

# Japan



## Summary of Findings

### 1. Industry participation in policy development

The existence of the Tobacco Business Act has a strong association between the tobacco industry and the government who controls 33% of Japan Tobacco Inc. (JT). Policymakers enable JT to participate and interfere in policy development which further weakens policies such as legislation on 100% smoke-free public places. However, in 2018, Tokyo Governor Yuriko Koike, in consultation with experts from the public health community such as Haruo Ozaki, Chairman of Tokyo Medical Society, successfully implemented Passive Smoking Prevention Ordinance in Tokyo before the 2020 Olympic Games. The Japanese government has followed it through to make a law. They were fully enforced on April 1, 2020.

### 2. Industry CSR activities

JT conducts numerous tobacco-related corporate social responsibility (CSR) activities including sponsoring sports tournaments, games and cultural activities. The Tobacco and Salt Museum, which serves to promote to the public the various aspects of tobacco over the years, is partly owned by the government.

### 3. Benefits to the industry

The government of Japan allows the tobacco industry to advertise, sponsor activities and apply ineffective text-only warnings on cigarette packs. The Framework Convention on Tobacco Control (FCTC) is not effectively implemented, allowing the tobacco industry to continue to promote its business.

The tobacco tax rate is not optimal yet.

According to a news report, "Cigarette prices in Japan are kept lower than in many other countries because the government manipulates them to prevent a sharp decline in consumption."

JT and other transnational tobacco companies such as Philip Morris International (PMI) are aggressively propagating heated tobacco products in the media as "new tobacco products with reduced harm." This is highly misleading to the public as these products are not harmless, nor free from harm. Heat-not-burn products are taxed significantly lower than conventional cigarettes. For example, while tax for cigarette brand Mevius is 63.1%, IQOS of PMI is 49.2%, GLO of British American Tobacco (BAT) is 36% and Ploom TECH of JT is only 14.9%.

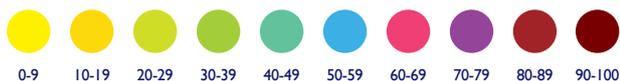
International travelers are allowed to bring in 400 cigarettes, 100 cigars, 20 individual packages of heated tobacco products or 500 grams of other kinds of tobacco or a combination.

### 4. Unnecessary interaction

By virtue of the fact that the Ministry of Finance owns part of JT, the tobacco industry has a close relationship with the Ministry of Finance and the ruling political party, the Liberal Democratic Party (LDP).

### 5. Transparency

Meetings between top level officials, such as ministers, with JT are not publicly disclosed. There is no register for private tobacco companies operating in Japan such as PMI and BAT or their lawyers and consultants acting on their behalf.



## 6. Conflict of interest

There is no prohibition on contributions from the tobacco industry to political campaigns. High level officials, upon their retirement from government service, move to top leadership positions in JT.

## 7. Preventive measures

There is no public record of effort by the government to regularly raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. The government has not put in place a procedure for disclosing records of interaction with the tobacco industry and its representatives. The government has not implemented a code of conduct for public officials, prescribing the standards they should comply with in their dealings with the tobacco industry.

While the Minister of Finance has disclosed his ownership of shares in JT, this still presents a conflict of interest to tobacco control. The Ministry of Finance has jurisdiction over the Tobacco Business Act which has provisions on tobacco control such as advertising restrictions and health warnings on tobacco packaging.

# Recommendations

**Japan Society for Tobacco Control has made many calls on the government to take action to strengthen tobacco control policies. We stress the importance of implementing Article 5.3 to reduce tobacco industry interference. We make the following recommendations as listed below.**

1. The government must end all activities that promote the tobacco industry and take responsibility to promote the health and welfare of the people. The government must sever ties with the tobacco industry in order to be free to conduct public health activities for the sake of Japanese people's health.
2. The government must end all collaboration with JT's CSR activities and sponsored events.
3. The government must end benefits given to JT to promote the tobacco business such as the subsidy for smoking rooms, which violates FCTC Article 8 which requires all public and work places to be 100% smoke-free.
4. The Ministry of Finance must make transparent all interactions with the tobacco industry. The government must have a procedure for dealing with the tobacco industry.
5. The government must end the practice of "amakudari" as it negatively affects tobacco control policy and public health.