

Mongolia

38

Summary of Findings

1. Industry participation in policy development

Overall, Mongolia has maintained “no direct participation of the tobacco industry” in policy-development. The Prime Minister and the Ministry of Health called on the people to stop using alcohol and tobacco.

Despite a lot of opposition to a tobacco tax increase citing a possible increase in illicit trade, the government of Mongolia increased tobacco excise tax by 10% effective January 1, 2018.

2. Industry CSR activities

The Mongolian Law on Tobacco Control prohibits tobacco sponsorship in health, education, culture, physical culture, sports and other public events. It also prohibits various donations, assistance and grants from tobacco producers.

However, the only Mongolian tobacco manufacturer, Mongol Tobacco CO LLC, had provided some assistance and support to the education, culture and sports sectors before 2019 as part of its social responsibility.

3. Benefits to the industry

Mongolia has enacted a law on tobacco control, but its implementation and control are insufficient. Citizens should report these violations to the police from time to time and contribute to the implementation of the law.

Ch. Ulaan, Member of Parliament, Minister of Food, Agriculture and Light Industry, submitted a draft law on amendments to the Law on Tobacco

Control to the speaker of the State Great Hural. The draft law provides for the approval of procedures for issuing licenses for tobacco imports and the right to determine the types and quantities of tobacco imported in a given year.

4. Unnecessary interaction

There are no reports of high-level government officials, such as the President or the Prime Minister, participating in activities sponsored by tobacco companies in Mongolia.

There is no public information on whether the Mongolian government receives any assistance from tobacco companies in the implementation of the tobacco trade, tobacco control policy and non-sale to minors.

5. Transparency

Although there is no public information on this, Ts. Dashdorj, a former member of the State Great Hural (Parliament), used his position to pass Parliament Resolution No. 27 in 2016 when he was a member of the government. The company agreed to pay 5% customs duty.

There are no rules for the disclosure or registration of tobacco industry entities, affiliated organizations and individuals acting on their behalf including lobbyists.

6. Conflict of interest

Tobacco industry may contribute to the election of a political party in order to increase the interests of the tobacco company and the industry. There is no official record of donations from tobacco companies to political parties, as corporations are not required to declare their contributions to political parties.

In Mongolia, retired high-ranking government officials do not work for tobacco companies nor distributors.

7. Preventive measures

There are no procedures for recording or publicizing minutes of meetings with tobacco companies or distributors. If they do take place, no progress has been made in addressing this issue.

The code of ethics does not provide for civil servants to interact with tobacco companies. However, Article 2.1.2 of the Code of Conduct for Public Administration and Service Employees states respect for justice and free from conflicts of interest.

Recommendations

1. To ensure transparency there must be a procedure for government officials to record all interactions, where strictly necessary, with the tobacco industry or its representatives. The media also needs to focus on the relationship between the tobacco industry and government officials and provide transparent and open information to the public.
2. Local tobacco distributors should not be given any benefit to run their business. Tobacco control legislation must be implemented.
3. There is a need to improve the monitoring and review of the Tobacco Control Law.
4. If tobacco companies or distributors donate money to party elections, they need to be transparent about the donations.
5. Civil servants need to adopt a code of ethics for interactions with tobacco companies or distributors for more efficient implementation of Article 5.3.