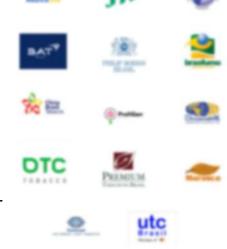
# The Tobacco Industry's Corporate Social Responsibility Measures in Brazil

# How the tobacco industry operates:

Some tobacco companies make financial donations or contributions to the community, health, welfare, or environmental organizations directly or through other entities.



The disclosure of these corporate "socially responsible" activities to the public might be considered commendable. However, its likely effect is to directly or indirectly promote tobacco products.<sup>1</sup>

# WHO Framework Convention on Tobacco Control (WHO FCTC):

The WHO FCTC is an international treaty of which Brazil has been a legally bound party since 2005, enacted through Decree No. 5658/2006.

The treaty has measures to reduce tobacco demand and supply.

Its Article 13 prohibits the sponsorship and promotion of tobacco consumption. Its guidelines require Parties to prohibit funding and contributions from the tobacco industry (TI) for any activity or "socially responsible cause."

WHO FCTC Article 5.3 calls upon Parties to protect public policies from the tobacco industry's commercial interests.



# The tobacco industry's objectives with CSR actions in Brazil:

## Improve reputation, image, and credibility in the country:

Souza Cruz (BAT Brasil) participated in the Attorney General Office's 2017 edition of the Empresa Pró-ética Award, acknowledging it as a company committed to adopting measures related to the prevention, detection, interruption, and mediation of fraud and corruption.<sup>2,3</sup>





#### Get access to public authorities in the country:

The National Commission for the Implementation of the FCTC did not participate in the Conference of the Parties (COP9) in 2022 due to the industry's lobby and interference at the Tobacco Sector Chamber of the Ministry of Agriculture (MAPA).<sup>4</sup>

# Take society's attention away from its responsibility for tobacco use consequences in the country:

Philip Morris Brasil decided to promote the company and its products during the Covid-19 pandemic. Donations were made (accepted by health authorities in the country) to fight the pandemic, although smokers had a higher risk of severe Covid-19 forms.<sup>5</sup>

Evade the Brazilian legislation that prohibits advertising, promotion, and sponsorship of tobacco products in the country: <sup>6</sup>

BAT Brasil and the Ekloos Institute created the Vamos Rio project, which promotes activities related to culture and economy.<sup>7</sup>



#### **Theme: ENDs**

#### STRATEGY 1

Use the media to make their products familiar to society.

TI finances journalists (conventional media) and influencers (social media) to disseminate the idea that ENDS has as its primary objective to reduce the harm caused by cigarette smoking. 8.9

#### STRATEGY 2

Run promotional campaigns.

TI advertises the benefits of regulating ENDS as tobacco harm reduction. 10

#### STRATEGY 3

Support and enable the illegal virtual marketing of ENDS in Brazil.

TI supports pro-ENDS groups to advocate ENDS marketing in Brazil.

The organization DIRETA (Information Directory for Tobacco Harm Reduction) has partnered with the World Vapers Alliance (WVA), funded by the tobacco industry.<sup>11</sup>

#### STRATEGY 4

Influence decision-makers.

TI uses institutional lobbying with politicians and legislators to promote ENDS regulation.<sup>12</sup>

#### **STRATEGY 5**

Exaggerate the industry's economic importance.

Contrary to what scientific studies prove, TI states that regulating ENDS would benefit health systems by reducing the spending on treating patients who have become ill from cigarette smoking.<sup>13</sup>

#### **STRATEGY 6**

Influence science by funding and promoting biased studies to support harm reduction.

TI discloses data from internal studies, promoting DEFs as the only way to reduce harm. However, studies show that ENDS vapor can be up to 15 times more carcinogenic than cigarette smoke.<sup>13,14</sup>



### Theme: 2030 Agenda

#### STRATEGY 1

Implementation lines within companies /intermediaries and rural producers.

Through internal and integrated projects in its production chain, TI promotes a responsible image regarding the impact of its products on the environment. Nevertheless, tobacco production involves deforestation and the use of pesticides. Cigarette filters are a problem because they are not biodegradable and can remain in the environment for long periods in the form of microplastics, causing significant damage to the aquatic environment <sup>21</sup>

#### STRATEGY 2

Social sustainability programs.

TI creates its own development and education projects to fight child labor. It aims to avoid rural exodus and comply with Brazilian legislation.

Sinditabaco's Instituto Crescer Legal has developed programs that provide subsidies for young people to stay and grow in rural areas through income-generation opportunities.<sup>21</sup>

#### STRATEGY 3

Linking to projects and organizations related to 2030. Agenda

TI borrows recognized organizations' credibility in implementing the 2030 Agenda to promote its image.

Brazil was one of the countries where JTI and the International Labor Organization implemented the international project Achieving the Reduction of Child Labor in Support of Education (ARISE). Nevertheless, there was no known impact on child labor reduction.<sup>23</sup>



### Theme: Illicit trade

#### STRATEGY 1

Invest in the development of its own tracking and tracing systems.

TI has allegedly created a tobacco product tracking system called Codentify to prevent and control cigarette smuggling. Thus, TI can monitor and control global anti-illicit measures. This is problematic, given TI's history of facilitating tobacco smuggling.<sup>15.16</sup>

#### STRATEGY 2

Lobby against tobacco control policies, in particular against tax increases.

TI portrays itself as a partner in implementing the Protocol to Eliminate Illicit Trade in Tobacco Products.

In 2021, TI sponsored a series of articles in Gazeta do Sul newspaper in Rio Grande do Sul, conveying its interests in Brazil and associating its name with the protocol. However, TI only uses the theme of illicit trade as an argument to promote tax reduction on its products.<sup>17</sup>

#### STRATEGY 3

Use front groups to broaden the impact of smuggling on the tobacco production chain and unemployment.

TI joins the National Forum against Piracy, which disseminates inflated information on the extent of illicit trade and uses this data to lobby for low taxes. In addition, it seeks to display an image of respectability in confronting illicit trade. 18

#### **STRATEGY 4**

Lobby at global, regional, and national levels to influence the implementation of the Protocol to Eliminate Illicit Trade in Tobacco Products.

TI funded capacity building on fighting illicit trade for border control officials through the Mackenzie Presbyterian Institute and the University of São Paulo. TI uses these events to pursue its strategies.<sup>19</sup>

#### **STRATEGY 5**

Finance biased studies to expand smuggling.

Through the Impact project (PMI), TI financed the Census of Illicit Markets in São Paulo, Paraná, and Mato Grosso do Sul. The consulting firm JHM Security Consulting and Research released questionable data and strategic information for the industry to push its agenda.<sup>20</sup>



#### Theme: Elimination of Child Labor and Youth Promotion

#### STRATEGY 1

Information and education programs.

TI has used booklets, newsletters, and lectures to meet Brazilian legal requirements. They intend to raise tobacco growers' awareness about the importance of eliminating child labor.

In 2016, the Rural Professional Learning Program offered management and entrepreneurship course for teenagers. As working in tobacco production is not allowed at this age, TI carries out these activities based on the Apprentice Law. At the same time, it establishes a closer relationship with young people.<sup>24</sup>

#### **STRATEGY 2**

Programs to prevent rural exodus among young people.

Tl offers programs against the rural exodus to have a workforce for growing tobacco, an essential product for the sector's survival.

The Crescer Legal Institute promotes initiatives to prevent rural exodus, encouraging the permanence of young people in tobacco production.<sup>25</sup>

#### STRATEGY 1

Programs aimed at young people in the urban environment.

TI develops direct programs to approach young people through institutions created by the youth or government initiatives.

The BAT Brazil Institute, in partnership with the Ekloos Institute and with the support of the Rio de Janeiro State Department of Culture, created Vamos Rio. The program aims to accelerate NGOs and social startups with cultural projects in Rio de Janeiro state.<sup>7</sup>



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