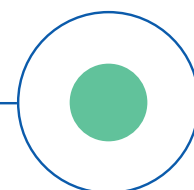


Nepal



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SUMMARY OF FINDINGS

1. Industry Participation in Policy Development

There is no evidence of tobacco industry (TI) participation in policy development. Nepal does not allow any TI representative on its delegation to the WHO FCTC Conference of the Parties or permit the industry to influence its positions.

2. Industry CSR Activities

Although tobacco-related corporate social responsibility (CSR) activities are banned, there are reports that government officials have endorsed Surya Tobacco's CSR projects under the guise of assisting poor communities or supporting environmental initiatives, which serve to polish the company's public image.

3. Benefits to the Industry

There have been several instances where tobacco companies, along with company-sponsored groups such as the Tobacco Retail Shopkeepers Association and the Tobacco Farmers Association, filed cases at the Supreme Court opposing enlarged health warnings on cigarette packs. Since the Court's legal process and decision took more than two years, this delay benefited the tobacco companies.

International travelers are allowed to bring limited quantities of tobacco products duty-free for personal use. The allowance includes up to 200 cigarettes, 50 cigars, or 20 grams of tobacco, and these items must be declared upon arrival. This exemption is strictly for personal consumption and does not apply to commercial imports.

4. Unnecessary Interaction

No official partnerships with the TI have been documented, and high-profile government officials have avoided unnecessary interactions, refraining from participating in events organized by tobacco companies.

5. Transparency

There is a lack of transparency on the outcomes of any meetings the government has held with TI representatives. If such meetings did take place, no minutes or official records have been made publicly available.

6. Conflict of Interest

Nepal has a system in place that prohibits government officials from joining the TI for at least five years after retirement. No formal records were found during the reporting period indicating that any retired senior government officers have joined tobacco companies or that TI staff have been appointed as government consultants.

7. Preventive Measures

The Tobacco Product Control and Regulatory Directive 2014 by the Ministry of Health serves as a code for civil servants in Nepal. Chapter 3, section 20(6), prohibits officials of public agencies from accepting any assistance, participation, or cooperation from tobacco companies in any activity or program related to tobacco product control and regulation.

The government has not established a procedure for disclosing records of interactions with the TI, including agendas, attendees, minutes, or outcomes.



RECOMMENDATIONS

1. Enforce the ban on all promotional activities of tobacco companies under the banner of CSR. The government must strictly implement regulation on TI-related CSR activities.
2. Increase tobacco tax in line with the WHO FCTC mandate and WHO recommendations. Despite ongoing collective efforts from civil society, Nepal still has a long way to go in achieving the goal of 75 percent tobacco taxation.
3. Ensure public disclosure of financial resources of political parties, particularly contributions from tobacco companies. Transparency in political financing is essential, given the significant influence political parties have in law formulation, enforcement, and penalty adjustments. The Election Commission must make the income sources of all political parties publicly available.
4. Empower local governments to play a more active and effective role in advancing tobacco control in Nepal. Based on interviews with representatives from 10 municipalities, there is strong political will at the local level to declare their constituencies as Tobacco-Free Zones. To support this commitment:
 - a. Provide capacity-building training for municipal officials on the WHO FCTC, particularly Article 5.3, and Nepal's Tobacco Control and Regulation Law.
 - b. Establish a dedicated monitoring cell within each municipality to ensure effective implementation and enforcement.
 - c. Offer technical assistance to municipalities in drafting and enacting local legislation in support of public health, recognizing their constitutional authority to do so.