonesia has maintained this high score for several years. This report shows that there has been no progress between 2019 and 2020 with a total score that remains at a high 84. Having bought into the "legal product/legal industry" dodge, the government is reluctant to marginalize the industry. This TII Index report is an important reference for governments to consider how they are unduly influenced.



Source: Global Data. Cigarettes in Indonesia, 2021

Summary Findings

Indonesia's score remains consistently high. There is no progress between 2019 and 2020 with the total score as high as 84. The following indicators show the supporting evidence.

I. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

- Tobacco Industry Interference in public policy continues as Indonesia still has no legal mechanism nor effective framework to control the tobacco industry's participation in policy development. The INDEF's 2019 proposal to renew the tobacco industry roadmap is well accepted; under the leadership of the Coordinating Ministry for Economic Affairs, discussions continued in 2020 and received broader support from the Ministries of Trade, Labor, and members of Commission XI in the Parliament.
- The Indonesian Cigarette Manufacturers Association (GAPPRI) wrote a letter to the President stating its objection to their claim as three "tobacco-industry related issues" mandated in the RPJMN 2020-2024 (National Medium-Term Development Plan): 1) excise tax simplification, 2) banning tobacco ads and promotion; enlargement of pictorial health warnings, and 3) the revisions of the Gov. Regulation (PP) No. 109/2012. The letter was cc-ed to, among others, Health Minister Terawan. Hence, it was not clear whether the letter has influenced the Health Minister's decision to discontinue the revision of the regulation that was underway.
- The vaping industry has persistently pushed for a special regulation on e-cigarettes, with claims that these are "less harmful products" than conventional cigarettes. Front groups support came from a religious group (Lakpesdam PBNU), scientists (pro-e-cigarette experts and Indonesian Institute of Sciences (LIPI)), and legislators.

On the other end, the Ministry of Industry encouraged the registration of both products under the Indonesian National Standard (SNI) to be applied to HTPs in 2020, and for e-cigarettes in 2021. The plan was welcomed by Sampoerna and e-cigarette industry associations.

- By law, the involvement of individuals or organizations related to a given regulation is allowed. The Office of Customs and Excise invited the tobacco industry to discuss the excise tax policy for and assessed the industry's expectations during the COVID-19 pandemic. The pandemic has driven more concerns on the Ministry of Finance side to the tobacco industry e.g.: The Excise Office in Magelang city met with Indonesia Tobacco Farmers Association (APTI) to accommodate tobacco farmers' concerns; the Regional Head of Customs and Excise in Central Java paid a visit to Djarum Office to ensure that government policies during the pandemic are effective in helping the industry run the business.

2. INDUSTRY CSR ACTIVITIES

- Tobacco industry-sponsored CSR activities escalated in 2020 compared to previous years.
- Sampoerna's Manager of Regional Relations & CSR sent a letter (dated June 2020) to the Head of Karangasem District asking to revoke the policy on banning outdoor advertisement, which only proves the reason behind Sampoerna's CSR agenda is self-serving and intended to defeat public health policy in return.

- Gudang Garam has gained access to the central government for *investing a strategic program to construct an airport in Kediri District*. Aside from sponsoring the local government of Kediri during the New Year's eve 2020 celebrations, Gudang Garam has also partnered with the local government to create watersheds around the Kelud Mountain slopes in commemoration of the 1216th anniversary of Kediri District.

Aside from the tobacco industry's donations during the pandemic which included in-kind donations of grocery packages, PPEs, and PCR machines, the involvement of local governments with the usual TI-sponsored CSR activities also increased. Djarum and Bentoel' conducted tree-planting in various districts, while Gudang Garam and KT&G supported water-supply projects. Sampoerna's CSR activities included building waste management facility and entrepreneurship training in Gunting Village in Kotawaringin District.

3. BENEFITS TO THE INDUSTRY

- The tobacco industry used all possible means to reject excise tax increase almost the entire year of 2020. In November 2020, the Indonesian Farmers Association (APTI) met with the Head of the Presidential Staff Office and with the Special Staff of the Ministry of Finance. The meeting concluded with compromises: the government is set to increase the excise tax for tobacco products by an average of 12.5% in 2021 but no increase for hand-rolled cigarettes.
- Tobacco industry in Karangasem District of Bali, Bogor and Kulonprogo rejected the article on the banning of outdoor advertisement as mandated in the local SF Law as it is considered "a violation of higher law and disruptive to business investment". The lawsuit in Bogor received support from the Regional Autonomy Monitoring Committee (KPPOD) and a number of front groups; however the Supreme Court decision has ruled against the lawsuit. Unlike the outcome in Bogor, Karangasem District revoked its ban on outdoor advertisement.
- Another benefit given to tobacco industry is the postponement of the issuance of SF regulation in Bandung City and Purworejo District, whereby the tobacco industry in West Bandung and Bogor Districts enjoyed the permission to place cigarette billboards, each in front of schools and a nearby public hospital.
- During the pandemic, the government gave privileges to the tobacco industry, i.e.: tax relaxation; an extended tax payment deadline from normally 60 to 90 days, from April to July; extending the time limit for withdrawing tobacco products with 2019 excise stamps in the market from June 1 to August 1; and the postponement of effective tax increase from January 1, 2021 to February 1, 2021. This postponement allows the industry to enjoy old market price upon decision of the increase that has taken effect in February 2021. To boost export, machine-made cigarettes received benefits of a delay in payment of excise stamps from 60 to 90 days.

4. UNNECESSARY INTERACTION

- Philip Morris met with the President and expressed interest in investing in HTP, but no further information was provided. The Parliament invited a Djarum representative as a speaker at a public hearing for the National Sport System Bill.
- Various statements of appreciation from the government went to tobacco industry for various activities. *The Minister of Villages and Transmigration* expressed appreciation to Djarum for improving the management skills of village-owned enterprises in Kudus, Central Java; *The Ministry of Industry* commended the campaign of the Indonesian White Cigarette Producers Association (Gaprindo) to "curb the smoking prevalence among children" in support of the

national target to reduce smoking prevalence by 8,7%. A similar campaign was launched by Sampoerna Retail Community. The *Ministry of Education* selected Putra Sampoerna as one among the bidders that won the “Mover Organization Program” (POP)’s grant for teachers’ training program. *Ministry of Cooperation* collaborated with “Bibli”, a Djarum group to assist cooperatives and small-and medium-scale-enterprises (SMSEs) to stimulate the economy using the digital platform of bibli.com. The program however, was criticized by the public.

- Local governments of Kudus District, Malang and Blitar, each had brought cigarette factories to media spotlight as examples of “ensuring workers’ compliance to health protocols”, a “Covid-19 resilient workplace” and “an exemplary model for other industries to follow”.

5. TRANSPARENCY

- There 2020 score is built upon the incidents of no standard mechanism for the government to openly disclose information on meetings/interactions with the tobacco industry or their outcomes and no specific policy on requiring the tobacco industry to report on or register the affiliated members. Like other meetings, the names of participants were recorded in the minutes of meetings.

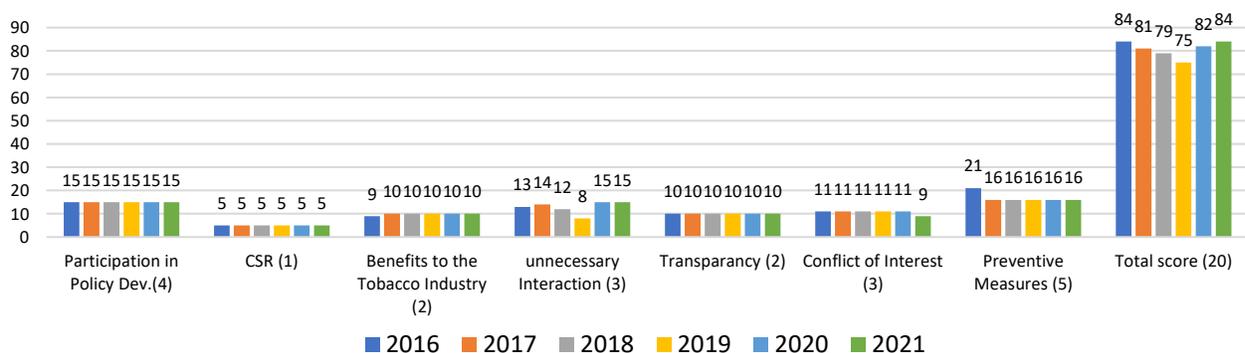
6. CONFLICT OF INTEREST

- There is no new incident in 2020.
- The 2020 score is calculated based upon the old incidents outside this report period that is worth noting as evidence, i.e., no policy that prohibits contributions from any sources including the tobacco industry for political campaigns; no active government officials work in tobacco industry businesses because of a strict regulation that does not permit active civil servants to work outside the government.

7. PREVENTIVE MEASURES

- Currently, only the Ministry of Health has a tobacco industry code of conduct stated in the Minister of Health Regulation No. 50 (2016) on *Guidelines for Managing Conflict of Interests with the Tobacco Industry in the Ministry of Health*.
- The 2020 score is calculated based on partial preventive measures, i.e., no specific policy on record-keeping of interactions with the tobacco industry, partial government request for the tobacco industry to submit a report, and no consistent public awareness building on FCTC implementation guidelines.

Trend of TII Index Indonesia by Indicator, 2016-2021



Recommendations

- Learning to understand that tobacco industry is not a legitimate stakeholder will uplift Indonesia to stand at the same level with other countries worldwide in protecting the generation from its predatory marketing.
- Given the permissive laws for tobacco industry's involvement in policy development, and being considered as a stakeholder and as common citizen doing a normal business, the government must adopt a code of conduct that regulates interactions with the tobacco industry and its front group,
- Preferential treatments given to the tobacco industry, even more massive during the pandemic, has to be re-calculated against the economic losses in human health and human resource development in a broader sense.

2021 Tobacco Industry Interference Index Results and Findings

	0	1	2	3	4	5
INDICATOR 1: Level of Industry Participation in Policy-Development						
1. The government ¹ accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry ² in setting or implementing public health policies in relation to tobacco control ³ (Rec 3.1)						5
<p>- Following up on INDEF's proposal in 2019 to create a tobacco road map,⁴ the discussion on the tobacco road map led by the Coordinating Ministry for Economic Affairs continued in 2020 and received broader support from the Ministry of Trade, Ministry of Labor, and members of Commission XI in Parliament.^{5,6,7,8,9}</p> <p>- On 25 June 2020, GAPPRI wrote a letter to the President Joko Widodo, stating its objection to the following plans on the three claims as tobacco industry-related aspects in the RPJMN 2020-2024 (National Medium-Term Development Plan): 1) excise tariff simplification plan, 2) advertising and promotion ban, and enlargement of pictorial health warnings on cigarette packs, and 3) revisions to Government Regulation (PP) No. 109/2012. The letter was cc-ed to, among others, the Health Minister Terawan.</p> <p>Resistance to PP 109/2012 revision plan as set forth in RPJMN 2020-2024 not only came from GAPPRI, but also from Gaprindo (The Indonesian White Cigarette Producers Association), East Java Chamber of Commerce (Kadin), PBNU's Lembaga Bahstul Masail, and several legislators.^{10,11,12,13,14} A policy analyst from the Directorate of Excise and Technical Affairs (Ministry of Finance) even objected to the proposed enlargement of pictorial health warnings to 90%. According to the analyst, it would be difficult to monitor actual implementation and to distinguish between legal and illegal products in the market.¹⁵</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)						5

¹ 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

² The term, "tobacco industry" includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

³ "Offer of assistance" may include draft legislation, technical input, recommendations, oversees study tour

⁴ <https://www.tribunnews.com/bisnis/2019/12/10/dorong-roadmap-industri-hasil-tembakau-untuk-amankan-investasi?page=3>

⁵ <https://www.cnnindonesia.com/ekonomi/20200905220941-92-543200/penyusunan-roadmap-industri-hasil-tembakau-bakal-terhambat>

⁶ <https://industri.kontan.co.id/news/kritik-komnas-pengendalian-tembakau-soal-roadmap-tembakau-yang-disusun-pemerintah>

⁷ <https://ekonomi.bisnis.com/read/20200619/9/1254837/kemnaker-minta-dilibatkan-bahas-roadmap-rokok>

⁸ <https://www.medcom.id/ekonomi/bisnis/8kolyXMK-petani-tembakau-tagih-janji-pemerintah-susun-peta-jalan-iht>

⁹ <https://akurat.co/ekonomi/id-1211355-read-anggota-komisi-xi-dpr-beberkan-pentingnya-road-map-industri-hasil-tembakau>

¹⁰ <https://www.suarasurabaya.net/ekonomibisnis/2021/kadin-jatim-revisi-pp-109-2012-tekan-keberlangsungan-iht/>

¹¹ <http://bitly.ws/cTni>

¹² <https://akurat.co/news/id-1169057-read-lbm-pbnu-rpjm-tak-lindungi-jutaan-petani-tembakau-yang-mayoritas-nahdliyin>

¹³ <http://bisnisjakarta.co.id/2020/07/23/iht-terancam-gulung-tikar-f-pkb-dpr-desak-rpjm-direvisi/>

¹⁴ <http://harnas.co/2020/05/17/komisi-ix-penerapan-bungkus-rokok-polos-perlu-dikaji-lagi>

¹⁵ <https://ekbis.sindonews.com/read/168128/34/industri-rokok-kami-terus-dimintai-kontribusi-tapi-juga-ditekan-1600348156>

	0	1	2	3	4	5
<ul style="list-style-type: none"> - The vaping industry has persistently been pushing for a special regulation for e-cigarettes, different from the conventional cigarette as it was claimed as a less harmful product.^{16,17} They are supported by Lakpesdam PBNU (PBNU's Institute for Research and Human Resources Development), pro-e-cigarette experts, and several legislators.^{18,19,20} Support has also flowed into LIPI (Indonesian Institute of Sciences) to continuously conduct studies in favor of e-cigarettes in Indonesia.^{21,22} - In early 2020, a statement made by Health Minister Terawan drew public attention when he announced that no decision will be made nor policy issued on alternative tobacco products before enough scientific evidence is available. His statement was applauded by e-cigarette supporters.²³ - Another emerging issue relates to the Ministry of Industry's plan to develop a national standard for HTPs in 2020, and for e-cigarettes in 2021.^{24,25} The plan was welcomed by Sampoerna and e-cigarette industry associations.^{26,27} 						
<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>						5
<p>There is no legal instrument prohibiting tobacco industry participation in policy development. Meetings between government officials and the tobacco industry in policymaking processes are considered normal. The following are several examples of such meetings that the media has covered:</p> <ul style="list-style-type: none"> - The Office of Customs and Excise invited the tobacco industry to discuss the excise tax policy 2021 and conducted a survey on the industry's hopes and expectations in times of the pandemic.^{28,29} - Magelang's customs and excise officials attended an APTI meeting to accommodate farmers' aspiration.^{30,31} - The Regional Head of Customs and Excise in Central Java and DIY paid a visit to PT. Djarum Kudus on Thursday, 18 June 2020, to ensure that government policies introduced during the Covid-19 pandemic are effective in helping the industry run a business.³² - Batam's customs and excise office has worked with business entities to promote and maintain economic growth, including with PT. Adhi Mukti Persada, a tobacco product processing company in Batam. This initiative was carried out under a program called CVC (Customs Visit Customer) program.³³ 						

¹⁶ <https://money.kompas.com/read/2020/01/28/164156326/appnindo-minta-pemerintah-dukung-penggunaan-rokok-elektrik>

¹⁷ <https://www.antaranews.com/berita/1251099/pemerintah-diminta-bentuk-regulasi-khusus-rokok-elektrik>

¹⁸ <https://mediaindonesia.com/humaniora/280805/lakpesdam-pbnu-siap-kawal-aturan-produk-tembakau-alternatif>

¹⁹ <https://juaranews.com/berita/43250/04/03/2021/cukai-rokok-dinaikkan-komisi-xi-pemerintah-juga-harus-beri-insentif-bagi-petani-tembakau>

²⁰ <https://www.suara.com/bisnis/2021/02/19/071400/pemerintah-harus-gandeng-industri-jauhkan-rokok-elektrik-dari-anak-anak>

²¹ <http://bitly.ws/cTnf>

²² <https://ekbis.sindonews.com/read/204090/34/minimalisir-dampak-kesehatan-pengguna-tembakau-perlu-rujukan-lipi-1603300205>

²³ <https://mediaindonesia.com/humaniora/281395/kajian-ilmiah-produk-tembakau-alternatif-dinanti>

²⁴ <https://industri.kontak.co.id/berita+detail/?id=berita+pajak+-+bea+cukai+belum+putuskan+kenaikan+cukai+rokok+di+tahun+2021>

²⁵ <https://ekonomi.bisnis.com/read/20200918/257/1293594/kemenperin-dorong-standarisasi-nikotin-cair>

²⁶ <https://ekonomi.bisnis.com/read/20200918/257/1293511/sampoerna-apresiasi-pembuatan-sni-produk-pemanasan-tembakau>

²⁷ <https://www.jpnn.com/news/dukung-upaya-kemenperin-menyusun-standar-produk-untuk-hptl>

²⁸ <http://www.klinikpajak.co.id/berita+detail/?id=berita+pajak+-+bea+cukai+belum+putuskan+kenaikan+cukai+rokok+di+tahun+2021>

²⁹ <https://ekonomi.bisnis.com/read/20200612/9/1251829/survei-bea-cukai-ini-harapan-pelaku-industri-tembakau-di-tengah-pandemi>

³⁰ <https://www.jpnn.com/news/menampung-aspirasi-petani-tembakau-bea-cukai-magelang-hadiri-pertemuan-apti>

³¹ <https://fin.co.id/2020/12/04/dengar-aspirasi-bea-cukai-magelang-kunjungi-asosiasi-petani-tembakau-jateng/>

³² <https://beacukai.bisnis.com/read/20200619/468/1254973/kawal-pemulihan-ekonomi-nasional-bea-cukai-sambangi-djarum--ada-apa>

³³ <https://nasional.tempo.co/read/1442821/bea-cukai-dan-pelaku-usaha-jalin-sinergi-jaga-ekonomi>

	0	1	2	3	4	5
<p>NOTE: Indonesia has a legislation that allows involvement of individuals or organizations related to the regulation being discussed.</p> <p>1. Article 96 of Law No. 12/2011 on the Establishment of Laws and Regulations reads:</p> <p>(1) The public is entitled to give inputs, orally and/or in writing into the establishment of laws and regulations.</p> <p>(2) Oral input and/or in writing as set forth in clause (1) may be provided through: a. public hearing; b. official field visit; c. info dissemination and/or d. seminar, workshop, and/or discussion.</p> <p>(3) The public as set forth in clause (1) is an individual or group of individuals who have interests in the content of the draft law or regulation.</p> <p>2. Article 5(4) of Law No 39/2007 on Excise Tax stipulates: “Determining the amount of state revenue targeted from excise tax in the Draft Annual National Budget and alternative policies issued by the Minister (Finance) in optimizing efforts aimed at achieving revenue targets shall take into consideration the condition of the industry and the ASPIRATIONS of businesses within the industry and presented to parliament for approval.”</p> <p>The government of Indonesia will invite and accept input from the tobacco industry during public hearings or policy-making <i>forums</i>.</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) ³⁴ (Rec 4.9 & 8.3)	0					
This indicator is not applicable because Indonesia is not a party to the FCTC.						
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)						
B. The government (its agencies and officials) receives contributions ³⁵ (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)						5
<p>Q 5.A</p> <p>In June 2020, PT. HM Sampoerna’s Manager of Regional Relations & CSR wrote a letter to the Regent of Karangasem to revoke its policy banning outdoor advertising. The letter provided reasons on why the ban should be lifted, and went on to list several ongoing Sampoerna CSR activities in Karangasem.</p> <p>The tobacco industry CSR activities where government officials are involved have become more common in 2020 compared to previous years. The following is a recap of the industry’s CSR activities that involve the government in 2020 until March 2021:</p>						

³⁴ Please annex a list since 2009 so that the respondent can quantify the frequency, <http://www.who.int/fctc/cop/en/>

³⁵ political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

The Government **COLLABORATED WITH** the TI or **EXPRESSED** their **SUPPORT**

- PT Gudang Garam's plan to construct an airport in Kediri **gained** support from the government, and the project is even considered as strategic program by the central government.^{36,37,38,39,40}
- The Kediri municipal government collaborated with PT Gudang Garam to organize a New Year's Eve event in 2020.⁴¹
- To commemorate the 1216th anniversary of Kediri District in 2020, the local government partnered with PT Gudang Garam for a green project to create watersheds around the Kelud mountain slopes.⁴²
- Together with Sampoerna, the Surabaya city government held an Urban Farming Bazaar to stimulate SMEs during the pandemic.⁴³

The Government **ATTENDED** the Event with or without delivering speech

- The Governor of Central Java, the Head of BNPB (National Agency for Disaster Management) and the Regent of Kudus attended a tree-planting event held by Djarum Foundation at Patiayam, Central Java.⁴⁴
- The Governor of NTB, the Regent of East Lombok, and public officials from local government offices under the NTB provincial and East Lombok district governments were present at an event organized by PT. Bentoel Group for the planting of 6,035 trees.⁴⁵
- The Assistant Deputy for the Coordination of Creative Economy, Entrepreneurship, and the Competitiveness of Cooperatives and SMEs (The Coordinating Ministry for Economic Affairs) was the keynote speaker at a media discussion held by Sampoerna Retail Community in Jakarta.⁴⁶
- The Regent of Pasuruan delivered an opening speech at a Go Green Bike Ride event held by the Indonesian Journalists Association in collaboration with Sampoerna.⁴⁷
- The Regent of Karawang attended the launching ceremony of a restaurant at SMKN 2, a public vocational high school in Karawang that received assistance from Djarum Foundation.⁴⁸
- The Regent of Pamekasan launched a clean water facility built by PT Tri Sakti Purwosari Makmur (KT&G).⁴⁹
- The Regent of Aceh Singkil together with Forkompinda (coordination forum of local leaders), Kapolres (local police chief), Regional Secretary, and other local public officials attended a beach volleyball tournament sponsored by PT.Gudang Garam at Cemara Indah Beach.⁵⁰
- The Regent of Kotawaringin expressed appreciation towards the Sampoerna Entrepreneurship Training Center for helping the local people of Gunting Village develop their business potential and SMEs.⁵¹

³⁶ <https://money.kompas.com/read/2020/01/17/095800026/bandara-kediri-didandai-100-persen-gudang-garam-pemerintah-?page=all#page2>

³⁷ <https://finance.detik.com/infrastruktur/d-4900214/menhub-hingga-menteri-pupr-tinjau-pembangunan-bandara-kediri?single=1>

³⁸ <https://radarkediri.jawapos.com/read/2020/02/19/180016/bandara-kediri-berjodoh-setelah-banyak-hadapi-tantangan>

³⁹ <https://www.airmagz.com/55114/groundbreaking-pembangunan-bandara-kediri-disepakati-april-2020.html>

⁴⁰ <https://www.cnbcindonesia.com/news/20201127135416-4-205164/ternyata-bandara-gudang-garam-masuk-proyek-strategis-jokowi>

⁴¹ <https://www.bangsaonline.com/berita/67262/begini-sinergi-pt-gg-bersama-pemkot-kediri-ramaikan-malam-pergantian-tahun-2020>

⁴² <http://beritajatim.com/politik-pemerintahan/pemkab-kediri-bersama-gudang-garam-hijaukan-lereng-kelud/>

⁴³ <http://bitly.ws/cTnd>

⁴⁴ <https://www.murianews.com/2020/01/15/180494/ganjar-sambangi-patiayam-tanam-pohon-dan-titip-untuk-dirawat.html>

⁴⁵ <https://radarlombok.co.id/lestarian-lingkungan-bentoel-group-tanam-6-035-pohon.html>

⁴⁶ <https://www.antaranews.com/berita/1308306/komunitas-toko-kelontong-klaim-sumbang-pdb-hingga-rp693-triliun>

⁴⁷ <https://www.wartabromo.com/2020/01/26/meriah-gowes-sadar-lingkungan-diwarnai-aksi-tanam-100-bibit-mangrove-di-nguling/>

⁴⁸ <https://tvberita.co.id/news/regional/setelah-hotel-kini-smkn-2-karawang-punya-restaurant-lho/>

⁴⁹ <https://www.harianbhirawa.co.id/bupati-pamekasan-resmikan-fasilitas-air-bersih-dibangun-pt-aoi-dan-pt-tspml/>

⁵⁰ <https://maklumatnews.net/kmp3s-kerjasama-dengan-pt-gudang-garam-gelar-turamen-bola-pantai/>

⁵¹ <https://beritasampit.co.id/2020/02/25/bupati-kobar-belajar-konsep-kewirausahaan-dari-gunting/>

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- The Vice Regent of Pasuruan and the local environmental office jointly launched the 3R (Reuse, Reduce, Recycle) waste management facility built by PT HM Sampoerna and Kaliandra Sejati Foundation.⁵²
- The Central Java Police collaborated with Djarum Foundation in planting trees and releasing fish in the Logung Kudus Reservoir.⁵³
- The Central Java Police supported by Djarum Foundation organized a Go Green program where 1.5 million trees were planted. The event was attended by Central Java's Perhutani (state-owned forestry company), Bappeda (local development planning agency) and BPBD (Local Disaster Response Agency).⁵⁴
- PT Gudang Garam and Kediri's Kodim 0809 (military district command) and PTPN XII (state-owned plantation company) jointly revitalized a clean water facility in Damarwulan, Kediri District.⁵⁵
- The Pasuruan Police Chief, The Commander of Pasuruan 0819 Military District, and Pasuruan Perhutani's Head of Technical Unit attended a tree-planting event organized by PT HM Sampoerna.⁵⁶

Q 5.B

The government has received assistance from various companies for its Covid-19 response programs, including from the tobacco industry.^{57,58,59} Donations from the tobacco industry during Covid-19 pandemic were highly appreciated by the government.^{60,61,62} The contributions are varied, ranging from grocery packages, Personal Protective Equipment (PPE), Polymerase Chain Reaction (PCR) machines and ambulances for hospitals (see Annex B Table I for the details).

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)						5
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In 2020, there was widespread media coverage against excise taxes increase. Objections were not only expressed by the industry,^{63,64,65,66} but also government officials and legislators at the national and local levels (Annex B, Table 2).

The Industry lobbied the government and parliament members such as the Coordinating Minister for Political, Legal and Security Affairs and the PKB parliamentary faction^{67,68} after which the PKB

⁵² <https://surabaya.tribunnews.com/2020/03/11/wakil-bupati-kh-mujib-imron-targetkan-tahun-2025-kabupaten-pasuruan-bebas-sampah>

⁵³ <https://beritaekspres.com/2020/09/09/polda-jateng-tanam-pohon-dan-tabur-benih-ikan-di-waduk-logung-kudus/>

⁵⁴ <http://kabarone.com/2020/01/tahun-2020-polda-jateng-go-green-15-juta-pohon/>

⁵⁵ <https://koranmemo.com/karya-bakti-kodim-0809-kediri-gudang-garam-revitalisasi-sarana-air-bersih/>

⁵⁶ <https://memorandum.co.id/kapolres-pasuruan-tanam-seribu-pohon-di-gunung-arjuna/>

⁵⁷ <https://katadata.co.id/desyetyowati/berita/5e9a4212a3cae/prajogo-pangestu-sumbang-alat-kesehatan-ke-rscm-untuk-atasi-corona>

⁵⁸ <https://fin.co.id/2020/03/26/swasta-sumbang-rp300-miliar-perangi-covid-19/>

⁵⁹ <https://www.infopresiden.com/2020/03/pengusaha-ri-bantu-erick-thohir-rp-500.html>

⁶⁰ <http://bitly.ws/cTnp>

⁶¹ <https://www.merdeka.com/peristiwa/malang-dapat-bantuan-mesin-pcr-wali-kota-sutiaji-harap-bisa-percepat-deteksi-corona.html>

⁶² <https://www.jpnn.com/news/ridwan-kamil-dan-bupati-karawang-mengapresiasi-bantuan-mesin-pcr-dari-sampoerna>

⁶³ <https://republika.co.id/berita/qk34rr415/formasi-dan-apti-tetap-tolak-rencana-kenaikan-cukai>

⁶⁴ <https://www.jawapos.com/ekonomi/bisnis/28/10/2020/gapero-dan-gaprindo-harap-pemerintah-tak-naikkan-cht-terlalu-tinggi/>

⁶⁵ <https://www.liputan6.com/bisnis/read/4392491/amt-tolak-kenaikan-cukai-rokok-di-2021>

⁶⁶ <https://akurat.co/ekonomi/id-1251769-read-gapri-meyakini-kenaikan-cukai-rokok-2021-untuk-matikan-pabrik-rokok-konvensional>

⁶⁷ <http://bitly.ws/cTnb>

⁶⁸ <https://industri.kontan.co.id/news/temui-menko-polhukam-mahfud-md-buruh-rokok-minta-perlindungan>

party issued a statement rejecting the government's plan to raise cigarettes taxes in 2021. PKB's Secretary General stated that tobacco industry is a national cultural heritage that should be protected and developed in order to provide maximum contribution to the nation and state.⁶⁹

Thereafter, on 16 November 2020, the Head of Presidential Staff Office and Special Staff to the Ministry of Finance received an APTI (Indonesian Tobacco Farmers Association) delegation at KSP (Executive Office of the President). The meeting between APTI and the government concluded with several agreements, including the government's promise to not increase excise tariff for hand-rolled kretek cigarettes (SKT).^{70,71} As a result of the meeting, on 10 December 2020, the Ministry of Finance announced an excise hike of 12.5% on average for tobacco products in 2021, except for SKT.⁷²

Resistance to the Smoke Free (SF) Policy at sub-national level:

Several districts/cities in Indonesia have imposed an outdoor tobacco advertising ban. The regulation has been attacked by the industry through litigation and non-litigation options. A litigation case example is the lawsuit filed at the Supreme Court against Bogor City's Local Regulation No. 10/2018 on SFA (smoke-free area). The industry argued that the local policy is in violation of higher law and disruptive to business investment. The lawsuit received support from the Regional Autonomy Monitoring Committee (KPPOD) and various pro-tobacco groups such as Gaprindo, APINDO (The Indonesian Employers Association), AMTI (The Indonesia Tobacco Society Alliance) and APTI (The Indonesian Farmers Association).^{73,74,75,76,77,78} Similar support was also shown by a Bogor's legislative member who spoke against the local regulation.⁷⁹

In response to this, the Director of Local Legal Instruments of the Directorate General of Regional Autonomy under the Ministry of Home Affairs stated to the media that any SFA policy that impedes economic growth should be reviewed to ensure that it does not contradict the higher law.⁸⁰ In mid-February 2020, the Supreme Court decision was ruled against the lawsuit.⁸¹

Meanwhile in Bali, pressures to overturn an outdoor advertising ban were exerted through the non-litigation. PT HM Sampoerna's Manager of Regional Relations & CSR East wrote a letter to the Regent of Karangasem to revoke the ban as it is considered to be in violation of PP 109/2021. Several district heads in Bali eventually bowed to pressure and lifted their outdoor advertising ban.⁸² Similar to the situation in Bogor and Bali, Kulon Progo's SFA regulation did not go unnoticed by the industry. The Federation of Tobacco, and F&B Trade Unions of the All Indonesian Workers Union (FSP RTMM SPSI) demanded that Kulon Progo's local SFA regulation be revised as it is believed to be the cause of mass layoffs in cigarette factories.⁸³ There is no further information on whether the local government agreed to the demand or rejected the demand.

The SF regulation still in discussion has also faced setbacks, such as in Bandung City where the DPRD (Local House of Representative) has postponed further deliberations of the draft [SF regulation](#), citing

⁶⁹ <https://ekbis.sindonews.com/read/210228/34/jadi-beban-petani-hingga-industri-pkb-tolak-kenaikan-cukai-rokok-1603775426>

⁷⁰ <https://republika.co.id/berita/qjw2be383/moeldoko-pemerintah-tak-semenamena-terkait-cukai-tembakau>

⁷¹ <https://kumparan.com/kumparanbisnis/petani-tembakau-pemerintah-deal-cukai-rokok-kretek-tangan-tak-naik-di-2021-1ujek4kUirk/full>

⁷² <https://nasional.kontan.co.id/news/cukai-rokok-naik-sri-mulyani-targetkan-setoran-cukai-2021-capai-rp-173-triliun>

⁷³ <https://www.tribunnews.com/regional/2020/01/28/pengamat-hukum-ini-nilai-pedagang-tradisional-punya-hak-ajukan-judicial-review-terkait-ktr>

⁷⁴ <https://www.pikiran-rakyat.com/jawa-barat/pr-01333919/sejumlah-pedagang-gugat-perda-kawasan-tanpa-rokok-kota-bogor>

⁷⁵ <https://regional.kontan.co.id/news/apindo-menilai-perda-ktr-bogor-berbahaya-bagi-iklim-investasi>

⁷⁶ <https://www.medcom.id/nasional/daerah/PNgVXjLN-perda-ktr-bogor-dinilai-hambat-pertumbuhan-ekonomi-daerah?>

⁷⁷ <https://www.antaraneWS.com/berita/1280699/apti-nilai-perda-ktr-tidak-selaras-amanat-kemudahan-berusaha-presiden>

⁷⁸ <http://bitly.ws/cTnu>

⁷⁹ <https://metro.sindonews.com/berita/1519177/171/politikus-pks-ini-tolak-semua-tempat-di-bogorjadi-kawasan-tanpa-rokok/10>

⁸⁰ <https://infopublik.id/kategori/nasional-politik-hukum/403138/kemendagri-harap-pemda-komit-selesaikan-perda-oss>

⁸¹ <https://www.inilahkoran.com/berita/45342/uji-materi-ditolak-pekerja-dan-pengusaha-rokok-siapkan-upaya-nonlitigasi>

⁸² <https://www.kabarnusa.com/2020/08/pelarangan-iklan-rokok-luar-ruang.html>

⁸³ <https://jogja.tribunnews.com/2021/01/31/federasi-serikat-pekerjaan-rokok-minta-perda-ktr-di-kulon-progo-direvisi>

	0	1	2	3	4	5
<p>the need to prepare the necessary infrastructure (designated smoking areas) as reason.⁸⁴ Similar postponement to legislative debate on SFA also occurred in Purworejo, and the reason given was that the public is not ready for a SF regulation.^{85,86} Meanwhile in Batu City, the National Kretek Preservation Committee (KNPK) urged that the local draft SF regulation provides for designated smoking areas in workplace and public spaces.⁸⁷ Apart from challenging local policies or local draft regulations, the industry has also committed acts of intimidation towards the local health office in Garut District by staging protests against the district's 'Wonderful Garut 100% Smoke-Free' tagline.⁸⁸</p> <p>Another challenge is about the perceptions of local governments that still do not fully support an outdoor advertising ban. For example, the West Bandung District overtly allows cigarette ads to be placed in front of schools to boost locally-generated revenue. A similar situation was also found in Bogor District where cigarette billboards are only 200m away from the Cibinong Public Hospital.^{89,90}</p>						
<p>7. The government gives privileges, incentives, exemptions or benefits to the tobacco industry (Rec 7.3)</p>						5
<ul style="list-style-type: none"> - In April 2020, the government eased excise payment for the tobacco industry by extending the payment deadline from 60 to 90 days. Also, the time limit for withdrawing tobacco products with 2019 excise stamps in the market was extended from June 1 to August 1, 2020.^{91,92,93} The Ministry of Finance also postponed the effective date of tax increase from Jan 1, 2021 to Feb 1, 2021. This postponement allowed the industry to enjoy old market price upon decision of the increase that will take effect on Feb 1, 2021.⁹⁴ - In early 2021, in an effort to boost export, the Ministry of Finance granted a delay in payment of excise stamps from 60 to 90 days for export machine-made white cigarettes.⁹⁵ 						
INDICATOR 4: Forms of Unnecessary Interaction						
<p>8. Top level government officials (such as President/ Prime Minister or Minister⁹⁶) 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)</p>						5
<ul style="list-style-type: none"> - On February 2020, Philip Morris met with President Jokowi and expressed interest in investing in HTP in Indonesia. In a news report on the meeting, Philip Morris also communicated several conditions to the government before investing, but no further information was provided.⁹⁷ 						

⁸⁴ <https://news.detik.com/berita-jawa-barat/d-4908524/alasan-dprd-tunda-pengesahan-raperda-kawasan-tanpa-rokok-di-bandung>

⁸⁵ <http://bitly.ws/cTna>

⁸⁶ <http://bitly.ws/cTn8>

⁸⁷ <https://suryamalang.tribunnews.com/2020/06/21/KNPK-beri-masukkan-untuk-raperda-ktr-kota-batu?page=2>

⁸⁸ <https://liputan4.com/kecam-tagline-dinkes-petani-tembakau-di-garut-gelar-audiens-dan-sampaikan-tuntutan/>

⁸⁹ <https://www.rmoljabar.id/pemda-kbb-izinkan-iklan-rokok-di-lingkungan-sekolah-untuk-genjot-pad/>

⁹⁰ https://imm.today/upload_scan_scaled/2020-04-20/JURNAL_BOGOR1/Billboard%20Rokok%20Dekat%20RSUD%20Cibinong=1=3=1.jpg

⁹¹ https://idx.co.id/StaticData/NewsAndAnnouncement/ANNOUNCEMENTSTOCK/From_EREP/202004/3a062d82a9_5fb86cf423.pdf

⁹² <https://katadata.co.id/agustiyanti/finansial/5e9a41c8cdcdc/pandemi-corona-pabrik-rokok-boleh-tunda-bayar-cukai-hingga-3-bulan>

⁹³ <https://news.ddtc.co.id/djbc-buka-peluang-perpanjang-fasilitas-cukai-termasuk-penundaan-bayar-21506>

⁹⁴ <https://economy.okezone.com/read/2020/12/10/320/2325106/tarif-cukai-rokok-naik-12-5-berlaku-1-februari-2021>

⁹⁵ <https://www.cnnindonesia.com/ekonomi/20201214141857-532-581876/sri-mulyani-tebar-insentif-tunda-bayar-pita-cukai-rokok-putih>

⁹⁶ Includes immediate members of the families of the high-level officials

⁹⁷ <https://market.bisnis.com/read/20200228/192/1207126/bertemu-jokowi-phillip-morris-lirik-pasar-rokok-elektrik-indonesia>

	0	1	2	3	4	5
<ul style="list-style-type: none"> - The national parliament appreciated Djarum for its athlete development program under Djarum Badminton club and invited their representatives as a speaker at a public hearing on the National Sports System bill.⁹⁸ - The Minister of Villages, the Development of Disadvantaged Regions, and Transmigration (Mendes PDTT), expressed appreciation to PT Djarum for helping build the management skills of BUMDes (village-owned enterprises) in Kudus, Central Java.⁹⁹ - In addition to national-level show of appreciation, the tobacco industry also received appreciation for its contribution in regions such as Magelang¹⁰⁰, Kediri¹⁰¹ and Kudus¹⁰² where the local customs and excise office has bestowed awards to cigarette companies for their excise duty compliance. - Despite the media spotlight on several cigarette factories as risk clusters of Covid-19 transmission, the news coverage however framed the industry in a positive light. For example, the ad interim of Kudus Regent, expressed appreciation to a cigarette company in Kudus for ensuring workers' compliance with health protocols.¹⁰³ In Malang and Blitar, the local police officiated at the designation of cigarette factories as a Covid-19 resilient workplace.^{104,105} In Malang, the local government even lauded the way in which the Sampoerna manufacturing plant enforces health protocols as an exemplary model for others to follow.¹⁰⁶ 						
<p>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)</p>						5
<p>The Ministry of Industry supports Gaprindo's (The Indonesian White Cigarette Producers Association) campaign to curb smoking prevalence among children through collaborative actions across platforms. The Ministry also commended Gaprindo for its actions in helping to bring down smoking prevalence among children by 8.7 percent as targeted in the RPJMN 2020-2024.^{107,108,109,110} A similar campaign was also launched by APRINDO and PT. HM Sampoerna through the Sampoerna Retail Community (SRC).^{111,112}</p>						
<p>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.</p>						5

⁹⁸ <http://bitly.ws/cTnv>

⁹⁹ <https://industri.kontan.co.id/news/dorong-ekonomi-desa-tumbuh-djarum-gencarkan-program-peningkatan-kapasitas-bumdes>

¹⁰⁰ <https://www.beacukai.go.id/berita/tunjukkan-tingkat-kepatuhan-yang-baik-perusahaan-rokok-di-magelang-ini-terima-apresiasi-bea-cukai.html>

¹⁰¹ <http://bitly.ws/cTmX>

¹⁰² <https://www.republika.co.id/berita/q6rq9w349/tingkatkan-sinergi-bea-cukai-kudus-apresiasi-pengguna-jasa>

¹⁰³ <https://jatengprov.go.id/beritadaerah/hartopo-apresiasi-perusahaan-di-kudus-terapkan-protokol-kesehatan/>

¹⁰⁴ <https://suryamalang.tribunnews.com/2020/06/14/besok-polresta-malang-kota-akan-resmikan-pabrik-rokok-jadi-industri-tanggung>

¹⁰⁵ <http://bitly.ws/cTnx>

¹⁰⁶ <https://www.medcom.id/ekonomi/bisnis/zNAYaDvN-protokol-kesehatan-di-pabrik-sampoerna-jadi-percontohan?>

¹⁰⁷ <https://www.merdeka.com/uang/kemenperin-apresiasi-komitmen-gaprindo-turunkan-perokok-anak-hingga-87-persen.html>

¹⁰⁸ <https://mediaindonesia.com/humaniora/368753/pabrikan-dukung-upaya-pemerintah-tegakkan-pp-109-tahun-2012>

¹⁰⁹ <https://www.medcom.id/ekonomi/bisnis/aNrXX4gk-ikuti-aturan-pemerintah-sampoerna-gencar-sosialisasi-pencegahan-rokok-bagi-anak?>

¹¹⁰ <https://www.bantennews.co.id/gaprindo-gelar-edukasi-pedagang-bijak-cegah-perokok-dibawah-umur/>

¹¹¹ <https://www.antaranews.com/berita/2048186/aprindo-dukung-kampanye-cegah-perokok-anak>

¹¹² <http://bitly.ws/cTnA>

	0	1	2	3	4	5
<p>- In 2020, the government through the Ministry of Education and Culture launched the national-level teachers' training program called POP (Mover Organization Program). The program involves hundreds of organizations that provide training funded by the Ministry of Education and Culture. During the selection process, the Ministry selected Putera Sampoerna Foundation as one of the grantees, which sparked public backlash.¹¹³ The polemic culminated in the withdrawal of three large organizations- PGRI (Indonesia Teachers Association), Ma'arif PBNU Education Institute, and PP Muhammadiyah Primary and Secondary Education Council—from the list of POP participants.¹¹⁴</p> <p>- In May 2020, the government through the Ministry of Cooperatives and SMEs worked with blibli.com (Djarum Group) in a program that assists cooperatives and SMEs to stimulate the economy using digital platform of bibli.com.¹¹⁵ The program was criticized by a public figure.¹¹⁶</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)						5
There is no standard mechanism for the government to openly disclose information on meetings/interactions with the tobacco industry or their outcomes.						
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)						5
<p>The government has no specific policy on requiring the tobacco industry to report on or register the affiliated members.</p> <p>In formal interactions, the names of participants in any meetings are recorded in the list of attendance and minutes of meetings.</p>						
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)						5
Government officials involved in the campaign of political party are obliged to leave the service; on the other hand, there is no policy that prohibits contributions from any sources including the tobacco industry for political campaigns.						
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)				3		
There is no new incident in 2020. Following are old incidents outside this report period worth noted as evidence:						

¹¹³ <https://www.suara.com/news/2020/07/25/213408/sampoerna-disebut-dapat-dana-pop-ahli-kesehatan-kirim-surat-ke-kemendikbud>

¹¹⁴ <https://www.cnnindonesia.com/nasional/20200727142010-20-529372/loloskan-putera-sampoerna-nadiem-dituding-pro-industri-rokok>

¹¹⁵ <https://www.blibli.com/page/press-release/6937/>

¹¹⁶ <https://kabar24.bisnis.com/read/20200525/15/1244509/kritik-menteri-teten-politisi-psi-layangkan-somasi-kepada-farid-gaban->

	0	1	2	3	4	5
<ul style="list-style-type: none"> - A member of PT. HM Sampoerna's Audit Committee, Drs. Hanafi Usman, before joining Sampoerna, has long held key positions in the Directorate General of Customs and Excise, where he was last stationed as the Directorate General's Director of Audit.¹¹⁷ - Kemal A. Stamboel previously assisted the government of Indonesia as a member of the Supervisory Board for the Rehabilitation and Reconstruction of Aceh and Nias. He was also appointed by the President to serve as the Deputy Executive Chairman of the National Board for Technology, Information and Telecommunications (Wantiknas) during President Susilo Bambang Yudhoyono's administration.¹¹⁸ He is currently a member of the Supervisory Board of Putera Sampoerna Foundation.¹¹⁹ - Eddy Abdurrachman, formerly held important positions in government (Director General for Customs and Excise, Finance Ministry; Advisor to the Finance Minister on International Economic Relations, Finance Ministry; and Secretary to the Coordinating Minister for Economic Affairs under the Coordinating Ministry for Economic Affairs. He was also elected Chairman of the Audit Committee of PT. Bentoel in 2016 for the next 3 (three) years in accordance with a Board of Commissioners' Directive on 17 March 2016.¹²⁰ - RB Permana Agung Dradjatun, formerly held key positions at the Finance Ministry, including as Director General for Customs and Excise, and Expert Staff to the Finance Minister on International Relations and Economic Cooperation. Through the Extraordinary Meeting of Shareholders on 18 November 2013, PT HM Sampoerna elected Dr. R.B. Permana Agung as Sampoerna's Independent Commissioner until present.¹²¹ 						
15. Current government officials and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)	0					
None of active government officials work in tobacco industry businesses. There is a strict regulation that does not permit active civil servant to work with other than the government. It is stated in the Minister of Administrative and Bureaucratic Reforms Regulation No. 37/2012 on <i>Guidelines for Managing Conflict of Interest</i> .						
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 specific policy on record keeping of interactions with the tobacco industry. Normally, formal meetings are recorded in the form of minutes of meetings; no difference among establishments including the tobacco industry that is perceived as normal business and treated the same as other normal businesses.						
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)			2			

¹¹⁷ <https://www.sampoerna.com/sampoerna/id/about-us/our-people>

¹¹⁸ https://id.wikipedia.org/wiki/Kemal_Azis_Stamboel

¹¹⁹ <http://www.sampoernafoundation.org/id/board-of-member/supervisor>

¹²⁰ http://www.bentoelgroup.com/group/sites/BAT_ASEETP.nsf/vwPagesWebLive/DO9T5KHH?opendocument

¹²¹ <https://www.sampoerna.com/sampoerna/id/about-us/our-people>

	0	1	2	3	4	5
Indonesia has one but not specifically targeted at tobacco industry. The Minister of Administrative and Bureaucratic Reforms Regulation No. 37/2012 on “Guidelines for Managing Conflict of Interest” is applied to all establishments outside the government sector. This regulation however, served the reference for MOH to develop and implement a regulation on tobacco industry code of conduct. The Health Minister Regulation No. 50/2016 on “Guidelines for Managing Conflict of Interest with the Tobacco Industry within the Health Ministry” was broaden to cover relevant provisions exclusively applied to the harmful tobacco industry.						
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 only partial government request for tobacco industry to submit report, i.e.: disclosing production volume to the DG for Customs and Excise for annual tax calculation purpose. Other information on tobacco manufacture such as personnel, land size, tobacco leaf production, import, export, market share, etc. is collected by the Central Bureau of Statistics. There is no obligation to report on other activities such as advertising, promotion and sponsorship expenditures.						
19. The government has a program / system/ plan to consistently ¹²² raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec I.1, I.2)						5
Although FCTC accession is an advocacy topic that has been frequently referred to, there is no program in the government that consistently build public awareness on FCTC implementation 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)			2			
Partial Regulation available. Among all government sectors, only MOH has a policy in place to prevent government officials within the National MOH administration from tobacco industry interference. The Minister of Health Regulation No. 50/2016 on Guidelines for Managing Conflict of Interests with the Tobacco Industry in the Ministry of Health (State Gazette of the Republic of Indonesia Year 2014 No.1599) applies specific to tobacco industry that is harmful and has distinctive characteristics. The abovementioned regulation promulgated on 26 October 2016 was a further elaboration of the Minister of Administrative and Bureaucratic Reforms Regulation No 37/2012 that applies to all establishments outside the government sectors.						
TOTAL						79

Note: As a non-party country, Q4 is not applicable for Indonesia. The total score of 80 is adjusted and recalculated to become **83** ($80 \div 95 \times 100$)

¹²² 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.

ANNEX A: SOURCES OF INFORMATION

TOBACCO INDUSTRY ACTIVITY

LOCAL TOBACCO COMPANIES

Top 5 Tobacco Companies/distributors	Market Share and Brands	Source
PT HM Sampoerna	32.5%, (A Mild, Marlboro, etc.)	http://www.sampoerna.com
PT Gudang Garam	27.5% (GG Surya, GG Merah, etc.)	http://www.gudanggaramtbk.com/
PT Djarum	18.7% (Djarum Super, MLD, LA, etc.)	https://www.djarum.com/
PT Bentoel Group	8% (Dunhill, Lucky Strike, etc.)	http://www.bentoelgroup.com/
PT Nojorono Kudus	3% (Clas Mild, Minak Djinggo, etc.)	https://www.nojorono.com/about-us/id

TOBACCO INDUSTRY FRONT GROUPS

Top 5 Tobacco Industry Representative	Type (Front Group/ Affiliate/ Individual)	URL
Sampoerna Foundation	Affiliate	http://www.sampoernafoundation.org/
Djarum Foundation	Affiliate	http://www.djarumfoundation.org/
AMTI	Front Group	http://amti.id/
APTI	Front Group	http://petanitembakau.blogspot.co.id/
GAPPRI	Affiliate	

NEWS SOURCES

Top 5 Newspaper/Dailies	Type (Print/Online)	URL
Kompas	Print & Online	www.kompas.com
Antara	Online	www.antaraneews.com
CNN Indonesia	Online	www.cnnindonesia.com
Media Indonesia	Print & Online	www.mediaindonesia.com
Kontan	Print & Online	www.kontan.co.id

ANNEX B

Table 1. Names of tobacco/e-cigarettes industries that have provided assistance and/or contribution to the Government from Jan 1 2020 to March 31 2021

Company	Type of Assistance	Recipient
Bentoel	Personal Protective Equipment (PPE), face mask, hand sanitizer	National Satgas Covid-19 (Covid-19 response task force) ¹²³
KT&G	Covid-19 test kit	National Satgas Covid-19 ¹²⁴
Gudang Garam	Ambulance	Kediri City PMI (Indonesia Red Cross) ¹²⁵
PT Djarum	Grocery package	Central Lombok district government ¹²⁶
PT Djarum	Grocery package	Tulungagung district government ¹²⁷
Djarum Foundation	PPE, face mask	Demak district government ^{128,129,130}
Djarum Foundation	PPE and RT-PCR	RSUD (Local Public Hospital) in Kudus ^{131,132,133}
Djarum Foundation	PPE	PMI Demak ¹³⁴
Djarum Foundation	PPE	Hospitals in East Java ^{135,136}
Djarum Foundation	PPE	Hospitals in NTB ¹³⁷
Djarum Foundation	PPE	RSUD in Pamekasan ¹³⁸
IKA (Alumni Association) Undip & Djarum Foundation	PPE	RSUP (National Public Hospital) dr. Kariadi & National Hospital in Diponegoro, Semarang ^{139,140}
SRC (PT HM Sampoerna)	Grocery package	Ambon city government ¹⁴¹
PT HM Sampoerna	Portable hand washer	Tabanan district government ¹⁴²
PT HM Sampoerna	Hand sanitizer and face mask	Badung district government ¹⁴³
PT HM Sampoerna	PPE	South Sulawesi provincial government ¹⁴⁴
PT HM Sampoerna	PCR machine, ventilator, PPE, face mask	Surabaya city government ^{145,146}
PT HM Sampoerna	PCR machine, probiotic	Malang city government ^{147,148}
PT HM Sampoerna	Swab machine	Pasuruan district government ¹⁴⁹
PT HM Sampoerna	Ventilator, PPE	Karawang district government ^{150,151}

¹²³ <https://www.wartaekonomi.co.id/read281731/bentoel-group-bantu-pemerintah-tangani-covid-19>

¹²⁴ <https://www.medcom.id/nasional/peristiwa/4KZRP40K-pemerintah-menerima-bantuan-test-kit-covid-19-senilai-rp1-2-m>

¹²⁵ <http://bitly.ws/cTnl>

¹²⁶ <https://lombokfm.com/pt-djarum-peduli-masyarakat-terdampak-covid-19.html>

¹²⁷ <https://radartulungagung.jawapos.com/read/2020/05/08/193048/pt-djarum-peduli-sosial-berbagi-yuzu>

¹²⁸ <https://suarabaru.id/2020/12/07/djarum-foundation-serahkan-bantuan-untuk-tim-medis-di-kabupaten-demak/>

¹²⁹ <https://jateng.tribunnews.com/2020/10/12/djarum-foundation-beri-bantuan-ke-pemkab-demak-bantu-tangani-pandemi-covid-19>

¹³⁰ <https://jatengprov.go.id/beritadaerah/djarum-foundation-kembali-bantu-demak/>

¹³¹ <https://surabaya.bisnis.com/read/20200401/531/1221032/djarum-foundation-berikan-bantuan-apd-bagi-tenaga-medis-di-kudus>

¹³² <https://www.murianews.com/2020/04/22/186983/rumah-sakit-rujukan-covid-19-lini-satu-dan-dua-di-kudus-pastikan-apd-aman.html>

¹³³ <http://kudusnews.com/main/read/1/news/2345/plt-bupati-bantuan-rt-pcr-di-rsud-dapat-maksimalkan-penanganan-covid-19>

¹³⁴ <https://jatengprov.go.id/beritadaerah/pmi-demak-terima-bantuan-apd-dari-djarum-foundation-kudus/>

¹³⁵ <https://surabaya.tribunnews.com/2020/04/29/djarum-foundation-beri-bantuan-apd-untuk-tenaga-medis-di-tiga-rumah-sakit-di-jatim>

¹³⁶ <https://industri.kontan.co.id/news/kadin-salurkan-donasi-rp-5-miliar-dari-hm-sampoerna-untuk-rumah-sakit-jawa-timur>

¹³⁷ <https://duta.co/djarum-fondation-distribusi-bantuan-apd-ke-rumah-sakit-di-jatim-dan-ntb>

¹³⁸ <https://jatim.antaranews.com/berita/383980/rsud-pamekasan-terima-apd-dari-djarum-foundation>

¹³⁹ <https://www.antaranews.com/berita/1407098/ika-undip-djarum-foundation-bantu-apd-atasi-corona>

¹⁴⁰ <https://bharatanews.id/2020/04/22/posko-gugus-tugas-covid-19-kabupaten-batang-terima-bantuan-dari-ikaundip/>

¹⁴¹ <http://l1cna6fszvk.execute-api.eu-west-1.amazonaws.com>

¹⁴² <https://www.liputanbali.com/read/201708133239/Pemkab-Tabanan-Bagikan-Portable-Hand-Washer-di-5-Kecamatan.html>

¹⁴³ <https://baliportalnews.com/2020/04/wabup-suiasa-terima-bantuan-csr-dari-enam-perusahaan/>

¹⁴⁴ <https://humas.sulselprov.go.id/index.php/2020/04/29/pt-sampoerna-tbk-serahkan-100-apd-full-set-ke-gubernur-sulsei/>

¹⁴⁵ <https://beritajatim.com/politik-pemerintahan/pt-hm-sampoerna-berikan-satu-set-alat-pcr-untuk-surabaya/>

¹⁴⁶ <https://derap.id/5018/alat-medis-covid-19-bantuan-sampoerna-tiba-di-surabaya.html>

¹⁴⁷ <https://republika.co.id/berita/qehyac349/pemkot-malang-menerima-mesin-pcr-dari-sampoerna>

¹⁴⁸ <https://jatim.idntimes.com/news/jatim/humas-pemkot-malang/pemkot-malang-terima-bantuan-probiotik-dari-hm-sampoerna-csc>

¹⁴⁹ <https://www.kabarpas.com/bantu-percepatan-penanganan-covid-19-sampoerna-untuk-indonesia-beri-bantuan-pemkab-pasuruan-mesin-swab/>

¹⁵⁰ <https://tvberita.co.id/news/pt-hm-sampoerna-kirim-bantuan-untuk-tenaga-medis-di-karawang/>

¹⁵¹ <https://www.liputan6.com/news/read/4289716/bupati-karawang-apresiasi-donasi-ventilator-dan-apd-dari-sampoerna>

Company	Type of Assistance	Recipient
PT HM Sampoerna	Laboratory equipment	Language lab for BKL Surabaya ¹⁵²
PT HM Sampoerna	Ventilator, PPE, face mask	West Java provincial government ¹⁵³
PT HM Sampoerna	Face mask, disinfectant	Probolinggo district government ¹⁵⁴
PT HM Sampoerna	Grocery package	South Kalimantan provincial government ¹⁵⁵
PT HM Sampoerna	Masker, hand sanitizer	Ministry of Labour ¹⁵⁶
STAPA Foundation (PT. HM. Sampoerna)	Portable hand washer & disinfectant	Probolinggo district government ¹⁵⁷
STAPA Foundation (PT. HM. Sampoerna)	Portable hand washer & disinfectant, hand sanitizer	Malang city government ¹⁵⁸
STAPA Foundation (PT. HM. Sampoerna)	Grocery package, PPE, ventilator	Pasuruan district government ^{159,160}
STAPA Foundation (PT. HM. Sampoerna)	Grocery package & disinfectant	East Java provincial government ¹⁶¹
PT HM Sampoerna and KMB	Face mask, disinfectant, hand sanitizer	Bali provincial government ¹⁶²
J99 Foundation	Grocery package, cash	Probolinggo district government ¹⁶³

¹⁵² https://imm.today/upload_scan_scaled/2020-08-12/HARIAN_BANGSA1/Sampoerna%20Bantu%20Lab%20Bahasa%20ke%20BLK=1=2=2.jpg

¹⁵³ <https://rri.co.id/humaniora/info-publik/843429/hmsp-berikan-bantuan-alkes-perangi-wabah-covid-19>

¹⁵⁴ <http://bitly.ws/cTmR>

¹⁵⁵ <https://banjarmasin.tribunnews.com/2021/01/23/video-banjir-di-kalsel-pt-hm-sampoerna-serahkan-bantuan-ke-bpbd-dan-wali-kota-banjarmasin>

¹⁵⁶ <https://investasi.kontan.co.id/news/hm-sampoerna-hmsp-salurkan-bantuan-untuk-migran-terdampak-covid-19>

¹⁵⁷ <https://www.pantura7.com/2020/04/13/yayasan-stapa-enter-bantu-pemkab-probolinggo-tangani-covid-19/>

¹⁵⁸ <https://surabayapost.id/bantuan-akibat-dampak-covid-19-terus-mengalir-ke-pemkot-malang/>

¹⁵⁹ <https://www.wartabromo.com/2020/05/01/sampoerna-bersama-stapa-center-peduli-penanganan-covid-19-serahkan-bantuan-beras-75-ton/>

¹⁶⁰ <https://republika.co.id/berita/qbfilk291/bupati-pasuruan-apresiasi-bantuan-ventilator-dan-apd>

¹⁶¹ <https://jatim.tribunnews.com/2020/04/25/pt-hm-sampoerna-beri-bantuan-ke-pemprov-jatim-cairan-disinfektan-apd-dan-masker>

¹⁶² <http://bitly.ws/cTmS>

¹⁶³ <https://www.suara.com/bisnis/2021/03/17/084147/j99-foundation-salurkan-sembako-ke-korban-banjir-dringu-probolinggo>

Table 2. Recap of media monitoring against the excise hike from the government agency and parliament members (national and local levels) from Jan 1 2020 to March 31 2021.

Central Government	Head of Local Government	National House of Representatives (DPR)/People's Consultative Assembly (MPR)	Local House of Representatives (DPRD)
Ministry of Agriculture ^{164,165} Ministry of Labour ¹⁶⁶ Ministry of Villages, Development of Disadvantaged Regions, and Transmigration ¹⁶⁷ Ministry of Industry ^{168,169}	Bojonegoro District Head ¹⁷⁰ Temanggung District Head ^{171,172} Salatiga Mayor ¹⁷³ Tegal District Head ¹⁷⁴ Jombang District Head ¹⁷⁵ Malang Mayor ¹⁷⁶ Pasuruan District Head ¹⁷⁷ Tuban District Head ¹⁷⁸ Ngawi District Head ¹⁷⁹ Mojokerto District Head ¹⁸⁰	Commission IX (Yahya Zaini) ¹⁸¹ Commission IV (Firman Soebagjo) ¹⁸² Commission XI (Kamrussamad) ¹⁸³ Commission XI (Ahmad Najib Q.) ¹⁸⁴ Commission XI (M. Sarmuji) ¹⁸⁵ Commission XI (Indah Kurnia) ¹⁸⁶ Commission VI (Amin Ak) ¹⁸⁷ DPR member (Abdul Kadri K.) ¹⁸⁸ Legislative Board (Willy Aditya) ¹⁸⁹ Commission IV (Luluk Nur H.) ¹⁹⁰ Commission XI (Anis Byarwati) ¹⁹¹ Commission XI (Hendrawan Supratikno) ¹⁹² Commission VI (Faisol Riza) ¹⁹³ Commission IV (AA Bagus Adhi Mahendra) ¹⁹⁴ MPR Vice Speaker (Lestarie Moerdijat) ^{195,196}	DPRD-East Java (Daniel Rohi) ¹⁹⁷ DPRD-East Java (Ahmad Athoilah) ¹⁹⁸ DPRD-Bali (Sugawa Korry) ¹⁹⁹ DPRD- East Java (Dwi Hari Cahyono) ²⁰⁰ DPRD-Jember (Agusta Jaka P) ²⁰¹

¹⁶⁴ <https://kabarbisnis.com/read/28102001/kebijakan-cukai-tembakau-kementan-sodorkan-dua-instrumen-ini>

¹⁶⁵ <https://www.teras.id/news/pat-2/263204/kementan-sebut-harga-tembakau-jatuh-karena-kenaikan-cukai-rokok>

¹⁶⁶ <http://bitly.ws/cTmD>

¹⁶⁷ <https://www.jpnn.com/news/wamen-desa-pdtt-dukung-perjuangan-petani-tembakau-tolak-simplifikasi-cukai-rokok>

¹⁶⁸ <https://ekonomi.bisnis.com/read/20201023/2571308868/kemenperin-tolak-penaikan-cukai-ih-2021>

¹⁶⁹ <http://bitly.ws/cTmB>

¹⁷⁰ <https://www.jpnn.com/news/tak-ingin-ada-warga-terdampak-phk-bupati-bojonegoro-berharap-pemerintah-pusat-bisa-lebih-bijak>

¹⁷¹ <http://bitly.ws/cTmw>

¹⁷² <https://www.suara.com/bisnis/2020/08/24/065504/kebijakan-cukai-rokok-harus-mengharmonisasikan-semua-kepentingan>

¹⁷³ <https://regional.kontan.co.id/news/pemda-perhatikan-soal-tenaga-kerja-skt-di-tengah-pandemi-covid-19>

¹⁷⁴ <https://cakrawalanews.co/bupati-tegal-usul-kenaikan-cukai-rokok-di-angka-moderat/>

¹⁷⁵ <https://www.medcom.id/ekonomi/bisnis/ybJGnnBk-sektor-padat-karya-diandalkan-pulihkan-ekonomi?>

¹⁷⁶ <https://jatimtimes.com/baca/207240/20200104/185400/cukai-rokok-naik-pemkot-malang-harap-tak-ada-phk>

¹⁷⁷ <https://fin.co.id/2020/11/04/kenaikan-cukai-rokok-bakal-tambah-jumlah-pengangguran/>

¹⁷⁸ <https://www.suara.com/bisnis/2020/10/30/140753/daya-beli-masih-lemah-pemkab-tuban-minta-kenaikan-cht-ditunda>

¹⁷⁹ <https://ekbis.sindonews.com/read/214918/34/takut-banyak-phk-kepala-daerah-ramai-ramai-minta-cukai-skt-tak-naik-160410204>

¹⁸⁰ <https://ekbis.sindonews.com/read/214918/34/takut-banyak-phk-kepala-daerah-ramai-ramai-minta-cukai-skt-tak-naik-160410204>

¹⁸¹ <http://bitly.ws/cTmy>

¹⁸² <https://aktual.com/resmi-tarif-cukai-rokok-naik-legislator-jangan-hanya-kejar-target/>

¹⁸³ <https://www.viva.co.id/berita/nasional/1330767-anggota-dpr-ingatkan-kenaikan-cukai-rokok-berpotensi-ancaman-phk>

¹⁸⁴ <http://www.teropongsenayan.com/118173-cukai-rokok-naik-dpr-pemerintah-tidak-adil>

¹⁸⁵ <https://finance.detik.com/industri/d-5276782/sri-mulyani-diminta-pikirkan-petani-tembakau-sebelum-cukai-naik?single=1>

¹⁸⁶ <https://www.liputan6.com/bisnis/read/4394187/kenaikan-cukai-rokok-dinilai-bertentangan-dengan-uu-cipta-kerja>

¹⁸⁷ <https://www.liputan6.com/bisnis/read/4394187/kenaikan-cukai-rokok-dinilai-bertentangan-dengan-uu-cipta-kerja>

¹⁸⁸ <http://bitly.ws/cTme>

¹⁸⁹ <https://www.liputan6.com/bisnis/read/4397876/pemerintah-diminta-buka-ruang-dialog-soal-kenaikan-cukai-produk-tembakau>

¹⁹⁰ <http://bitly.ws/cTnK>

¹⁹¹ <https://www.antarane.ws.com/berita/1875524/pengamat-kenaikan-cukai-tembakau-berpotensi-ciptakan-pengangguran>

¹⁹² <https://www.antarane.ws.com/berita/1875524/pengamat-kenaikan-cukai-tembakau-berpotensi-ciptakan-pengangguran>

¹⁹³ <https://www.wartaekonomi.co.id/read310733/dpr-kenaikan-cukai-rokok-2021-rugikan-petani-tembakau>

¹⁹⁴ <http://detakriau.com/read-23176-2020-04-30-gus-adhi--tarif-cukai-rokok-naik-harga-tembakau-petani-tertekan-.html>

¹⁹⁵ <http://bitly.ws/cTnN>

¹⁹⁶ https://imm.ebdesk.com/upload_scan_scaled/2020-09-23/KORAN_SINDO/1/Industri%20Tembakau%20Harus%20Dilindungi%20=1=5=1.jpg

¹⁹⁷ <http://bitly.ws/cTnS>

¹⁹⁸ <https://kabarjombang.com/pertanian/harga-tembakau-anjlok-komisi-b-dprd-jatim-dampak-kenaikan-tarif-cukai/>

¹⁹⁹ <http://bitly.ws/cTmP>

²⁰⁰ <https://www.timesindonesia.co.id/read/news/325856/dprd-jatim-berharap-tak-ada-kenaikan-cukai-hasil-tembakau>

²⁰¹ <https://www.wartaekonomi.co.id/read312329/waduh-kebijakan-cukai-rokok-ancam-kedaulatan-ekonomi>