

# Egypt

Overall score:

61

## Summary of Findings

### 1. Industry participation in policy development

Philip Morris conducted meetings with the government to develop the specifications of heated tobacco product "IQOS." The Tobacco Division of the Federation of Industries develops specifications for the import of electronic smoking products.

The tobacco control department in the Ministry of Health confirmed no participation of tobacco companies in the Conference of the Parties (COP8).

### 2. Industry CSR activities

High level government officials, including ministers, endorse tobacco-related CSR activities. Philip Morris was honored for its role as having the best social responsibility initiative. At the provincial level, the Governor of Giza, in coordination with the Ministries of Manpower, and Youth and Sports, participated in a youth employment forum involving 125 private companies in the hall of Eastern Tobacco Company. Tobacco companies also contribute to government institutions and development projects. Japan Tobacco International (JTI), for example, presented €4 million for community development projects in Egypt. The Eastern Company donated €3 million to restore the National Cancer Institute.

While tobacco industry-sponsored youth smoking prevention programs have shown to be not effective, Philip Morris continued to conduct awareness campaigns to limit children's access to tobacco products (€4 million). Philip Morris engaged Daily News Egypt to witness the official launch of its campaign in Cairo.

### 3. Benefits to the industry

International travelers can bring into Cairo duty free: 200 cigarettes, 25 cigars or 200g of tobacco.

Palm Fume Company (JTI) has its headquarters located in Shebin El-Koum Free Zone.

### 4. Unnecessary interaction

Senior officials continue to engage with the tobacco industry in situations that endorse and promote their business. The Minister of Manpower witnessed the signing of an agreement to provide financial benefits for 13,700 workers in the Eastern Tobacco Company. In another instance, an "Awareness of Labor Law" symposium was held at the headquarters of El Nakhla Tobacco (JTI) in El-Koum Free Zone in cooperation with the General Administration of Labor Inspection.

Tobacco companies refer to their continuous cooperation with the government. In February 2019, JTI signed a Memorandum of Understanding with the Egyptian Customs Authority to combat the illicit trade in tobacco products. According to JTI, signing this memorandum will support the cooperation that already exists between JTI and the Egyptian Customs Authority to address illicit trade.

In March 2013, Philip Morris International (PMI) Egypt had signed an MOU with the Egyptian Customs Authority to exchange information on combating cigarette smuggling. This agreement is still valid now. In August 2019, PMI held a three-day technical training course for customs officials in the governorates of Cairo, Alexandria and Port Said. According to PMI, the training course was part of continuous cooperation between the company and the Customs Authority to address the smuggling of tobacco in the local market.

## 5. Transparency

There are no laws to prevent dealing with tobacco companies. Considering Eastern Tobacco is a national company, interactions continue and the dealings are not made public.

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

## 6. Conflict of interest

There are no laws prohibiting contributions from the tobacco industry or any entity working to further its interests, however there is no requirement for disclosure. No incidents were reported of government officials joining the tobacco industry upon their retirement.

## 7. Preventive measures

The government has not put in place a procedure for disclosing the records of the interaction (such as agendas, attendees, minutes and outcomes) with the tobacco industry and its representatives.

The government has not 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. The government has not put in place a program to consistently raise awareness on Article 5.3.

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## Recommendations

1. The Eastern Tobacco Company must be treated like any other tobacco business as indicated in Article 5.3.
2. Since tobacco-related CSR activities are a form of sponsorship and Article 5.3 recommends these activities to be de-normalized, government officials must not endorse these activities.
3. The government must terminate all MOUs with the tobacco industry and ratify the Protocol to Eliminate Illicit Trade in Tobacco Products to address smuggling problem more efficiently.
4. Any interaction with the tobacco industry must be limited to only when strictly necessary and conducted in a transparent manner.
5. The government must formulate and adopt a code of conduct to guide officials in their interactions with the tobacco industry. The government must implement a program to raise awareness on Article 5.3 among government officials, particularly in the non-health agencies such as the Customs Authority.