



### 3. Benefits to the industry

During the observation period of this report, the granting of new benefits to the tobacco industry was not documented. However, the tax benefits that the government sustains towards the tobacco industry are an example of interference with compliance with the FCTC.

The government still benefits the tobacco industry by excluding tobacco tax from the tax base for calculating value added tax (VAT). In this way, the government stops receiving about ₪3,200 million a year. This benefit was granted to the industry in a scenario where it has been estimated that the costs of smoking for the country are around ₪300,318 million per year and tobacco tax revenues barely reach ₪27,185 million.

### 4. Unnecessary interaction

No evidence was found that the government had unnecessary forms of interaction with the tobacco industry or its representatives. The context of the COVID-19 pandemic is also a limitation to make these interactions visible.

On the one hand, the control measures for the COVID-19 pandemic limited the holding of social events or those sponsored by the tobacco industry, or the conduct of raids. But on the other hand, spaces such as the Commission Against Illicit Trade and its Technical Committee met virtually during 2020. This mode of communication and operation makes it difficult to identify and document alliances or agreements that are made with the tobacco industry.

### 5. Transparency

The government does not establish any rules or regulations to ensure transparency in interaction with the tobacco industry. Nor does it force the tobacco industry to declare who represents its interests, pressure groups or lobbyists. This regulation is necessary and urgent to limit the efforts of the industry in tobacco control.

We have documented that the tobacco industry uses the country's chambers of commerce to camouflage its actions to undermine efforts to control tobacco, but it is very difficult for civil society to document the lobbying that is exercised in the Legislative Assembly and the Presidency of the Republic.

### 6. Conflict of interest

The government establishes in the Electoral Code the prohibition of contributions by foreign individuals and national and foreign legal entities to political parties. Regarding the involvement of former officers or relatives of officers holding positions in the tobacco industry, there is no regulation that requires disclosing conflicts of interest.

### 7. Preventive measures

The government does not have mechanisms in place to effectively prevent interference from the tobacco industry. The cases of interference that we have documented in this report and the previous one, show that actions such as: a) establishing a mechanism to reveal the records of interactions with the industry, b) the creation and implementation of a code of conduct for officials to interact with the tobacco industry, c) establishing a training program for officials on the FCTC and d) establishing a policy of rejection of all forms of contribution from the industry, would favor government transparency, make the oversight of civil society easier and would block the tobacco industry's strategies to weaken tobacco control.



**The government can effectively prevent industry interference and ensure transparency by establishing a mechanism to reveal the records of interactions with the industry, rejecting all forms of contribution from the industry and implementing a code of conduct for officials when interacting with the tobacco industry.**



## Recommendations

1. It is necessary to develop a code of conduct with procedural rules for the interaction of government officials with the tobacco industry in light of Article 5.3 of the FCTC.
2. There must be a National Tobacco Control Plan that considers education to the state apparatus on the FCTC and Article 5.3 among its strategic actions. (Ministry of Health)
3. It is necessary to establish a mechanism to record the interactions that government officials have with the tobacco industry. (Ministry of Health)
4. It is necessary to establish a policy to reject the acceptance of any form of contribution or gift from the tobacco industry. (Ministry of Health)