



# Investment carrot vs tobacco control stick – who is winning in Ukraine?

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- Population 44,4 M
- 8.2 M adults using tobacco products (
   39.7% males & 8.9% females) GATS 2017
- 20% reduction of smoking prevalence since 2010
- 85 thousand people die due to tobacco related diseases every year (projection from 2010)



# UKRAINE TOBACCO INTERFERENCE INDEX 2019 VS 2020

Overal score - 61

Ranked 20 out of 33

Overal score - 68

Ranked 45 out of 57

Score has deteriorated by +7

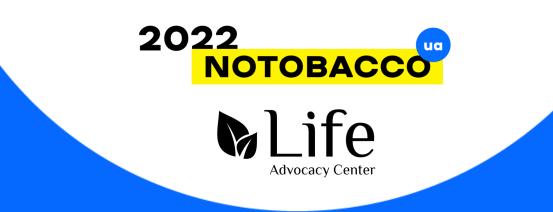
mostly in unnecessary

interaction with the tobacco

industry, especially on new

legislation, taxation issues and

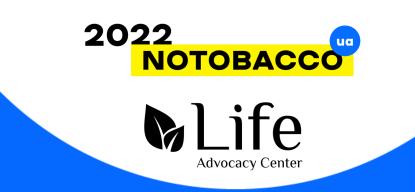
tackling illicit trade.



The tobacco industry interferes in policy development Ukraine's score - 13, the worst score is 19

#### Tobacco lobby in the Parliament

- defeated 2 draft laws (May 2019) new bill registered in November 2020
- delayed the increase of excise on HTPs till 1st January 2021



## Government engaged in unnecessary interaction with the tobacco industry

Ukraine's score - 13, the worst score is 15

- State Fiscal Service MOU with Ukrainian Association of Tobacco Producers
- Cabinet of Ministers MOU with the tobacco industry
- Meeting of the President, PM, Ministers with the TI

Volodymyr Zelenskyy in a i NOTOBACCO Life
with representation with representatives of the largest tobacco companies in Ukraine: We are interested in increasing investment and exports

7 November 2019 - 20:21





#### TI INTIMIDATES & THREATENS UKRAINIAN **GOVERNMENT OVER TOBACCO TAX INCREASES**

Philip Morris Ukraine: If bill No. 1210 passed, illicit tobacco market may expand to about 60%



















In particular, the bill provides for an increase in the excise tax on cigarettes.





#### 2020 TOBACCO TAX POLICY WIN

May 2020 - the President signed the bill that has a provision on taxing HTP sticks per sticks not per kg and increasing specific excise 4-fold from 1 January 2021



### WHAT NEEDS TO BE DONE TO IMPROVE IMPLEMENTATION OF ARTICLE 5.3 IN UKRAINE

- 1.Ban all forms of tobacco industry related CSR activities as recommended in the WHO FCTC.
- 2. Implement a procedure for interaction and disclosure of records with the TI. and disclose all records of interaction with the TI.
- 3. Require the tobacco industry to report on its expenditure on marketing and lobbying.
- 4. Adopt a Code of Conduct for officials when dealing with the TI.
- 5. Remove any benefit given to the tobacco industry, such as duty-free cigarettes for international travelers.





### **THANK YOU!**

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