

Lao PDR

Overall score:

73

Summary of Findings

1. Industry participation in policy development

Although the tobacco industry tried, it could not stop the adoption of the law requiring 75% pictorial health warnings (PHW) on cigarette packs. Now, it is interfering in the implementation of the law by not complying with the PHW requirements and has interfered through the Ministry of Industry and Commerce and the Prime Minister (PM) Office for further delays to implement PHW.

The draft Penalty Decree of the Tobacco Control Law by the Ministries of Health and Justice that will penalize companies violating the law has been delayed.

The tobacco industry tried to interfere in the PM Office to draft a new minimum price policy; however, related Ministries did not accept its proposal.

2. Industry CSR activities

There has been no government acceptance or endorsement of tobacco industry-related CSR activities.

The Prime Minister Decree on Tobacco Product Promotional Consumption Ban 2010 bans all forms of contributions from the tobacco industry. Tobacco industry CSR activities are banned.

3. Benefits to the industry

PHW implementation was delayed by 180 days (6 months) due to industry interference. The tobacco industry repeated the same old excuse that "they had a large stockpile of printed packets" and even requested a reduction in the size of the graphic image from 75% to 50%.

The 25-year (2001-2026) government joint venture, Investment License Agreement (ILA), with the Imperial Tobacco Group (ITG) is still in place, which caps tax increases and provides incentives to the tobacco industry that controls majority of the cigarette market. The benefit to the industry results in people not receiving the truth about the harms caused by tobacco use and government revenue loss.

4. Unnecessary interaction

The government receives assistance from the tobacco industry for anti-smuggling enforcement activities. The government's partnership/agreement with Lao Tobacco Company/Imperial Tobacco is still in existence, which facilitates interaction.

5. Transparency

The government does not publicly disclose meetings/interactions with the tobacco industry. While the Ministry of Health does not meet with the tobacco industry, other departments have communication.

While tobacco companies are required to register, there is still no rules for the disclosure or registration of tobacco industry-affiliated organizations, and individuals who represent it.

6. Conflict of interest

There are no political campaigns in Lao, hence no political donations. However, key government officials in the Ministries of Finance and Industry and Commerce currently hold positions in the tobacco industry Joint Venture Board of Management.

7. Preventive measures

In December 2018, the Ministry of Health issued a Code of Conduct for the Health Sector (in government) to provide guidance on interacting with the tobacco industry. The code of conduct does not apply to the non-health sector; hence, there is no procedure or guidelines to disclose records of the interaction with the tobacco industry (such as agenda, attendees, minutes and outcome). Because Article 5.3 has not been applied to the whole of government, officials related to ILA are known to attend meetings with ITG and other tobacco companies.

The 2016 Minister 'Regulation on Tobacco Control Law Implementation' requires the tobacco industry to report (once a year) about ingredients in cigarettes. However, the government does not require the industry to submit information on tobacco production, manufacture, market share, marketing expenditures and revenues. While the investment unit of the government may have access to this information, it is not known to other government departments or used for tobacco control.

Recommendations

1. The 25-year (2001-2026) government joint venture (ILA) with Imperial Tobacco Group must be terminated.
2. The code of conduct for the health sector and the tobacco industry should be extended to apply to the whole of government. This will reduce interference and the delays currently caused by the tobacco industry.
3. The industry must be asked to submit information on tobacco production, manufacture, market share, marketing expenditures and revenues to be used to strengthen tobacco control.