

PAKISTAN

2021

TOBACCO  
INDUSTRY  
INTERFERENCE  
INDEX

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SAMAR and CTC-Pak acknowledges that tobacco control environment may have changed since the collection of data for use in this report. SAMAR and CTC-Pak request any user of this data to inform CTC-Pak for any discrepancy on the following email address [info@ctcpak.org](mailto:info@ctcpak.org).

## **ACKNOWLEDGEMENTS**

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The information from this report will form part of the Global Tobacco Industry Interference Index, a global survey of how public health policies are protected from the industry's subversive efforts, and how governments have pushed back against this influence.

The Tobacco Industry Interference Index was initiated by the South-East Asia Tobacco Control Alliance (SEATCA) as a regional report, and now is part of a publication of the Global Centre for Good Governance in Tobacco Control (GGTC) at the School of Global Studies in Thammasat University.

SAMAR acknowledges Mary Assunta for her technical advice in the preparation of this Index. SAMAR also acknowledges the inputs from its CTC-Pak Coalition Partners for their contributions to the report.

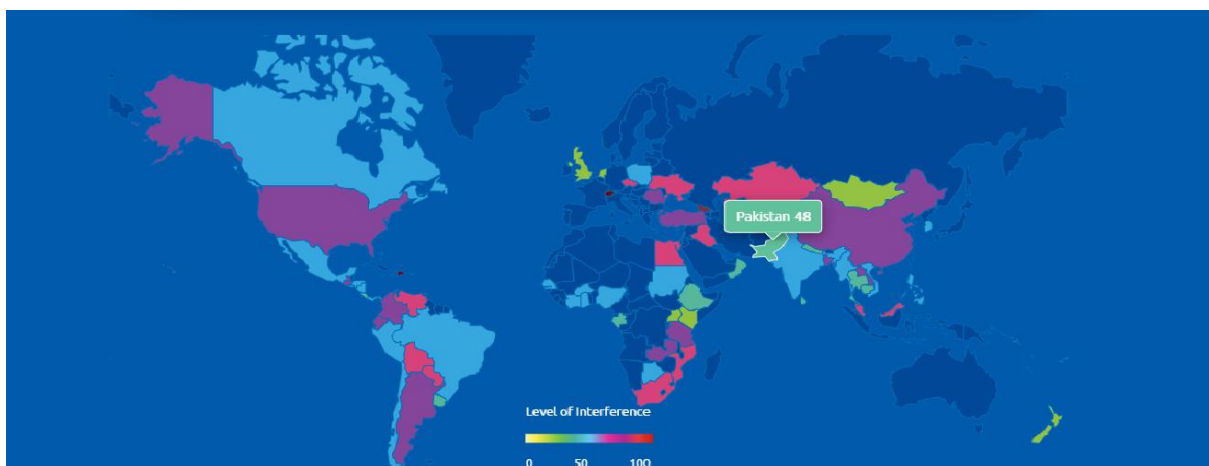
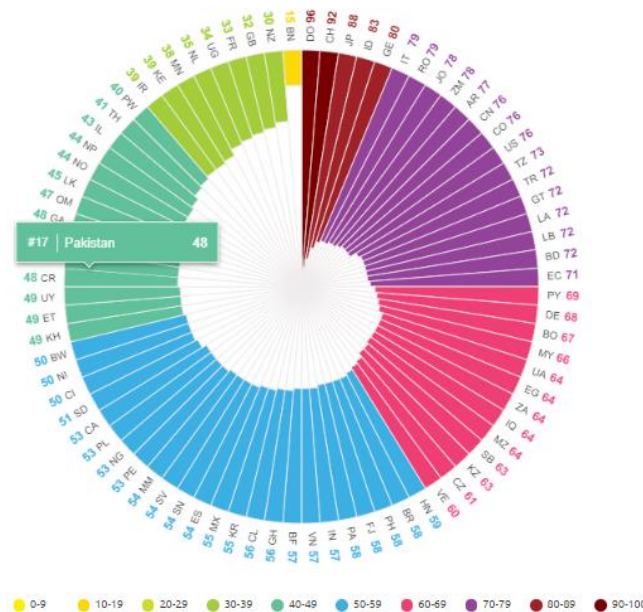
**Pakistan**

**Tobacco  
Industry  
Interference  
Index 2021**

# GLOBAL TOBACCO INDUSTRY INTERFERENCE INDEX 2021

The Global Tobacco Industry Interference Index (Global Tobacco Index) measures efforts by governments to address tobacco industry interference. Countries that scored well on the Global Tobacco Index have prevailed against tobacco industry interference by implementing measures to protect themselves.

This report is based on publicly available information on tobacco industry interference in countries and their respective governments' responses to these interferences. Countries are ranked according to total scores provided by civil society groups. The lower the score, the lower the overall level of interference, which augurs well for the country.<sup>1</sup>



<sup>1</sup> <https://globaltobaccoindex.org/>

## Background and Introduction

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Pakistan is a country where people use tobacco in different forms. “Over 22 million people (20% of adults) in Pakistan smoke tobacco. 32% of men and 6% of women smoke. However, smokeless forms of tobacco, such as paan, ghutka and naswar, are also popular. More than one in four young people (aged 13-15) are exposed to second-hand smoke in their homes. 15% of male deaths and 1% of female deaths are related to tobacco use and exposure. WHO’s estimates show tobacco kills over 200,000 people annually in the country.”<sup>2</sup>

During the pandemic, trend shows that various businesses and companies suffered losses and declines in term of profit. Interestingly, however, growth of tobacco industries was high in Pakistan. Annual 2020 reports of Pakistan Tobacco Company (PTC) and Philips Morris Pakistan (PMI) show that they earn more profit in pandemic situation compared to previous years<sup>3 4</sup>.

The overall score is improving, but Tobacco Industry (TI) gains more due to changes in its tactics. TI has launched new products like” Velo” smoke less product and E-cigarettes. TI is more visible as advocacy campaigns through social and traditional media has been launched sponsored by it for promoting new novel tobacco products in Pakistani society. Tobacco Industry also ran a campaign against illicit trade of different products but focusing tobacco, with the help of its front group<sup>5</sup>. On the other hand, TI support government to stop illicit trade. As PTC reported that “PTC continues to work with the Government on enforcement against the illicit sector and counterfeit producers to ensure fiscal and regulatory discipline across the industry in the future.”<sup>6</sup>

TI also uses Corporate Social Responsibility (CSR) activities as a tool to create a good image despite the huge damage they do to public health and environment. During pandemic, two giants of TI spend a huge amount on so called CSRs activities.

In compliance to the Article 5.3 of the FCTC, the government of Pakistan does not engage with TI in setting or implementing public health policies particularly tobacco control.

The Global Tobacco Industry Interference Index (Global Tobacco Index) has called for awareness on Article 5.3 guidelines.

The Global Tobacco Index is based on publicly documented tobacco industry interference in 80 countries, including Pakistan, and their respective governments’ responses to these interferences for the period of January 2020 to March 2021. The countries have been ranked according to total scores provided by civil society groups who prepared their respective country indices. The lower the score, the lower the overall level of interference, which augurs well for the country.

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<sup>2</sup> WHO Pakistan. <https://www.thenews.com.pk/print/369939-who-calls-pakistan-to-introduce-uniform-tobacco-taxation-structure>

<sup>3</sup> <https://www.pmi.com/markets/pakistan/en/our-business/investor-information>

<sup>4</sup> [http://www.ptc.com.pk/group/sites/PAK\\_AMPC26.nsf/vwPagesWebLive/DOANCKYV](http://www.ptc.com.pk/group/sites/PAK_AMPC26.nsf/vwPagesWebLive/DOANCKYV)

<sup>5</sup> <https://stopillegaltrade.pk/>

<sup>6</sup> [http://www.ptc.com.pk/group/sites/PAK\\_AMPC26.nsf/vwPagesWebLive/DOANCKYV](http://www.ptc.com.pk/group/sites/PAK_AMPC26.nsf/vwPagesWebLive/DOANCKYV)

This is the third civil society report assessing the implementation of FCTC Article 5.3 in Pakistan. It has used the same questionnaire and scoring method as the ASEAN Tobacco Industry Interference Index originally developed by the Southeast Asia Tobacco Control Alliance (SEATCA) to assess, and compare, how well governments have implemented Article 5.3. A scoring system is applied to make the assessment. The score ranges from 0 - 5, where 5 indicates the highest level of industry interference, and 1 is low or no interference. Hence the lower the score, the better for the country.

There is an improvement in Pakistan's efforts to implement Article 5.3. The total score for Pakistan this year is 48 compared to 50 points in 2020 and ranked 17 among 80 countries. Tobacco industry interference in public policy remains a big problem.

## Summary Findings

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### 1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The third tier of tobacco tax, introduced in 2018 was withdrawn in 2019 and replaced by a two-tier system in the 2019-2020 annual budget. This was due to the collaborated efforts of MoH with CSOs to build a counter narrative to TI's statements of businesses stating on how profits were being made by placing most sold brands in the lowest tier of taxes. Now only a two-tier system exists based on high and low costing brands, as was the case prior to 2018. In 2020 TI tried to lobby for implementing the three-tier system but not succeeded in this motive.

### 2. INDUSTRY CSR ACTIVITIES

Such CSR activities are not banned and remain a challenge in Pakistan the so-called CSR activities to make a decent corporate picture in spite of the colossal harm they do to general wellbeing as TI donated to PM Covid-19 Fund and Pakistan Bait Ulmal for poverty reduction also. Provision of Food Ration and Hygiene Kits to over 30,000 people in low-income communities. Mobile care units deployed by TI in Mardan, Charsadda and Swabi to cater to local communities as these districts are the Tobacco crop producers.

### 3. BENEFITS TO THE INDUSTRY

Withdrawal of advance tax on tobacco growers is a benefit of TI. Federal Excise Duty on cigarettes had not been increased in Budget whereas and prices of cigarettes are very low compared to other countries. Provincial Government of Khyber Pakhtunkhwa (KPK), Swabi University and Khyber Pakhtunkhwa (KPK) Board of Investment and Trade joint made efforts to develop tobacco sector and create job opportunities in TI. In 2019-20 industry wide export of tobacco and cigarettes show there are huge benefits for tobacco companies from tobacco export. In 2019-20 tobacco industry exports of tobacco and cigarettes amounted to US\$ 42,001,041.47 as per reports by the Pakistan Tobacco Board.<sup>7</sup>

### 4. UNNECESSARY INTERACTION

There is no official record that the government accepts assistance from the TI on conducting raids. However, Pakistan Tobacco Company claims that continues to work with the Government on enforcement against the illicit sector and counterfeit producers to ensure fiscal and regulatory discipline across the industry in the future. PTC further claims that will not only ensure the sustainability of the legitimate sector but also result in significant revenue inflows for the Government.<sup>8</sup>

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<sup>7</sup> <https://www.ptb.gov.pk/node/71>

<sup>8</sup> PTC annual Report 2020, Page 51 .

[http://www.ptc.com.pk/group/sites/pak\\_ampc26.nsf/vwPagesWebLive/DOANCKYV/\\$FILE/medMDC29FXV.pdf?openelement](http://www.ptc.com.pk/group/sites/pak_ampc26.nsf/vwPagesWebLive/DOANCKYV/$FILE/medMDC29FXV.pdf?openelement)



Two Special Assistants (Equal to Federal Minister) to the Prime Minister, Mr. Abdul Razzaq Daud and Sayed Zulfikar Abbas Bukhari (Zulfi Bokhari) attended the inauguration ceremony of Velo, Asad qaiser meet with Tobacco Growers and Senator Dilawar khan Distribute Cigarette packs among Senators in Senate premises.

## **5. TRANSPARENCY**

Tobacco Control Cell (TCC) did develop National Action Plan on TI Interference as a code of conduct which has been not been adopted yet.<sup>9</sup>

The Government does not have any process of disclosure of affiliated tobacco organizations and individual acting on their behalf including lobbyists.

## **6. CONFLICT OF INTEREST**

The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions.

## **7. PREVENTIVE MEASURES**

Tobacco Control Cell (TCC) developed a National Action Plan on TI Interference as a code of conduct however this has not yet been adopted.<sup>10</sup>The Companies Ordinance 1984 of Securities & Exchange Commission of Pakistan (SECP) requires all public companies to publish quarterly financial data of production, manufacture, marketing expenditures revenues and other financial records etc. The other expenses such as contributions and charity work have to be included in the annual statements which are published.

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<sup>9</sup> <http://www.tcc.gov.pk/downloads/POA%20Final.pdf>

<sup>10</sup> <http://www.tcc.gov.pk/downloads/POA%20Final.pdf>

## Recommendations

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1. **Awareness on Article 5.3 as an obligation:** Effective implementation of the developed SOPs based on Article 5.3 guidelines to ensure transparency and protect tobacco control policies from tobacco industry influence. The related government departments should be made aware to the counter strategies for tobacco industry interference. The Government – Civil society partnership should be developed to prevent tobacco industry influences at policy and implementation phases. Efforts to increase awareness should also extend to include parliamentarians and all local government officials.
2. **Ban on CSR:** There should be a complete ban on all types of tobacco related Corporate Social Responsibilities (CSR) activities. Article 5.3 guidelines recommends interactions be limited to only when strictly necessary for the purposes of controlling, regulating and supervising the tobacco industry. Ban the tobacco industry from providing any contributions including political contributions, donations, gifts, technical advice, scholarships or study visits. TI continuously support their front groups for misleading the authorities regarding tobacco taxes, and they also assist to Tobacco growers, CSR activities should be need to revision.
3. **Remove benefits to tobacco industry:** The Government of Pakistan should withdraw any and all tobacco related incentives, including duty-free, offered to international travelers. Also, the Government of Pakistan should not offer tobacco related incentives in any trade agreements including bilateral. All existing trade agreements should be revised to withdraw such incentives. Tobacco related exports and imports should be heavily taxed in compliance with the government's ongoing tobacco control efforts.
4. **Ensure transparency is key:** Transparency is needed in dealing with the tobacco industry. All meetings with the tobacco industry and their outcomes must be recorded and a procedure to implement it.
5. **Require information from the tobacco industry:** The tobacco industry should be required to provide information in a transparent and accurate manner regularly, about production, market share, marketing expenditures, revenues and any other activity, including expenditure on research and philanthropy.
6. **Require disclosure:** Require a registry of lobbyists and the tobacco industry's lobbying expenditure.

## 2021 Tobacco Industry Interference Index Results and Findings

	0	1	2	3	4	5
<b>INDICATOR 1: Level of Industry Participation in Policy-Development</b>						
1. The government <sup>11</sup> accepts, supports or endorses any offer for assistance by or in collaboration with the tobacco industry <sup>12</sup> in setting or implementing public health policies in relation to tobacco control <sup>13</sup> (Rec 3.1)		X				
In compliance to the Article 5.3 of the FCTC, the government of Pakistan does not engage with TI in setting or implementing public health policies particularly tobacco control.						
2. The government accepts, supports or endorses <u>policies or legislation drafted</u> by or in collaboration with the tobacco industry. (Rec 3.4)		X				
No such policies/legislations are accepted, supported or endorsed by the government. However, it has been reported that TI moves within the related departments in other ministries such as Finance, Commerce and Trade to influence policies/matters. Referring to previous question and in context to tobacco taxation matters, TI is consulted along with the MoH and tobacco control advocates in related meetings.						
3. The government allows/invites the tobacco industry to sit in government interagency/ multi-sectoral committee/ advisory group body that sets public health policy. (Rec 4.8)		X				
There doesn't allow/ invite tobacco industry to sit in government bodies that set public health policy.						
4. The government nominates or allows representatives from the tobacco industry (including State-owned) in the delegation to the COP or other subsidiary bodies or accepts their sponsorship for delegates. (i.e. COP 4 & 5, INB 4 5, WG) <sup>14</sup> (Rec 4.9 & 8.3)		X				
No, the government neither nominates nor allows tobacco industry representatives in the delegation to COP or other subsidiary bodies. Nor any sponsorship or such in any form are accepted from TI for the delegates.						

<sup>11</sup> The term "government" refers to any public official whether or not acting within the scope of authority as long as cloaked with such authority or holding out to another as having such authority

<sup>12</sup> The term, "tobacco industry" includes those representing its interests or working to further its interests, including the State-owned tobacco industry.

<sup>13</sup> "Offer of assistance" may include draft legislation, technical input, recommendations, oversees study tour

<sup>14</sup> Please annex a list since 2009 so that the respondent can quantify the frequency, <http://www.who.int/fctc/cop/en/>

	0	1	2	3	4	5
<b>INDICATOR 2: Industry CSR activities</b>						
5. A. The government agencies or its officials endorses, supports, forms partnerships with or participates in so-called CSR activities organized by the tobacco industry. (Rec 6.2)				X		
B. The government (its agencies and officials) receives contributions <sup>15</sup> (monetary or otherwise) from the tobacco industry (including so-called CSR contributions). (Rec 6.4)						
<p>Pakistan Pan Cigarette Association considered as a front group of TI, meet with Governor Punjab and announce to provide 10,000 households grocery and other related items, Governor advise them to include hand sanitizer and mask in package. 16</p> <p>BAT website reported in 2020 for COVID-19, the company provided mobile doctor units to reach more than 150,000 people in Pakistan.17</p> <p>The overall donation of Philip Morris Pakistan is RS.71,196,000 (447,541.47 USD) ( Approximately exchange rate on 7 July 21) details are            PM's COVID-19 Pandemic Relief Fund Rupees RS.20, 040,000.18 (268,942.21 USD)            Kashf Foundation RS.17,049,000            Paiman Alumni Trust RS. 8,840,000. Network of Organizations Working with Persons with Disabilities RS. 4,961,000.            Shewa Educated Social Worker Association RS. 1,425,000.            Green Star Social Marketing RS.5,721,000            Entrepreneurship And Youth Development RS.13, 160,000.</p> <p>The overall donation of Pakistan Tobacco Company (PTC) is RS. 27000,000. (169711.07 USD) (exchange rate on 7 July 21) details are            Pakistan Baitul Mal RS. 22000,000 (18283.10 USD)            One to Many, RS. 5000,000.            Note: (Rupee to USD exchange rate on 7 July 21 for an estimate)</p>						
<b>INDICATOR 3: Benefits to the Tobacco Industry</b>						
6. The government accommodates requests from the tobacco industry for a longer time frame for implementation or postponement of tobacco control law. (e.g. 180 days is common for PHW, Tax increase can be implemented within 1 month) (Rec 7.1)				X		

<sup>15</sup> political, social financial, educations, community, technical expertise or training to counter smuggling or any other forms of contributions

<sup>16</sup> All Pakistan Pan Cigarette Association met with Governor Punjab and Governor advise them to <https://www.city42.tv/28-Mar-2020/43975>

<sup>17</sup> Bat.com. News release. 10 Dec 2020.

[https://www.bat.com/group/sites/UK\\_\\_9D9KCY.nsf/vwPagesWebLive/DOBW6E4P](https://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DOBW6E4P)

<sup>18</sup> [https://www.pmi.com/resources/docs/default-source/pakistan-files/annual-reports/annual-report-2020.pdf?sfvrsn=a4d180b4\\_2](https://www.pmi.com/resources/docs/default-source/pakistan-files/annual-reports/annual-report-2020.pdf?sfvrsn=a4d180b4_2)

	0	1	2	3	4	5
No, the government does not accommodate requests from the tobacco industry for a longer timeframe for implementation of tobacco control laws. However, the implementation of enlarged graphic health warning (GHW) on tobacco packs has not been implemented to date. In January 2015, the government issued a statutory regulatory order (SRO) to increase the size of GHW on cigarette packs from 40pc to 85pc and to replace the picture within five months. According to a government official quoted in the press the increase in the size of GHW from 60pc to 70pc was due in June 2020 with new graphics, but this has not advanced in the ministry. <sup>19</sup>						
7. The government gives privileges, incentives, exemptions or benefits to the tobacco industry (Rec 7.3)				X		
<p>Withdrawal of advance tax on tobacco growers is a benefit of TI.<sup>20 21</sup>            No Federal Excise Duty imposed in Budget to TI and prices of cigarettes are also very low compared to other countries.<sup>22</sup></p> <p>“It was decided that academia, industry and chamber will coordinate in order to create jobs opportunities and economic development of Swabi including the tobacco, shawl making and other potentials of Swabi.<sup>23</sup></p> <p>In 2019-20 industry wide export of tobacco and cigarette shows there are huge benefits for tobacco companies in regards of Tobacco export. In 2019-20 tobacco industry exports were worth of <b>42,001,041.47 \$US</b> as per reported by the Pakistan Tobacco Board.<sup>24</sup> (last Updates regarding exports)</p>						
<b>INDICATOR 4: Forms of Unnecessary Interaction</b>						
8. Top level government officials (such as President/ Prime Minister or Minister <sup>25</sup> ) meet with/ foster relations with the tobacco companies such as attending social functions and other events sponsored or organized by the tobacco companies or those furthering its interests. (Rec 2.1)				X		
Two Special Assistants (Equal to Federal Minister) to the PM participated in an inauguration function organized by TI (Pakistan Tobacco Company) for launching “VELO”, a fancy smokeless tobacco product <sup>26 27 28</sup> , and at another time in appreciation for the reduction of unemployment. <sup>29 30</sup>						

<sup>19</sup> Size of graphic health warnings on cigarette packs still not enlarged. Dawn. 25 April 2020.

<https://www.dawn.com/news/1620163>

<sup>20</sup> <https://www.brecorder.com/news/40019193/tobacco-exports-jump-after-withdrawal-of-advance-tax>

<sup>21</sup> <https://www.ptb.gov.pk/node/71>

<sup>22</sup> <https://www.nawaiwaqt.com.pk/12-Jun-2020/1171650>

<sup>23</sup> <https://nation.com.pk/23-Jan-2020/survey-to-check-economic-position-of-kp-districts>

<sup>24</sup> <https://www.ptb.gov.pk/node/71>

<sup>25</sup> Includes immediate members of the families of the high-level officials

<sup>26</sup> <https://dnanews.com.pk/ptc-launches-2nd-chapter-exports-initiative-made-pakistan-2/>

<sup>27</sup> <https://dunya.com.pk/index.php/city/islamabad/2020-03-11/1608363>

<sup>28</sup> <https://www.brecorder.com/news/578652/>

<sup>29</sup> <https://defence.pk/pdf/threads/pakistan-tobacco-company-to-set-up-a-bpo-hub-resulting-in-more-than-3000-jobs-in-the-country.694891/#post-12857708>

<https://www.dailyaaj.com.pk/news/39901>

<sup>30</sup> <https://www.dailyaaj.com.pk/news/39901>



Source: PTC launches second chapter; <https://dnanews.com.pk/ptc-launches-2nd-chapter-exports-initiative-made-pakistan-2/>

“The National Assembly Speaker, Asad Qaiser’s efforts for tobacco growers over the last two years have yielded results with an increase in export of over 137 per cent of the produce in first month of the ongoing financial year after withdrawal of advance tax on the tobacco leaf. Pakistan Tobacco Growers Association has assured the Speaker that withdrawal of the advance tax would help the country create more jobs in the industry and increase exports of the produce.<sup>31 32</sup>

Senator Delawar Khan distributed Cigarette packs among Senators with monogram of Senate without any warning, newspaper claims he has a cigarette factory. The cigarette manufacturers are also a part of Government.<sup>33 34 35</sup>



<p>9. The government accepts assistance/ offers of assistance from the tobacco industry on enforcement such as conducting raids on tobacco smuggling or enforcing smoke free policies or no sales to minors. (including monetary contribution for these activities) (Rec 4.3)</p>			<p><b>X</b></p>			
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There is no official record that the government does not accept assistance from the TI on conducting raids. However, PTC admits in its annual report that it is working with the

<sup>31</sup> <https://www.thenews.com.pk/print/714075-speaker-s-efforts-for-tobacco-growers-yield-increase-in-exports>  
<sup>32</sup> <https://www.nawaiwaqt.com.pk/17-Sep-2020/1217350>  
<sup>33</sup> <https://dailypakistan.pk/national/143475/>  
<sup>34</sup> <https://www.urdupoint.com/daily/livenews/2020-07-24/news-2522869.html>  
<sup>35</sup> <https://dunya.com.pk/index.php/pakistan/2020-07-25/1680264>

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Government. However Pakistan Tobacco Company claims that “PTC continues to work with the Government on enforcement against the illicit sector and counterfeit producers to ensure fiscal and regulatory discipline across the industry in the future. This will not only ensure the sustainability of the legitimate sector but also result in significant revenue inflows for the Government. Page 51, PTC annual report 2020.” <sup>36</sup>						
Government wants to apply track and trace system on large scale business like Sugar, Fertilizer, Cement and Tobacco, but unfortunately track and trace system not implemented even the struggle of more a decade, due to interference of industries, specifically TI’s interference is revealed. <sup>37</sup>						
10. The government accepts, supports, endorses, or enters into partnerships or agreements with the tobacco industry. (Rec 3.1) NOTE: This must <u>not</u> involve CSR, enforcement activity, or tobacco control policy development since these are already covered in the previous questions.		X				
No. The government does not accept, support, endorse or enters into partnerships or agreements with the tobacco industry.						
<b>INDICATOR 5: Transparency</b>						
11. The government does not publicly disclose meetings/ interactions with the tobacco industry in cases where such interactions are strictly necessary for regulation. (Rec 2.2)				X		
The Government does not have any disclosure policy yet. TCC developed a plan regarding disclosing meetings/interactions with the TI, which is still to be approved and adopted. <sup>38</sup>						
12. The government requires rules for the disclosure or registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf including lobbyists (Rec 5.3)						X
As before, there is no register for registering who is the tobacco industry - tobacco industry entities, affiliated organizations, and individuals acting on their behalf.  The Government does not have any process of disclosure of affiliated tobacco organizations and individual acting on their behalf including lobbyists.						
<b>INDICATOR 6: Conflict of Interest</b>						

<sup>36</sup>

[http://www.ptc.com.pk/group/sites/pak\\_ampc26.nsf/vwPagesWebLive/DOANCKYV/\\$FILE/medMDC29FXV.pdf?openelement](http://www.ptc.com.pk/group/sites/pak_ampc26.nsf/vwPagesWebLive/DOANCKYV/$FILE/medMDC29FXV.pdf?openelement)

<sup>37</sup> <https://grius.com/tobacco-track-and-trace-mission-impossible-for-pakistans-fbr/>

<sup>38</sup> <http://www.tcc.gov.pk/downloads/POA%20Final.pdf>

	0	1	2	3	4	5
13. The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions. (Rec 4.11)						X
The government does not prohibit contributions from the tobacco industry or any entity working to further its interests to political parties, candidates, or campaigns or to require full disclosure of such contributions.						
14. Retired senior government officials form part of the tobacco industry (former Prime Minister, Minister, Attorney General) (Rec 4.4)					X	
<p>Zafar Mahmood (from previous report) who was the Non-Executive Director &amp; Chairman of Audit Committee is now the Chairman of PTC. His rest of profile remains the same.<sup>39</sup></p> <p>Mr. Mohammad Riaz Khan currently serves as an Independent Director for PTC. He served as the Secretary/ Additional Deputy Commissioner Budget in 1981. He was the Commercial and Economic Counselor in Paris and Counsel General, Turkey for Pakistan. Due to his active involvement in Public Affairs, he was posted as DG Social Sector at the Prime Minister's Secretariat. This is interesting to note that Mr. Riaz has also served as DG Customs for 4 years and Director at the National Assembly of Pakistan. He was appointed to the role of Director, State Bank of Pakistan (SBP) in 2016. During his tenure at SBP, he also served as Member, Monetary Policy Committee of Pakistan. Mr. Riaz has served the Government of Pakistan for over 37 years.<sup>40</sup></p> <p>Lt. General (R) Muhammad Masood currently serves as an Independent Director for PTC. Active after his retirement, he remains involved with numerous think tanks in Pakistan and abroad. He has special expertise in countering militancy, violent extremism and undertaking rehabilitative measures to ensure lasting peace. He was posted as Pakistan's Ambassador to Mexico in 2011. He commanded the Peshawar Corps and oversaw all military operations in FATA and KPK. He held various command and staff appointments during his career including commanding a brigade and a Division. Mr. Masood was commissioned in Infantry, Pakistan Army in November 1971.<sup>41</sup></p>						
15. <u>Current government officials</u> and relatives hold positions in the tobacco business including consultancy positions. (Rec 4.5, 4.8, 4.10)		X				
<p>Government officials cannot work in two different positions apart from government setup. There is no policy restricting the relatives of officials holding positions in the tobacco business etc.</p> <p>Private trade, employment or work.</p>						

<sup>39</sup> [http://www.ptc.com.pk/group/sites/PAK\\_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument](http://www.ptc.com.pk/group/sites/PAK_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument)

<sup>40</sup> [http://www.ptc.com.pk/group/sites/PAK\\_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument](http://www.ptc.com.pk/group/sites/PAK_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument)

<sup>41</sup> [http://www.ptc.com.pk/group/sites/PAK\\_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument](http://www.ptc.com.pk/group/sites/PAK_AMPC26.nsf/vwPagesWebLive/DOAMPCTX?opendocument)



	0	1	2	3	4	5
“No Government servant shall, except with the previous sanction of the Government, engage in any trade or undertake any employment or work, other than his official duties”: <sup>42</sup>						
<b>INDICATOR 7: Preventive Measures</b>						
16. The government has put in place a procedure for disclosing the records of the interaction (such as agenda, attendees, minutes and outcome) with the tobacco industry and its representatives. (Rec 5.1)				X		
<i>It is already mentioned that the government has not developed disclosure policy yet regarding tobacco control, however a draft on National Tobacco Control strategy is under discussion in Ministry of Health.</i>						
17. The government has formulated, adopted or implemented a code of conduct for public officials, prescribing the standards with which they should comply in their dealings with the tobacco industry. (Rec 4.2)				X		
Tobacco Control Cell (TCC) did develop National Action Plan on TI Interference as a code of conduct, however this has not been implemented yet. <sup>43</sup>						
18. The government requires the tobacco industry to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. (5.2)		X				
The government requires all corporations (not specific to the tobacco industry) to periodically submit information on tobacco production, manufacture, market share, marketing expenditures, revenues and any other activity, including lobbying, philanthropy, political contributions and all other activities. The Companies Ordinance 1984 of Securities & Exchange Commission of Pakistan (SECP) requires all public companies to publish quarterly financial data of production, manufacture, marketing expenditures revenues and other financial records etc. The other expenses such as contributions and charity work have to be included in the annual statements which again are published. <sup>44</sup> However this information has not been accessed and utilized to regulate the tobacco industry.						
19. The government has a program / system/ plan to consistently <sup>45</sup> raise awareness within its departments on			X			

<sup>42</sup> [https://publicofficialsfinancialdisclosure.worldbank.org/sites/fdl/files/assets/law-library-files/Pakistan\\_Government%20Servants%20Conduct%20Rules\\_1964\\_en.pdf](https://publicofficialsfinancialdisclosure.worldbank.org/sites/fdl/files/assets/law-library-files/Pakistan_Government%20Servants%20Conduct%20Rules_1964_en.pdf)

<sup>43</sup> <http://www.tcc.gov.pk/downloads/POA%20Final.pdf>

<sup>44</sup> [www.secp.gov.pk/enforcement/orders/companies-ordinance-1984/](http://www.secp.gov.pk/enforcement/orders/companies-ordinance-1984/)

<sup>45</sup> For purposes of this question, “consistently” means: a. Each time the FCTC is discussed, 5.3 is explained. AND b. Whenever the opportunity arises such when the tobacco industry intervention is discovered or reported.

	0	1	2	3	4	5
policies relating to FCTC Article 5.3 Guidelines. (Rec 1.1, 1.2)						
The Ministry of Health (MoH) consistently raises awareness within its and other government departments.						
20. The government has put in place a policy to disallow the acceptance of all forms of contributions/ gifts from the tobacco industry (monetary or otherwise) including offers of assistance, policy drafts, or study visit invitations given or offered to the government, its agencies, officials and their relatives. (3.4)			X			
No such policy exists.						
<b>TOTAL</b>					<b>48</b>	

## Pakistan: 2021 Tobacco Industry Interference Index

Pakistan has overall score of 48 and ranked 17 among 80 countries.

1. **Awareness on Article 5.3 as an obligation:** Effective implementation of the developed SOPs based on Article 5.3 guidelines to ensure transparency and protect tobacco control policies from tobacco industry influence. The related government departments should be made aware to the counter strategies for tobacco industry interference. The Government – Civil society partnership should be developed to prevent tobacco industry influences at policy and implementation phases. Efforts to increase awareness should also extend to include parliamentarians and all local government officials.
2. **Ban on CSR:** There should be a complete ban on all types of tobacco related Corporate Social Responsibilities (CSR) activities. Article 5.3 guidelines recommends interactions be limited to only when strictly necessary for the purposes of controlling, regulating and supervising the tobacco industry. Ban the tobacco industry from providing any contributions including political contributions, donations, gifts, technical advice, scholarships or study visits. TI continuously support their front groups for misleading the authorities regarding tobacco taxes, and they also assist to Tobacco growers, CSR activities should be need to revision.
3. **Remove benefits to tobacco industry:** The Government of Pakistan should withdraw any and all tobacco related incentives, including duty-free, offered to international travelers. Also, the Government of Pakistan should not offer tobacco related incentives in any trade agreements including bilateral. All existing trade agreements should be revised to withdraw such incentives. Tobacco related exports and imports should be heavily taxed in compliance with the government's ongoing tobacco control efforts.
4. **Ensure transparency is key:** Transparency is needed in dealing with the tobacco industry. All meetings with the tobacco industry and their outcomes must be recorded and a procedure to implement it.
5. **Limit interactions with the tobacco industry to only when strictly necessary:** Stopping unnecessary interactions is vital to avoiding industry interference. Governments should limit interactions to controlling and regulating the industry.

6. **Require information from the tobacco industry:** The tobacco industry should be required to provide information in a transparent and accurate manner regularly, about production, market share, marketing expenditures, revenues and any other activity, including expenditure on research and philanthropy.
7. **Protect government officials from tobacco industry influence:** Officials need to be free to develop and implement tobacco control measures without industry influence or interference. Adopting a code of conduct or guidance, which shields them from industry interference, will protect tobacco control; however, to be effective, this should apply to all public and elected officials.
8. **Treat state-owned enterprises the same as other tobacco companies:** State-owned tobacco entities should not be given governmental privilege or be allowed to influence tobacco control policy.
9. **Require disclosure:** Require a registry of lobbyists and the tobacco industry's lobbying expenditure.

## ANNEX A: SOURCES OF INFORMATION

### TOBACCO INDUSTRY ACTIVITY

#### LOCAL TOBACCO COMPANIES

Top 5 Tobacco Companies/distributors	Market Share and Brands	Source
Philip Morris(Pak) Ltd	<p><i>Marlboro, Morven, Diplomate, Red &amp; White</i></p> <p>PTC's market share would be around 45% and PMI's share would be around 15%. PMI's most famous brand was Marlboro but its market share in Pakistan was low. Share of Market depends on Market Availability and not on off take – if in the Market there were 20 cartons and 10 belonged to PTC and PMI each, Market Share would be 50% each, irrespective of off-take. Page 7<sup>46</sup></p>	<p><a href="https://www.pmi.com/markets/pakistan/en/about-us/our-products">https://www.pmi.com/markets/pakistan/en/about-us/our-products</a></p> <p><a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a></p>
Pakistan Tobacco Co	Dunhill, Benson & Hedges, John Player Gold Leaf, Capstan by Pall Mall, Gold Flake and Embassy	<p><a href="https://www.marketscreener.com/quote/stock/PAKISTAN-TOBACCO-COMPANY-20700693/company/">https://www.marketscreener.com/quote/stock/PAKISTAN-TOBACCO-COMPANY-20700693/company/</a></p> <p><a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a></p>
Pakistan Tobacco Services	Tobacco Exporter	<a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a>
I.R Enterprises	Tobacco Exporter	<a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a>
Souvenir Tobacco Co.	Tobacco Exporter	<a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a>
Pak Hills	Tobacco Exporter	<a href="https://www.ptb.gov.pk/node/71">https://www.ptb.gov.pk/node/71</a>

<sup>46</sup> <https://hcommons.org/deposits/objects/hc:30694/datastreams/CONTENT/content>

## TOBACCO INDUSTRY FRONT GROUPS

Top 5 Tobacco Industry Representative	Type (Front Group/ Affiliate/ Individual)	URL
Stop illegal trade <a href="https://stopillegaltrade.pk/">https://stopillegaltrade.pk/</a>	Front Group	<a href="http://www.stopillegaltrade.pk/">www.stopillegaltrade.pk/</a> funded by Philips Morris Pakistan
Association for Smoking Alternatives in Pakistan (ASAP) <a href="https://www.facebook.com/ASAPak/">https://www.facebook.com/ASAPak/</a>	Front Group	<a href="https://www.facebook.com/ASAPak/">www.facebook.com/ASAPak/</a>
QBal (Quality Belligerence) <a href="http://qbal.com.pk/">http://qbal.com.pk/</a>	Front Group	<a href="http://qbal.com.pk/">http://qbal.com.pk/</a> Funded by <a href="http://www.smokefreeworld.org/awarded-grants/">www.smokefreeworld.org/awarded-grants/</a> <sup>47</sup>
Alternative Research Initiative <a href="http://www.aripk.com/">http://www.aripk.com/</a>	Front Group	<a href="http://www.aripk.com/">http://www.aripk.com/</a> Funded by <a href="http://www.smokefreeworld.org/awarded-grants/">www.smokefreeworld.org/awarded-grants/</a> <sup>48</sup>
Tobacco Grower	Front Group,	

## NEWS SOURCES

Top 5 Newspaper/Dailies	Type (Print/Online)	URL
The News	Print & Online	<a href="http://www.thenews.com.pk">www.thenews.com.pk</a>
Daily Dawn	Print & Online	<a href="http://www.dawn.com">www.dawn.com</a>
Daily Dunya News	Print & Online	<a href="http://www.dunya.com.pk">www.dunya.com.pk</a>
The Nation	Print & Online	<a href="http://www.nation.com.pk">www.nation.com.pk</a>
Diplomatic News Agency	Print & Online	<a href="http://www.dnanews.com.pk">www.dnanews.com.pk</a>

<sup>47</sup> <https://www.smokefreeworld.org/awarded-grants/>

<sup>48</sup> <https://www.smokefreeworld.org/awarded-grants/>



## **SOCIETY FOR ALTERNATIVE MEDIA AND RESEARCH (SAMAR)**

The aim of SAMAR is strengthen the development and implementation of polices based on the provisions of Framework Convention for Tobacco Control (FCTC) through advocacy campaigns and acting as a technical resource for the Ministry of Health.

The Coalition for Tobacco Control – Pakistan (CTC-Pak) of SAMAR has been advocating for stronger measures for tobacco control by the translations and adaption of FCTC provisions into national tobacco control law as ratified by the Government of Pakistan for the Framework Convention of Tobacco Control (FCTC).

There is a strong need to keep the issue of tobacco control on the agenda of the policy makers. The prevalence of the smoking in youth as well as adult is high in Pakistan and the loopholes in the existing law provide an environment for the industry to exploit especially with respect to Article 5.3 and tobacco industry interference in Pakistan.

With support from Bloomberg Global Initiatives for Tobacco Control and the The Union Against Tuberculosis and Lung Diseases, CTC –Pak through its coalition partners in the process of monitoring the implementation of the tobacco control status in Pakistan.

