# THE BIG TOBACCO ALLIES

How tobacco companies use intermediaries to foster their Corporate Social Responsibility initiatives and promote their image in NIGERIA





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#### **ACRONYMS AND ABBREVIATIONS**

**ATCA:** African Tobacco Control Alliance

**BATN:** British American Tobacco Nigeria

**BATNF:** British American Tobacco Nigeria Foundation

**BOA**: Bank of Agriculture

CAPPA: Corporate Accountability and Public Participation
Africa

**CSR**: Corporate Social Responsibility

FCTC: Framework Convention on Tobacco Control

FSFW: Foundation for a Smoke-free World

IPPA: Initiative for Public Policy Analysis

**LSADA**: Lagos State Agricultural Development Authority

MAN: Manufacturers Association of Nigeria

NCF: Nigeria Conservation Foundation

NTC Act: National Tobacco Control Act

**STOP:** Stopping Tobacco Organizations and Products

**PMI:** Philip Morris International

**UNN:** University of Nigeria Nsukka

WHO: World Health Organisation

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Corporate Accountability and Public Participation Africa (CAPPA) and the African Tobacco Control Alliance (ATCA) appreciate the Campaign for Tobacco-Free Kids (CTFK) for supporting the publication of the report - The Big Tobacco **Allies:** How tobacco companies use intermediaries to foster their Corporate Social Responsibility initiatives and promote their image in Nigeria.

However, we want to state explicitly that the views expressed in this report do not necessarily represent that of the CTFK. CAPPA acknowledges the support and work of our allies, volunteers and media partners who worked strenuously with us to gather the data in this report.

# <u>recutive summary</u>

This report provides insight on how the tobacco industry. through front groups and proxies hinders tobacco control in Nigeria. Despite the robust campaigns of tobacco control advocates which resulted to the passage of Nigeria's National Tobacco Control (NTC) Act in 2015 and the National Tobacco Control Regulations in 2019, the tobacco industry has evolved strategies to weaken implementation of the law.

This report uncovers the activities of the industry through one of their corporate social responsibility projects - British American Tobacco Nigeria Foundation (BATNF), and through front groups and their projects predominantly in agriculture, education, and other vital sectors where they practically call the shots. Through these engagements the tobacco industry ingratiates with public officials, and encourages the narrative, often mouthed by government spokespeople, that it is a development stakeholder in Nigeria

Activities promoted by the industry through front groups include scholarships in the education sector, trainings, distribution of seedlings and skills development for farmers in the agricultural sector, and partnerships with philanthropic and private sector organisations that have strong influence on government.

To counter the industry tactics, the report recommends the full implementation of the National Tobacco Control Act 2015 and the National Tobacco Control Regulations 2019. It also strongly advocates for the establishment of policies and processes for all agencies and parastatals of government to fully disclose minutes and proceedings of meetings and interactions with the tobacco industry, deemed as relevant to government.



As the tobacco control community makes more gains in exposing and isolating tobacco industry tactics and strategies to get as many people hooked to its products to ensure maximum profits, the industry is increasingly being less trusted. Today, tobacco corporations are sure to fail and are heavily criticized if they attempt to directly undertake an activity in the economy, so they have resorted to using other people/entities to present their case.

The industry does this by building networks to lobby on its behalf. It forms alliances with other stakeholders in the tobacco supply chain, e.g. tobacco farmers and growers, retailers and members of the hospitality industry, who are likely to garner greater sympathy than the industry would when they oppose tobacco control measures. Sometimes, this support is sought and derived from diverse external organizations, like women's groups, welfare organizations, trade unions and diplomatic missions.

While they will appear as independent organisations, many of these front groups receive funds from the tobacco multinationals to argue their cases. Where such groups are needed but do not exist, tobacco multinationals create them. Public health experts in Nigeria believe that one of

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<sup>&</sup>lt;sup>1</sup> STOP Stopping Tobacco Organizations and Products. Tobacco Allies Terms and Methodology. Available from: https://exposetobacco.org/tobacco-allies-terms-methodology/

such organisations is the Business Renaissance Group which, in 2018 was at the fore of campaigns by the industry to stop the Nigerian government from introducing higher taxes on tobacco products<sup>2</sup>. After the failed bid to stop the taxes, the group has disappeared from limelight. The use of front groups provides a false impression of widespread support for the tobacco industry's position and helps to present tobacco industry arguments through organizations that can be considered credible and independent.

Nigeria, a sovereign multi-ethnic state in West Africa covering a land area of 923,768 km<sup>i2</sup> and bordering Niger in the north, Chad in the northeast, Cameroon in the east, and Benin in the west, has an estimated population of 200 million people - about 2.64% of the world's population. It is no doubt one of Africa's largest economies, with a GDP estimated at US\$ 448 billion according to 2019 World Bank statistics.

Despite a flailing agricultural sector, Nigeria is among the five main tobacco production hubs in Africa. It is also a major target of tobacco corporations because of its huge youth population which is estimated at about 40 million. Smoking prevalence among Nigerian adults is estimated at 5.6% (or about 2.4 million), smoking an average of eight cigarette sticks per day. About 18% of the youth population between 13 and 15 years also smoke.

The country has on several occasions had to deal with heavy tobacco industry interference prior to the adoption of a tobacco control law and tobacco control regulations. The different stages in Nigeria's tobacco control journey have been characterized by different tobacco industry

<sup>&</sup>lt;sup>2</sup> https://www.vanguardngr.com/2018/06/group-heads-court-fg-okays-new-excise-rates-tobacco-alcoholic-beverages/

tactics to thwart any form of regulation and ultimately undermine the implementation of the WHO-FCTC. One of these tactics is the use of front groups and Big Tobacco CSR initiatives to compromise government and public officials at different levels. The Crooked Nine, a report by the Stopping Tobacco Organizations and Products (STOP) partnership which outlines nine ways the tobacco industry undermines the policies that reduce smoking and ultimately save lives, identifies the building of alliances and front groups to represent its case as a major tobacco industry tactic.

The industry is known to use this tactic to create unnecessary interactions with government officials to generate conflict of interest that ultimately undermine tobacco control policies.

The TakeApart Campaign in Nigeria implemented by Corporate Accountability and Public Participation Africa (CAPPA) with support from the African Tobacco Control Alliance (ATCA) documents a series of instances where the tobacco industry uses front groups to foster its efforts to undermine tobacco control in Nigeria. It maps tobacco industry front groups and exposes how they are engaged to promote Corporate Social Responsibility (CSR) activities.



Two approaches were used to collect and analyze the data provided in this report. They include structured one-on-one interviews and information gathered from news sources and websites of relevant organisations.

The respondents were from different states in Nigeria's six geo-political zones and included tobacco control advocates and media experts in the public health sphere and tobacco control. In all, 22 questions relevant to the subject matter were analyzed and entered in an online platform. Microsoft Excel was employed for analysis and presentation into tables and charts for easy interpretation.



This report reveals that Big Tobacco uses front groups to engage in activities and meetings with government officials, thereby creating an opportunity for the industry to eventually either undermine the implementation of tobacco control policies or portray a good image of itself as a stakeholder or development partner. Some examples of entities serving tobacco industry interest identified in the survey include:

- Business Renaissance Group which threatened to sue the Nigerian government for introducing higher tobacco taxes;
- Initiative for Public Policy Analysis which organised a Breakfast Policy Dialogue on Moving from Regulation to Policy Action to promote BATN engagements with government; and
- Manufacturers Association of Nigeria which published a position paper in Guardian Newspaper discouraging the Nigerian government from imposing higher taxes on tobacco products.

The table below shows entities identified in the report and how they promoted the interest of the tobacco industry.

Name of entity	Partnering/Funding Tobacco Multinational	Domain of Cooperation with Tobacco company
AgroHive Enterprise	British American Tobacco Nigeria	Agriculture
Business Renaissance Group	British American Tobacco Nigeria	Economy
Enterprise Development Center	British America Tobacco Nigeria Foundation	Agriculture
E-Terra	British American Tobacco Nigeria	Sustainability Projects

Name of entity	Partnering/Funding Tobacco Multinational	Domain of Cooperation with Tobacco company
Foundation for a Smoke-free World	Philip Morris International	Education
Foundation for a Smoke-free World	Philip Morris International	Research
Genius Hub Global Initiative	British American Tobacco Nigeria	Philanthropy
Initiative for Public Policy Analysis	British American Tobacco Nigeria	Research
International Institute for Tropical Agriculture	British American Tobacco Nigeria	Agriculture

Name of entity	Partnering/ Funding Tobacco Multinational	Domain of Cooperation with Tobacco company
Manufacturers Association of Nigeria	British American Tobacco Nigeria	Economy
National Horticultural Research Institution	British American Tobacco Nigeria	Research
New Nigeria Foundation	British American Tobacco Nigeria	Agriculture
Nigeria Conservation Foundation	British American Tobacco Nigeria	Agriculture
Prima Garnet Nigeria	British American Tobacco Nigeria	Public Relations Services
Recycle Point	British American Tobacco Nigeria	Sustainability Projects

#### 1. TOBACCO INDUSTRY UNDERTAKES PARTNERSHIPS WITH THE GOVERNMENT

62% of the respondents confirmed that they knew of cases of the tobacco industry partnering with the government.

The industry has robust and ongoing partnerships with government at federal and state levels. The partnerships direct through its Corporate Social either Responsibility Project - British American Tobacco Nigeria Foundation (BATNF) or through front groups. BATNF has been partnering with the federal and state governments on FADAMA the name coined by the Hausa, a predominant ethnic group in northern Nigeria for irrigable land--usually low-lying plains underlay by shallow aquifers found along Nigeria's major river systems.

The table below shows states identified by the survey which collaborated with the tobacco industry.

State	Partnering multinational	Activity
Abia	British	BATNF
	American	distributed
	Tobacco	certified
	Nigeria	rice seedling to
		Abia State Fadama
		in Isikwuato Local
		Government Area
		(LGA), Abia State
		on May 6, 2020

State	Partnering multinational	Activity
Ogun	British American Tobacco Nigeria	BATNF partnered with the Ogun State government through a poultry firm – natnudO Foods to supply broiler chickens to women farmers
Lagos	British American Tobacco Nigeria	BATNF sponsored the Lagos Farm Fair on October 16, 2018

Other states and governments where BATNF has engaged unnecessary interactions to access and engage public officials and farmers are Benue, Kwara, Kogi, Niger and Osun States<sup>3</sup>.

 $<sup>{}^3</sup>http://www.batnf.com/groupms/sites/BAT\_9AYEWV.nsf/vwPagesWebLive/DO9GVJFS?opendocument}\\$ 



There is documented evidence of British American Tobacco Nigeria Foundation (BATNF) training of farmers in rice production, cassava processing and fisheries, among others.

The Lagos State Agricultural Development Authority (LSADA) also receives training support from the British American Tobacco Nigeria Foundation. BATNF was established by BATN as an independent charity in November 2002, with a start-up grant of US\$1 million.<sup>4</sup> On its website, it claims to fulfil a commitment made in the Memorandum of Understanding between BATN and the Federal Government of Nigeria, to provide a means for the company to contribute to Nigeria's socioeconomic development.

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<sup>4</sup>http://www.batnf.com/groupms/sites/BAT\_9AYEWV.nsf/vwPagesWebLive/D 09AYJ8B?opendocument

### 2. SEVERAL ENTITIES PROMOTE TOBACCO INDUSTRY INTITAIVES

43% of respondents confirmed that they knew of a host of public institutions of repute heavily involved in the promotion of tobacco industry initiatives.

Some examples include the Pan-Atlantic University which organised an Agribusiness Dialogue with BATNF in 2019<sup>5</sup>. Also, some major financial institutions are promoting tobacco industry initiatives.

The Bank of Agriculture (BOA) for example, has signed a memorandum of understanding with BATNF to implement its agricultural programmes across Nigeria. Another financial institution, Guaranty Trust Bank, sponsored four young innovators and one teacher to the finale of the Conrad Challenge funded by Foundation for a Smoke-Free World<sup>6</sup>. The Bank's sponsorship included, among other benefits, the total coverage of the team's travel and stay in America.

<sup>&</sup>lt;sup>5</sup> https://twitter.com/bamkybaba/status/1197825333413777408/photo/2

<sup>&</sup>lt;sup>6</sup> https://www.gtbank.com/uploads/financialinformation/GTBank AnnualReport 2018.pdf



Education	Conrad Challenge – students of Whitesands Schools were sponsored to represent Africa at the Global Innovation Challenge in the United States of America as Team Neon. They competed in the "Smoke-free World" category and won.	4 students and 1 teacher.
	<b>Mobile Library</b> – A mobile library van with books for members of the community to exchange.	1,000 participants
	GTBank Adopt-a-school project – The GTBank Adopt-a-school project is a child focused programme introduced by the bank in 2004, to improve the quality of public education available to the Nigerian child.	Over 200 participants

#EnrichingLives

Guaranty Trust Bank Plc | 2018 Annual Report | 33

## 3. SEVERAL ENTITIES PROVIDE SUPPORT FOR THE TOBACCO INDUSTRY

57% of respondents confirmed that they knew of public institutions supporting tobacco industry initiatives.

The National Horticultural Research Institute was cited as one of several entities that support tobacco industry initiatives. Newspaper reports in 2014 reveal that the institute gave technical support to BATNF on a vegetable farm project at Ajara Farm Estate in Badagry, Lagos<sup>7</sup>.

The Initiative for Public Policy Analysis (IPPA) was identified as another entity that supports tobacco industry initiatives. It describes itself as a think tank that provides market-oriented analysis of current and emerging policy issues, with a view to influencing the public debate and government policy.

The IPPA orchestrated a research urging the Nigerian government to whittle tobacco control policies. It is increasingly serving as a "voice for the industry" on matters of regulation.

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<sup>&</sup>lt;sup>7</sup> https://businessday.ng/agriculture/article/batnf-nhri-collaborate-to-boost-agriculture-with-intensive-training/



## 4. FRONT GROUPS LAUNDER TOBACCO INDUSTRY IMAGE THROUGH SOCIAL DEVELOPMENT ENGAGEMENTS

52% of respondents confirmed that they knew of cases of the tobacco industry using front groups to carry out social development projects across states in Nigeria.

Case studies of such activities were widely publicized in the media. British American Tobacco Nigeria Foundation and Foundation for a Smoke-free World funded by Philip Morris International (PMI) are sponsors of several of such activities in the agricultural and educational sectors. BAT's CSR programmes are particularly endorsed by the government.

Between 2019 and mid- 2020 its foundation - BATNF entered agricultural partnerships with the Abia, Benue, Ebonyi, Edo, Lagos, Ogun, and Oyo state governments, trained farmers and sponsored the largely publicized Lagos Farm Fair<sup>8</sup> which held on October 16, 2019.

<sup>8</sup> https://www.businessamlive.com/lagos-farmers-see-buzzing-market-as-batnf-backed-farm-fair-opens/

## 5. TOBACCO INDUSTRY HIDES BEHIND FRONT GROUPS PROMOTING EDUCATIONAL INITIATIVES

38% of respondents confirmed that they knew of cases of the tobacco industry using front groups to provide scholarships in the education sector.

The Foundation for a Smoke-free World funded by PMI was specifically cited as being involved in financing education initiatives. A particular case study is the Conrad Challenge Nigeria which targets innovative young minds in the country to collaborate, brainstorm and come up with innovations/inventions with market potentials in Aerospace & Aviation, Cyber-Technology & Security, Energy & Environment and Health & Nutrition. Some schools that have benefitted from the Conrad Challenge in 2019 and 2020 are Queens College<sup>9</sup> and Greensprings School in Lagos<sup>10</sup>, and Pegasus Schools in Eket, Akwa Ibom State.

A similar initiative funded by the Foundation is the Knowledge Action Change Global Tobacco Harm Reduction Scholarship which had a Nigerian project listed to receive funding in 2019. The Foundation's engagement at University of Nigeria Nsukka (UNN), announced in April 2018 is still largely shrouded in secrecy.

https://edufirst.ng/education-in-nigeria/queens-college-students-wins-big-at-2020-conrad-challenge/

 $<sup>^{10}\,\</sup>text{https://businessday.ng/education/article/conrad-foundation-awards-60000-scholarship-to-greensprings-students/}$ 



# Conrad Foundation awards \$60,000 scholarship to Greensprings students

by KELECHI EWUZIE - On Jan 29, 2019





#### QUEENS COLLEGE STUDENTS WINS BIG AT 2020 CONRAD CHALLENGE FINALS



## 6. FRONT GROUPS USE ENVIRONMENTAL PROJECTS TO WHITEWASH TOBACCO INDUSTRY IMAGE

48% of respondents confirmed that they knew of cases of the tobacco industry undertaking environmental projects across Nigeria.

Some entities, with signs of attribution to the tobacco industry, are engaged in environmental projects. The Nigeria Conservation Foundation (NCF) was identified as one of such organisations. On the NCF website, BATN is listed as a client that it provides environmental services to<sup>11</sup>. An indigenous electronic waste company – E-Terra is also reported to have partnered with BATNF and lauded the tobacco company project on its e-waste and sustainability activities.

## 7. TOBACCO INDUSTRY USING FRONTS TO UNDERTAKE TRAININGS AND SEMINARS

52% of respondents confirmed that they knew of cases of entities affiliating with the tobacco industry to organise so-called skills and knowledge sharing trainings and seminars

Examples of such trainings include the Agribusiness Dialogue of the Enterprise Development Center of the Pan-Atlantic University Lagos in 2019, where the *Wealth is Here* campaign targeting young entrepreneurs was launched. <sup>12</sup>*Wealth is Here* is a BATN Foundation campaign.

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<sup>11</sup> https://www.ncfnigeria.org/programmes/environmental-service-unit

<sup>&</sup>lt;sup>12</sup>https://www.facebook.com/BATNFoundation/photos/a.218960711811334/1 098204063886990/

Also, with the full support of the Edo State government, Genius Hub Global Initiative Benin City and BATNF partnered in the training of 100 returned irregular migrants from Libya on livelihood support and social project in October 2019<sup>13</sup>.



<sup>13</sup> https://geniushubglobal.com/human-trafficking/



@geniushubglobal

1 year ago

NEWS ALERT...... Some of the Returnees trained by Genius Hub Global INITIATIVE for a livelihood support program funded by the British American Tobacco Nigeria Foundation in collaboration with the Edo State Task Force Against Human Trafficking, were today given their starter-packs, launching them into the business space and as such reintegrating them into the society as in line with the target of the Edo State Government. #skillstowealth #edoreturnees #GHGI #BATNF #ETAHT #selfdevelopment #empowerment

## 8. TOBACCO INDUSTRY USES FRONT GROUPS TO UNDERTAKE UNNECESSARY INTERACTIONS WITH GOVERNMENT OFFICIALS

43% of respondents confirmed that they knew of cases of unnecessary interactions between the tobacco industry and government agencies or officials

Officials of the Lagos State Government have been very much engaged in such interactions with the industry at the yearly Lagos Farm Fairs organised in conjunction with BATNF. At the last edition in 2019 which was attended by Lagos Commissioner for Agriculture, Prince Gbolahan Lawal, tobacco industry officials shared the spotlight with public officials, sparing no photo opportunity. Most of the pictures made it to media pages in no time.

The Ogun State Government is equally reported to be in a cozy relationship with BATNF. One of the most widely promoted pictures on BATN website shows a representative of BATNF handing a gift to the Honourable Commissioner for Agriculture in Ogun State, Dr. Adeola Odedina during a visit<sup>14</sup> to his office on February 5, 2020.

<sup>14</sup>https://twitter.com/CorpFarmersTV/status/1225291694855348224

#### - Tweet



We are super excited to see an Agricultural relationship between @ogunstateagric & @BATNFoundation 🙏

#### cc: @SulaiOdus @dabiodunMFR @missadelaja



6:34 AM · Feb 6, 2020 · Twitter for Android

11 Retweets 23 Likes



The threat that fronts groups and proxies of the tobacco industry pose to advancement of tobacco control in Nigeria is manifest in the realization that what they claim to represent is different from what they really are. Their motives are largely hidden and only advance the interest of tobacco multinationals.

Through their so-called Corporate Social Responsibility (CSR) and other publicity stunts that involve interaction with public officials, they have been able to garner good media reviews and further their inroads into the public space.



To prevent tobacco multinationals from using front groups, to interfere in tobacco control, Nigeria must do the following:

- Government should fully implement the National Tobacco Control Act 2015 and the National Tobacco Control Regulations 2019.
- All economic incentives and benefits to the tobacco industry should be stopped.
- Government should prohibit all dealings, interactions with the tobacco industry except for the purpose of policy implementation and in which case, civil society must be present as recommended in Article 5.3 guidelines of the WHO FCTC.
- Government should establish a policy and processes for its agencies to fully disclose minutes and proceedings of meetings and interactions with the tobacco industry.

- Stakeholders should regularly update information websites to ensure easy information dissemination that will in turn guarantee transparency.
- Stakeholders should educate public officials on the public health implications of interactions with the industry.
- Stakeholders must ensure that any public official who for one reason or the other must interact with the tobacco industry, signs a conflict-of-interest document periodically.



There is sufficient evidence to show that the activities of tobacco industry front groups and proxies have been hampering Nigeria's tobacco control measures including implementation of the National Tobacco Control Act 2015 and its Regulations.

Even with the sustained efforts of tobacco control advocates to ensure Nigeria complies with the guidelines of the WHO-FCTC, no meaningful progress can or will be made if the front groups can continue interacting with public officials without any inhibitions and interfering in public policy.

Public officials at all levels of government must be reminded and re-educated about the conflict of interest that interactions with the tobacco industry and its front groups engender and their utmost duty in safeguarding public health by ensuring strict adherence to the guidelines pointed out in the WHO-FCTC.

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