

## Worldwide news and comment

In this issue, we look at reactions to the Philip Morris International (PMI) initiative 'Foundation for a Smoke-Free World'. It is fitting to recall a quote from Robert Kennedy in his address to the first World Conference on Smoking and Health (as it was then called), held in New York in 1967, and sobering to realise these words are as applicable today as they were then:

The cigarette industry is peddling a deadly weapon. It is dealing in people's lives for financial gain. The industry we seek to regulate is powerful and resourceful. Each new effort to regulate will bring new ways to evade. Still we must be equal to the task, for the stakes involved are nothing less than the lives and the health of millions of people around the world. But this is a battle that can and will be won.

We also examine new developments in New Zealand nicotine product regulation, lobbying on behalf of the tobacco industry by the British Ambassador in Bangladesh, Japan Tobacco's recent history of mergers, acquisitions and product innovation and a UK member of parliament's strange excuse for accepting hospitality from a tobacco company. Meanwhile, in the USA, the tobacco industry will finally be forced to air ads correcting its past lies, in a case that dates back to 1999.

### WORLD: PHILIP MORRIS' 'SMOKE FREE' LIPSTICK ON A PIG

In September 2017, PMI announced that it will provide a total of almost \$1 billion in funding to establish a new 'Foundation for a Smoke-Free World' (FSW), which it says is aimed at accelerating progress to end smoking. FSW follows a long line of now-discredited industry-funded research organisations, the existence and work of which have been used to obfuscate, confuse and delay effectively addressing the fact that cigarettes are the single most deadly consumer product ever made. However, the shocker this time was that PMI had enlisted the services of Derek Yach, identified on the FSW website as the 'founder and president-designate' of the new organisation (and so far, the only leader identified), who was a former director of the WHO's Tobacco Free Initiative. (More recently, Yach has referred to himself as 'president-elect' of the organisation, causing some to question

who voted on his selection besides the PMI Board.)

In the wake of the announcement of a change to UN Global Compact guidelines to exclude tobacco companies from membership due to their incompatibility with social responsibility, the announcement was greeted by strong reactions from the public health community. An editorial *A 'Frank Statement' for the 21st century?* by 14 global tobacco control leaders was published on the Tobacco Control website and is reproduced in this issue.

The editorial outlines the many actions that demonstrate PMI has not changed its activities, only its rhetoric. For example, PMI continues actively opposing and undermining policy measures that could genuinely reduce tobacco use, as shown by recently leaked documents. It has not announced it is going to stop promoting cigarettes to kids in low-income and middle-income countries. It is developing 'stronger' products for some markets and continues to aggressively promote best-seller Marlboro cigarettes to the young

## A Frank Statement to Cigarette Smokers

FIFTY YEARS of independent scientific research has established that our tobacco products are harmful to health. We are no longer able to create doubt, to entertain controversies and to minimize the risks associated with our products.

We accept an interest in people's health as a basic responsibility, paramount to every consideration in our business.

We always have and always will cooperate closely with those whose task is to safeguard public health.

Regardless of our record of the past, the fact that cigarettes smoking today should be regarded as a cause of serious disease is a matter of deep concern to us.

Many people have asked us what we are doing to meet the public's concern aroused in scientific reports and by the FCTC. Here is the answer:

1. We are pledging aid and assistance to the research effort into all phases of tobacco control and public health policies for a smoke-free world. Our financial support will of course be in addition to our own efforts in this matter.
2. For this purpose, we are establishing a corporation which will be known as the FOUNDATION FOR A SMOKE-FREE WORLD.
3. In charge of the foundation will be an eminent public health personality of unimpeachable integrity and international repute: Derek Yach, of South Africa.

This statement is being issued because we believe the people are entitled to know where we stand on this matter and what we intend to do about it.

### FOUNDATION FOR A SMOKE-FREE WORLD, INC

C/O CORPORATION SERVICE COMPANY 252 LITTLE FALLS DRIVE, WILMINGTON, DE

#### *S P O N S O R :*

**PHILIP MORRIS INTERNATIONAL**  
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A parody of the tobacco industry's 'Frank Statement' of 1954, updated to 2017 and circulated on social media after the announcement that Philip Morris International was funding the 'Foundation for a Smoke-Free World'.



Siblings Mei and Brigham Riwai-Couch with a coffin made of cigarette packs designed to help show the impact of their grandfathers' death from the effects of smoking. The siblings presented the coffin at the 2010 Māori Affairs Select Committee of Parliament hearings. At the launch of the Action Plan for plan's launch this year, they again spoke of the urgent need for strong action to reduce smoking. Reproduced with permission of Hāpai te Hauora.

through campaigns like 'Be Marlboro'. Cigarettes remain PMI's biggest revenue earner; all other product categories pale in comparison. Under the circumstances, the idea that PMI is going to play a leading role in accelerating the end of smoking is either extremely cynical or naïve, according to these public health observers.

The editorial concludes that the global movement public health activists built over decades of toiling in the trenches must not allow PMI to buy more time by executing a 21st century version of the 'Frank Statement'.

The reaction from the WHO Framework Convention on Tobacco Control (FCTC) Secretariat was similarly unambiguous in its condemnation of the PMI/FSW partnership.



A screenshot of the new Tonga campaign Tuku Ifi Leva (Quit Smoking Now). Source: <https://www.tapuifitonga.com/>.

A statement posted on the WHO website for the Convention Secretariat states that it 'regards this tobacco industry-funded initiative as a clear attempt to breach the WHO FCTC by interfering in public policy. It is a deeply alarming development aimed at damaging the treaty's implementation, particularly through the Foundation's contentious research programmes'.

The FCTC Secretariat also explicitly distances itself from Derek Yach, noting that he 'is in no way linked to the Convention Secretariat, nor does he represent the Convention Secretariat's views'. It provides clear direction to WHO FCTC parties, government officials and the public health community about engaging with the Foundation: 'due to its current funding arrangement that comes from a tobacco multinational, [such engagement] would constitute a clear breach of Article 5.3 of the Convention concerning tobacco industry interference' and goes on to state that the Foundation represents a marketing and public relations strategy, through which the tobacco industry is 'clearly looking for a seat at the table'.

The FCTC Secretariat statement also blasted any attempt by the industry to position itself as being part of strategies to fulfil Article 17 to promote viable alternatives for tobacco workers and growers. 'The tobacco industry knows that it creates social problems, including the use of child labour. Initiatives endorsed by the industry and those it funds are not designed to solve the problems it creates, but to give a false impression of sympathy for its victims'.

Leading tobacco control advocacy groups noted that if PMI were serious about ending smoking, it could start by supporting the FCTC and stopping all cigarette marketing. The Campaign for Tobacco-Free Kids press release emphasised that 'Philip Morris' claimed commitment to a 'smoke-free world' cannot be taken seriously so long as it continues to aggressively market cigarettes and fight proven policies to reduce smoking and save lives around the world. Until Philip Morris ceases these harmful activities, its claims should be seen as yet another public relations stunt aimed at repairing the company's image and not a serious effort to reduce the death and disease caused by its products'.

Action on Smoking and Health said: 'Any government or organization that works with PMI's new foundation is violating the spirit of Article 5.3 and should be barred from any conference or activity that requires a disclosure of tobacco industry funding, such as the upcoming World Conference on Tobacco or Health'.

Truth Initiative, which was created with funds from the USA Master Settlement Agreement after multiple state lawsuits uncovered documents revealing decades of industry lies and deception, called the FSW announcement 'fake news' and said it was 'an affront to public health, educators, researchers and advocates around the world who have been working tirelessly for decades to end the tobacco use epidemic'.

The International Union Against Tuberculosis and Lung Disease (the Union) called the initiative 'a billion-dollar bribe the tobacco company hopes will secure it a seat at the table with public health policymakers around the world'. The new initiative, the Union said, was a propaganda effort that, far from advancing a smoke-free world, 'only has the potential to undermine, delay and obfuscate the work of public health policymakers and advocates who champion evidence-based measures to reduce tobacco use'.

The American Cancer Society called the attempt by PMI to paint itself as a public health partner 'manipulative and dangerous' and said no one should be fooled. Major public health funders like the Bloomberg and Gates foundations, which have provided legal funding to help countries defend themselves against lawsuits from PMI, are highly unlikely to sing around the campfire with PMI's new foundation.

The WHO also weighed in, noting in a press release that: The UN General Assembly has recognised a 'fundamental conflict of interest between the tobacco industry and public health'. WHO observed: (1) WHO Member States have stated that 'WHO does not engage with the tobacco industry or non-State actors that work to further the interests of the tobacco industry' and (2) 'the Organisation will therefore not engage with this new Foundation.' WHO concluded: 'Governments should not partner with the Foundation and the public health community should follow this lead'.

Whether PMI will succeed in using this public relations coup to exploit divisions within the global tobacco control movement remains to be seen, but to date, global public health leaders are standing in solidarity against the deliberate insertion of tobacco industry money into reshaping the movement and its priorities.

More information on this story and links to statements by WHO and other health organisations, see <http://blogs.bmj.com/tc/2017/09/19/a-frank-statement-for-the-21st-century/>.



## BANGLADESH: BRITISH HIGH COMMISSIONER LOBBIED FOR BIG TOBACCO

A series of articles in both Bangladesh and international media in September detailed allegations that the British High Commissioner to Bangladesh lobbied on behalf of British American Tobacco (BAT). The allegations relate to attempts to overturn a court decision that found the local BAT subsidiary liable for £170 million of unpaid value added tax (VAT) in Bangladesh.

In a letter to the Bangladesh government in August 2017, the High Commissioner Alison Blake referred to previous discussions about the matter and planned meetings to resolve the matter out of court. She also highlighted the fact that BAT had paid more to Bangladesh government revenue than any other company.

Within the British Government, the Foreign Office seems to have particular difficulties understanding its obligations under Article 5.3 of the FCTC. This case echoes that of the British High Commissioner to Pakistan, who was accused in 2015 of supporting lobbying by BAT against new tobacco control measures, despite guidelines issued to staff in 2013.

## NEW ZEALAND: BOLD PLAN FOR A SMOKE-FREE FUTURE

In 2011, the New Zealand Government adopted a goal of being 'smokefree' by 2025 but has failed to develop a strategy to achieve this. Nearly halfway to 2025, the goal will not be reached according to projections based on current and announced policies. It will be missed by a large margin for some groups, particularly Maori (the indigenous peoples of New Zealand).

To fill the strategy gap, a new Action Plan for Smokefree Aotearoa by 2025 created by researchers and tobacco control leaders was launched on 2 August 2017. The process for creating the plan included consultation with a wide range of stakeholders led by the national tobacco control advocacy agency, Hāpai te Hauora, and with input from national and international experts.

The Action Plan sets a goal of reaching under 5% prevalence for all population groups by 2025. Because of the need to achieve a much more rapid drop in smoking prevalence, it recommends a range of innovative interventions to reduce the affordability, availability and appeal of smoked tobacco products.

These interventions include cutting the number of retail outlets by 95%, no sales to those born from 2003 onwards (creating a tobacco free generation), removing all additives and flavours that enhance the appeal of tobacco products

and mandating very low nicotine cigarettes from 2023. The plan also recommends changing the annual tobacco tax increases of the last 7 years from 10% to 20% for the next 3 years, as well as intensifying existing interventions such as mass media campaigns, smoke-free policies and targeted smoking cessation support.

The 2025 smoke-free goal and the new Action Plan have their genesis in work by Māori advocates and politicians, including 2010 hearings by the Māori Affairs Select Committee of Parliament. At those hearings, Mei Riwai-Couch (then aged 7 years) and her brother Brigham presented a coffin made of cigarette packs to the Committee to help show the impact of their grandfathers' death from the effects of smoking. At the plan's launch this year, the siblings again spoke of the urgent need for action.

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## NEW ZEALAND: NEW NICOTINE PRODUCT REGULATION

Work by the tobacco industry to get new products accepted appears to have led to a New Zealand Government plan to allow smokeless tobacco and heat-not-burn products to be marketed in New Zealand. Currently, snus, chewing tobacco or other smokeless tobacco are not permitted to be imported. Oral tobacco products were banned in 1987.

The New Zealand Government announced on August 2nd that it would 'establish a pre-market approval system for smokeless tobacco'. Depending on the September 23rd election result, the current Government plans to pass enabling legislation in 2018.

The Government Associate Minister involved, Nicky Wagner, has argued that 'there are a number of products available internationally — including heat-not-burn, snus, moist snuff, dissolvables and inhaled nicotine — that may be significantly less harmful than tobacco smoking'. 'By creating a pathway to enable the sale of these products in New Zealand, smokers will have access to less harmful alternatives'.

The Regulatory Impact Statements and Cabinet papers for the newly adopted New Zealand Government policy on smokeless products are on the Ministry of Health website <http://www.health.govt.nz/system/files/documents/pages/cabinet-paper-regulation-smokeless-tobacco-and-nicotine-delivery-products.pdf>.

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## JAPAN/WORLD: JAPAN TOBACCO INTERNATIONAL'S (JTI) ONGOING ACQUISITION, DELAYED INNOVATION

JTI's purchase of RJR Nabisco's non-US operations in 1999 signalled the onset of a determined strategy of international expansion based on acquisitions and mergers.

Protected in the domestic market by its political circumstances, the Japanese government's one-third ownership, national legislation that supports the tobacco industry, a modest tobacco control community and a broadly friendly media, the corporation's international division JTI had concluded acquisitions and mergers worth some US\$35 billion by 2017.

Much of that amount was committed to the 2007 takeover of the Gallaher Group, then the fifth largest transnational tobacco corporation, for US\$15 billion, and acquisition of the international rights to Reynolds American's subsidiary, Santa Fe Natural Tobacco, producer of the Natural American Spirit brand, for a relatively modest US\$5 billion in 2016.

Over the past decade, investment in expansion beyond JTI's key European markets has focused on tobacco operations in low-income and middle-income countries (LMICs) including Iran, Ethiopia, Tanzania, the Republic of Sudan and South Sudan, as well as leaf producers in Africa.

JTI has also looked to diversify its product portfolio by purchasing Gryson, the Belgian manufacturer of roll-your-own and loose tobacco, and the Al Nakhl Tobacco company of Egypt, one of the world's largest shisha producers.

News that JTI had purchased the Mighty Corp Ltd. of the Philippines in July 2017 and the Indonesian kretek manufacturer PT Karyadibya Mahardhika and its distributor PT Surya Mustika Nusantara in August adds to its regional interests in Taiwan and China, including Hong Kong and Macau, and suggests an ongoing commitment to geographical expansion and to broadening its product range.

In terms of emerging nicotine delivery systems, JTI has fared less well despite recent investment. The 2014 purchase of Zandera, the UK producer of the E-Lites e-cigarette, was followed in 2015 by acquisition of two US-based firms, Logic Technology Development, which accounts for 20% of e-cigarette sales in US convenience stores, and the Ploom Tech heat-not-burn (HNB) vaporiser system. However, JTI lags behind other transnational tobacco companies, particularly PMI, in new technology development, both domestically and internationally.

While JTI has experienced delays in adapting and supplying the Ploom system to the home market, PMI's HNB brand IQOS has captured 10% of the country's total tobacco market. British American Tobacco introduced its Glo HNB device in Tokyo in July 2017 and plans to extend its distribution in coming months.

Importantly, JTI's recent acquisitions in the Philippines and Indonesia are linked to the company arriving late to the smoking alternative party. Moving into markets with cheaper cigarettes, higher smoking rates and growing populations was ascribed in a recent report to JTI betting that 'emerging markets will take longer to respond to global efforts to prevent tobacco-induced harm, providing opportunities for growth' (<https://www.bloomberg.com/news/articles/2017-08-23/japan-tobacco-targets-smoker-heavy-zones-as-rivals-go-high-tech>).

Finally, the questions of whether emerging nicotine products have any value in terms of harm reduction or as cessation aids remains unresolved, as do questions around long-term health risks to both users and non-users exposed to vapours and the potential for these products to encourage non-smokers to take up smoking.

Promotion of e-cigarettes and HNB technologies by tobacco corporations as harm reduction products also holds out the potential to allow tobacco companies to seek to re-engage with the policy process by portraying themselves as 'part of the solution' to smoking-related health risks.

Neither buying up tobacco operations in LMIC markets, the implications of such expansion are well-documented, nor JTI's commitment to quadrupling production of non-combustible products by the end of 2018 is good news for public health.

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### UK: POLITICIAN'S 'QUIT SMOKING' TRIP TO PHILIP MORRIS HEADQUARTERS

Scotland, whose devolved parliament was the first in the UK to ban smoking in public places and the second legislature in the world after Ireland, has recently clocked up something of another first after one of its elected politicians visited Philip Morris International's (PMI) European headquarters in Switzerland. However, it was not so much the visit itself—English politicians have enjoyed tobacco industry hospitality—but it is the Scottish parliamentarian's reasons for accepting the trip, contrary to his government's position on tobacco that has astounded many in Scotland.

The Scottish government's observance of the Framework Convention on Tobacco Control has been exemplary and has included refusal to send representatives to an anti-illicit trade meeting at which the tobacco industry was included. Its commitment to future action remains no less firm.

However, Richard Lyle Member of the Scottish Parliament, who formerly sat on the parliament's Health and Sport Committee, told a newspaper that the invitation, at a cost to PMI of £815 (US\$1050), followed a call he had made, while still on the health committee, for an inquiry into vaping. Among reasons he cited for accepting was that he wanted to view PMI's production of electronic cigarettes.

The visit took place soon after PMI, which had unsuccessfully fought the Scottish Government's policy on plain (standardised) packaging of tobacco products, was reported to have developed a corporate strategy to counter plain packaging.

However, it is another of Mr Lyle's explanations that may be best remembered: 'It was because I wanted to change. I went because my family wanted me to give up smoking'.

As Sheila Duffy, Chief Executive of Action on Smoking and Health Scotland, said, '(He) should know better... If he wants to discuss electronic cigarettes he can talk to us, or to one of the independent vaping advocate groups... When it comes to the tobacco industry, my advice would be not to sup with the devil at all'.

Perhaps the unfortunate case may assist others in the public eye to resist the largesse of dodgy industries; those with alcohol problems should shun offers from global drinks companies; and compulsive gamblers are best advised to turn down sunny weekends in Las Vegas.

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### TONGA: NEW MASS MEDIA CAMPAIGN LAUNCHED

A national mass media campaign was launched in Tonga in October 2017. It features graphic images adapted from the US Adult Alive Campaign, tailored to Tongan audiences. Called Tuku Ifi Leva (Quit Smoking Now), it is an example of how best practice and strong evidence can be used across jurisdictions. In particular, it shows how leveraging expertise and resources from high-income countries can assist low-income and middle-income countries to implement campaigns with limited resources. Campaign materials were initially developed by only two

staff members and \$5000, before gaining broader financial support from the Australian government and WHO.

The mass media component is part of a 5-year programme that includes cessation support, enforcement and policy advocacy. The country will also introduce health warnings on tobacco products in early 2018. Tonga has a population of 100 000. It is estimated that 13% of females and 46% of males smoke and over 30% of the population are regularly exposed to secondhand smoke, both at home and work.

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### USA: TOBACCO INDUSTRY TO TARGET ITSELF IN COURT-ORDERED CAMPAIGN

Eleven years after it was ordered by a federal court and nearly 20 years after a lawsuit was first filed by the US Department of Justice, major US tobacco companies are expected to start airing 'corrective statement' advertisements from November 2017.

The ads with the corrective statements will be between 30 and 45 s long and will be aired in prime time slots on major television networks for 52 weeks. They will also be published in major newspapers. The statements will cover: the adverse health effects of smoking, the addictiveness of smoking and nicotine, the fact that cigarettes described as 'light', 'low tar', 'mild' and 'natural' are as harmful as other cigarettes, the manipulation of cigarette design by the industry to maximise addiction and the adverse health impacts of secondhand smoke.

In the 2006 ruling on the case, Judge Gladys Kessler found that tobacco companies 'marketed and sold their lethal products with zeal, with deception, with a single-minded focus on their financial success, and without regard for the human tragedy or social costs that success exacted'. Her words neatly summarise the tobacco industry's attitude to its customers wherever it operates, and might provide the best guide for Philip Morris' intentions in its latest 'smoke free' venture.

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