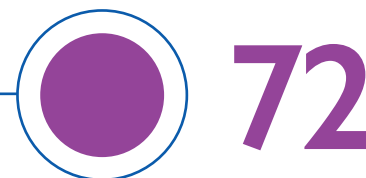


Turkey



Summary of Findings

1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The tobacco industry (TI) has a voice in policy development in Turkey. The Vice Minister of Commerce is a former board member of British American Tobacco Turkey till January 2019. The Ministry of Commerce is a member of the High Council Against Addiction, along with the Ministry of Health, Ministry of Agriculture and Forestry, Ministry of Education and other ministries.

Tobacco taxation does not increase faster than inflation plus gross domestic product growth based on calculation using government's data due to interventions by Presidential Decisions. Any legislation amendment or implementation which brings benefits to the industry is considered as solid evidence for industry participation in policy development.

The TI is very active in highlighting illicit tobacco trade prevention to persuade the government that they can get more revenue and constantly publicize the issue to get public attention via media, calling for better implementation and amendments to the law. Amendments proposed in 2022 include obligatory annual minimum production, guarantees up to TRY 50 million from producers in the market, and imprisonment from 2 years to 5 years for those who trade in tobacco and tobacco products without obtaining an authorization certificate.

2. INDUSTRY CSR ACTIVITIES

Following the February 2023 earthquake in Turkey, Philip Morris International donated USD \$2 million to support immediate humanitarian aid and long-term recovery assistance to the government through partnerships with relief agencies approved by the government, and publicized this charity.

3. BENEFITS TO THE INDUSTRY

There are pending Regulations like implementing the guidelines and recommendations of WHO FCTC Article 5.3 since 2004.

The 2019 Plain Packaging Law does not cover tobacco products sold in duty-free establishments.

Any effort to prevent or delay automatic tax increases benefits the industry. The minimum fixed tax rates for cigarettes and other tobacco products did not increase at the rate specified in the Special Consumption Tax Law, and the implementation of the tax hike was delayed during the reporting period.

The government provided investment incentives to at least 25 tobacco firms between January 2021 and August 2022. From January 2019 to August 2022, a total of 2,722 tons/year of waterpipe tobacco products and 1,575 tons/year of other tobacco goods manufacturing capacity were produced.

4. UNNECESSARY INTERACTION

Top level government officials, including the President, have attended social functions and events such as presenting awards to TI representatives for their success in exports and sales. Japan Tobacco International was awarded by the Turkey Exporters Assembly in the "Industry Winner" category in 2022, with their winning award presented by the President.



5. TRANSPARENCY

The government does not publicly disclose its meetings or interactions with the TI. Any industry interference is only known through media monitoring by civil society groups. In the current economic context, it is evident that developing tobacco tax policies without industry participation in Turkey needs political will.

6. CONFLICT OF INTEREST

The government does not prohibit contributions from the TI, or any entity working to further its interests, to political parties, candidates, or campaigns- nor does it require full disclosure of such contributions.

That said there is no evidence of retired senior government officials forming part of the TI, nor any record of current government officials holding positions in the TI

7. PREVENTIVE MEASURES

Law No. 4703 requires the TI to periodically submit information on tobacco production and manufacture. Revenues are in scope of Tax Procedure Law. Any other activity, including lobbying, philanthropy, political contributions and all other activities are not required to be reported.

The government does not have a program or plan to consistently raise awareness within its departments on policies related to WHO FCTC Article 5.3. Moreover, despite obligations under the WHO FCTC, the government does not publicly disclose its meetings or interactions with the TI.