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Solomon Islands

**TOBACCO  
INDUSTRY  
INTERFERENCE  
INDEX  
2023**

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## Background and Introduction

The Solomon Islands, with a population of about 650,000 people, Solomon Islands has very high smoking prevalence, particularly among youth. More than 810 children (10-14 years old) and 67,620 adults (15+ years old) continue to use tobacco each day.<sup>1</sup>

Solomon Islands Government (SIG) through the Ministry of Health & Medical Services (MHMS) is currently planning to conduct a Global Youth Tobacco Survey (GYTS).

Solomon Islands has been a Party to the WHO Framework Convention on Tobacco Control (FCTC) since 2004 whilst the Tobacco Control Act was enacted in 2010. Source from the MHMS confirm that implementation of the WHO FCTC Article 5.3, and the Tobacco Control Act 2010 is not moving as expected because of lack of commitment and political will by the executives of the MHMS as well as their inability to prioritize tobacco control programs as provided in the Tobacco Control Act.

With the support from the World Health Organization (WHO), the South Pacific Secretariat (SPC), and the MHMS NCD department, a Wellness NCD Alliance was established in June 2019<sup>2</sup>. The body comprise of Non State Actors<sup>3</sup>. The core purpose of the alliance is to support the MHMS in advocating on all matters pertaining to NCD, tobacco control as well as doing health screening and referrals.

The MHMS through the NCD department is currently reviewing the role of Tobacco Control Technical Advisory Committee (TCTAC) and hoping to finalize a new Terms of Reference and functionality.

Moreover, a major loophole in the current Act is that there is no limit set on the number of companies that can apply for and obtain a manufacturing or importer's license despite the country's small population base and volume. The health risks imposed by the three existing manufacturing companies compared to the population base is quite overwhelming.

Besides the commitment of a few individuals from the MHMS and NSA to implement WHO FCTC and the Tobacco Control Act, most government officials and parliamentarians are still not aware of WHO FCTC and many of its provisions. This point was duly noted during tobacco control advocacy and awareness activities led by the MHMS through the TCTAC. The TCTAC has been conducting awareness with the executive government caucus and cabinet members in the Office of the Prime Minister in 2018, 2019 and April 2023.

The TCTAC together with the health promotion department, is tasked to raise awareness on both the Tobacco Control Act 2010 and WHO FCTC Article 5.3. Part 2, Section 4 of the Tobacco Control Act 2010 sets out a strong provision to ban tobacco advertising.

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<sup>1</sup> Global Center for Good Governance in Tobacco Control, Global Tobacco Interference Index, Accessed from <https://globaltobaccoindex.org/> (13/06/23)

<sup>2</sup> Pacific Community, Solomon Islands Wellness NCD Alliance is fighting one of the Islands most serious health challenges, Accessed from <https://www.spc.int/updates/blog/2020/12/solomon-islands-wellness-ncd-alliance-is-fighting-one-of-the-islands-most> (13/06/23)

<sup>3</sup> Non State Actors refers to members of the Civil Society

However, the ban does not include corporate social responsibility (CSR) and so the tobacco industry will continue to reach out and infiltrate the broader community through CSR and philanthropy activities.

The drafting instruction to holistically review the current incumbent act with strong provision on interference, including CSR activities would indeed be a game changer. This would expand the ban on tobacco advertising, promotion and sponsorship to cover all other forms of advertising or promotion, direct or indirect and includes CSR activities.

Currently, there are three main tobacco companies in the Solomon Islands, namely: (1) Solomon Islands Tobacco Company Ltd. (SITC), a subsidiary of British American Tobacco (BAT); (2) Solomon Sun Cigarette Company, a co-shared company owned by a Chinese naturalized citizen and former member of the parliament; and (3) Oceanic Oasis, a Chinese-owned cigarette importing company. Altogether, they control 98 percent of the cigarette market in the country. The most popular imported brand is BAT's Pall Mall.

Solomon Islands has not banned smoking in universities, government facilities, indoor offices, restaurants, pubs, and bars.

There is no concrete plan on allowing or disallowing sale of electronic cigarettes in the country, but it is well documented amongst a host of reviews and submissions included in the drafting instructions. Currently electronic cigarettes are not a major issue in the country.

The drive and initiative of the XVII Pacific Games 2023 in November will have a lot of positive impact. Success has been achieved with decree XVII Pacific Games 2023 for a tobacco-free games. This will result in strengthening the Honiara City Council ordinances and bylaw of littering and the application of on-the-spot fines. This measure alone will impact tobacco street vendors selling bidis. The all hands on deck approach championed by the government of Solomon led by the Prime Minister's Office where all stakeholders are asked to engage in the green game approach, is appealing to all government line ministries and stakeholders to participate in the weekly cleaning and management of the city. This strategy gives little room for the industry to maneuver, since they have been using the street vendors as their front group to sell their products. The Royal Solomon Islands Police Force (RSIPF) combined with Honiara City Council Constabulary force will be responsible to enforce the entire operations.

In practical terms, a lot needs to be done by all SIG sectors, especially the MHMS as the custodian and focal government ministry responsible for implementing and enforcing the Tobacco Control Act of 2010 and the WHO FCTC.

In this year's Tobacco Industry Interference Index, Solomon Islands obtained 53 points. This is an improvement from the 63 points obtained in 2021. One of the major push is XVII Pacific Games 2023, which ignite all institutions within the country to make sure that the environment is conducive for the game. Despite the improvement, its clear there is much work to do to increase compliance with Article 5.3. Although the industry does not stop interfering in health policy, they know of the increasing awareness of the vast community that tobacco is a harmful substance.

This report is based on a questionnaire developed by the Southeast Asia Tobacco Control Alliance. There are 20 questions based on the Article 5.3 guidelines. Information used in this report is obtained from the public domain only. A scoring system is applied to make the assessment. The score ranges from 0 - 5, where 5 indicates highest level of industry interference, and 1 is low or no interference. Hence the lower the score, the better for the country. The 0 score indicates absence of evidence or not applicable. The report covers information on incidents from April 2021 up to March 2023, but also includes incidents prior to 2021 that still have relevance today.

# Summary Findings

## I INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

As it stands, Solomon Islands has not maintained direct involvement or participation from the tobacco industry in policy development or implementation. In spite of this, the tobacco industry seems to have a foothold in trying to influence policymaking through its constant lobbying with the government.

As reported in the 2021 index report, a Memorandum of Understanding (MOU) was signed by the Honorable Prime Minister and the Solomon Islands Chamber of Commerce and Industry (SICCI), the leading body that took the industry secret agenda upfront. The SITC-BAT is a major stakeholder of SICCI, and their CEO is a member of SICCI Executive and an influencer representing the private sector interest in the country. This MOU is a major setback for health in general, but in particular the tobacco control initiative.

The official arrangement and structural text of the MOU, though not made public, has given the SITC-BAT a leverage into the system and intelligence apparatus of the Solomon Islands Government (SIG) machinery, thus giving them access to influence policy.

Solomon Islands has not maintained direct involvement or participation from the tobacco industry in policy development or implementation. Despite this, the tobacco industry seems to have a strong foothold in policymaking with the MOU being recently signed, thus creating a functional space for routine lobbying and deceptive tactics to flourish.

## 2 INDUSTRY CSR ACTIVITIES

SITC-BAT is advancing its influence and leverage by sponsoring and aiding politicians in their constituency projects as collated 2020 and 2021 index report. According to SITC-BAT, their CSR activities among communities still continue. There is an urgent need to denormalize and regulate these industry activities described as “socially responsible”.

The industry has used its CSR activities to gain access to senior policy makers and extend hidden strategic agenda, especially on the political front.

According to an official of the Ministry of Finance and Treasury (MFT) the current government has an open policy to approach any CSR project initiatives by the industry to aid politicians and their respective constituencies. The implication and definition of open policy approach by the government and what it really means is not explained. According to officials from MFT, CSR is a positive contribution, implying that it's the duty of industry to give back and invest in the broader community. Such an open hand policy approach taken by the current government demonstrates the need for a speedy and comprehensive effort championed by the Tobacco Control Unit through the Ministry of Health and Medical Service (MHMS) to urgently look into this matter.

Additionally, according to the Director MFT, the CSR seed money cap given and allotted to members of parliament from SITC-BAT sits at SBD 100, 000 (USD 12,525). It is interesting note why SITC-BAT is the only company that heavily engaged in the CSR subversion and not other established companies.

There is an urgent need to denormalize and regulate activities described by the tobacco industry as socially responsible.

### 3 BENEFITS TO THE INDUSTRY

The tobacco industry has the leverage to access any government line ministries especially the ones that are of interest and value to them, such as MFT, Customs Department, Ministry of Commerce, Industry, Labor and Immigration (MCILI) as well as targeting the MHMS high officials. Until the current Tobacco Control Act undergoes review to address this, it will remain a challenge and problem for some time to come.

As spelled out in the 2021 index report, the MOU signed by the Honorable Prime Minister on the 15th of July 2020 in Honiara with SICCI for which the SITC-BAT is a sitting Executive member, is a massive setback which gives the industry a huge leverage and influence in terms of affecting the current government policy strands.

The weak enforcement of the Tobacco Control Act stems from the lack of financial backing, commitment, political will and prioritization are among other issues and challenges the Ministry of Health and Medical Services (MHMS) has to address.

### 4 UNNECESSARY INTERACTION

Many high-ranking government officers, politicians, Ministers of the Crown of respective government line ministries have not been made aware of WHO FCTC and Article 5.3.

Much needs to be done to develop a consistent comprehensive advocacy program to increase awareness of SIG high ranking officials, politicians, Ministers of the Crown on the WHO FCTC and Article 5.3. Corruption in high places is one of the contributing factors that become a stalemate in this whole process.

The Permanent Secretary and Honorable Minister of MHMS have made some bold and courageous stands to cut all connections made with the industry after they were briefed on FCTC Article 5.3, but more needs to be done.

### 5 TRANSPARENCY

It is clear that all those working within all branches of government do not hold the tobacco industry accountable, literally because they are unaware. Records of meetings and interaction of government officials with the tobacco industry are not made accessible to the public. There is a need for urgent and clear policies and guidelines on avoidance of conflict of interest for government officials, employees and consultants.

## **6 CONFLICT OF INTEREST**

Solomon Islands Political Party Integrity Bill of 2014, Section 57 made provision for disclosure of campaign funds post-election, but it does not cover nor prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns and to seek full disclosure of such contributions from them during or prior to election. There are numbers of government ministers and parliamentarians who do have projects that are funded by the tobacco industry.

On the other hand, there has been no record of current high ranking government officials and relatives holding positions in the tobacco business.

Section 94 of the Constitution states that leaders and public officials must not place themselves in positions in which they have or could have conflicts of interest or in which the fair exercise of their official duties might be compromised.

The Leadership Code Commission (LCC) requires that all MPs provide declaration forms regarding their assets and financial interests within three months of taking office and every two years after that. If the LCC reviews the declarations and should there be a perceived or actual conflict of interest, they have the power to direct the MP to either divest themselves of that interest or give up their office. Interesting to note that the register of a leader's assets and financial interests is not publicly available and is only shared for specific purposes as stipulated by Section 8 of the Leadership Code Act 1999. It seems contradictory that the Constitution forbids a leader from engaging in any activity that may create doubt in the public mind about whether he is carrying out his public duties with integrity, and yet information about the activities and interests of leaders is withheld from the public.

The essence and connection of Section 94, LCC and FCTC Article 5:3 might be a strong way forward in terms of advocacy and awareness.

## **7 PREVENTIVE MEASURES**

The preventative measures to curb industry interference in the context of the Solomon Islands would require a combination of several measures. This would require strengthening and designing of new policies in favor of public health, legislative laws and strengthening of institutions and its operating system.

Solomon Islands laws and legislations in most cases by design seem to give the Minister of the Crown a superimposing, overarching authority and discretion, when it comes to aspects of decision making processes. Such a gesture of recognition if not properly regulated can be a massive hindrance, thus giving room for industry interference.

Observing best practice in relations to conflicts of interest for those holding public office is significant. One of the best practice in terms of imparting values like transparency, accountability and good governance in general is to intertwine all these together with FCTC Article 5:3 in an induction program to all incoming new public



servant officer as well as during the formation of a new Executive government coming into power.

Citizenry engagement, which should broadly include the media, non-state actors, faith based organizations (FBO) and the people at large is a huge bonus. This section of the broader community needs to be empowered on FCTC Article at least to raise citizenry consciousness and to hold their representative leaders and public servants accountable.

Aspects of ethical values as an internal force for good must be embraced and integrated in the school curriculum right from pre-class to the university level. The battle against the industry will be a generational battle, therefore empowering all in this quest is win, win in a broader sense.

Through the health promotion fund established under the Act, provides seed money to be given to well organized and reputable community groups as a positive strategy to take the marginalized out of the street selling bidis, the industry has capitalized on them.

The current Tobacco Control Act does not have any provision to deal with industry interference. In the current undertaking championed by the MHMS, a comprehensive drafting instruction is underway to review the Act. The initial drafting instruction submitted, was recalled after realizing more needs to be done to strengthen its outlook. The MHMS realized that the tobacco industry uses economic power, marketing and lobbying to discredit research and influence decision-makers to propagate the sale and distribution of tobacco products. The current review will make provision for inclusion of WHO FCTC Article 5.3 principle guidelines to be part of the structural formation of the Tobacco Control Act.

## Recommendations

1. The re-launching and strengthening of the TCTAC being the core driver and overseer of all activities pertaining to tobacco control in the country as well as advising the MHMS Executive, will be a huge booster to advance tobacco initiative in the country.
2. According to the new Terms of Reference (TOR), the TCTAC which consist of the MHMS, MFT, Customs Department, Ministry of and Commerce, MCILI, Ministry of Education Human Resource Development (MEHRD), Royal Solomon Islands Police Force (RSIPF), Ministry of Women, Youth, Children and Family Affairs (MWYCFA), Attorney General Chamber (AGC), Ministry of Foreign Affairs and International Trades Relations (MFITR) Honiara City Council (HCC), Non State Actor and Faith Based Organization would be an excellent composition and a starting point to


champion all indicators relating to Article 5:3 and other matters relating to tobacco control.

3. The TCTAC should immediately oversee the implementation of Article 5.3. Prevention of tobacco industry interference must also be enshrined as one of the priority agenda items for TCTAC work on it as soon as it is formalized and gazetted by the Minister of MHMS.
4. Raise awareness of WHO FCTC and specifically Article 5.3 within the whole of government machinery, starting from the Office of the Prime Minister and the Caucus. Substantive support and resources will be needed to advance this forward.
5. Conduct a thorough appraisal of the country's compliance with Article 5.3. The findings of this report should provide useful information to stakeholders who stake interest in tobacco control and industry interference.
6. Draft guidelines and steps to prevent interference by the tobacco industry in public health policies relating to tobacco control. This set of guidelines should be incorporated into the public service General Order (GO) as well as within the Public Servants Code of conduct guideline within the leadership code commission.
7. Incorporate Article 5.3 into the International Public Service Administration (IPAM) where all public servants undergo induction and progressive Public Service training.
8. Establish an overarching national standard guideline procedure or code of conduct to uphold the rule of transparency when government officials interact with the industry. This must include records of all interactions, standards of conduct for dealing with the industry.
9. Prohibit and regulate tobacco industry contributions to politicians and public servants.
10. Prohibit all tobacco industry CSR donations, sponsorships and funding assistance.

## Solomon Islands

### Tobacco Industry Interference Index 2023

#### Results and Findings

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<b>INDICATOR 1: Level of Industry Participation in Policy-Development</b>						
1. The government <sup>4</sup> accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry or any entity or person working to further its interests. <sup>5</sup> in setting or implementing public health policies in relation to tobacco control <sup>6</sup> (Rec 3.4)	0					
There is no incident found in the public domain citing government’s endorsement of assistance or collaboration with the tobacco industry during the report period.						
2. The government accepts, supports or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)				3		
There is no publicly available evidence of such interaction or undertaking within this reporting period. However, there is no clear and precise policy guideline by the government to regulate the tobacco industry’s representatives when it comes to matters of conducting meetings and visits to key government ministries such as the Ministry of Health and Medical Services (MHMS), Ministry of Finance and Treasury (MFT), Customs Department, Ministry of and Commerce, Industry, Labor and Immigration (MCILI) <sup>7</sup> .						
						
<i>Manufacturing Industry Working Group (MIWG)</i>						
The establishment of the Manufacturing Industry Working Group (MIWG) by the Solomon Islands Chamber of Commerce and Industry (SICCI) in collaboration with the MCILI calls for close observation. MIWG aims to provide a platform for informed expert discussions on harmonizing administration, compliance on measures to be considered by the Government and its partners. The scope and nature of informed experts and what sought of advice should the MIWG be given to the government is not made known.						

<sup>4</sup> 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.

<sup>5</sup> The term, “tobacco industry” includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

<sup>6</sup> “Offer of assistance” may include draft legislation, technical input, recommendations, oversees study tour.

<sup>7</sup> MCILI refers to the Ministry of Commerce, Industry, Labour and Immigration of the Solomon Islands Government.

One of the core purposes for establishing the MIWG is to ensure that local companies are not disadvantaged, and local jobs are protected, and will be a resource hub for Government and development partners to draw on when advancing and implementing policies impacting on the manufacturing industry in Solomon.

The Working group is chaired by Mr Kazi Mushfiqur Rahma, General Manager of Solomon Islands Tobacco Company Ltd (SITCO).

Gathering from the 2021 index report, on 15<sup>TH</sup> July 2020 in Honiara, a Memorandum of Understanding (MOU) was signed by the Honorable Prime Minister (PM) and the Solomon Islands Chamber of Commerce and Industry (SICCI). The SITC-BAT is a major stakeholder of SICCI, and their CEO is a member of SICCI Executive and an influencer representing the private sector interest in the country. The nature, scope and the intricate details of the MOU is not made available to the public as a gesture of transparency and accountability.

Through the MCILI under the government redirection policy framework, championed by the Office of the Prime Minister (OPM), a Solomon Islands Government (SIG) and Private Sector Advisory Group (SIG-PSAG) was established. SIG-PSAG is a functional group that is coordinated and chaired by the Permanent Secretary MCILI. The secretariat of SIG-PSAG is being assigned to the Solomon Islands Chamber of Commerce and Industry (SICCI), where the industry is a huge influencer and a big player. This provides the industry a direct foothold within the apparatus of the government system.

The workings of the MIWG may frustrate the work of the MHMS and the Tobacco Unit as the agency of the government that oversee the Tobacco Control Act 2010. The Focal Point for the WHO FCTC, should closely monitor the operation of MIWG and ensure the agency in charge, the MCILI protects tobacco control.

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)   Never 5 Yes				3		
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The current situation is similar as reported in the previous report. The tobacco industry does not have a direct seat in any of the committees that sets public health policy in the country. However, even though this doesn't exist in a direct form with MHMS, the industry's arm of influence is still gaining momentum with other government line ministries. The industry is well represented through the Solomon Islands Chamber of Commerce and Industry (SICCI), which is the overarching body coordinating the interest of the private sector to the Solomon Islands government. Such arrangements can be vigorously used by the industry as a platform to channel and advocate for their interest areas. Interviews with officers of MCILI and Economic Reform within the MFT revealed that the industry sits in directly as an official of SICCI in both SIG-PSAG and in a working subcommittee in the area of manufacturing. This gives them access and leverage to make direct requests on specific agenda's that would be of great interest to them.

The SICCI in a statement in September 2020 stated that it recognizes the Government's limited resources, and that they would like to see how SICCI can work with the Government to introduce capabilities and programs that could support program

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enforcement. The SICCI was persuading the government to engage in public-private partnership <sup>8</sup> .						
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) <sup>9</sup> (Rec 4.9 & 8.3) For non-COP year, follow the previous score of COP year.		1				
The government does not allow or include representatives from the tobacco industry in the delegation to the COP or any of its related meetings.						
<b>INDICATOR 2: Industry CSR activities</b>						
5. A. Government agencies or their officials endorse, support, form partnerships with or participates in activities of the tobacco industry described as socially responsible. For example, environmental programs. (Rec 6.2)  B. The government (its agencies and officials) receives CSR contributions <sup>10</sup> (monetary or otherwise, including CSR contributions) from the tobacco industry or those working to further its interests during the pandemic. (Rec 6.4) <i>NOTE: exclude enforcement activities as this is covered in another question</i>				3		
<p>There is no clear and outright evidence of government agencies or its officials endorsing, supporting, and forming partnerships with or participating in so-called CSR activities organized by the tobacco industry.</p> <p>In the previous Tobacco Industry Interference Index reports, an interview with a key official of the Ministry of Finance and Treasury (MFT) revealed the fact that the industry is allocating and assigning 100,000 (SBD) seed money threshold, annually under their CSR portfolio grant towards community empowerment. Interesting to note, that the recipients and beneficiaries who benefited most from such grant money are mostly politicians.</p> <p>The number of politicians and community groups that benefited from the grant is not disclosed to the public.</p> <p>With the MHMS Executive embarking on fine-tuning its drafting instruction towards strengthening the current Tobacco Act as advised by the Attorney General Office (AGO), before having the AGO to vet and finalize its final outlook before tabling to cabinet through the Prime Minister's Office. This would indeed be an excellent opportunity to make sure aspects of FCTC Article 5:3 and such prospect and opportunity are capitalized to make sure the current loophole within the Act and Regulations is properly addressed to eliminate tobacco CSR practices.</p>						

<sup>8</sup> SICCI, Signing of Historic MOU to Strengthen Public Private Partnership, Accessed <https://www.solomonchamber.com.sb/news-reports/posts/2017/july/signing-of-historic-mou-to-strengthen-public-private-partnership/> (13/06/23).

<sup>9</sup> Please annex a list since 2009 so that the respondent can quantify the frequency, <http://www.who.int/fctc/cop/en/>

<sup>10</sup> Political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

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<b>INDICATOR 3: Benefits to the Tobacco Industry</b>						
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)		1				
<p>There is no record of the industry engaging in a subversion strategy to postpone any major policy initiative, legislation or regulation championed by the SIG. Even though this is the case, the establishment of the MIWG and the MOU signed by the Honorable PM and SICCI in 2020 should be closely monitored.</p> <p>In 2021, the Ministry of Finance and Treasury (MFT) boosted its effort to increase the overall revenue collection of the SIG. The Minister outlined these measures in his budget speech in Parliament. First on the list is an increase on tobacco excise starting on July 1st 2021 including introducing a system of taxing the popular home-grown tobacco commonly branded as Lekona. Government expects to earn \$24.9 million in additional revenues from this measure. This measure was approved following the completion of a review of the tobacco excise regime<sup>11</sup>. Close observation should be made by the MHMS and other agencies tobacco control. According to an official from the MHMS, they might expect counter strategy and interference by the industry.</p>						
7. The government gives privileges, incentives, tax exemptions or benefits to the tobacco industry (Rec 7.3)					4	
<p>Information solicited from a senior official with Revenue Customs Unit confirm that there was a tax incentive provision established under the MFT for those who are certified and categorized as manufacturer. SITC-BAT benefited a lot from the incentives which include tax incentives and duty exemptions on raw materials, components, machinery and equipment.</p> <p>According to information provided by a Senior officer within Economic Reform with the MFT, the industry is given the privilege of input under manufacturing incentives on all raw imported products, including its associated ingredients. The arrangement is such that both goods taxes and customs excise duty will be imposed on the final processed manufactured products. The tobacco industry took advantage of this incentive given to all manufacturing enterprises in general.</p> <p>Under the manufacturing incentive, both SITC-BAT and other competing companies benefited a lot from the tax incentives that cover components like machinery and equipment to aid their manufacturing capabilities.</p> <p>The price of the most sold brand, pack of 20 cigarettes is 32.00 SBD, a total tax of 34%, in US dollars is 4.00 USD which is a total excise of 25%. This low level of tax makes the cigarettes still very affordable for the common people, thus generating massive attraction for new smokers, especially children and youth.</p>						

<sup>11</sup> Solomon Islands Government, Government Approves New Measures To Bolster Revenue, Accessed <https://solomons.gov.sb/government-approves-new-measures-to-bolster-revenue> (06/05/23)

International or transit passengers can import 200 cigarettes or 50 cigars or 250 grams of tobacco duty free into the Solomon Islands. Cigarettes did not become less affordable over the past years.<sup>12</sup>

Aspect of exemptions: Section 16 of the Income Tax Act provides for the Minister to exempt certain income and people from paying tax. Similarly, section 37 of the Goods Tax Act provides for the Minister to exempt certain persons and goods from goods tax. These exemptions provide an opportunity for the government to give tax exemptions to qualifying businesses as one way of encouraging business investment and economic development in the Solomon Islands.

Such a provision which is discretionary in nature assigned to the minister might have both implications especially, given the fact that there is no establishment of a committee to vet and qualify or validate the minister’s decision<sup>13</sup>.

**INDICATOR 4: Forms of Unnecessary Interaction**

8. Top level government officials (such as President/ Prime Minister or Minister <sup>14</sup> ) 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)						5
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Interactions with the industry have taken place on several occasions and were well captured by the number of free flow visits made by the industry officials to prestigious offices, such as the office of the Prime Minister. There are still disparities and loopholes in the present Tobacco Act 2010. One of the prevailing challenges is that it doesn’t set a clear guideline on how Article 5.3 is applied to the SIG officials on meeting with the industry in fulfilment of WHO FCTC.



SITCO new GM & team meet with PM

A delegation from the SITC-BAT’s heads of departments paid a courtesy call to PM Sogavare<sup>15</sup>. The team is led by the newly appointed General Manager Mark Filimontsev who took the opportunity to introduce himself and update PM Sogavare on the latest developments in the business sector. Such a visit demonstrates that the industry is using every opportunity possible and available to advance their cause and agenda and promote their business (sell more cigarettes to Solomon Islands) directly to the Prime Minister. The Prime Minister assured GM Filimontsev of the “government’s continuous support”. The

<sup>12</sup> Duty Free Allowances <https://www.flysolomons.com/flight-information/duty-free-allowances>

<sup>13</sup> Inland Revenue Division. Exemption. Available at: <http://www.ird.gov.sb/Article.aspx?ID=612>

<sup>14</sup> Includes immediate members of the families of the high-level officials

<sup>15</sup> Solomon Islands Government, SITCO TEAM PAID COURTESY CALL ON PM, Accessed <https://solomons.gov.sb/sitco-team-paid-courtesy-call-on-pm/> (13/06/23)

government has promoted this visit on their website indicating the government is endorsing this visit.<sup>16</sup> This endorsement sends the message that the government welcomes this business.



Gov't visits SITCO factory

Minister of Finance, Harry Kuma and other government ministers and officials visited the SITC-BAT factory<sup>17</sup>. The main purpose and objective of the visit was not fully made known. It is interesting to note high caliber officials and ranking ministers of SIG were targeted as an audience for such a visit. This raises the question whether the industry is using official of SIG Ministers in such arranged visits as an indirect means and strategy of promoting their company's business, products or to attract favor towards their interest.



SITC-BAT Looted

In November 2021 there was an unrest resulting in a mob breaking into SITC-BAT Company and looting its products. The crowd broke into the storage room and helped themselves with cartons of Tobacco products as the guards watched helplessly<sup>18,19</sup>.

<sup>16</sup> Solomon Islands Government. SITCO team paid courtesy call on PM. 19 Jan 2023. Accessed: <https://solomons.gov.sb/sitco-team-paid-courtesy-call-on-pm/>

<sup>17</sup> The Island Sun, Gov't visits SITCO factory, Accessed <https://theislandsun.com.sb/govt-visits-sitco-factory/> (13/06/23)

<sup>18</sup> Sunday Isles, Solomon Tobacco Company Looted, Accessed <https://www.facebook.com/sundayisles/posts/update-solomon-tobacco-company-looted-a-group-of-mob-have-broken-into-solomon-tob/4546333432111883/> (13/06/23)

<sup>19</sup> Solomon Islands Broadcasting Corporation, SITCO's Rebound is encouraging: PM, Accessed <https://www.sibconline.com.sb/sitcos-rebound-is-encouraging-pm-2/> (13/06/23)





SITC-BAT \$48M+ Loss

The November 2021 riot and looting was a huge setback for SITC-BAT which amounted to more than SBD\$48+ million loss, according to its General Manager. This resulted in the industry conducting a series of interactions with the Office of the Prime Minister.



PM pays visit to SITC-BAT

The PM then visited Tobacco Company Limited SITC-BAT's factory which was hailed a success after the loss and damage incurred during the November 2021 riot and looting.<sup>20</sup>

PM Manasseh Sogavare used the occasion to acknowledge the decision made by SITC-BAT management to stay and continue the investment despite the company being a victim of the looting and burning during the riots of November 2021<sup>21</sup>.

<sup>20</sup> Solomon Islands Broadcasting Corporation, SITCO's Rebound is encouraging: PM, Accessed <https://www.sibconline.com.sb/sitcos-rebound-is-encouraging-pm-2/> (13/06/23)

<sup>21</sup> <https://www.facebook.com/sundayisles/posts/update-solomon-tobacco-company-looted>

	0	1	2	3	4	5
PM Sogavare also took the opportunity to hail SITC-BAT management and its workers for their show of resilience to bounce back from the looting and damages to the company, and continuing business <sup>22</sup> .						
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)	0					
<p>In March 2023, the NCD department and the Health Promotion (HP) of the MHMS embarked on a follow up and a surveillance enforcement plan to track all retailers, wholesalers, and those who sell cigarettes beginning from Honiara to pay their tobacco license fees. This plan got the SICT-BAT's attention, where they made several requests and phone calls if they could be included and be part of the enforcement team that conducted the surveillance visits to all wholesalers, retailers and sellers<sup>23</sup>. Their request was rejected by the MHMS. The industry went to the extent of giving all wholesalers, retailers and sellers a confusing date when to pay their fees even though the MHMS has clearly indicated payment date.</p> <p>Source from the Reform Unit MFT confirmed that SITC-BAT lobbied to establish an illicit tobacco smuggling coordinating committee between key SIG Ministries including MFT, Customs, MFET, MCILI and Royal Solomon Islands Police Force (RSIPF) but it didn't materialize.</p>						
10. The government accepts, supports, endorses, or enters into partnerships or non-binding agreements with the tobacco industry or any entity working to further its interests. (Rec 3.1) <i>NOTE: This must <u>not</u> involve CSR, enforcement activity, or tobacco control policy development since these are already covered in the previous questions.</i>				3		
<p>The 2021 index reported an MOU was signed between SICCI and the Government, represented by the MCILI Ministries and the Prime Minister's Office. The MOU is still in place and gives SITC-BAT a comparative advantage, being a core member of SICCI. The MOU will enable SICCI to advise the government. On the basis of such arrangement, a taskforce was formed to ensure that business compliance is monitored with regular review and reporting. The scope of the MOU covers aspects of SIG and private public partnership opportunities in the Solomon Islands.</p> <p>Aside from this, there were no direct partnerships or agreements with the tobacco industry in the reporting period.</p>						
<b>INDICATOR 5: Transparency</b>						
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

<sup>22</sup> Solomon Star, SITCO hopes to bounce back despite 'million dollar damage' incurred during November riots, Accessed <https://www.solomonstarnews.com/48m-loss/>

<sup>23</sup> This intervention is not yet published as it is an ongoing activity

There is no procedure for public disclosure of meetings, interactions, minutes and resolutions held with the tobacco industry, either with MHMS, MFT and MCILI Customs although these meetings continue to take place and are initiated by the industry with government officials.

This requirement for transparency as required by Article 5.3 of the WHO FCTC is an area that is most often violated by SIG.

The practicing trend as indicated by government officials from across the SIG ministries including: MHMS, MFT, MFET and MCILI, is that there is no public disclosure of meetings, interactions, minutes and resolutions held with the tobacco industry even though matters discussed would have implications for public health and are not in compliance with commitments to the FCTC.

Most SIG officials from different ministries were not aware of Article 5.3 requirements, and therefore they would have engaged them arbitrarily. The way forward is to have MHMS and Ministry of Public Service Commission that oversee public servants code of conduct, to issue a joint memorandum and circular on the commitment SIG made as party to the FCTC and in particular with reference to Article 5.3 and the requirement to make sure that all dealing with the industry is well documented.

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)					4	
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To date there are no rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf, including lobbyists. More effort needs to be expended to address this particular area of concern.

The SICCI is the key lobby group that speaks up on behalf of businesses and is utilized by the industry, especially SITC-BAT. Their assigned personnel are well known to all the SIG line ministries for their lobbying. This plays well to their advantage since there are no explicit rules and commitment to hold them accountable from the current Act.

The industry is tactical in engaging an established executive government only when they realize a government is being formed and is ready to govern post national general election session. Additionally, the constitutional right given to members of parliament to shift political party affiliation and allegiance and the leverage given to them to act on the best wishes of their electorate is indeed an opening that the SITC-BAT capitalize in terms of support with small seed grants through CSR activities or as preferred by them to be called CSI (corporate social investment).

The MHMS through its newly established Tobacco Control Technical Advisory Committee (TCTAC) is closely monitoring this issue.

**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						5
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	0	1	2	3	4	5
parties, candidates, or campaigns or to require full disclosure of such contributions. (Rec 4.11) / Never 5 Yes						
<p>Solomon Islands Political Party Integrity Bill of 2014, Section 57 made provision to cater for disclosure of campaign funds post-election, but it does not cover nor prohibit contributions from the tobacco industry specifically or any entity working to further its interests to political parties, candidates, or campaigns and to seek full disclosure of such contributions from them either during or prior to election.</p> <p>The industry strategically asserts its efforts in engaging with the Executive government only when they realize a political government is being formed<sup>24</sup>.</p>						
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)	0					
<p>There is no record of such engagement or deployment. They used to have one, but the person is no longer with the industry.</p>						
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					
<p>There has been no record of current government officials and relatives holding position in tobacco business.</p>						
<b>INDICATOR 7: Preventive Measures</b>						
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)					4	
<p>Progress has been made to adapt components of WHO FCTC Article 5.3 and its guidelines directly into the draft review of the Tobacco Control Act<sup>25</sup>. This review should be submitted to the Attorney General Chamber for their input and final tabulation before ascending it to the caucus and cabinet.</p> <p>With the MHMS currently in the position to create a new Tobacco Control Technical Advisory Committee (TCTAC) Terms of Reference (TOR), the TCTAC would be in a position to advise the minister of health and Permanent Secretary directly. It is optimistic that TCTAC would be able to address much of the disparities and variables left undone or overlooked.</p> <p>With Solomon Islands hosting the upcoming XVII Pacific Games 2023 this November, SIG is gearing-up all its effort and resources deployment, including setting priority for relevant bills to proceed to the national Parliament. Maximum effort should be made and coordinated by the MHMS to have the draft review of the Tobacco Control Act gain speedy ascendancy through the Parliament.</p>						

<sup>24</sup> <http://www.parliament.gov.sb/files/legislation>

<sup>25</sup> The disclosure of records is part of the review

	0	1	2	3	4	5
<p>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); <i>1 for whole of government code; 2 for Yes but partial if only MOH</i></p>						5
<p>The government has not formulated, nor adopted or implemented a code of conduct for public officials prescribing the standards to which they should comply or subject their dealings with the tobacco industry in particular.</p> <p>Though there was nothing specific to tobacco industry, the SIG do have an established Leadership Code Commission (LCC). LCC is an integrity institution established under the Leadership Code (Further Provisions) Act 1999 (LCFPA). The Nature and scope of its functionality involves enforcement of the Leadership Code, involves investigation, prosecution and adjudication of misconduct allegations by Leaders.</p> <p>The code of conduct within LCC and LCFPA can still be used as an instrument to adjudicate on the code of conduct for public official's dealings, the extent with the tobacco industry matters if reported by any concern citizens.</p> <p>The measures enshrine in the constitution Section 94 of the Constitution and LCC has legal substance to enforce accountability on public offices, except the will to honour and execute what is needed for the good of the nation is lacking.</p>						
<p>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)</p>				3		
<p>The MHMS has the role to require 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. However, this requirement is not fully exercised. The MHMS is restricted to the provision of the current Tobacco Control Act, which only calls for a report on the constituents of the cigarette products. The content and expectations of the reports produced is limited by what is enshrined and stipulated in the Act.</p> <p>The above information is enlisted amongst a host of specific areas and the recommendations that are well documented in the current review to strengthen the current Tobacco Control.</p> <p>According to the National Coordinator of the Non-Communicable Disease (NCD), the current practice is such that a report must be made as a prerequisite before issuing another annual operating license.</p>						

	0	1	2	3	4	5
19. The government has a program / system/ plan to consistently <sup>26</sup> raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)		2				
<p>TCTAC unit for tobacco control with MHMS has been tasked to sensitize all government line ministries and other stakeholders including the Executive Government on WHO FCTC and Article 5.3.<sup>27</sup> However, the SIG ministry and many top officials are still unaware of their obligations under the WHO FCTC and Article 5.3. The Cabinet, through the office of the Prime Ministers, has been briefed on several occasions on Article 5.3.</p> <p>The MHMS has an ongoing daily radio program that transmits on the Solomon Islands Broadcasting Corporation (SIBC), a state-owned radio and Television station. Issues pertaining to tobacco control are amongst issues that are covered from time to time.</p> <p>Through Sol2023 XVII Pacific Games, the green games initiative, one of the core drives is to clean up the city of Honiara which should include removing street cigarette vendors that are selling bidis. This is a significant bold move by the SIG and Sol2023 XVII Pacific Games because rumors seem to tie to the industry using vendors as front groups to sell their products, through the wholesales chain that are part of industry conglomerates.<sup>28</sup></p> <p>Cabinet approved initiatives to reinforce Honiara City Council by-laws and on the Spot Fine, effective as of 1st July 2023. The by-laws will help a lot in drastically reducing cigarette butts littering, which is still a huge obstacle and challenge to overcome.<sup>29</sup></p>						
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			
<p>Currently, the government has not put in place a policy to disallow the acceptance of all forms of contributions, gifts and study tours from the tobacco industry. There are standard guidelines available to public servants that include a service code of conduct and the general order, but it is still very generic and does not specify tobacco related matters and the industry.</p> <p>Solomon Islands scored 42 points out of 100 in the 2022 Corruption Perceptions Index (CPI) reported by Transparency International. The Corruption Perceptions Index ranks countries and territories based on how corrupt their public sector is perceived to be. A country or territory's score indicates the perceived level of public sector corruption on a</p>						

<sup>26</sup> 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.

<sup>27</sup> WHO Framework Convention on Tobacco Control, Guidelines for implementation of Article 5.3, Accessed <https://fctc.who.int/publications/m/item/guidelines-for-implementation-of-article-5.3>, (13/06/23)

<sup>28</sup> SICCI, Games Strategic Framework Presented to SICCI, Accessed <https://www.solomonchamber.com.sb/news-reports/posts/2022/november/safe-green-games-strategic-framework-presented-to-sicci/> (13/06/23)

Tobacco and betel nut are used together in Solomon Islands.

<sup>29</sup> Solomon Star, Cabinet approved initiatives to reinforce by-laws, Accessed (13/06/23)

	0	1	2	3	4	5
scale of 0 (highly corrupt) to 100 (very clean) <sup>30</sup> . CPI has given a perspective on the performance of public servants pertaining to corruption.						
<b>TOTAL</b>						<b>53</b>

## Final comments of the findings

Solomon Islands scored 53 points. With Sol2023 XVII Pacific Games kicking in towards the end of the year on the month of November, a lot are shaping up. The game is branded as a green game and a lot has been done to align the environment to be friendly and is conducive for the games. As part and parcel of the drive, the Honiara City Council will strengthen and activate its “On the Spot” fine ordinances and bylaw. This will cover aspect of littering, spitting and sale of bidi cigarette and other illegal lawless activities that are not in sync with the ordinances.

The MHMS is serving warning notices to all wholesale and retailers that failing to pay in licence fee will amount to contravening the Tobacco Act, the notice stirred all business house to pave in.

A weekly massive clean-up campaign is up and running engaging all stakeholders to be part of the green game roll out. Such massive communal drive has caused all vendors to pull off the street.

The operation will be enforced by the Royal Solomon Islands Police Force (RSIPF) and the Honiara City Council Constabulary Force.

The findings shows that there is enough of evidence to suggest that there is plenty of room for improvement as the Solomon Islands is not fully compliant in several areas of Article 5.3 implementation.

<sup>30</sup> Trading Economics, Solomon Islands Corruption Index, Accessed <https://tradingeconomics.com/solomon-islands/corruption-index> (13/06/23)

## ANNEX A: SOURCES OF INFORMATION

### LOCAL TOBACCO COMPANIES

Top Tobacco Companies/distributors	Market Share and Brands	Source
(1) Solomon Islands Tobacco Company Ltd. (SITC), a subsidiary of British American Tobacco (BAT);	Market Share cannot be ascertained or established	<a href="https://www.bat.com/">https://www.bat.com/</a> No information on Solomon Islands data
(2) Solomon Sun Cigarette Company, a co-shared company owned by a Chinese naturalized citizen and former member of the parliament;	Market Share cannot be ascertained or established	No web site or web page
(3) Oceanic Oasis, a Chinese-owned cigarette importing company. Altogether, it controls 98 percent of the cigarette market in the country.	Market Share cannot be ascertained or established	No web site or web page

### TOBACCO INDUSTRY FRONT GROUPS

Tobacco Industry Representative	Type (Front Group/ Affiliate/ Individual)	URL
SICCI	Core group representing the private business Sector	Solomon Islands Chamber of Commerce and Industry: <a href="https://www.solomonchamber.com.sb">https://www.solomonchamber.com.sb</a>

### NEWS SOURCES

Top Newspaper/ Dailies	Type (Print/Online)	URL
SICCI website	online	<a href="https://www.solomonchamber.com.sb/news">https://www.solomonchamber.com.sb/news</a>
Solomon Times website	online	<a href="https://www.solomontimes.com/news">https://www.solomontimes.com/news</a>