

# Philippines

Overall score:

57

## Summary of Findings

### 1. Industry participation in policy development

In 2019, tobacco industry representatives were invited as resource persons on several meetings and hearings held by the House of Representatives and the Senate. They provided their inputs and comments on proposed bills on (1) tobacco tax increases (2) tax increases of heated tobacco products (HTPs), electronic nicotine delivery systems (ENDS) and electronic non-nicotine delivery system (ENNDS); and (3) regulation of HTPs, ENDS and ENNDS.

### 2. Industry CSR activities

Tobacco companies continued conducting so-called CSR activities by courting them through foundations and other organizations. The majority of the incidences reported are from the CSR program of Philip Morris Fortune Tobacco Corporation (PMFTC) called Embrace that partnered with Jaime V. Ongpin Foundation Inc. (JVOFI). In 2019, JVOFI conducted CSR activities mostly with the local government units and the Philippine National Police. The usual activities that they conducted were comprised of donations for school children or conduct of medical missions or donations of medical equipment to different barangays.

### 3. Benefits to the industry

Under the ASEAN TRADE IN GOODS AGREEMENT (ATIGA) tobacco leaf, and other tobacco-related additives imported into the Philippines enjoy zero import duties.<sup>1</sup> The Philippines also allows international travelers to bring 400 sticks of cigarettes without any duties or taxes into the country. This is higher than what other countries in Southeast Asia allow.

### 4. Unnecessary interaction

Unnecessary interactions between the tobacco industry and top-level officials of the government were monitored in 2019. There were several instances where government agencies accepted assistance from the tobacco industry on enforcement activities; a government agency signed a Memorandum of Understanding with the tobacco industry-linked US-ASEAN Business Council (US-ABC);<sup>2</sup> a group of legislators from the House of Representatives went on a Study Tour in London to meet with Member of Parliament (MP) David Amess, who is a known supporter of PMI's UNSMOKE campaign; and at the local government level, PMFTC officials were present when the Mayor of Manila signed a Memorandum of Agreement with the Jaime V. Ongpin Foundation, Inc.<sup>3</sup>

### 5. Transparency

The Philippines have a Department of Health (DOH) and Civil Service Commission (CSC) Joint Memorandum Circular (JMC) 2010-01 that requires transparency in all interactions with the tobacco industry and procedures to be observed when meeting with the tobacco industry is strictly necessary. A CSC-led multisectoral committee is monitoring its implementation. However, the committee hasn't formally convened in 2019 despite efforts made by the DOH.

To complement the effort, civil society groups organized several Article 5.3 committee meetings that facilitated an exchange of information and discussed strategies to counter reported incidences of tobacco industry interference at various levels of the government.

## 6. Conflict of interest

The report noted that several retired senior government officials joined the Board of Trustees of foundations that are known to benefit from or accept donations from tobacco companies. An example is the inclusion of former high-level public officials as Trustees of the Tan Yan Kee Foundation, which is known to be the CSR arm of the Lucio Tan Group of Companies.<sup>4</sup>

## 7. Preventive measures

There are preventive measures in place to implement Article 5.3 of the FCTC. The DOH and the CSC issued a JMC in 2010, which applies to all officials and employees of the government. The JMC prohibits interaction with the tobacco industry unless strictly necessary for its effective regulation. It is noteworthy in 2019 that government agencies like the Department of Education, the Department of Social Welfare and Development, the National Commission for Culture and the Arts, the Food and Drug Administration, and the Department of Tourism adopted several issuances that reinforced the implementation of the DOH-CSC JMC.

## Recommendations

The 2020 country report notes that there have been gains in preventing and countering tobacco industry interference; the most significant are the successful passage of the Law increasing taxes on tobacco products and the continuing institutionalization of the DOH-CSC JMC in government agencies such as the Department of Education and the Department of Social Welfare and Development.

However, the period covered by the report also showed that the tobacco industry is continuously using front groups to partner with other public institutions, particularly at the local government level. In addition to it, new challenges emerged with the industry's aggressive campaign to secure favorable policies to HTPs, ENDS and ENNDS.

In order to prevent the tobacco industry from undermining tobacco control efforts, the report recommends the following:

1. Strengthen coordination among government agencies to ensure effective preventive measures are developed and prompt and appropriate actions are taken.
2. Put in place a strong monitoring and enforcement system to effectively implement the DOH-CSC JMC 2010-01.
3. Civil society organizations need to continuously provide technical support to government offices, regularly conduct advocacy meetings with policymakers and improve communications campaigns.

<sup>1</sup> <https://www.asean.org/uploads/archive/documents/atiga/Annex2-Philippines.pdf> (pg 45, Items 1370 -1384)

<sup>2</sup> DOST-ITCU. 'DOST signs MOU with US-ASEAN Business Council.' September 29, 2019 Available at <https://pia.gov.ph/news/articles/1027813>.

<sup>3</sup> Information and photo from the Facebook page of Mayor Domagoso, Available at [https://www.facebook.com/iskomorenodomagoso/videos/418280572380810/UzpfSTExNjU4NTM5ODUwNDg1MzoxMzYyNDQ4MDAwNTg1MjQ3/?\\_\\_tn\\_\\_=%2Cd-k-R&eid=ARDYStixp8PCYe6ntHkb5bC9\\_kVz2Uq2hMTqrnXFgdl30jfOfsv1k3yu6JxxdfMEDBFkpmmmUG4LR\\_UfT](https://www.facebook.com/iskomorenodomagoso/videos/418280572380810/UzpfSTExNjU4NTM5ODUwNDg1MzoxMzYyNDQ4MDAwNTg1MjQ3/?__tn__=%2Cd-k-R&eid=ARDYStixp8PCYe6ntHkb5bC9_kVz2Uq2hMTqrnXFgdl30jfOfsv1k3yu6JxxdfMEDBFkpmmmUG4LR_UfT)

<sup>4</sup> Tan Yan Kee Foundation, Inc. <http://www.tanyankee.org/about-us.html>