Worldwide news and comment

GLOBAL: DEREK YACH NO LONGER PRESIDENT OF THE FOUNDATION FOR A SMOKE-FREE WORLD

On October 25 2021 the Board of the Philip Morris International (PMI)-funded Foundation for a Smoke-Free World (FSFW) announced that, effective immediately, its President and Board Director Dr Derek Yach would no longer serve in this capacity. According to the FSFW website, Heidi Goldstein, General Counsel, and David Janazzo, Chief Finance Officer and Executive Vice-President of Operations and Finance, would serve as Interim Co-Presidents as the Board conducts a search for a new President. Announcing Dr Yach’s departure a press release from FSFW stated that “After careful consideration, the Board has determined that now is the right time for a new leader to guide the essential efforts of the Foundation, its team and its work with partners around the world.” According to the Tobacco Control Research Group (TCRG) at the University of Bath, during the twelve months prior to this development, the FSFW updated its website to reflect the resignations of 14 staff members, representing over one-third (38%) of its staff.

The FSFW describes itself as “an independent, non-profit organisation” that was established and isoperated “free from the control or influence of any third party”, which “makes grants and supports medical, agricultural, and scientific research to end smoking and its health effects and to address the impact of reduced worldwide demand for tobacco”. The FSFW has been viewed with scepticism since its inception, with its claims of legitimacy and independence disputed. The WHO and several hundred public health organisations globally have taken a strong stance in rejecting collaboration with the Foundation.

The FSFW media release quoted Dr Yach as saying “The Foundation’s ongoing work to end the world’s largest single preventable cause of death could not be more needed today. I leave the Foundation with deep satisfaction that we now have an emerging cadre of hundreds of researchers, advocates and industry scientists dedicating themselves to this goal. My future efforts aim to complement them.” What those efforts will entail remains to be seen. Despite Dr Yach’s claims of success at the FSFW, in June 2019 the TCRG exposed that FSFW spent significantly more in 2018 on public relations ($US7.5 million) than research ($US6.4 million), supporting the growing consensus that the FSFW is primarily a PMI public relations initiative. The TCRG also found that despite FSFW claiming to focus on low- and middle-income countries (LMICs), these countries received less than 10% of FSFW funding (approx. $US2.5 million) in 2020, while organisations based in the UK and US received nearly 75% (approx. US$30 million) of funding.

The FSFW was expected to receive around $US 80 million per year for 12 years in “annual gifts” from PMI; however the TCRG found that the FSFW’s 2020 tax return showed funding from PMI was cut from US$80 million to US$45 million.

Given its difficulty in recruiting and maintaining staff and senior management, its challenges in finding ways to spend its funds beyond public relations activities, its funding being cut by nearly 50% by its sole funder as well as a growing body of public health organisations and academic institutions refusing to work with a tobacco industry-funded body, FSFW may be in trouble.

It remains to be seen whether a reshuffle at the FSFW will yet achieve its secret aims: division and distraction of the public health and tobacco control communities, opening more space for PMI to position itself as “the solution” to the tobacco pandemic, and undermining the implementation of the WHO FCTC globally.

EUROMONITOR: MARKET RESEARCH ORGANISATION SOLIDIFIES ITS RELATIONSHIP WITH TOBACCO INDUSTRY

In March 2019, the market research organisation Euromonitor International, which describes itself as “the world’s leading independent provider of strategic market research”, controversially accepted funding from Philip Morris International initiatives, namely the Foundation for a Smoke-Free World and PMI IMPACT.

Despite concerns from tobacco control academics about the potential for bias, Euromonitor has continued its financial relationship with the tobacco industry. This became apparent in October 2021 when many working in tobacco control received correspondence from Euromonitor’s Research Operations Manager who asked if they would share their expertise on the tobacco industry. Specifically, Euromonitor wanted expert information on marketing and “harm reduction” products and was willing to pay experts for their time. At no point in the email did Euromonitor disclose that the research was a project paid for by the industry-funded Foundation for a Smoke-Free World.

It was only when a tobacco control colleague, in response to Euromonitor’s email, asked whether Euromonitor was taking any tobacco or e-cigarette industry money to conduct this research, that Euromonitor responded that their client for this particular project was indeed the Foundation for a Smoke-Free World.

Euromonitor has come increasingly under fire by academics who are disappointed by their collaboration with the tobacco industry. This latest move effectively asks tobacco control experts to take tobacco industry money and advise the tobacco industry how to whitewash their marketing practices to make sure they get through policy barriers.

MYANMAR: BAT ANNOUNCES PLANS TO LEAVE COUNTRY ON THE SAME DAY AS PLAIN PACKAGING FOR TOBACCO PRODUCTS ANNOUNCED

On 12 October 2021, BAT announced that it would withdraw its interests in this market by the end of 2021. Following a military coup in February 2021 many companies have now withdrawn their business from the country after initially stating they would stay. BAT has not given detailed reasons for its withdrawal other than, “Having evaluated the long-term operational and commercial viability of our business in Myanmar, we have taken the decision to withdraw from the country and cease all operations.”

In the previous issue, a news analysis piece by Allen Gallagher and Benoit Gomis criticised British American Tobacco for continuing to conduct its business in Myanmar despite the country’s military leading a deadly persecution of Rohingya Muslims, a situation which the UN described as a “textbook example of ethnic cleansing.” Multiple Western companies were criticised for continuing to work with groups linked to the military, BAT included. For example, in 2015, the parent group (Sein Wut Hmon Group) of BAT’s current partner in Myanmar (IMU Enterprise Ltd) was accused of colluding
with the military in order to grab land across the country, yet BAT continued to increase its market share in Myanmar from 7% in 2013 to over 20% in 2019. Finally, the company has decided to withdraw.

Interestingly, BAT’s withdrawal announcement came on the same day as the country announced it was to introduce plain packaging for all tobacco products. Myanmar becomes the first LMIC to introduce plain packaging and the third Asian country to do so, joining Singapore and Thailand.

While the company is now taking steps to withdraw its business from Myanmar, BAT may still be at risk of breaking sanctions elsewhere. In its 2020 annual report BAT notes that the company has “operations in a number of countries that are subject to various sanctions, including Iran and Cuba” and that BAT is cooperating with investigations by the US Department of Justice and OFAC into “suspicions of breach of sanctions.”

WHO FCTC ARTICLE 5.3: CALLS FOR GREATER IMPLEMENTATION

The Global Tobacco Industry Interference Index (Index) which reviews government efforts in 80 countries to implement Article 5.3 of the WHO Framework Convention on Tobacco Control (FCTC) has found that Parties to the Treaty are underutilising Article 5.3 to protect governments from tobacco industry interference, while the tobacco industry simultaneously harnesses the COVID-19 pandemic to secure access to policy makers. Article 5.3 is an obligation in the treaty that empowers governments to protect policy making from the vested interests of the tobacco industry.

The Index, a civil society report, was first initiated by the Southeast Asia Tobacco Control Alliance (SEATCA) in 2014 which reviewed tobacco industry interference in seven countries in Southeast Asia. Years later, governments still single out industry interference as the main obstacle to their tobacco control efforts. This global Index, supported by the STOP project, reviewed 80 countries in 2021 (figure 1). Using the same questionnaire developed by SEATCA, it ranks countries based on compliance with recommendations in the Article 5.3 implementation

Figure 1 Tobacco industry interference overall country ranking.
guidelines: the lower the score, the lower the level of interference.

The 2021 Index found no country or region was free from industry interference. The COVID-19 pandemic did not stop the industry from advancing its business even though smoking is a risk factor for more severe COVID-19. Instead of limiting interaction with the industry to only when strictly necessary, rejecting tobacco-related charity, and removing industry benefits, as recommended in the guidelines, many governments instead succumbed to a slew of industry tactics.

The COVID-19 pandemic particularly impacted low and middle-income countries (LMICs), leaving them devastated to deal with suffering, mounting death counts, and economic ruin, a situation the tobacco industry quickly exploited. Many governments found themselves accepting and endorsing tobacco industry charity.

Chile, Cote d’Ivoire, Ethiopia, Gabon, New Zealand, Netherlands, and Norway reported not receiving tobacco-related corporate social responsibility (CSR). Myanmar and Philippines have restrictions on CSR activities but accepted charity from the industry during the pandemic. However, the Philippine Department of Health reminded all staff that no donations or assistance from the tobacco industry should be accepted.

The WHO FCTC considers CSR activities a form of sponsorship because the industry uses charity to promote itself and repair its damaged image. Contributing to COVID-19 funds set up by heads of states is a tactic the industry exploited during the pandemic. Tobacco companies made contributions to such funds in Kenya, Georgia, India, Pakistan, and Turkey. As these were high-profile funds, contributors received positive publicity. Philip Morris International (PMI) reported a three-fold increase in this kind of opportunistic charity for 2020.

In Georgia, following protests from local civil society groups about the fake charity from tobacco companies, the government removed the logos of British American Tobacco (BAT), PMI, and Japan Tobacco International from its StopCov Fund website, where the government publicised companies that donated.

In several countries where CSR contributions were reported, the tobacco industry appears to have benefitted from tax breaks such as a delay in tax increases, tax exemptions, tax reductions, lower tax rates for new tobacco products, or allowing late tax payments. For example, there were no tobacco tax increases in Malaysia, Pakistan, Tanzania, or Zambia in 2020.

The WHO FCTC is unique in that it is the only international treaty that regulates an entire industry with full implementation expected to significantly reduce tobacco use and save millions of lives. However, during this pandemic, the tobacco industry persuaded at least 10 governments that their industry and cigarettes are “essential” and obtained permission to continue manufacturing tobacco and selling cigarettes during lockdowns. Governments that banned tobacco production during the lockdown were challenged by tobacco-friendly departments to reverse their decision, or in the case of South Africa, sued by BAT.

The tobacco lobby has also convinced lawmakers in several countries to treat new tobacco products favourably. Policymakers in Kenya, Lebanon, Egypt, Spain, and Vietnam were persuaded to regulate electronic nicotine delivery systems (ENDS) and heated tobacco products (HTPs) differently from conventional tobacco products and, in some cases, reverse previous bans on them.

This Index, the third in the global series, shows that 18 countries improved compared with the previous year, while 31 countries deteriorated during the pandemic. Argentina, Indonesia, and USA, which are non-Parties to the WHO FCTC, are among the countries that deteriorated. They were joined by new entrants to the survey, including the Dominican Republic and Switzerland, also non-Parties, who showed high levels of industry interference. These countries are encouraged to accede to the WHO FCTC to protect public health from the tobacco epidemic.

Several governments made progress towards protecting their policies from tobacco industry interference. Botswana approved its tobacco control law, which limits interaction between the government and the tobacco industry and prohibits partnership with or granting incentives to it. The Ministry of Health and Family Welfare of India adopted a code of conduct restricting the collaboration of officials with tobacco industries. The Cambodia Ministry of Education, Youth and Sports banned all forms of partnership with the tobacco industry in educational facilities. These LMICs provide examples to low-resourced countries that implementing Article 5.3 is not an expensive measure. Instead, Article 5.3 it is a powerful tool that can stop the industry from inflicting more harm to society.

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THE NINTH SESSION OF THE CONFERENCE OF THE PARTIES: INVESTMENT FUND ADDRESSES CHRONIC FUNDING SHORTFALLS

In November 2021, 3 years after the eighth Conference of the Parties (COP8) to the WHO Framework Convention on Tobacco Control (FCTC), Parties once again came together for a virtual COP9 with an abridged agenda. It was recommended in advance and ultimately decided that substantive discussions on key technical issues should be deferred to COP10 in 2023, where the foreseen in-person conference will provide a more appropriate environment for discussions and negotiations. Parties at COP9 devoted a significant amount of their time to attending to key financial and administrative issues that needed to be addressed to enable the work of the COP to continue, in addition to making powerful global and regional-level commitments.

Parties to the FCTC took a critical step forward for further funding FCTC implementation by endorsing the Secretary’s proposal to establish an investment fund. The fund will act as a reliable and sustainable resource to support the Convention Secretariat’s work to fulfil its coordination role and to implement the COP’s workplan, including to provide implementation support to Parties. Interest revenue from the invested capital in the fund will be allocated to activities of the budget and workplan, addressing chronic funding shortfalls. Parties at COP9 also approved the well-prepared budget and workplan that will allow work to continue through 2023.

Parties demonstrated powerful political commitment to further make progress on FCTC implementation by adopting a COP9 Declaration on the WHO FCTC and recovery from the COVID-19 pandemic. This Declaration, initially proposed by the Islamic Republic of Iran in advance of COP9, provides references to tobacco industry interference as a major barrier to accelerating FCTC implementation. It
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also acknowledges the important role that tobacco control can play in supporting recovery from COVID-19 and encourages Parties to take action in this regard.

We also witnessed 23 of the 28 Parties of the Americas Region come together with a statement presented at COP9 to address tobacco industry interference in sessions of the COP, which was initially proposed by Ecuador at the pre-COP9 preparatory regional meeting of the Americas. Through this initiative, these Parties took decisive and visible action to implement measures to increase the transparency of Parties’ delegations to the COP, as agreed on at COP8 and in-line with FCTC Article 5.3 and its guidelines.

Despite the challenges inherent in conducting business in a virtual environment during such exceptional circumstances in global health, COP9 was a site of several significant achievements. Such achievements can act as a foundation for continued progress on FCTC implementation as we look forward to future negotiations at COP10.

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