



FRAMEWORK CONVENTION
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BUILDING SUPPORT FOR TOBACCO CONTROL

29th June 2012

Hon. Helen Clark
Administrator UNDP
UNDP Headquarters
One United Nations Plaza
New York, NY 10017, USA

Dear Ms. Helen Clark

Subject: Withdraw the World Business and Development Award, 2012, awarded to the Indian Tobacco Company (ITC)

We are shocked and disappointed to hear that the Indian Tobacco Company (ITC), the largest producer of cigarettes and also the largest buyer, processor and exporter of leaf tobacco in India, was awarded the World Business and Development Award for 2012 at the Rio+20 United Nations Summit last week.

As you are aware, the tobacco epidemic is a major public health threat facing the world. Tobacco kills nearly six million people every year. Approximately one person dies every six seconds due to tobacco-related diseases, which also account for one in 10 adult deaths. Up to half of current tobacco users will eventually die of a tobacco-related disease. ¹.

Despite this horrible toll, the tobacco Industry not only continues to produce more cigarettes and market them to potential consumers, it also engages its economic power, lobbying and marketing machinery and manipulation of the media to influence governments to improve the sale and distribution of its deadly products. One strategy that the tobacco industry continues to employ is to inject large philanthropic contributions into social programs worldwide, including into social forestry, to create a positive public image and to distract attention from its core business in tobacco. Besides its impact on health, the cigarette industry is a major cause of deforestation and contributes to underdevelopment. It is ironic that a company that contributes significantly to deforestation and underdevelopment is being awarded for its work in forestry and development.

The Indian Tobacco Company (ITC), as the name suggests, has tobacco as its core business. Though the company claims to be a diversified conglomerate, tobacco constitutes around 50 per cent of ITC's total

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annual turnover. The company is not only a big player in the tobacco and cigarette business in India, but sells tobacco to nearly 50 countries around the world.

The WHO Framework Convention on Tobacco Control (FCTC), in its guidelines on Article 13, clearly states that, ‘Tobacco companies may also seek to engage in “socially responsible” business practices (such as good employee–employer relations or environmental stewardship), which do not involve contributions to other parties. Promotion to the public of such otherwise commendable activities should be prohibited, as their aim, effect or likely effect is to promote a tobacco product or tobacco use either directly or indirectly. Public dissemination of such information should be prohibited, except for the purposes of required corporate reporting (such as annual reports) or necessary business administration (e.g. for recruitment purposes and communications with suppliers)’. The guidelines further recommend that, ‘Publicity given to “socially responsible” business practices of the tobacco industry should be banned, as it constitutes advertising and promotion’. We believe that awarding ITC the World Business and Development Award, 2012, for its social forestry initiative provides the company a huge opportunity to achieve its desired publicity goal.

It is even more shocking that organizations such as the United Nations Development Programme (UNDP), Swedish International Development Cooperation Agency and the Netherlands Ministry of Foreign Affairs, which are committed to health and tobacco control measures, sponsor and present this year’s World Business and Development Award to a tobacco company apparently for its contribution to attaining the Millennium Development Goals, while its core business leads to more poverty, underdevelopment, disease, death and environmental damage. UNDP is a member of the UN Interagency Task Force on Tobacco Control whose latest focus is the implementation of the Framework Convention on Tobacco Control, the tobacco control treaty that requires prohibition of all tobacco promotion. Netherlands and Sweden are Parties to the treaty and the Swedish International Development Agency supported tobacco control across the world until recent years. It does not befit the stature of these reputed agencies in tobacco, development and environmental protection to hand over this award to a tobacco company.

Framework Convention Alliance, an alliance of over 350 organisations from more than 100 countries working on the development, ratification and implementation of the World Health Organization’s (WHO) Framework Convention on Tobacco Control (FCTC) considers this award to the Indian Tobacco Company to be contradictory to the letter and spirit of the WHO FCTC and demand that it be withdrawn with immediate effect. We also hope that the Awards committee, as well as the agencies

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that administer the Award, develop guidelines to exclude tobacco industry from being eligible for such awards in the future.

Yours Truly,

Shoba John
Director-SEARO, FCA Board

Laurent Huber
Director, FCA

ⁱ World Health Organisation, 2012 <http://www.who.int/mediacentre/factsheets/fs339/en/index.html>