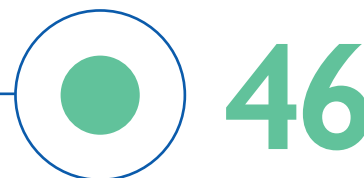


# Panama



## Summary of Findings

### 1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The tobacco industry (TI) has had little participation in the development or implementation of tobacco control policies. Both TI and its front organizations have strongly opposed the newly agreed standards, particularly the prohibition of electronic smoking devices. This demonstrates that the National Assembly was less susceptible to the influence of TI in the formulation of this policy. The TI, through its front groups, continues to carry out activities in which there are unnecessary interactions with officials in public functions; but these have been mitigated by the creation of the National Council for Health without Tobacco.

TI representatives are not allowed to be part of the delegations to the COP and the MOP.

### 2. INDUSTRY CSR ACTIVITIES

The National Customs Authority has been the entity most exposed to corporate responsibility activities of the TI. The evidence reveals that the TI participated in staff training programs through the Chamber of Commerce, Industries, and Agriculture. The Chamber of Commerce, Industries, and Agriculture is a member of the Alliance Against Illicit Trade in which the TI participates. This maintains the risk of impact on customs policies and hence on the trading of tobacco products.

### 3. BENEFITS TO THE INDUSTRY

Panama is a country permeated by tax privileges of a general nature, allowing the business sector to take advantage of these benefits. This is despite the fact that there is strong international pressure on the country to make efforts to cease operating as a tax haven.

### 4. UNNECESSARY INTERACTION

Government officials and previous administrations are exposed to activities organized by the TI through its front groups. Officials of the National Customs Authority and the Ministry of Health, the Minister of Security, the Judiciary, and the National Assembly, in addition to a former official of the previous administration, have been identified to have met with the TI unnecessarily.

### 5. TRANSPARENCY

In terms of transparency, although there are no specific rules for TI, the government is governed by laws such as Habeas Data that obliges the public sector to provide information in the required time and space. The same situation applies to company registries in the Public Registry. The TI is able to participate in commissions within the National Assembly as it is open to all groups affected or involved in legislation or implementation of standards, with each party establishing and accrediting its own representatives. Bills in general are usually consulted by the sectors involved or affected, including the TI, which attend the commissions to present their points.

### 6. CONFLICT OF INTEREST

The prohibition of TI donations to electoral campaigns is not established in the Electoral Code. However, the current implementation of Law 316 has been an important tool since it is expressly aimed at combating the problems of conflict of interest in the exercise of public functions and constitutes an important mitigating factor.



## 7. PREVENTIVE MEASURES

Outside of codes of ethics of a general nature, we will highlight that the current Law 316 will contribute to mitigate the interference of TI as a standard governing code of

conduct for civil servants. Similarly, Law 13 and the National Commission Against Tobacco Use ,through its Annual Operating Plan, establish the necessary actions to protect the rest of the public sector and mitigate TI interference.

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## Recommendations

1. Create a specific law prohibiting technical assistance or collaboration from TI or its front groups to government entities.
2. Conduct an awareness day on Article 5.3 of the WHO FCTC with the National Customs Authority and the Ministry of Security who are most exposed to unnecessary interactions with TI.
3. Establish a protocol for accreditation of front groups and TI representatives in the discussion sessions of tobacco control laws and regulations in the National Assembly of Panama.
4. Include in the Electoral Code a specific article prohibiting TI contributions to election campaigns. Candidates for elected office must specifically record whether they have received contributions from TI.
5. Include in the declaration of conflicts of interest of senior government officials if they have had any working relationship with TI.