



2021 Asian Tobacco Industry Interference Index Report

Executive summary

With over 250 million infections and five million deaths reported to date globally, the COVID-19 pandemic is leaving behind an indelible impact. Yet, another crisis has been raging for decades that exacerbates COVID-19's burden on public health systems. Fueled by profits, the tobacco industry and its products are already killing over eight million people globally per year, mostly in low- and middle-income countries. Because tobacco smoking is a known risk factor for many respiratory infections and noncommunicable diseases, people with these conditions have a higher risk of severe COVID-19 illness and death.

The impacts of the two pandemics converge in Asia. Countries with the most significant number of COVID-19 cases include India, Indonesia, and Philippines. These countries, alongside China, Japan, Bangladesh, Vietnam, and (Republic of) Korea, also represent countries with the largest smoking populations in the world. Five transnational tobacco companies (TTCs) that have dominated the global market for the past decade are also present in the region: China National Tobacco Corporation (CNTC), Philip Morris International (PMI), British American Tobacco (BAT), Japan Tobacco International (JTI), and Imperial Tobacco Group (ITG). Korea Tomorrow and Global Corporation (KT&G) is competing for market share with these TTCs and aims to “join the ranks of the global “Big Four” tobacco companies by 2025.” Except for CNTC, all have already ventured into electronic smoking devices (ESDs) such as e-cigarettes and heated tobacco products (HTPs).

Nearly all Asian countries are Parties to the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC). FCTC Article 5.3 emphasizes vigilance and a need to protect public health from the tobacco industry's strategies that challenge new and weaken existing tobacco control measures and life-saving policies. However, the Article 5.3 implementation guidelines remain largely underutilized by many governments, with non-health policymaking particularly vulnerable to tobacco industry interference.

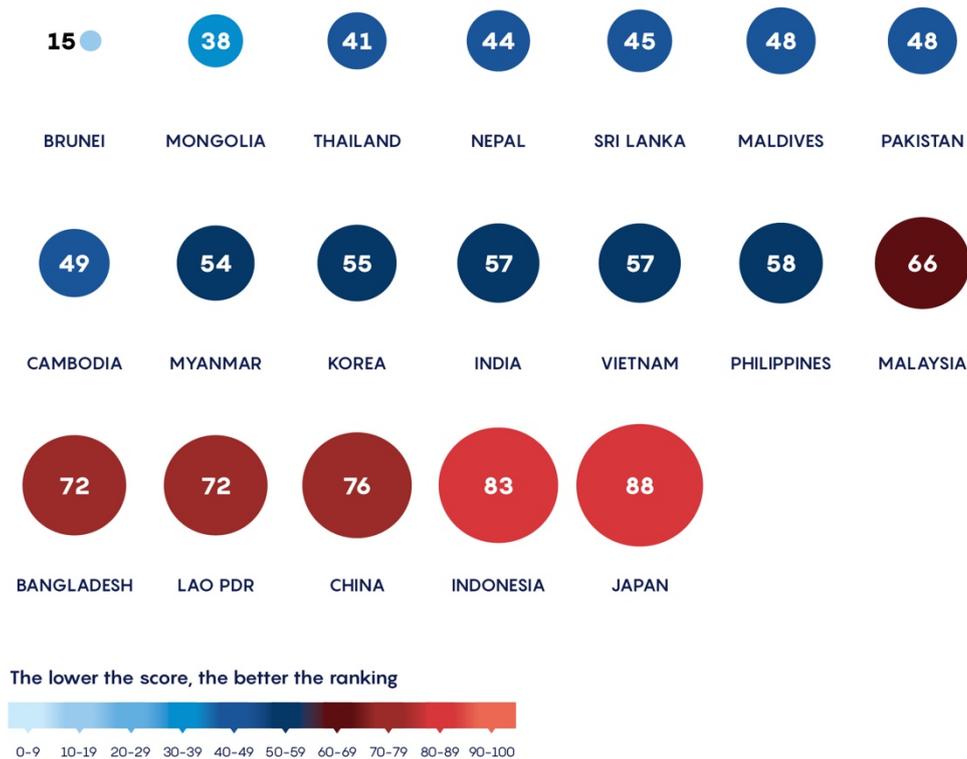
The COVID-19 pandemic has highlighted that any gap in the implementation of Article 5.3 and its guidelines would provide the tobacco industry ample opportunities to influence governments to its advantage. Low-resourced countries are particularly vulnerable to the tobacco industry. For example, the industry stepped up its corporate social responsibility (CSR) activities such as donations of medical equipment and hospital supplies while enjoying privileges such as tax breaks and blocking regulatory measures such as tax increases that would have given governments potential resources for a robust pandemic response.

This 3rd [Asian Tobacco Industry Interference Index](#) gauges the level of implementation of Article 5.3 and its guidelines in **19 countries**. Mongolia joins the roster of countries in addition to Bangladesh, Brunei, Cambodia, China, India, Indonesia, Japan, Korea, Lao PDR, Malaysia, Maldives, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam.



Partners in each country prepared a national report based on publicly available evidence from January 2020 to March 2021. Figure 1 shows the overall level of tobacco industry interference in 19 countries in Asia in 2021. Lower scores mean better implementation of Article 5.3 and its guidelines. Findings from the countries fed into the [Global Tobacco Industry Interference](#) by the STOP project.

Figure 1: Tobacco Industry Interference in Asian Countries





Key findings

- Despite considerable obstacles in countering the tobacco industry, eleven (11) countries have adopted preventive measures specifically to implement Article 5.3 and other best practices to isolate and de-normalize the tobacco industry interference as part of good governance.
- Japan has the highest level of tobacco industry interference on most indicators, placing it at the bottom among countries in Asia; Brunei and Mongolia are the top countries making progress in the region.
- When the tobacco industry is unhindered in policy development, its influence in tobacco control policies is seen in Indonesia, Philippines, China, and Japan, which scored high in this indicator.
- The tobacco industry thrives in influencing governments to relax tobacco control measures, including regulations on ESDs in Indonesia, Malaysia, Philippines, and Vietnam to be aligned with the industry's business.
- Tobacco industry-sponsored CSR activities intensified, with initiatives specifically directed at governments' pandemic-induced emergency responses. Both health and non-health front liners became vulnerable to the industry and received cash donations, protective equipment, and medical/hospital supplies, among others.
- Except in Brunei, where there is no domestic tobacco producer or manufacturer, the tobacco industry continues to receive benefits such as tax breaks, subsidies, or facilitation of trade agreements in the 18 other countries. Bangladesh and the Philippines exempted tobacco products from restrictions on non-essential goods/sectors during the pandemic.
- Unnecessary interactions with the tobacco industry occurred even when most events and physical gatherings were banned because of COVID-19. In 2020, activities related to illicit trade enforcement remained a specific area where governments work side-by-side with the industry. Government awards and recognition that elevated the tobacco industry's profile were also frequent.
- A systemic lack of transparency in disclosing government interactions with the tobacco industry remains a substantial problem. Almost all countries (except Brunei and Philippines) do not have a procedure to make these interactions public. None of the countries have a registry to disclose the tobacco industry's affiliate organizations, individuals, or lobbyists acting on its behalf.
- Conflicts of interest persist by accepting political contributions from the tobacco industry, incumbents and/or former government officials working for tobacco companies, and government funds invested in the tobacco business.



Recommendations

A whole-of-government approach is fundamental to counter tobacco industry interference effectively. Both health and non-health ministries and sectors remain largely vulnerable to tobacco industry interference, especially in the context of the COVID-19 pandemic. All governments must strengthen their efforts to implement Article 5.3, as it is pivotal to successful tobacco control and improved health outcomes. Recommendations in the WHO FCTC Article 5.3 guidelines provide clear measures that governments can implement to protect themselves from industry interference and corruption.

- Article 5.3 recognizes the irreconcilable conflict between tobacco industry interests and public health policy. **Governments must exclude the tobacco industry as a stakeholder at any level or stage of public policy development.**
- The tobacco industry uses CSR activities and other public relations strategies to whitewash and normalize its business and gain public approval and favors from policymakers. **Tobacco-sponsored CSR activities are fake CSRs, and governments must ban these in all circumstances.**
- Waiver of duties for trade facilitation and earmarking development subsidies and incentives for the tobacco industry are prejudicial to public and fiscal health. These divert government resources for services, such as health emergency responses, to an industry that causes socio-economic ills. **Governments must revoke preferential treatment to the tobacco industry.** More importantly, the **industry should be held accountable for non-compliance with tobacco control measures.**
- Government interactions with the tobacco industry should occur only when and to the extent strictly necessary to regulate the industry and its products. **Governments must reject any partnership with the tobacco industry, including combating the problem of illicit tobacco trade.**
- Government transparency and accountability remain a systemic challenge. These institutional issues are linked with weak bureaucratic frameworks, poor governance, and corruption. **Governments must establish and enforce government-wide procedures to record and disclose interactions with and information about the tobacco industry.**
- Government investments in the tobacco industry are common in Asia. These create actual and potential conflicts of interest in the adoption of tobacco control measures. **Governments must divest from the tobacco industry and treat state-owned tobacco enterprises the same as private tobacco businesses.**
- Governments need to update existing legal frameworks and **strictly enforce a code of conduct compliant with Article 5.3 guidelines and principles of anti-corruption.** Codes of conduct should be supported with a systematic Article 5.3 awareness-raising program to guide and protect all public sector professionals from undue industry influence and interference.

Reyes, JL. SEATCA Tobacco Industry Interference Index: Implementation of Article 5.3 of the WHO Framework Convention on Tobacco Control in Asian Countries, 2021. December 2021. Southeast Asia Tobacco Control Alliance (SEATCA). Bangkok, Thailand. www.seatca.org