

Vietnam

Overall score:

58

I. Industry participation in policy development:

The government continues to accept offers of assistance or collaborations with the tobacco industry specifically with policy discussions on controlling illicit trade. The Ministry of Industry and Trade (MOIT) also enlists State-owned Vietnam Tobacco Association (Vinataba) as a member of a drafting committee to develop decisions related to penalties and protection of consumer rights related to illicit trade of tobacco. Vinataba has also participated in several government inter-agency / multi-sectoral committee meetings to set policies on illicit trade, where it recommended to use or divert the Tobacco Control Fund for controlling tobacco smuggling. The Vietnamese delegation to the last COP did not include any representative from the tobacco industry.

II. Tobacco industry-related CSR activities: Although there is a ban on certain types of corporate social responsibility (CSR) activities, this makes no difference to the extent by which the tobacco industry conducts these activities. Vinataba and other tobacco companies support a variety of programs for disadvantaged students, educational facilities improvement, social enterprise, and subsidies for war veterans, among others. These CSR activities bring the tobacco industry in contact with high-profile government officials including the Prime Minister.

III. Benefits given to the tobacco industry: The Ministry of Finance (MOF) did not accommodate a request from Vinataba to temporarily suspend a scheduled tax hike. However, the government has an existing bilateral agreement with Cambodia, which sets 0% import tax for dried tobacco leaves imported from Cambodia. Also, travellers can still bring in duty-free tobacco products into Vietnam (200 cigarettes, or 20 cigars or 250 grams of tobacco).

IV. Unnecessary interaction with the tobacco industry:

There is a lot of evidence that documents top level officials attending social functions organized by the tobacco industry; these include the Vice President of the National Assembly (NA)'s meeting with the President of Philip Morris International (South and Southeast Asia) where PMI promoted its new so-called 'less harmful tobacco products' as an investment to Vietnam, and the Deputy Minister of MOIT's attendance to the 50th anniversary of Trade Bac Son Tobacco Company, which was also given an award by the government. The government has also accepted assistance from the tobacco industry for its tobacco control activities such as the compulsory fund collection from tobacco manufacturers for control of illicit trade.

V. Procedure for transparency measures: There are no rules or procedure for the disclosure of meetings / interactions with the tobacco industry as the government sees interaction with the tobacco industry as normal. There are also no rules or procedure for disclosure / registration of tobacco industry entities, affiliated organizations, and individuals acting on their behalf.

VI. Avoiding conflicts of interest: Vietnam is a unitary / single-party government, and hence, there is no need for competitive election campaigns and / or donations. Currently, no evidence is found on retired government officials joining the tobacco business. While there are no recent appointments of current government officials to hold positions in the tobacco business, this practice still exists and most government officials appointed in previous years are still connected with Vinataba.

VII. Preventive measures: There are no policies or procedures to disclose the records of interaction with the tobacco industry, nor to implement a code of conduct for public officials. However, the Ministry of Health (MOH) has issued an official dispatch cautioning other government ministries and offices not to cooperate and accept funding from the PMI-funded Foundation for a Smoke-free World (FSFW). Vinataba, as a State-owned business, is required to provide some reports to the MOIT and MOF periodically but no information on lobbying, philanthropy, or contributions are collected. There is also no program or plan to consistently raise awareness on Art. 5.3. Lastly, although not specific to the tobacco industry, there is an existing anti-corruption law that prohibits public servants from accepting forms of contributions / gifts from the private sector; however, the government still requires the tobacco industry to provide funding and assistance related to controlling illicit trade.

Recommendations

1. The State-owned tobacco enterprise Vinataba must be treated in the same way as any other tobacco business. The government must not enlist the tobacco industry as a stakeholder in policy development, at all cost.
2. Tobacco control funds must be used exclusively for public health education and promotion, and not to protect the tobacco industry's business from illicit trade.
3. Tobacco-related CSR activities must be banned completely.
4. Benefits currently given to the tobacco industry, such as waiver of duties for export and promotional incentives, duty-free allowances, must be revoked.
5. Interactions with the tobacco industry should be held only when and to the extent strictly necessary to effectively regulate the industry and its products.
6. The government needs to put in place a procedure for interaction and disclosure of all records of interaction with the tobacco industry. Additionally, a code of conduct must be adopted to guide all government officials when dealing with the tobacco industry.