

TANZANIA

**TOBACCO
INDUSTRY
INTERFERENCE
INDEX 2019**

TOBACCO INDUSTRY INTERFERENCE INDEX

**The Tanzania Report on the Implementation of Article 5.3 of the
WHO Framework Convention on Tobacco Control**

SEPTEMBER 2019

Acknowledgement

Tanzania Tobacco Control Forum would like to thank ... for printing ... copies of this report.

The information from this report will form part of the Global Tobacco Industry Interference Index, a global survey of how public health policies are protected from the industry's subversive efforts, and how governments have pushed back against this influence. The tobacco Industry Interference Index was initiated by the South-East Asia Tobacco Control Alliance (SEATCA) as a regional report with support from the Bill and Melinda Gates Foundation. The Global Tobacco Industry Interference Index is part of a global publication of the Global Centre for Good Governance in Tobacco Control (GGTC) at the School of Global Studies in Thammasat University and the Stopping tobacco Products and Organisations (STOP) project with support from Bloomberg Philanthropies. The survey covers the period between 2017 and 2018.

CONTENTS

Tanzania: 2019 Tobacco Industry Interference Index

Introduction

Tanzania is facing a tobacco epidemic and the disease burden is increasing. Smoking prevalence in Tanzania is 27 percent among men and 5 percent among women. More children are starting to smoke. Tobacco kills 14,700 people every year (4% of all deaths).

On the other hand, the tobacco business is flourishing. Tanzania Cigarette Company (TCC) is the major cigarette producer in Tanzania and has a 90% share of the domestic market. It was founded in 1961 as East African Tobacco; nationalised in 1975 and later privatised when the government sold 75% share of the company to Japan Tobacco International (JTI). TCC produces approximately [8 billion](#) sticks, the bulk of which, 5 billion sticks are smoked within the country by Tanzanians. Currently, there are nine tobacco companies with more than 10 tobacco products.

Tanzania ratified the WHO Framework Convention on Tobacco Control (FCTC) in April 2007, however the implementation of the treaty is weak and obligations under the treaty are not reflected in the current tobacco control legislation. Tobacco use is increasing rather than decreasing in Tanzania. While Article 5.3 is available to the government to protect tobacco control measures from tobacco industry interference, it has not been effectively utilised.

This Index is a civil society report on how the government has responded to or addressed the tobacco industry's tactics and promotion of its business as outlined in FCTC Article 5.3 guidelines. This report shows that the government is exposed to many incidences of tobacco industry interference and has not put in place measures to protect public health. Tobacco control measures have been undermined or delayed due to industry interferences.

Tanzania has scored a total of 70 points which shows a high level of interference from the tobacco industry and is doing worse than other African countries such as Kenya and Uganda. Both Uganda and Kenya have FCTC compliant tobacco control legislations, while Tanzania lacks one.

METHDOLOGY

Information in this report was collected from publicly available sources, including official websites, news reports, tobacco company reports and other verifiable reports. Results were shared and verified with groups of like minded partners and other stakeholders. A standardised questionnaire developed by the **Southeast Tobacco Control Alliance (SEATCA) was used**. A total of 33 countries participated in this survey, therefore providing data that could be used to rank the different countries in accordance with their compliance to Article 5.3 guidelines of the WHO FCTC. The survey covers a period of between January 2017 and December 2018.

The questionnaire had seven key categories (total 20 questions), that were used to score the performance of different countries regarding compliance of Article 5.3, namely;

1. Level of industry participation
2. So called corporate social responsibility (CSR) activities
3. Benefits to the tobacco industry
4. Forms of unnecessary interaction
5. Transparency
6. Conflict of interest
7. Preventive measures

The scores ran from 0 to 5, the higher score indicating stronger tobacco industry interference due to lack of government intervention to protect tobacco control policies from tobacco industry interference. The scores were then added together to make a final score.

TANZANIA'S PERFORMANCE IN IMPLEMENTING WHO FCTC ARTICLE 5.3

Lower score indicates better implementation of Article 5.3 of the WHO FCTC, hence, limiting tobacco industry interference.

Tobacco industry participation in policy development

TOBACCO INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT						
INDICATORS	0	1	2	3	4	5
1. The government ¹ accepts, supports or endorses any offer for assistance ² by or in collaboration with the tobacco industry ¹ in setting or implementing public health policies in relation to tobacco control ² (Rec 3.1)				X		
2. The government accepts, supports or endorses policies or legislation drafted by or in collaboration with the tobacco industry. (Rec 3.4)						X
3. The government allows/invites the tobacco industry to sit in government interagency/ multi-sectoral committee/ advisory group body that sets public health policy. (Rec 4.8) <i>1 Never 5 Yes</i>		X				
4. The government nominates or allows representatives from the tobacco industry (including State-owned) in the delegation to the COP or other subsidiary bodies or accepts their sponsorship for delegates. (i.e. COP 4 & 5, INB 4 5, WG) ³ (Rec 4.9 & 8.3)						X

Tanzania passed the Tobacco Products (Regulation) Act in 2003 (TPRA 2003)³ and ratified the WHO FCTC⁴ in April 2007. After FCTC ratification, the TPRA (2003) was reviewed to ensure that it conforms to FCTC requirements. However, after the review, loopholes were identified. Further to the request of Tanzania Tobacco Control Forum (TTCF) and partners, the Ministry of Health, Community

Development, Gender, Elderly and Children (MoHCDGEC) decided to enact a new FCTC-compliant law. TTCF has since been working closely with MoHCDGEC towards the development of the law. This law was to be tabled in Parliament in November 2009 and enacted by February 2010. To-date, ten years later, the bill has not been tabled in Parliament.

In her speech on World No Tobacco Day, 2017, read on her behalf by the WHO FCTC Focal Point Person, Minister for Health, Community Development, Gender, Elderly and Children promised that, the proposed bill would be tabled in parliament in the “coming September parliamentary session”⁵; however, to-date, the bill has been delayed and is yet to be tabled. Tobacco industry interference is believed to be behind the delay.

In 2014, Tanzania developed the Tobacco Products Regulations, 2014⁶, a product of the flawed TPRA (2003); that are in most parts in favour of the tobacco industry and not in line with the WHO FCTC⁴. The tobacco industry is suspected to have influenced the development of these Regulations. Currently, point of sale (POS) advertisement has increased greatly, as allowed for in the Regulations⁶.

A multi-sectoral Technical Advisory Committee to Minister for Health, Community Development, Gender, Elderly and Children exist; as provided for in the TPRA (2003)³ and, the tobacco industry is not supposed to be represented, although it is not easy to know if representatives from Ministries of Agriculture, Finance and Trade are not aligned to the tobacco industry. However, the Committee has not met for years.

At the eighth Conference of the Parties (COP8) to the WHO FCTC, Tanzania was represented by delegates from the Prime Minister’s Office (PMO), Ministries of Trade, Industries and Investment, Constitution and Legal Affairs, Finance and Planning and Tanzania Tobacco Board - Ministry of Agriculture and the Mission in Geneva; none from MoHCDGEC as expected⁷. MoHCDGEC is the custodian of the WHO FCTC.

Tobacco related Corporate Social Responsibilities (CSR) activities

TOBACCO RELATED CORPORATE SOCIAL RESPONSIBILITIES						
INDICATORS	0	1	2	3	4	5
5. A. The government agencies or its officials endorses, supports, forms partnerships with or participates in so-called CSR activities organized by the tobacco industry. (Rec 6.2)					X	
B. The government (its agencies and officials) receives contributions (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)						X

Although Tanzania ratified the WHO FCTC in 2007⁴, the country has done very little in terms of its implementation. Government continues to partner with the tobacco industry which has also greatly intensified its CSR activities, to justify its existence, re-invent its image and influence politicians.

On June 12 2017; Leader of the Uhuru Torch race Mr Hamad Amour and the Morogoro District Commissioner Ms Regina Chonjo laid the foundation of the Philip Morris factory construction and expressed their optimism about the potential of the factory. Mr Amour was happy to see one of the international companies coming to invest in Tanzania saying that it's a clear indication of the country's good policies to investors and, congratulated the company for supporting the government's industrialisation drive⁸. Mr Amour said that, the factory will purchase more tobacco, and, hence, improve farmers' income and also provide employment.



Morogoro Regional Commissioner Regina Chonjo speaking after laying the foundation stone for the Philip Morris International (PMI) cigarette manufacturing factory; right is Uhuru torch race leader Amour Hamad and left PMI CEO Dagmara Piasecka (Photo: Michuzi Blog)

In their 2017 Annual Report, Tanzania Cigarette Company (TCC)⁹, under the section “Giving back to communities” reported that, “We recognize that businesses can only prosper within open and fair societies. This is why the Company continuously invests into communities voluntarily and beyond the core business activities. The aim is to improve the quality of life in communities where the Company operates through long term impactful programs. The programs are focused on three pillars: People - poverty alleviation, older persons, adult education, and people with disabilities; Arts and Culture - cultural heritage; visual and performing arts; and, natural environment”. The Company continued to support unique local arts and culture through Vipaji Foundation and traditional dancers in Bagamoyo College of Arts (BCA) to learn to develop and benefit from their talent. TCC collaborated with Tanzania Federation of Disabled People’s organization’s (SHIVYAWATA) and Small Industries Development Organization (SIDO) to support Local manufacturing of quality assistive devices at affordable prices for people with disabilities. The Company matched employees’ funds to provide basic needs to less privileged elders of Sakila village in Arusha. The support was through Sakila Hope for Elderly as an NGO dedicated to support marginalized elderly in Arusha. Convoy Haulage, the

Company's transport service provider, offered free transportation of the items"⁹.)

On 2 October 2018, Morogoro Regional Commissioner Dr Stephen Kebwe; a medical doctor and former Deputy Health Minister, attended the function to celebrate 100 years of Universal Leaf Corporation, the parent company of Tanzania Leaf Tobacco Company (TLTC) and Tanzania Tobacco Processors Limited (TTPL), which also celebrated 50 and 21 years of existence, respectively. At that function, Dr Kebwe said, "As the government, we commend the management of TLTC and TTPL for hard working to ensure the companies contribute significantly to the country's economic development". Dr Kebwe further said that, the TLTC and TTPL contribute to government revenues through taxes and foreign exchange earnings as well as employment opportunities to locals. More than 587 are fully employed while 2,000 on seasonal contracts¹⁰.



Some employees of TLTC and TTPL cleaning a section of Msamvu Bus Terminal in Morogoro in commemoration of 50 years of operation in Tanzania (Photo: Guardian photographer)

On October 11 2018; TLTC was commended for its enormous economic and social contribution to the country during its five decades of operations. Chunya District Commissioner Eng Mary Prisca Mahundi congratulated TLTC for fostering a long-term partnership with small holder farmers and the government which has contributed significantly to development of the country. During the celebrations, the best farmers were awarded various prizes varying from

motorbikes, ox plough, water pumps, solar power and others including cash awards¹¹.



Chunya District Commissioner Eng Mary Mahundi hands over motor bicycle keys to Joseph Kapambila as a gift for being a winner in the best tobacco production category: (Photo: Guardian photographer)

Benefits to the Tobacco Industry

BENEFITS TO THE TOBACCO INDUSTRY						
INDICATORS	0	1	2	3	4	5
6. The government accommodates requests from the tobacco industry for a longer time frame for implementation or postponement of tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)						X
7. The government gives privileges, incentives, exemptions or benefits to the tobacco industry (Rec 7.3)					X	

The FCTC compliant law that was supposed to have been tabled in Parliament in November 2009 and enacted by February 2010 is still delayed. To-date, the bill has not been tabled in Parliament. After more than 8 years, delay has benefited the tobacco industry enabling it to increase cigarette sales.

During the 2017/18 parliamentary session, the Minister for Agriculture, Livestock and Fisheries announced a removal of ten levies on tobacco sales, to ensure that farmers make profit. (2017/18 Budget Speech for the Ministry of Agriculture, Livestock and Fisheries)¹².

Similarly, the Tanzania Cigarette Company (TCC) received two prestigious recognition awards for its people programs. Top Employer Institute of South Africa awarded TCC as one of the top employers in Tanzania and Africa. And, the Association of Tanzania Employers awarded TCC top prize for its excellent industrial relations. "These achievements signify the importance of people as our key asset"¹³.

In June 2018, the Confederation of Tanzania Industries (CTI) sent a proposal to the Finance Ministry's special task force on tax reform appealing to the government not to make smokers in Tanzania "dig deeper into their pockets to finance their 'smoke-blowing' pleasure in the 2018/19 financial year" March 20 2019; TCC CEO Mr Paul Makanza reported that, profit after tax for the TCC PLC increased by 5.7% to Shs 47.9bn in the year to December 2018 as compared to the previous year. The company attributed the good performance partly to the decision of the government not to increase excise duty of cigarettes in the budget speech of the 2018/19 financial year, as per their request. The CEO said

that, they were thankful for the government for not increasing the tax and requested government to actually consider reducing the excise duty to enable them to perform even better¹⁴.

Forms of unnecessary interaction

FORMS OF UNNECESSARY INTERCATION						
INDICATORS	0	1	2	3	4	5
8. Top level government officials (such as President/ Prime Minister or Minister ⁴) meet with/ foster relations with the tobacco companies such as attending social functions and other events sponsored or organized by the tobacco companies or those furthering its interests. (Rec 2.1)						X
9. The government accepts assistance/ offers of assistance from the tobacco industry on enforcement such as conducting raids on tobacco smuggling or enforcing smoke free policies or no sales to minors. (including monetary contribution for these activities) (Rec 4.3)	0					
10. The government accepts, supports, endorses, or enters into partnerships or agreements with the tobacco industry. (Rec 3.1)	0					

September 5 2017; Prime Minister Kassim Majaliwa and Minister for Industries, Trade and Investment, Hon Charles Mwijage, visited and hailed Philip Morris Tanzania Ltd cigarette manufacturing factory that was under construction in Kingolwira, Morogoro. The Prime Minister described the development as a commendable support to the government’s industrialisation drive. On the other hand, Hon Mwijage called upon Morogoro residents to take full advantage of the factory to help solve the challenge of unemployment¹⁵

2018 TCC Annual Report; Paul Makanza, TCC Chairman of the Board said hat; “We commend the Tanzanian Government for holding regular private-public dialogue (PPD) to discuss private sector concerns. We will continue to advocate for a multi-year excise tax plan to minimize the risk of abrupt excise increases. We encourage more PPDs and effective implementation of the suggested proposals to sustain the country’s economic growth trajectory”⁹.

On March 15, 2018, Tanzania President John Pombe Magufuli inaugurated the 30-million-U.S. dollar cigarette factory with a capacity to produce 400 million cigarettes a year. In his opening speech, President Magufuli stated; "I would like to assure investors that the government will protect them because their industries are providing ready market for farmers and they are also creating jobs^{6,7,8}. After the inauguration of the cigarette factory, leaders have been shying away from speaking about tobacco problems and the need for tobacco control,¹⁶.

Members of the Parliamentary Standing Committee on Investment, Trade and Environment visited the Tanzania Cigarette Company Public Limited Company (TCC PLC), whereby the Chairman of the Board commended government for not increasing excise tax and requested that it actually be reduced to enable the company to make more profit. The MPs were shown around the factory and the brands of cigarettes manufactured namely, Portsman, SM, Embassy, Camel, Safari and Club. (Photos taken)¹⁷



Members of the Parliamentary Committee fir Investment, Trdae and Environmit visited TCC PLC (Photo: TCC)

TCC reports that it enjoys positive relations with its key stakeholders including Government and regulators⁹.

There was no incidence recorded of the government in partnership with the tobacco industry. However, lack of such information, does not guarantee absence of such partnerships, because, there are no established guidelines prohibiting such partnerships.

Transparency

TRANSPARENCY						
INDICATORS	0	1	2	3	4	5
11.The government does not publicly disclose meetings/ interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation. (Rec 2.2)						X
12.The government requires rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists. (Rec 5.3)				X		

The government has not put in place a procedure to disclose its meetings with the industry.

Registration rules exist for all organisations/companies¹⁸; in addition, tobacco companies are also required to register with Tanzania Bureau of Standards (TBS)¹⁹. There is also The Tobacco Industry Act, 2001²⁰; that requires among others, registration/deregistration of tobacco farmers and, registration of tobacco processing factories. The Act also establishes the Tanzania Tobacco Board²¹; basically, the Act is there to serve the interests of the tobacco industry. However, there is no registry for tobacco industry affiliated organizations, and individuals acting on their behalf such as lobbyists.

Conflict of Interest

CONFLICT OF INTEREST						
INDICATORS	0	1	2	3	4	5
13. The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions. (Rec 4.11) <i>1 Never 5 Yes</i>						X
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)	0					
15. Current government officials and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)	0					

The government does not prohibit contributions from the tobacco industry.

No evidence of retired government officials being part of the tobacco industry, or current government officials and their relatives holding positions in the tobacco industry, was found; however, lack of such information does not guarantee absence of such members; lack of information and secrecy within the tobacco industry could be the reason.

Preventive Measures

PREVENTIVE MEASURES						
INDICATORS	0	1	2	3	4	5
16. The government has put in place a procedure for disclosing the records of the interaction (such as agenda, attendees, minutes and outcome) with the tobacco industry and its representatives. (Rec 5.1)						X
17. The government has 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. (Rec 4.2)						X
18. The government requires the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. (5.2)						X
19. The government has a program / system/ plan to consistently ⁵ raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)						X
20. The government has put in place a policy to disallow the acceptance of all forms of contributions/ gifts from the tobacco industry (monetary or otherwise) including offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials and their relatives. (3.4)						X

The government has not put in place a procedure for disclosing the records of the interaction with the tobacco industry and its representatives; neither has government 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. In addition, the government does not require the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. Sadly, the government does not have a program / system/

plan to consistently raise awareness within its departments on policies relating to FCTC Article 5.3 Guidelines

Recommendations

Lack of an FCTC compliant tobacco control law has given a leeway to the tobacco industry to operate freely and, since 2018, tobacco advertising especially at points of sale and promotion has increased exponentially targeting particularly the youth.

Guiding Principle of Article 5.3 of the WHO FCTC requires Parties to observe the following;

- i) Establish measures to limit interaction with the tobacco industry and ensure transparency of those interactions that occur;
- ii) Reject partnerships and non-binding or non-enforceable agreements with the tobacco industry;
- iii) Avoid conflict of interest for government officials and employees.

To fulfil its obligations under the WHO FCTC, the government needs to table in Parliament an FCTC-compliant tobacco control bill as soon as possible, to protect the public, especially children and vulnerable sectors of society, from the damages caused by tobacco use.

Tobacco related CSR activities must be banned, as required in the FCTC and, to ensure transparency there must be a procedure for government officials to record all interactions, where strictly necessary, with the tobacco industry.

The cost-benefit of the tobacco business is that more people suffer and die from tobacco use than any benefit it brings to the economy. People's health must also be protected. Hence the tobacco industry should not be given any benefit to increase its business.

Finally, a Code of Conduct must be developed for government officials to provide guidance on dealing with the tobacco industry when strictly necessary. The Code will stop government officials from endorsing tobacco related activities and the tobacco industry.

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¹ The term, “tobacco industry’ includes those representing its interests or working to further its interests, including the State-owned tobacco industry

²Offer of assistance” may include draft legislation, technical input, recommendations, oversees study tour

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TANZANIA
TOBACCO INDUSTRY INTERFERENCE INDEX 2019