



Fact Sheet

BANGLADESH 2018

Tobacco Industry Interference Index

Report on Implementation of FCTC Article 5.3

Bangladesh ratified the WHO Framework Convention on Tobacco Control (FCTC) in 2004 and passed a tobacco control law in 2005 based on the Framework. The Ministry of Health and Family Welfare is conducting a number of tobacco control activities along with implementing the obligations under the FCTC. However, the overall tobacco control activities of the country, in particular measures to reduce the demand for and supply of tobacco, are being thwarted and debilitated by the repeated interference of the tobacco industry. In January 2016, at the South Asian Speakers' Summit on Achieving Sustainable Development Goals (SDGs), the Prime Minister announced a long-term goal for a tobacco-free Bangladesh by 2040. This goal will be frustrated if the current situation of tobacco industry interference persists.

In 2008, the government of Bangladesh adopted the FCTC Article 5.3 Guidelines¹ which provides specific measures to protect the government from tobacco industry interference. Although almost a decade has already been passed, the policies based on the Guidelines is yet to be formulated. As a result, different policies and initiatives regarding tobacco control has remained unprotected before the interference of the industry. PROGGA has conducted this study to focus on the importance of formulating a policy based on FCTC Article 5.3 to keep the tobacco control measures safe and protected from the interference of tobacco companies. The study aims at assessing how the government has responded to interference from the tobacco industry and what action has the government taken to deal with the instances of interference in the last two years (2016 and 2017). The questionnaire used in this study is developed by the Southeast Asia Tobacco Control Alliance (SEATCA) based on the specific recommendations from the Article 5.3 Guidelines.² Information has been collected in the light of 20 questions, divided into seven categories and only from publicly available sources including govt. websites, reports published in mass media, reports and websites of tobacco companies. The scoring range for most questions is from 1 to 5. In some question, the score is 1 if the answer is No, and 5 if the answer is Yes. The lower the score is, the better compliance with FCTC Article 5.3 it suggests. Overall, the government has performed poorly in implementing Article 5.3 guidelines. As this is the first report of its kind for Bangladesh, it is the baseline from which improvements must be made.

Comparison of Tobacco Industry Interference Index

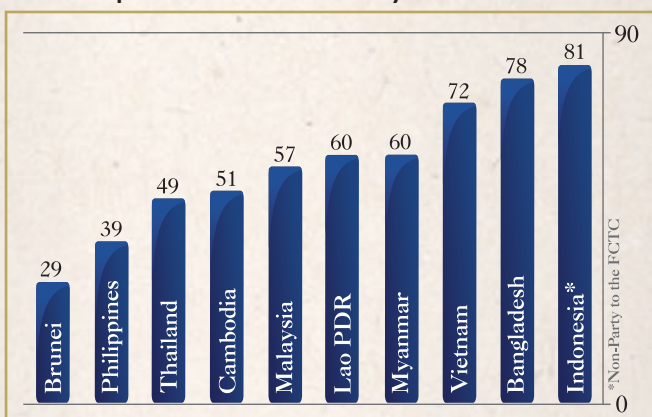


Figure shows the ranking of Asian countries according to their implementation of Article 5.3. The lower the score, the better the ranking.

Industry Participation in Policy Development

While the Ministry of Health and Family Welfare and the National Board of Revenue (NBR) proceed to implement tobacco control measures, the tobacco industry conducts interference through a pro-tobacco think tank organization and the Ministry of Agriculture. The Finance Ministry was influenced by recommendations from the tobacco industry and reduced the proposed tax on bidi from 35% to 30% in the 2017-2018 budget. The Ministry of Agriculture's Pricing Advisory Committee consults with the tobacco companies about tobacco leaf pricing policies. The government, however, fully implements recommendation 4.9 and 8.3 of the Article 5.3 Guidelines and no tobacco industry representative was in the government delegation to the FCTC COP and other meetings related with it.

Tobacco Industry Related CSR Activities

Contrary to the FCTC Article 5.3 guidelines, government officials are actively engaging in tobacco industry related CSR (corporate social responsibility) programmes. For example, the Agriculture Secretary, Labour Secretary and Additional Secretary of Finance Division are members of British American Tobacco CSR Committee and participated in its activities.

Benefits to the Tobacco Industry

Although the Smoking and Tobacco Products Usage (Control) Rule 2015 requires pictorial health warnings to be printed on top 50% of tobacco packs, the tobacco industry benefitted by receiving permission to print the warnings on the less effective lower half of the packs. Through a 2016 Govt. circular, British American Tobacco Bangladesh (BATB) has obtained working conditions which are more beneficial to its productions, and can give considerably lower salaries to workers and deny them their benefits required by the Bangladesh Labour Act 2006.

The National Board of Revenue (NBR) has approved a 25% tax waiver on export of tobacco products by factories located in the Export Processing Zones (EPZ). Although the government has banned subsidized fertilisers to be used for tobacco farming in 2010, areas such as Bandarban still continue to use them. The government has retained VAT exemption facilities for unprocessed tobacco in the budget for FY 2017-2018.

In setting and implementing their public health policies with respect to tobacco control, Parties shall act to protect these policies from commercial and other vested interests of the tobacco industry in accordance with national law.

FCTC Article 5.3: Tobacco Industry Interference.

Unnecessary Interaction with the Tobacco Industry

While paying taxes is a legal requirement, tobacco companies are unnecessarily awarded for merely complying with the law. Award ceremonies bring high level government officials, such as the Finance Minister and Industries Minister, into unnecessary direct contact with tobacco industry executives. While tobacco use causes deaths and numerous diseases among hundreds of thousands of Bangladeshi citizens, high level government officials are handing out awards of excellence to tobacco companies.

Transparency Measures

Tobacco industry executives met the Finance Minister and other high officials from the Ministry after finalization of the FY 2017-2018 budget. Importantly, this was a close-door meeting and neither its contents nor the outcome were made publicly available. Recommendation 5.3 of the Guidelines requires rules for the disclosure or registration of the tobacco industry entities, affiliated organizations and individuals acting on their behalf, including lobbyists. However, such a registration of industry representatives and lobbyists does not exist.

Conflict of Interest

Several high level government officials also hold positions in British American Tobacco Bangladesh (BATB). Since the government owns 10.85% shares in BATB, these officials are in conflict to advance tobacco control agenda while simultaneously promoting the tobacco business. Public health suffers severely as a result.

Preventive Measures

Although the guidelines provide various preventive measures, the government has not put most of these measures in place to protect itself from industry interference. There is no procedure for disclosing the records of interaction with the industry. The government has not adopted a code of conduct for officials when dealing with the tobacco industry. There is also no specific policy to prohibit acceptance of contributions and gifts from the tobacco industry. However, the government does require the tobacco industry to submit monthly revenue statement and monthly statements of health surcharge deposits according to the requirements under the Health Development Surcharge (Collection and Payment) Rules 2017.

Recommendations

The government must fully implement Article 5.3 guidelines. Following measures should be undertaken immediately to fulfil the requirements of Article 5.3:

1. The Health and Family Welfare Ministry should undertake awareness raising of non-health sectors, particularly in vulnerable ministries (i.e. Finance, Industries and Agriculture) about Article 5.3 obligations.
2. The government must disclose all interactions with the tobacco industry and its representatives.
3. The government must halt all participation in award ceremonies involving the tobacco industry. Tobacco related CSR activities should be banned as required in the Article 5.3. To prevent conflict of interest, government officials must terminate their positions in tobacco companies.
4. The government must remove all incentives provided to the tobacco industry including the exemption of export duty and VAT. Implement the ban on the use of subsidized fertiliser for tobacco growing.
5. The government must expedite the adoption of a code of conduct for all officials in dealing with the tobacco industry.

¹ Framework Convention on Tobacco Control. Guidelines for implementation of FCTC Article 5.3, Geneva 2008, [decision FCTC/COP3(7)] http://www.who.int/fctc/treaty_instruments/Guidelines_Article_5_3_English.pdf?ua=1.

² Assunta, M. Dorotheo, E. U.. SEATCA Tobacco Industry Interference Index: a tool for measuring implementation of WHO Framework Convention on Tobacco Control Article 5.3. April 2015 <http://tobaccocontrol.bmj.com/content/early/2015/04/23/tobaccocontrol-2014-051934>.

Some Recommendation of Article 5.3 of FCTC

- ▶ No partnerships, non-binding or non-enforceable agreements between tobacco industry and governments;
- ▶ No contributions by tobacco industry to governments;
- ▶ No tobacco industry-drafted legislation or policy, or voluntary codes as substitutes for legally enforceable measures;
- ▶ No investments by governments or public officials in tobacco industry;
- ▶ No tobacco industry representation on government tobacco control bodies or FCTC delegations.

