

# Canada

53

## Summary of Findings

**There are significant changes in Canada's 2021 report resulting from its joint investment and collaboration with Philip Morris International (PMI) in the development of a COVID-19 vaccine by Medicigo Inc., a Quebec-based vaccine developer of which PMI holds one-third of its equity.**

### 1. Industry participation in policy development

No restrictions. In its policy consultations, the Federal Department of Health regularly invites policy proposals from all parties including the tobacco industry. The Ministry has accepted industry recommendations for delayed implementation of regulations on repeated occasions.

Health Canada reports that it is not using policies or legislation drafted by or in consultation with the tobacco industry, although there may be specific amendments that arise as part of a public consultation process. However, some amendments have clearly involved policies and legislation recommended by the tobacco industry such as the interim adoption of flip-top cigarette packaging and a previous long-standing exemption for menthol-flavored tobacco.

The Canadian government does not include any representative of the tobacco industry in its delegation to the Conference of the Parties (COP) or its other related meetings.

### 2. Industry CSR activities

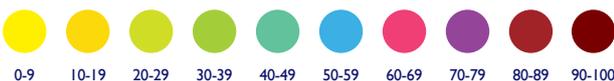
The Canadian government failed to adequately guard itself against potential corporate social responsibility (CSR) activities with the tobacco industry during this reporting period. The absence of government-wide guidelines on

Article 5.3 of the Framework Convention on Tobacco Control (FCTC) helped to facilitate a US \$130 million collaboration with PMI regarding the development of a COVID-19 vaccine. The vaccine developer—Quebec-based Medicigo Inc.—is jointly owned by PMI (one-third equity) and Mitsubishi Tanabe Pharma (two-thirds equity). This collaboration represents a significant and disturbing violation of Article 5.3 that has been criticized by tobacco control leaders around the world. Ironically, at the 2018 FCTC COP, the Canadian government delegation sponsored a decision urging all 182 Parties to adopt comprehensive government-wide guidelines to ensure compliance with Article 5.3. To date, Canada has not adopted such guidelines.

### 3. Benefits to the industry

The government of Canada continues to give special privileges to tobacco companies despite maintaining a relatively robust tobacco control strategy. The government is actively collaborating with PMI on the development of a COVID-19 vaccine and it continues to grant delays on tobacco policy implementation at the request of tobacco companies.

It is not uncommon for Canadian governments to postpone the implementation of tobacco control laws when under pressure from the tobacco industry or its allies. While most plain packaging requirements have been implemented, new slide-and-shell packaging has been delayed until October 2021 under pressure from the tobacco industry.



## 4. Unnecessary interaction

Limitations on interactions with tobacco companies only extend to the Federal Department of Health staff and officials. There is no such limitation on interactions with the Public Health Agency of Canada or any other government department, agency, board or institution.

The absence of government-wide guidelines to fully implement Article 5.3 of the FCTC places Canada at great risk of unnecessary interactions such as the recent US \$130 million collaboration with PMI in the development of a COVID-19 vaccine.

The government reports that "generally in Canada the primary channels of communication between governments and the tobacco industry are limited to technical discussions in regard to both health and tax-related regulations and (ii) litigation related responses." Without stronger disclosure and reporting requirements for other federal government departments and other levels of government, it is not possible to conclude that this is generally the case.

Tobacco lobbyists report numerous and ongoing meetings with government officials in various government departments and agencies in the Federal Lobbyist Registry.

## 5. Transparency

The Federal Department of Health is now disclosing the details of meetings with tobacco companies but this does not apply to other government departments or entities. The Federal lobbyist register records the interactions but not with the same level of detail as the department of health.

Current court-mandated health care cost-recovery settlement discussions between the Canadian government and tobacco manufacturers are taking place behind closed doors without any active engagement of tobacco control stakeholders or public health organizations.

## 6. Conflict of interest

The government continues to invest in tobacco companies through the Canada Pension Plan even though subnational governments are suing the same companies to recover health care costs resulting from industry negligence and deception.

The Canadian government is actively collaborating with PMI in the development of a COVID-19 vaccine despite its long-standing commitment to the FCTC which includes guidelines that oppose such partnerships.

## 7. Preventive measures

To date, Canada has not adopted comprehensive government-wide guidelines to avoid tobacco industry interference and engagement such as the disturbing collaboration with PMI in the development of a COVID-19 vaccine.

In 2019, the Federal Department of Health launched a website that discloses the attendees and minutes of meetings with the tobacco industry. However, this disclosure is limited only to meetings with the Federal Department of Health and no other government ministries or agencies.

The Tobacco Reporting Regulations require disclosure of some, but not all, tobacco industry activities.

There is no code of conduct for interactions with tobacco companies.



**The government collaborated with Medicago Inc., which is partly owned by PMI (one-third equity), to develop COVID-19 vaccine.**

**This collaboration is a violation of Article 5.3 which does not augur well for the government who in the past was serious about Article 5.3.**



## Recommendations

**Canada needs to take its own advice by implementing comprehensive government-wide guidelines to implement Article 5.3 of the FCTC. At the 2018 FCTC COP, Canada sponsored a decision urging all 182 participating countries to adopt such guidelines.**

The absence of such guidelines in Canada helped to facilitate the development of a US \$130 million collaboration with PMI in the development of a COVID-19 vaccine by Quebec-based Medicago Inc. PMI owns one-third of the equity in Medicago Inc. and the company hailed the collaboration with the Canadian government in a global news release in October 2020.