

Foreign Tobacco Faces Ban on Charitable Donations

By [Howard Amos](#)

December 13, 2011



Young people are frequently seen smoking in the streets of Russian cities. **Igor Tabakov**

Charity representatives said Tuesday that new legislation being considered by the Health and Social Development Ministry could forbid international tobacco companies from making philanthropic donations.

The total loss to Russian charities would be the \$6 million donated by the three biggest multinational tobacco giants active in the market — British American Tobacco, Philip Morris and Japan Tobacco International, said Tatyana Zadirako, head of charitable foundation United Way of Russia.

Restrictions already in place on forms of philanthropy that tobacco companies can engage in — they are forbidden to donate to causes involving children and sports — mean that the money they commit is skewed toward projects that have less appeal for other corporate donors.

It is very hard to attract funds to projects that seek to help the elderly, the homeless and the mentally ill, Zadirako said. "Everybody wants very pretty projects that can be turned around very quickly." Tobacco companies give particularly large sums to initiatives that support old people.

"Helping the elderly is a very important part of philanthropy, particularly considering the fact that the population is aging fast," said Maria Salutskaya, leader of the 50-Plus project.

According to Philip Morris' web site, the company gives \$2 million a year to philanthropic projects in Russia. British American Tobacco, or BAT, refused to disclose its annual corporate social responsibility budget, but said some points in the legislation were "redundant."

"In particular, we think that the ban on corporate philanthropy and the support of cultural events is unwarranted," said BAT Russia's corporate affairs director Alexander Lioutyi.

Editor-in-chief of the Business and Society journal Tatyana Bachinskaya, who helped organize a round table on the subject, told The Moscow Times that a blanket ban on tobacco companies' charitable donations was governmental hypocrisy. The state collects huge tax revenues from the sector. "If you don't like tobacco companies or their money then make the whole industry illegal," she added.

United Way's Zadirako, who said she was speaking on her own initiative and not on the request of tobacco companies, said there was confusion among civil servants over terms. "Philanthropy, advertising and sponsorship are far from being the same things."

Russian tobacco companies do not support charities, added Zadirako, who described them as "untransparent" and "lawless."

The new law is a part of a raft of laws currently under consideration by the Ministry of Health and Social Development. They also include a proposal to ban smoking indoors in 2014, as has been enforced across much of Europe. About 60 percent of Russian males smoke.

Ministry adviser Irina Nikulina told Rossiiskaya Gazeta last month that there was no intention to ban philanthropy by tobacco companies. "We are proposing to ban sponsorship and the promotion of cigarettes," she said.

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