# Worldwide news and comment

## AFRICA/WORLD: BRITISH AMERICAN TOBACCO UNDER FIRE FOR CORRUPTION ALLEGATIONS

An explosive documentary aired by the BBC in late 2015 has led to calls by UK cancer researchers and US senators for the company to be investigated for bribery allegations. In the UK, the company could face unlimited fines if it is found to have breached the UK Bribery Act. If the allegations are proven in the US, offenders under could be prosecuted Anti-Bribery and Foreign Corrupt Practices Acts. Penalties could include significant fines and possible jail time for BAT executives.

The BBC Panorama Investigation 'Secret bribes of big tobacco', alleged that payments ranging from US\$3000 to US \$20,000 had been made to politicians, government officials and World Health Organization Framework Convention on Tobacco Control (FCTC) representatives to undermine tobacco control. The bribery was alleged to have occurred with representatives and politicians from Burundi, Cormoros, Rwanda and Uganda. It involved supporting BAT during FCTC negotiations about illicit tobacco, as well as sharing and amending draft tobacco control bills. Payments were also alleged to have been made to the Kenva Revenue Authority to obtain information about BAT's biggest commercial rival in the country.

The allegations came to light when Paul Hopkins, who worked for BAT in Africa for 13 years, turned whistleblower. He described to the BBC his role in bribing, applying pressure and undermining commercial rivals and provided a range of documents to support his allegations. He also secretly recorded conversations about making illegal payments to tax officials with his former boss Gary Fagan, the BAT area director for east and central Africa. A former BAT lobbyist in Uganda also alleged that he was authorised by BAT to make illegal payments. According to the program, Ugandan MPs were paid by BAT

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A screenshot from the BBC Panorama documentary 'Secret bribes of big tobacco'

to water down new tobacco control legislation.

BAT's response to the Panorama investigation was to paint the whistleblowers as former employers with a grudge: "Our accusers in this programme left us in acrimonious circumstances and have a vendetta against us, clearly demonstrated by the false picture they present of how we do business..." Perhaps anticipating the investigations to come, it also suggested that any illegal activity is the result of a few 'bad apples', a problem faced by all companies, essentially portraying BAT itself as a victim: "Any company can fall victim to an employee acting inappropriately...we are rightly proud that any alleged breach of our very high expectations of transparency and honesty is swiftly investigated".

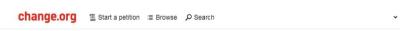
After the Panorama documentary aired, further details came to light from a former employee of BAT in Uganda of bribes to a local environmental official to

downplay environmental impacts from a fire at a BAT warehouse in Uganda.

In the US, Democratic Congressman Lloyd Doggett and Senator Richard Blumenthal have written to the Department of Justice, calling on it to investigate the allegations. Doggett, who sits on the judiciary committee which oversees the Foreign Corrupt Practices Act, was quoted in the Guardian as saying "If true, these allegations would demonstrate a deplorable choice by BAT to balloon its profits through bribery at the expense of the health of millions".

### INDONESIA: GOVERNMENT AWARDS INDUSTRY FOR REVENUE

As one of the few countries in the world to have not signed the FCTC, Indonesia excels at setting the bar for tobacco control as low as possible. The result is a public health disaster for the country and a bonanza for the tobacco industry.



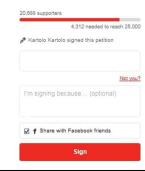
Petitioning Menteri Keuangan Bambang Brodjonegoro (Menteri Keuangan) and 1 other

#### Cabut kembali penghargaan Menkeu untuk Industri Rokok

Koalisi Rakyat Bersatu melawan kebohongan industri rokok



Baru-baru ini Menkeu RI memberikan penghargaan kepada empat industri rokok karena dianggap berjasa dalam meningkatkan pendapatan cukai rokok di atas target.



Sign this petition



#### **News analysis**

In January, the Indonesian government demonstrated its loyalty to the industry when the Ministry of Finance honoured four tobacco companies, recognising them as the biggest excise taxpayers. This award has provoked an angry response among those concerned about the enormous toll wreaked by tobacco in Indonesia; a change.org petition set up to request the government to withdraw the award has attracted over 20,000 supporters. The petition can be found at https://www.change.org/p/bambang-bradjonegoro-cabut-kembali-penghargaan-menkeu-untuk-industrirokok-kemenkeuri

As the petition states, it is the consumer who pays the excise, not the industry. In Indonesia, smoking is a major cause of poverty, and many people who are poor are unaware of the dangers of cigarettes, a situation the tobacco industry takes full advantage of to grow its market and increase profits.

Recognising the tobacco industry for the tax revenue it generates is essentially celebrating a large and growing burden of disease and premature death among Indonesian people. The Indonesian president Joko Widodo, appears happy to continue to fatten the tobacco cash cow; in October 2015 he visited the US and saw US\$20 billion of cooperation agreements signed (see http://www.thejakartapost. com/news/2015/10/27/jokowi-brings-20bworth-investments-us-visit.html). second largest of these was an expansion commitment from Philip Morris of \$1.9 billion for factory expansion during 2015 to 2020.

In an age where countries around the world are finally implementing serious measures to curb the tobacco epidemic, Indonesia stands out as a truly rogue nation.

### UK/AUSTRALIA: TOBACCO INDUSTRY SHILL NOW 'SIR'

The implementation provisions of Article 5.3 of the WHO Framework Convention on Tobacco Control (FCTC) note that there is a 'fundamental and irreconcilable conflict between the tobacco industry's interests and public health policy interests' which means that parties "need to be alert to any efforts by the tobacco industry to undermine or subvert tobacco control efforts..."

Nonetheless, there is still room for a tobacco industry messenger boy to land at the centre of government power, generate fierce criticism for conflicts of interest for acting as both a tobacco lobbyist and part time government adviser – and be showered with accolades.

Health groups were stunned when UK-based Australian lobbyist Lynton Crosby was knighted by the UK government in the 2016 New Year's Day honours, followed a few weeks later by him being named "UK Australian of the Year" for "his ongoing contribution to the Australia/UK community" and "being an inspirational role model".

Mr Crosby has long had links to the tobacco industry through his Australian consulting firm, which ran an unsuccessful campaign against plain packaging when the legislation was first considered there.

In 2012, he was appointed as an adviser to the UK Conservative Party, a move that sparked concern about potential conflicts of interest because of his history of tobacco industry lobbying. In 2013, plain packaging had been widely anticipated to be included in the Queen's Speech in May 2013. At the time, Crosby's possible influence was a subject of intense speculation. It later emerged that Crosby's UK consulting group had a concurrent contract with Philip Morris International.

Australian public health expert Mike Daube lambasted the award, writing a Guardian article titled "Lynton Crosby, UK Australian of the Year? You must be joking". He described Crosby's work with big tobacco as displaying "an absence of any ethical radar or concern for the public's health. He is undoubtedly an accomplished lobbyist, but he is a role model only to those who are willing to promote a lethal product". Unfortunately,

it appears the UK government is prepared to not only accept but celebrate that mission.

# WORLD: BIG TOBACCO, CHILD LABOUR & THE INTERNATIONAL LABOUR ORGANIZATION

"The aim is to inhibit incorporation of ILO into WHO Anti-Smoking Program".

So states a Philip Morris memo from December 1988, available through the Tobacco Industry Documents. Nearly 30 years on, the tobacco industry appears to be doing very well at nurturing its alliance with the International Labour Organization (ILO). In a May 2015 press release on its website, the ILO announced an agreement to "develop global guidance on hazardous child labour and occupational safety and health in tobacco growing", a somewhat ironic goal for a product that kills 6 million people a year (aptly summarised in an anthropology paper from 1991 entitled "Saving the children for the tobacco industry").

The agreement is with the august-sounding 'Eliminating Child Labour in Tobacco-growing Foundation' (ECLT). The ILO press release has a paragraph about ECLT: 'The Eliminating Child Labour in Tobacco Growing Foundation is a global leader in preventing child labour in tobacco agriculture and protecting and improving the lives of children in tobaccogrowing areas. ECLT strengthens communities, improves policies, and advances research so that tobacco-growing communities can benefit from agriculture while



The PMI homepage showing the ILO logo

ensuring that their children are healthy, educated, and safe'.

In reality, ECLT is an alliance of tobacco companies and growers – a front group for the industry. ECLT's stated intention may be to reassure tobaccogrowing communities that their children are healthy, educated and safe, but the truth is that it is part of an industry that profits from people who overwhelmingly become addicted to its products as children, and which inflicts enormous hardship and poverty.

According to the ILO website, the agreement with ECLT "will promote tripartite action to ensure children do not perform this work", and "its development will be facilitated by the ILO with advice from experts from the tobacco sector, academia, and others, and will include tripartite consultations." It also states that the "results of efforts supporting social dialogue on combating child labour in agriculture in the three target countries will feed into the IV Global Child Labour Conference, to be held in Argentina in 2017".

Initiatives such as this provide the industry with the opportunity to have a seat at the policy table, among respected organisations and sometimes Member State Delegations, an effective counter to its status as a pariah industry.

The ECLT has been a key tobacco industry strategy in the wake of several damaging revelations about the extent of child labour within the industry in recent years. While the ILO website gives little away about the real nature of the ECLT, there is no such coyness on the Philip Morris (PMI) homepage, which displays the ILO logo as part of a promotion about Philip Morris' corporate social responsibility initiatives.

PMI's display of the ILO logo prompted Pascal Diethelm, president of **Swiss** health organisation the OxyRomandie to write in January to the Director General of the ILO to draw attention to possible illegal use of the logo. He noted the importance of Article 5.3 of the WHO Framework Convention on Tobacco Control (FCTC) to prevent tobacco industry interference in the policies of international organisations of the United Nations. Allowing the use of the ILO logo on the homepage of a tobacco multinational would appear to violate Article 5.3, and is particularly surprising given that the ILO logo is legally protected and 'may not be used without express permission, which will only be granted when appropriate in very limited circumstances'. At the time of publication, the ILO has yet to respond.

The OxyRomandie letter is not the first time the ILO has been alerted to the issues of collaborating with the tobacco industry. In August 2013, Mary Assunta of the Southeast Asia Tobacco Control Alliance wrote to then director of the International Program on Child Labour at the ILO to inform the agency of its obligations under the FCTC. She raised concerns about ILO endorsement of the ECLT, noting that it was likely in violation of FCTC Articles 5.3 and 13, and outlined the problem of the tobacco industry being given a platform to gain access to policy makers through its corporate social responsibility initiatives. She called on the ILO to dissociate itself from the ECLT and set a definitive deadline to completely halt child labour in tobacco farming. She also received no response.

This article, with additional links and the full text of letters from OxyRomandie and SEATCA to the ILO, is available on our website at http://blogs.bmj.com/tc/2016/02/08/big-tobacco-child-labour-and-the-international-labour-organization/.

### AUSTRALIA: PHILIP MORRIS PLAIN PACKAGING CHALLENGE FAILS

In December 2015, another legal challenge to Australia's plain packaging legislation failed. Philip Morris initiated the challenge using an investor state dispute settlement clause (ISDS) under an investment agreement between Australia and Hong Kong. The case was brought after a Philip Morris restructuring which resulted in Philip Morris' Australian subsidiary being brought under the ownership of Philip Morris Asia Limited in February

2011 – after the legislation had been announced by the Australian government. The move was widely viewed as an attempt to take advantage of a trade agreement the tobacco company considered most likely to favour its position. Under the ruling in favour of the Australian government's position, Philip Morris will likely be ordered to pay the costs incurred by Australia in defending the challenge.

### FRANCE: PLAIN PACKS LEGISLATION PASSED

Australia's latest legal victory will be welcome in France, where legislation for plain packaging was passed in December. The measure will come into force from May 2016. It had originally been debated in the French Parliament in July 2015, but was taken out by conservative senators following opposition from the tobacconists' union, including a protest which saw four tonnes of carrots dumped outside Socialist party headquarters. It was re-introduced with the support of the Socialists and Greens.

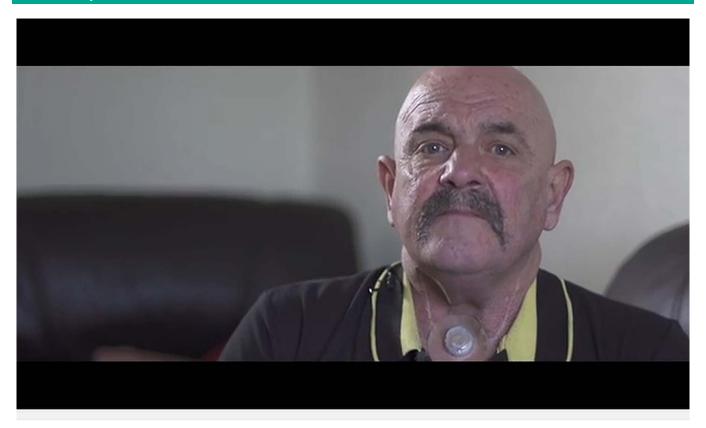
### SPAIN: LAST CIGARETTE FACTORY TO CLOSE

Agence France Presse reported in January that Imperial Tobacco's Spanish offshoot Altadis will close its last cigarette factory in June 2016. The group's sales have dropped more than 45 per cent in volume in the last five years. Reasons given by an unnamed company spokesperson for the decrease in sales included "regulatory pressures" – anti-tobacco laws, smoking bans and the plan for plain packaging.



Maggie discusses how she needs to wear an obturator to keep her face in shape, and allow her to eat and speak

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### Tony's Story



Tony had to have much of the inside of his throat removed after he was diagnosed with laryngeal cancer at the age of 52. Previously he had smoked as many as 70 cigarettes a day

The spokesperson also cited rising illegal sales, a drop in exports and the economic crisis as contributing factors. 471 workers will lose their jobs as a result of the closure.

### UK: NEW FRESH 'QUIT 16' CAMPAIGN LAUNCHED

A series of emotional and hard-hitting television ads have been launched in the UK to tell the stories of real former smokers who have been affected by cancer. The ads detail the trauma of diagnosis, the harrowing treatments that they endured and the emotional and physical toll in their lives.

Maggie, a 60 year old former heavy smoker who was diagnosed with mouth cancer when she was 45, says "never in a million years did I think I would get cancer...I never thought for one moment it would be me". In order to remove the cancer, she had to have one side of her mouth removed and now needs to wear an obturator – a prosthesis in her mouth with false teeth and a piece to replace the roof of her mouth – which allows her to eat and talk.

The '16' in the campaign refers to 16 types of cancers that can be caused by smoking. It aims to raise awareness about some of the lesser-known health impacts among smokers, and inspire them to quit to reduce their risk of developing smoking-related cancers. As Maggie says in the video, although she knew about lung cancer, she had never heard of mouth cancer. She discusses understanding that people enjoy a cigarette, and she did too, but "when I look back at what I

had to go through, was it worth it? No. Definitely not".

Tony, a 55 year old who had to have much of the inside of his neck removed when he was diagnosed with laryngeal cancer talks about how he used to spend a lot of time swimming "but now I can't because if water does get in there, it's just straight into the lungs....it's affected all my life. Everything I used to do, I can't do anymore".

The ads can be viewed at quit16.co.uk.



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