

In mid-2016, versions of the following letter were sent to all the companies and organisations named on the website of the International Tax and Investment Center (ITIC).

Request for public disassociation from ITIC

We, as organizations concerned with public health, international development and fair taxes, are writing to inform you that the International Tax and Investment Center (ITIC) is actively working on behalf of multinational tobacco companies around the world to oppose a range of public health policy measures designed to reduce tobacco use, in particular raising taxes.

ITIC's sponsors include all of the leading transnational tobacco companies, and its board of directors includes representatives from British American Tobacco, Philip Morris International, Japan Tobacco International, and Imperial Tobacco.

The World Health Organization international tobacco treaty, the Framework Convention on Tobacco Control, identifies tobacco taxes as a key policy lever in reducing tobacco consumption. ITIC lobbied hard against the adoption of guidelines on this key policy area. The WHO and the FCTC Secretariat have identified the organization as a tobacco lobby group with a damaging agenda, and stated that member countries should simply not engage with ITIC at all. The Secretariat has also issued two Notes Verbale on the ITIC, cautioning Parties to the WHO FCTC about how ITIC has been furthering policies that favour the tobacco industry rather than the recommendations of the FCTC, especially Article 6 (tax and price measures) and its Guidelines.

Despite efforts to present themselves as responsible corporate citizens, tobacco companies are not like other businesses. For decades, the tobacco industry has marketed its deadly products to kids, deceived the public about the harmful effects of tobacco use, and fought the adoption and implementation of effective measures to reduce tobacco use in order to keep selling a product that kills up to one-half of all of users. In fact, in a landmark 2006 U.S. federal court ruling, the big cigarette makers were found to be racketeers who had engaged in widespread fraud by lying about the health risks of smoking for nearly 50 years and their marketing to children. The court also found that these firms were likely to continue their fraudulent behavior into the future.

While tremendous progress has been made in combatting tobacco use, tobacco remains the leading cause of preventable death in the world. Increasingly, the burden of tobacco use is shifting from high-income countries to low- and middle-income countries, which the tobacco industry has identified as growth markets for its deadly products. If current trends persist, **tobacco will kill more than 8 million people worldwide annually by the year 2030**, with 80 percent of these deaths in low- and middle-income countries.

Research shows that the most direct and effective method for reducing tobacco consumption is to increase the price of tobacco products through tax increases. Higher tobacco prices encourage cessation among existing tobacco users, prevent initiation among potential users, and reduce the quantity of tobacco consumed among continuing users. Higher taxes are particularly effective in reducing tobacco use among vulnerable populations, such as youth, pregnant women, and low-income smokers.

Evidence demonstrates that overall an increase in tobacco prices by 10 percent decreases tobacco consumption by 4 percent in high-income countries and by about 6 percent in low- and middle-income countries. **A price increase of 10 percent would reduce the number of smokers by 42 million worldwide and save 10 million lives.**

In the past, ITIC has placed legitimate organizations unaware of their work on behalf of the tobacco industry on its list of sponsors without seeking their consent. For example, the United Kingdom Department for International Development requested that ITIC remove its name from ITIC's list of sponsors after determining that no such sponsorship existed. Furthermore, the World Bank has taken the unprecedented step of withdrawing funding from an ITIC event funded by tobacco companies.

We believe ITIC's ongoing partnership with tobacco companies violates any commitment to socially responsible values and, therefore, ask you to end any relationship your organisation may have with ITIC. Specifically, we would ask that you write to ITIC to inform them of this position, including a request to be removed from their website and any other promotional materials; and that you inform us of the steps taken, so that we can encourage others to follow your lead.

Given the importance of this public health issue, we hope you will understand that we may publish this letter and any replies received. Please reply by email to Alex Cobham, alex@taxjustice.net, on behalf of the organizations listed below.

We look forward to hearing from you.

Yours,

