

# Czech Republic

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# Summary of Findings

#### 1. Industry participation in policy development

The national action plan for 2020-2021 includes key points from the World Health Organization's (WHO) MPOWER measures, however, often only in general terms, such as, "plain packaging potential discussion will be considered in future" or "taxation – regular increases," but without any concrete vision. It is important to emphasize that the main tobacco control policies like taxes and packaging of tobacco products are the responsibility of the Ministries of Agriculture and Finance, two government bodies which do not publicize potential contacts with tobacco industry-although representatives of the ministries admit that they are contacted by the tobacco industry mainly before discussing tobacco control in the Parliament or Senate. It is strange that the ministries do not reflect the arguments of professional organizations (not even Smoke Free Partnership, which wrote an open letter to the Ministry of Agriculture about the effectiveness of plain packaging) and repeat arguments similar to myths spread by the tobacco industry.

#### 2. Industry CSR activities

There are no documents available about participation of government officials in any tobacco-related CSR activities.

#### 3. Benefits to the industry

There are signs of communication between the Ministry of Finance and the tobacco industry about raising taxes. The Ministry of Finance, as well as the Ministry of Industry and Trade and the Ministry of Agriculture do not want to disrupt the business of the tobacco industry. They do not want to introduce tobacco control policies that could have an impact on the business outputs of tobacco companies (plain packaging, bans on advertising at the point of sale and sales in licensed stores, increasing the affordability of cigarettes).

In May 2019, the government approved a proposal for an amendment to the Excise Duties Act on increasing excise taxes on tobacco products from January 1, 2020. The Parliament approved the amendment on December 17, 2019. The effective date of the amendment was January 1, 2020, while the tobacco excise tax was granted a two-month grace period, in which the 2019 tax rates were still used. The new excise tax rate was effectively applied starting March 1, 2020.

Czech press shared that between 2017 and March 2019, products such as Philip Morris's HEETS were excluded from the consumer tax. New legislation which taxes heated tobacco only came into force in March 2019. Therefore, just on Philip Morris's HEETS, the state could have missed out on CZK 400 million between 2017 and 2019.

International travelers from the EU can bring 800 sticks of cigarettes, 400 cigarillos, 200 cigars and 1 kg of tobacco. Travelers from outside the EU can bring 200 sticks of cigarettes, 100 cigarillos, 50 cigars and 250 gm of tobacco.

#### 4. Unnecessary interaction

There is no publicly available record of the national government accepting or entering into a partnership or agreements with the tobacco industry. However, at the sub-national level, Philip Morris CR signed a Memorandum of Cooperation with Association of Hotels and Restaurants and Karlovy Vary. "In order to fulfill the Karlovy Vary - City without Smoke project, the municipality counts on cooperation with a number of other entities, such as hotel and spa facilities in the city, transport companies, schools but also, for example, cigarette manufacturers who have activities aimed

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at reducing the risk of cigarette smoking. The philosophy of the project follows the three points of Philip Morris's UNSMOKE campaign: (1) do not start if you do not smoke; (2) if you smoke, stop, for example with the help of experts; and (3) if you don't want to quit, consider less dangerous alternatives.

#### 5. Transparency

Currently there is no procedure in place for public disclosure of meetings/interactions government officials may have with the tobacco industry in cases where such interactions are strictly necessary for regulation.

There is also no procedure or requirement in place for the disclosure or registration of tobacco industry entities, affiliated organizations or individuals acting on their behalf including lobbyists.

#### 6. Conflict of interest

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 disclosure of these contributions.

A law on lobbying and conflict of interest is being prepared, currently in the Parliament/Chamber of Deputies (Document of the Chamber No. 565). The aim of the act is to make corporate lobbyists (including the tobacco industry) report their activities and clientele. Article 5.3 of the WHO Framework Convention on Tobacco Control (FCTC) will be taken into account. The planned entry date of this act is January 1, 2021.

#### 7. Preventive measures

There is no procedure in place yet to disclose the records of interactions with the tobacco industry and its representatives. There is no code of conduct in place to guide officials when dealing with the tobacco industry. The government has not put in place a policy to disallow the acceptance of all forms of contributions/gifts from the tobacco industry including offers of assistance, policy drafts or study visit invitations.

## Recommendations

- **1.** Create awareness on tobacco industry interference across all departments of the government.
- 2. Adopt a code of conduct or guidelines for all government officials so that public health policy is developed free of tobacco industry interference.
- **3.** Require information on production, marketing and revenue from the tobacco industry.
- Require a registry of lobbyists and the tobacco industry's lobbying expenditure. The registry should also record representatives of the tobacco industry.