

Regional Index interference from the Tobacco Industry - Mexico Case



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BACKGROUND AND INTRODUCTION

Mexico ratified the WHO Framework Convention on Tobacco Control on February 27, 2005. The General Law on Tobacco Control (GLTC), approved in 2008, is the principal law governing tobacco control at the federal level. By now, 15 states have local regulations specific on tobacco control. The GLTC covers all the areas in the FCTC - smoke free policies, tobacco advertising, promotion and sponsorship, packaging and labelling, and enforcement¹, but none of them is completely fulfilled.

In 2019, at the initiative of the President of the Republic, the federal Congress approved an update and indexation of tobacco taxes. With this, taxes represent 69% of the final sale price. This progression, along with the import ban on electronic nicotine delivery systems (ENDS) and heated tobacco products approved in February 2020, encouraged PAHO / WHO to recognize the Mexican government with the World No Tobacco Day 2020 Award in these two areas.²

Two transnational tobacco companies, Philip Morris International (PMI) and British American Tobacco (BAT), controls 93.5% of the cigarette market in Mexico (PMI controls 64.2% and BAT controls el 29.3%). PMI, through its local subsidiary, is the leading tobacco company in Mexico. It sells Marlboro and Benson & Hedges (premium), and Delicados and Chesterfield (economy).

The main findings of the Index 2020 are presented below:

1- INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The current federal government has limited the participation of the tobacco industry; even in the meetings of the National Commission against Addictions, participants are required to have no ties or representation of that industry. In 2019, with a campaign involving British American Tobacco, the Ministry of Health decided to withdraw its participation. However, initiatives for lax regulation of electronic cigarettes and heated tobacco products have been put forward in the federal Congress.



¹. Salud Justa MX. Control del Tabaco en México. Indicadores Nacionales, México, May 2020, available in https://saludjusta.mx/wp-content/uploads/IndicadoresNacionales_2020-1.pdf. Coalición México SaludHable. Grasas trans en México. Análisis de la situación en el marco de la estrategia REPLACE, México, 2019. <http://mexicosaludhable.org/replace/assets/pdf/grasas-trans-en-mexico-digital.pdf>

². Organización Panamericana de la Salud. "Los Premios del Día Mundial sin Tabaco 2020 reconocen los avances en Bolivia, Brasil, México y Venezuela", May 22, 2020. Available in https://www.paho.org/mex/index.php?option=com_content&view=article&id=1535:los-premios-del-dia-mundial-sin-tabaco-2020-reconocen-los-avances-en-bolivia-brasil-mexico-y-venezuela&Itemid=499

2- UNNECESSARY INTERACTION

In the Senate of the Republic, Senator Miguel Ángel Navarro, President of the Health Committee, participates in events organized by British American Tobacco. The question remains whether the cigarette tracking system is provided by the tobacco industry (Codentify), which has already been reported. In addition, Philip Morris participates with the federal government in the "Youth Building the Future" program (Programa "Jóvenes Construyendo el Futuro").

- Senator Miguel Angel Navarro, president of the Health Committee, attended and spoke on behalf the tobacco industry in an event organized by British American Tobacco and spoke on behalf of the industry asking to stop "demonizing" tobacco, as its production and sale generates investments and jobs throughout the country. Also, he promised to work so that the necessary legal reforms are achieved without harming companies and the generation of job sources.

3- TRANSPARENCY

Federal regulation does not oblige to disclose meetings with the tobacco industry. In the Congress of the Union, the registration of lobbyists is mandatory, where companies and organizations must express their interests and who they represent.

- However, the Ministry of Health determined to record in video any meeting with the tobacco industry or its allies.

4- CONFLICT OF INTEREST

The federal government does not prohibit tobacco industry contributions to campaigns. Retired officials remain as lobbyists for the tobacco industry (now, in addition, allied with former officials who work for the soft drink industry). In the political party of the President of the Republic, Yeidckol Polevsky Ex General Secretary of Morena.

- Mony de Swaan was President Commissioner of the Federal Telecommunications Commission until 2013, with the past president. Today, he represents Philip Morris México (<http://www.ceiap.mx/cartera-de-clientes/>). Often, the tobacco industry in Mexico presents itself as an ally with other industries, such as the sugary drinks industry, especially on fiscal policy issues. The Director of Corporate Affairs of FEMSA (Coca Cola Mexico) was Undersecretary of the Interior: Roberto Campa <https://www.elfinanciero.com.mx/empresas/roberto-campa-el-nuevo-director-de-asuntos-corporativos-de-femsa>
- Yedikol Polevsky is the General Secretary of MORENA, the party that was founded and leaded by México's President, Andrés Manuel Lopez Obrador. Her daughter, named Shirley Alamaguer, is Director of Regulatory Affairs for BAT Mexico.

5- PREVENTIVE MEASURES

The Ministry of Health has assumed a leading role in spearheading preventive measures in the federal government. This institution, together with the Ministry of Economy, has internal guidelines related to article 5.3 of the CMCT. The federal government in 2019 approved a regulation that prohibits employees from receiving any contributions. However, assistance offers, policy drafts or study visit invitations which could come from the tobacco industry, are still maintained.

- There is a proposal from the Secretary of Health to promote records of the interaction with the tobacco industry, for the whole federal government.
- The Ministry of Health has formulated a code of conduct, but it has not been approved.
- The Ministry of Health and the Ministry of Economy have internal guidelines related to article 5.3 of the FCTC. However, they are not public.

RECOMMENDATIONS

Mexico improved its score this year with the new measures in favor of transparency and against the conflict of interests led by the Ministry of Health. However, the interference of the tobacco industry in the Federal Congress remains, where lobbyists promote lax regulation of electronic cigarettes and heated tobacco products. There is a need to reinforce measures against conflict of interest throughout the government.



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