

“THE SMOKESCREEN”

by *Giulio Valesini*

in collaboration with *Elisa Bruno Laura Nesi*

STUDIO 10 VALESINI INFLUENCER

Welcome back, we're talking about heated tobacco. It's increasingly catching on, replacing traditional cigarettes; the trouble is that it's catching on even among very young people, and antitrust agencies are investigating this. Why?

GIULIO VALESINI VOICE-OVER

In February of this year, Stanford University published a report of over 300 pages on the massive-scale marketing strategy that Philip Morris conducted in recent years to promote its heated tobacco devices. As well as boutiques, eye-catching design, parties, events and VIPs, the report focuses on how social networks – Instagram in particular, most widely used by young people – are being employed. Eight official accounts, over 400,000 hashtags with #Iqos, posts designed to make products appealing, and young influencers – too much, perhaps. In May 2019 a Reuters investigation denounced Philip Morris for using social influencers younger than 25 years old in its social media campaign, breaching its own policies, so that the multinational apologised and called it off.

ROBERT JACKLER – THE IMPACT OF TOBACCO ADVERTISING RESEARCH GROUP, STANFORD UNIVERSITY

Young people live on Instagram, TikTok, Facebook, Twitter. These companies employ musicians, models and actors to display their products.

GIULIO VALESINI

How successful is Philip Morris's communication strategy among young people?

ROBERT JACKLER – THE IMPACT OF TOBACCO ADVERTISING RESEARCH GROUP, STANFORD UNIVERSITY

Data shows that among all countries in the world, Italy seems to have a very high number of non-smokers who use IQOS devices. This is worrying, as IQOS and vaping devices could lead to nicotine addiction, especially among teenagers.

GIULIO VALESINI

What are IQOS devices?

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

Just like electronic cigarettes, they use an electric device to heat up the product and generate an aerosol that contains nicotine: it's tobacco, actual tobacco.

GIULIO VALESINI VOICE-OVER

The popular influencer Chiara Biasi has been very active in promoting Philip Morris and British American Tobacco heated tobacco devices: 2 and a half million followers, many of whom are very young, and sky-high profits, as she said last year on the *Le Iene* TV programme.

CHIARA BIASI – LE IENE 1 DECEMBER 2019

OK. I'll go for the sanitary pads! But for 80,000 euros? 80,000 euros isn't enough to get me out of bed in the morning to brush my hair!

GIULIO VALESINI VOICE-OVER

On her Instagram profile there are photos from 2018 showing her with IQOS devices. On Facebook, she gave away promotional codes to buy kits at a discounted price. She was the star of a major event by British American Tobacco held in Ibiza to promote GLO devices.

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

When we use influencers, we always make it very clear that they are sponsored and paid by our company. Influencers must be at least 25 years old, users of nicotine products and, lastly, 85% of their followers must be of age.

GIULIO VALESINI

How can you be sure that these products, these promotions, don't end up being seen by and entice underage persons as well?

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

Our policy says that we can only use channels where at least 75% of the registered users are adults.

MASSIMILIANO DONA – PRESIDENT, ITALIAN NATIONAL CONSUMER UNION

The main point is that advertising tobacco products is not allowed and we believe that these are tobacco products. Even a correctly labelled post is illegal.

GIULIO VALESINI

Sorry, but in this case... You did this research and these are all photos of influencers more or less famous, actors, singers, you name it, all with an IQOS device in their mouth. Is this advertising then?

MASSIMILIANO DONA – PRESIDENT, ITALIAN NATIONAL CONSUMER UNION

This is not research: these are the annexes that we delivered to the antitrust authority, reporting, with names and surnames, those who pursue these irregular practices.

GIULIO VALESINI VOICE-OVER

Philip Morris claims to have strict checks in place to prevent underage individuals purchasing IQOS devices from either retailers or from its official site. To enter the site, you just need to state that you're old enough, and identity will be verified on delivery. To understand whether this is really enough, we asked 16-year-old Simone for help; he used a Junior prepaid card by Poste Italiane issued in his name. The purchase was confirmed, even though paid for with a Junior card. The package arrived on time, after a week; the courier delivered it without any questions, directly into the hands of our underage Simone.

SIGFRIDO RANUCCI IN STUDIO

Dear friends at Philip Morris, this is the package containing the IQOS device, as delivered to an underage person. You're probably not aware of it, but what's clear is that the procedures in place to avoid underage tobacco purchase online, albeit heat-not-burn tobacco, don't work. It's likely to be the consequence of a strategy promoting products via social media, the most used and accessed channels by very young and underage persons. If this product is used casually by the most renowned influencers, it stands to reason that a very young individual might be tempted to buy it and use it.

Philip Morris writes to say that they never had influencers under contract in Italy. Yet the lawyer of one of the most popular Italian influencers, Chiara Biasi – the one who stated she wouldn't even get out of bed and brush her hair for less than 80,000 euros – writes that she did advertise IQOS devices but didn't get a euro from Philip Morris, only complimentary products. Chiara's been generous, considering the fees she charges other companies. But this is not the issue. What we'd like to know is, why did Italy decide to stop collecting taxes from heated tobacco producers, which would add up to 1.2 billion euros over the next three years? Moreover, is this product really safer than traditional cigarettes? Tonight's investigation is the result of a collaboration with ten international media companies coordinated by the non-profit consortium of investigative journalism OCCRP (Organized Crime and Corruption Reporting Project) and is part of their "Blowing Unsmoke" project. And our Giulio Valesini got hold of a report by the Ministry of Health that, for a long time, had been hidden away in a drawer.

GIULIO VALESINI VOICE-OVER

It's 23 January. Nicola Zingaretti, secretary of the Democratic Party, was promoting the electoral campaign for candidate Stefano Bonaccini, president of Emilia-Romagna. And made a stop in Crespellano, near Bologna, at the Philip Morris factory, the tobacco multinational.

NICOLA ZINGARETTI – SECRETARY, DEMOCRATIC PARTY

Today we're at one of the most outstanding industrial firms in Italy and in Emilia-Romagna, a land that rebuilt itself through innovation, and people with an innovative mind is what this country needs.

GIULIO VALESINI VOICE-OVER

In Crespellano, the tobacco giant built a factory spanning an area of 300,000 square metres. It's always been a site of pilgrimage for our politicians. Matteo Renzi even went twice: in 2014 to lay the foundation stone and in 2016 to cut the ribbon. Here's where Philip Morris decided to locate a production site for the components of its leading heated tobacco device destined for the Western market: IQOS.

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

In Italy, Philip Morris adopted a particular strategy. It opened a factory for manufacturing the whole product, destined for the European market.

GIULIO VALESINI

And we returned the favour, is that what you're saying?

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

No, but...

GIULIO VALESINI

A little.

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

No, well, when things happen, various conflicting interests come into play, of course. The Prime Minister was present when the Bologna factory was opened...

GIULIO VALESINI

Philip Morris identified Italy as the point of entry to Europe.

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

The environment was suitable for guaranteeing, for example, that the new products would enjoy a certain tax benefit.

GIULIO VALESINI VOICE-OVER

And in 2014 it was Renzi's Democratic Party government that welcomed the arrival of heated tobacco products in Italy. Heatstick packs for IQOS devices immediately benefited from a 50% discount on excise duty as compared to traditional cigarettes.

In these years, shops selling heated tobacco products sprung up everywhere. Business is thriving. Philip Morris effectively holds the monopoly, with 90% of the Italian retail market. A fancy design, and the IQOS shops come to resemble veritable luxury boutiques.

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

Right, which one would you like to try? You can also try some other flavours.

GIULIO VALESINI

I don't know, something not too strongly flavoured.

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

Shall we pass on the menthol, then?

GIULIO VALESINI

No, actually let's try the menthol, why not.

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

Would you like to try it then?

GIULIO VALESINI

Yes.

GIULIO VALESINI

Is this healthier?

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

There's a reduction of about 90% in the toxicity levels from toxic and/or potentially toxic substances caused by the combustion.

GIULIO VALESINI

Is it healthier than cigarettes?

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

There's nicotine, which is the molecule that causes addiction. So, if you're telling me, "I want to give up smoking", I wouldn't recommend this.

Would you like to see how it works? Are you thinking of using it?

GIULIO VALESINI

Yes, but it requires a little thought. I assumed it'd be less of a...

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

Well, no problem. You can have a demonstration, you don't need to buy it...

GIULIO VALESINI VOICE-OVER

The legislature never imposed the Sirchia law – the smoking ban – on these products, which means that it's possible to smoke heated tobacco even in public places.

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

It could bother the owner of the premises, who could say, "I don't like it, you can't use it on my premises."

GIULIO VALESINI

But there's no specific rule?

IQOS LOUNGE HOSTESS – ROMA TERMINI STATION

No, you wouldn't get fined.

GIULIO VALESINI

Yet, the former Minister of Health, Giulia Grillo, tried to extend the Sirchia law to include heated tobacco, too, but didn't succeed.

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

We wanted to extend the smoking ban to include enclosed public spaces, but in those days the majority didn't want to.

GIULIO VALESINI

Why?

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Because one would have had to be politically committed to do so.

GIULIO VALESINI VOICE-OVER

And so it is that people can use IQOS devices in a hospital room, and this too is marketing.

IQOS LOUNGE HOSTESS - MILAN CENTRAL STATION

A customer told me, "I suffered from low blood pressure and the nurse asked me if I smoked; I told her I smoked IQOS and she told me to have one, to raise my blood pressure at least."

GIULIO VALESINI

In a hospital?

IQOS LOUNGE HOSTESS - MILAN CENTRAL STATION

Yes, in a hospital room, so...

GIULIO VALESINI

Blimey!

IQOS LOUNGE HOSTESS - MILAN CENTRAL STATION

And obviously the smoke alarm doesn't sound as it doesn't produce smoke.

GIULIO VALESINI VOICE-OVER

In big cities there are also lounges where you can book a tobacco “test drive” with a coach. IQOS marketing leaves nothing to chance. Starting with the displays of models with extremely fancy designs. And some shops even look like art galleries.

IQOS EMBASSY STEWARD - VIA MARGUTTA, ROME

Everything here was created by an artist.

GIULIO VALESINI

Right, so this is a gallery.

IQOS EMBASSY STEWARD - VIA MARGUTTA, ROME

Yes, yes... The structure vaguely recalls a nicotine molecule. Note that it was made with recycled material, bottle caps and T-shirts. As I was saying, the structure vaguely recalls a nicotine molecule.

GIULIO VALESINI

Young people love it, I imagine...

IQOS EMBASSY STEWARD - VIA MARGUTTA, ROME

Exactly, and you can have a lot of fun with the accessories, so...

GIULIO VALESINI VOICE-OVER

Over the years, Italy joined several international treaties by the World Health Organization, aimed at mitigating the damage caused by tobacco. In 2018, the WHO recommended that heated tobacco should be placed on the same fiscal and legal footing as traditional cigarettes. However, during their first tax reform process, the then Lega – Five Star government decided to increase the discount originally granted by Renzi: so for heated tobacco Philip Morris passes from 50 to 75% less tax compared to traditional cigarettes.

GIULIO VALESINI

How come a tobacco product was granted not a 5, 10 or 20, but a 75% incentive, a 75% tax benefit, compared to traditional cigarettes?

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

Bear in mind that in the US there are no benefits. They're taxed in the same way. In Kazakhstan they're not taxed. Maybe we could have found a reasonable compromise, halfway between the United States and Kazakhstan. We Italians are always very generous and hospitable to foreign multinationals...

GIULIO VALESINI

We like them.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

However, in South Africa there's a 25% tax benefit and the Philip Morris CEO publicly declared, “Thank you South Africa for this 25% tax benefit.”

GIULIO VALESINI

Think how grateful they feel towards us.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

We, too, could have offered a 25% tax benefit, like South Africa.

GIULIO VALESINI VOICE-OVER

Also because business is thriving at Philip Morris. From January 2019 to March 2020 about 4 billion heatsticks were sold in Italy, which to Philip Morris means an additional profit of 400 million. A group of Members of Parliament, including Nannicini, wanted to tax them and earmark the tax revenue for care for the chronically ill and people with disabilities more vulnerable to COVID-19. But the amendment to the Cura Italia (Cure Italy) decree was not approved.

GIULIO VALESINI

So, you were saying, instead of a 75% tax benefit we could have imposed a 20% one.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

That was the amendment we requested.

GIULIO VALESINI

Why was it rejected?

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

What really saddened me is that it was never even discussed – it was met with a wall of silence.

GIULIO VALESINI

Did they tell you off? Be honest.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

They told me it was better not to, to maintain the employment levels. As I see it, it was an excuse.

GIULIO VALESINI VOICE-OVER

According to Nannicini, the technical report justifying the tax benefit to the tobacco multinationals rested on implausible assumptions.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

Implausible, that's how I see it. Obviously, it was quite strange, considering the sector's exponential growth – 200% growth in that initial stage – to pretend that this growth would magically stop so that there would be fewer revenue losses caused by a tax benefit that was just being introduced; quite an odd notion.

GIULIO VALESINI

To justify the additional tax benefit granted to Philip Morris, the government said, well, we won't lose much anyway because the sector won't grow; but it wasn't the case.

TOMMASO NANNICINI - SENATOR, DEMOCRATIC PARTY

It wasn't the case.

GIULIO VALESINI

How come in Italy we're so generous in relation to these products, to the point of giving up tens of millions in tax revenue?

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

Nowadays, 60% out of the 100% global total of heated tobacco is sold in Japan and South Korea. These two countries represent 60% of the volume; taxation is 80% in Japan and 89% in South Korea, as compared to traditional cigarettes.

GIULIO VALESINI

Do you believe that such a generous tax benefit is not currently justified?

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

Yes.

GIULIO VALESINI VOICE-OVER

Even those who take advantage of the tax benefit admit it's too generous, yet our government doesn't think so. In the United States, too, even after obtaining the FDA's marketing authorisation, cigarettes are not taxed differently. Why are they in Italy?

GIULIO VALESINI

The Italian government opted for preferential taxation.

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

Exactly.

GIULIO VALESINI

Is it justified in any way?

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

They believe that these products are not as harmful.

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

It's based on the rationale that these products are less harmful, and I know that your next question will be, "Who told you that they're less harmful?"

GIULIO VALESINI

Exactly.

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

It should be explained by someone with scientific expertise.

GIULIO VALESINI VOICE-OVER

However, despite not being scientifically certain, in 2016 Paolo Tancredi, in his role as rapporteur for the European Delegation law, offered the Italian tobacco industry the chance to provide evidence that the new products are less harmful than traditional cigarettes, and if so to let consumers know by labelling the packs appropriately. A very generous offer, as European law doesn't provide for this.

GIULIO VALESINI

As you came up with this, I thought, "What, who made you do it?!"

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

I wasn't aware, but I'd like to say...

GIULIO VALESINI

Do you know that thanks to this policy, Italy now risks infringement proceedings?

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

The informal sources at the Ministry of Health I talked to mentioned this risk.

GIULIO VALESINI VOICE-OVER

Paolo Tancredi said he was unaware that Italy might be liable for infringement proceedings, but he was pressured into it. His name is included on the list sent to the Chamber of Deputies as one of the Members of Parliament who met up with Philip Morris's lobbyists.

GIULIO VALESINI

What did Philip Morris tell you? Did they tell you, "Do this for IQOS"? What role did IQOS have? What did they say to you?

PAOLO TANCREDI – PARLIAMENTARY REPRESENTATIVE OF THE NEW CENTRE-RIGHT PARTY 2013–2018

Yes, let's be honest... Philip Morris pounced on heated tobacco products just when electronic cigarettes caused them a great loss of money. Anyway, there was intense lobbying going on.

SIGFRIDO RANUCCI IN STUDIO

Intense lobbying, says the person who experienced it first-hand. And what was the outcome? If, on the one hand, the government collects about 76% tax revenue from traditional cigarettes, on the other it only collects 33% from heated tobacco products. We're talking about a sector that's still growing and even during the COVID emergency recorded a +7% in March. According to the Competere research centre: "By decreasing the tax benefit from 75% to 20%, the Italian government could recover 1.2 billion euros in tax revenue over three years alone, from 2020 to 2022. We obviously spurn such money. But what's the tobacco multinationals' strategy? While the poorest markets keep on promoting traditional cigarettes, Western markets – which are more saturated and began an awareness-raising campaign against smoking –, attempt to acquire market shares by promoting heated tobacco. And they do so by taking advantage of governments' uncertainties about the health hazard that these new products could represent.

In any case, in April 2018, Philip Morris provided an 8,000-page report to our Ministry of Health, and essentially asked that these products be considered as less hazardous than traditional cigarettes, and that they should be certified as such. The Italian National Institute of Health carefully reviewed all the documentation and provided a report that, weirdly enough, ended up shoved away in a drawer. But Giulio Valesini managed to find it.

FABRIZIO FAGGIANO - PRESIDENT, ITALIAN EPIDEMIOLOGICAL ASSOCIATION

The question has been raised. The Italian National Institute of Health, working on the data provided by Philip Morris, drafted a report... it was never made public.

GIULIO VALESINI

This means that no one read the Italian National Institute of Health's assessment on this topic.

FABRIZIO FAGGIANO - PRESIDENT, ITALIAN EPIDEMIOLOGICAL ASSOCIATION

We, as part of the Tobacco Endgame group, asked the government a few months ago to have it published, but we didn't get a reply.

GIULIO VALESINI VOICE-OVER

In its 93-page report, the Italian National Institute of Health found fault in more than one way with the methodological quality of Philip Morris's research. And called into question some of the results. But, above all, the Institute voiced its concern about the health of heated tobacco users: it emphasised the presence of carcinogens, as well as some other potentially genotoxic substances. It also condemned the use of menthol which, as well as affecting public health, could encourage younger people to take up smoking. And, finally, it raised an alert on the effects of the second-hand smoke produced by IQOS devices.

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

Some of the substances are indeed present at a lower concentration than in traditional cigarettes. However, there are dozens of substances not found – or found in lower concentrations – in traditional cigarettes. This is the reason why...

GIULIO VALESINI

Have carcinogens also been found?

SILVANO GALLUS - MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

Yes, they've also been found, as well as substances which we still don't know anything about.

GIULIO VALESINI VOICE-OVER

The Italian National Institute of Health concluded that Philip Morris didn't provide sufficient evidence to prove that, in equal conditions of use, IQOS devices have fewer toxic substances and are less of a health hazard than traditional cigarettes. In line with common practice, the report was handed over to the Director General for Prevention at the Ministry of Health, Claudio D'Amario, who today said he forwarded it to minister Grillo's advisers. But it looks as if we have a mystery on our hands.

GIULIO VALESINI

Have you ever seen this report?

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

No.

GIULIO VALESINI

They never forwarded it to you...

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

No.

GIULIO VALESINI

Why not show it to you?

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

I don't know, maybe at the time... usually I get everything.

GIULIO VALESINI

This was communicated to Philip Morris in January 2019.

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Yes, but the request, if I remember...

GIULIO VALESINI

The request was made in April 2018.

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Before then, when the previous minister was in place.

GIULIO VALESINI

Yes, but the reply came when you were minister...

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Yes, but it came later on, yes, I know that...

GIULIO VALESINI

I wonder why they didn't show it to you.

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Well, I don't know...

GIULIO VALESINI

At the end of 2018, beginning of 2019, you informed Philip Morris that they had not been able to demonstrate a reduction in harm, etcetera, while, at the same time, the government offered them a tax benefit... It should have been one or the other.

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

I don't know anything about Philip Morris. I don't think that the Five Star Movement had anything to do with Philip Morris, directly.

GIULIO VALESINI

Were you alone in your opinion about heated tobacco even within your party?

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

Yes, alone, I was alone. It's not the first time; it happened with other topics, so...

GIULIO VALESINI VOICE-OVER

According to a reconstruction by the newspaper *Il Fatto Quotidiano*, in 2017 Philip Morris commissioned the network strategy company Casaleggio to provide them with guidance about digital communication in Italy; this coincided with the opening of the multinational's Twitter account.

GIULIO VALESINI

Do you think that Casaleggio's business interests may have influenced the party's choice?

GIULIA GRILLO - MINISTER OF HEALTH JUNE 2018–SEPTEMBER 2019

I really don't think so. I hope not, and in any case I obviously didn't know anything about all this; I had no information.

GIULIO VALESINI VOICE-OVER

British American Tobacco, the other international giant, also created its own heated tobacco device: it's called Glo. And they also asked the Ministry of Health to have their products recognised as less toxic and hazardous to health. They failed, too.

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

We couldn't get an assessment that acknowledged a reduced risk.

GIULIO VALESINI

This means you're not allowed to say that your products are less risky and as such would be less hazardous to users' health. You're not allowed to say so.

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

No, in Italy we're not allowed to say that these products are less harmful to health.

GIULIO VALESINI

I wonder why the Italian Ministry of Health hasn't had this kind of study published?

ALESSANDRO BERTOLINI - VICE PRESIDENT OF BRITISH AMERICAN TOBACCO ITALY

It's very strange but to be honest you should ask the Ministry of Health.

GIULIO VALESINI VOICE-OVER

Despite the Italian National Institute of Health's rejection of its analyses, Philip Morris didn't give up. They approached the lobbying firm Solving and got the president of the Tuscany Region, Enrico Rossi, involved. The aim was to persuade the Region's epidemiologists dealing with cancer prevention to recommend the use of IQOS devices to patients who couldn't give up smoking. They met up in February.

GIULIO VALESINI

You never had such an experience in 20 years?

GIUSEPPE GORINI – EPIDEMIOLOGIST, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

Let's say that reality surpassed all my most paranoid imaginings. They asked for a meeting with the Region and with us, so that we could advise health workers to recommend these heated tobacco products to their patients, to reduce damage to their health.

GIULIO VALESINI

You as doctors?

GIUSEPPE GORINI – EPIDEMIOLOGIST, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

We, as representatives of the Tuscany Region, were asked to advise healthcare staff, working in local health units in Tuscany, to recommend them to patients.

GIULIO VALESINI

I looked at the dates. The meeting was in February...

GIANNI AMUNNI – DIRECTOR GENERAL, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

I think so, yes.

GIULIO VALESINI

Okay. According to the Ministry's reply, the Ministry informed Philip Morris of the outcome, the negative outcome regarding the claims that the products were less toxic and would reduce harm, in January.

GIANNI AMUNNI – DIRECTOR GENERAL, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

Yes.

GIULIO VALESINI

So when Philip Morris met up with you, it was aware that the Ministry had said, "Be warned, you're not allowed to say that..."

GIANNI AMUNNI – DIRECTOR GENERAL, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

That's Philip Morris's concern, not mine.

GIULIO VALESINI

Just to understand better... Did lobbyists and representatives of Philip Morris mention the fact that the Italian National Institute of Health had provided a negative report?

GIANNI AMUNNI – DIRECTOR GENERAL, INSTITUTE FOR THE STUDY AND PREVENTION OF CANCER

I don't think so.

GIULIO VALESINI VOICE-OVER

Who owns the lobbying firm Solving BFM, which requested a meeting between governor Rossi and Philip Morris? Its president is Wladimiro Boccali, former mayor of Perugia, member of the Democratic Party's national leadership. Andrea Mazzoni, member and adviser of Solving, who in 2018 ran as a candidate of the Articolo Uno party for the Chamber of Deputies – the same party governor Enrico Rossi, now returned to the Democratic party, adhered to. It seems like legitimate public relations activity, yet Andrea Mazzoni doesn't want to speak to us.

GIULIO VALESINI

"Recommend IQOS devices as valid and effective tools for healthcare workers"; this is the request sent to president Rossi. You belong to Articolo Uno, just like president Rossi; did you take advantage of this?

ANDREA MAZZONI – INSTITUTIONAL RELATIONS, SOLVING BFM

Look, I don't belong to any party.

GIULIO VALESINI

Really?

GIULIO VALESINI VOICE-OVER

Enrico Rossi forwarded Philip Morris's request to his Health commissioner, Stefania Saccardi, who expedited the meeting with doctors from the Institute for the Study and Prevention of Cancer.

STEFANIA SACCARDI - TUSCANY REGION HEALTH AND SOCIAL POLICY COMMISSIONER

I didn't even see them actually.

GIULIO VALESINI

I'm really surprised that a meeting was even requested...

STEFANIA SACCARDI - TUSCANY REGION HEALTH AND SOCIAL POLICY COMMISSIONER

Well, I'm only surprised up to a point, as...

GIULIO VALESINI

In the secret chambers of the Region...

STEFANIA SACCARDI - TUSCANY REGION HEALTH AND SOCIAL POLICY COMMISSIONER

The secret chambers, come on...

GIULIO VALESINI

This meeting would never have been disclosed to the public, I expect...

STEFANIA SACCARDI - TUSCANY REGION HEALTH AND SOCIAL POLICY COMMISSIONER

There was no reason to, nothing happened in the end...

SIGFRIDO RANUCCI IN STUDIO

They actually met the doctors in order to have them recommend IQOS devices to patients who couldn't give up smoking. They had to pursue a lobbying path, a political path, as the health one had been barred by the Italian National Institute of Health's rejection. They took the path of silence with us, and chose to write in, instead. And they justified the rejection of their analyses by saying that the Italian National Institute of Health didn't give them enough time to integrate documents drafted after 2017. According to them, three months weren't enough to collect and integrate the material requested. Not only that; Philip Morris had also experimented on mice for 18 months, but the related report only covered 10 months. The final report is missing, something that was criticised, with a little irony too, by the Italian National Institute of Health. However, Philip Morris also highlighted the fact that unlike our Italian National Institute of Health, other prestigious German and Japanese institutions have acknowledged that IQOS represents a lower health risk than traditional cigarettes.

They also mention the FDA, although the FDA only granted marketing authorisation, prompted by a generic interest in public health.

It never scientifically assessed the lower risks of heated tobacco. Philip Morris's full reply can be found on our website. However, while we were recording the studies, an injunction by Philip Morris arrived, stating that the programme could not divulge the Italian National Institute of Health's report as we'd be in violation of trade secrecy. We

don't care about Philip Morris's trade secrets, we only care about public health. After your lobbying activities, already depriving us of 1.2 billion euro for the next three years that would have been very handy for our welfare system, after you tried to persuade doctors to promote a certain product to patients who can't give up smoking, and after your report was rejected by the Italian National Institute of Health... Well, we wouldn't want our concern for public health to get in your way.

We'd also like to remind everyone that these lobbying activities were carried out by people who are close to or members of Articolo Uno, the party the current minister of Health Roberto Speranza belongs to; he's the one who should publish the Italian National Institute of Health's report rejecting Philip Morris's claim about the products.

With regards to the relation between Philip Morris and Casaleggio, Casaleggio let us know in writing that they wouldn't reveal the name of their clients. And Philip Morris won't reveal who their suppliers are. In substance, they raised a smokescreen which, to eliminate any suspicion of conflict of interest, should have been dissipated instead. As all researchers on the topic of smoking should do.

GIULIO VALESINI VOICE-OVER

In 2017, former WHO director Derek Yach, one of the authors of the Framework Convention on Tobacco Control, established the "Foundation for a Smoke-Free World". They claim to be independent, but looking at their budget we see that they have only one sponsor: Philip Morris, who committed to donate a billion dollars over the next few years. The 2019 tax return shows that the foundation received 80 million dollars over one year, and only from Philip Morris.

SILVIO GARATTINI – PRESIDENT, MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH

It's something of a travesty, as to have a smoke-free world tobacco companies should just shut down; but they want people to remain addicted to nicotine, whichever device they use.

GIULIO VALESINI VOICE-OVER

Last year, the Foundation for a Smoke-Free World, established by former WHO director Derek Yach and funded by Philip Morris, gave 8 million dollars to the Centre for the Acceleration of Harm Reduction, part of the University of Catania, which researches the effects and damage produced by tobacco smoke. And the Centre is expecting to receive a further 23 million. The Centre was founded by professor Riccardo Polosa.

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

A crusader against smoking. Are you surprised?

GIULIO VALESINI

Is this an independent foundation?

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

Completely independent.

GIULIO VALESINI

Do you really believe that?

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

I firmly believe it: the foundation president is a big shot from the World Health Organization...

GIULIO VALESINI

...I know, incredible...

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

...who actually established the Framework Convention on Tobacco Control, the famous FCTC.

GIULIO VALESINI

But I see you're laughing. It makes you laugh a little.

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

I'm laughing at your question, which seems rather biased to me.

GIULIO VALESINI

Biased. I'm sorry, how can a question about a foundation for a smoke-free future, a smoke-free world, funded by Philip Morris, be biased – the whole thing seems hypocritical to me, if I may say.

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

It's not hypocritical: Philip Morris has publicly stated more than once that it is investing billions of dollars in smokeless products.

GIULIO VALESINI VOICE-OVER

But the money from the foundation run by the former WHO director doesn't go directly to professor Polosa's Centre. It goes through a university's spin-off first, the ECLAT srl company.

Polosa's goals include reducing the harm caused by tobacco and comparing heated tobacco devices and electronic cigarettes.

GIULIO VALESINI

Philip Morris started selling IQOS once it started selling fewer cigarettes?

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

To avoid being overtaken by independent companies producing electronic cigarettes, tobacco multinationals had to catch up with the times.

GIULIO VALESINI VOICE-OVER

Yet, even if ECLAT is a university's spin-off, one of its members is Md Tech, which owns Eurovape, a company selling electronic cigarettes and smoking items, located in Turin. Doesn't this limit its independence? The company's charter states that the company should research the possible risks from substances used in electronic cigarettes, but can also run promotional campaigns on the safety of all "alternative smoking products". Yet another contradiction.

RICCARDO POLOSA – FOUNDER, CENTRE FOR THE ACCELERATION OF HARM REDUCTION

What we do is meet smokers' needs by saying "Look, this is what's on offer, these are the options: would you like a drug to help you give up? Here's the drug. Would you like a plastic pipe to help you give up? Here it is. There are electronic cigarettes, or would you rather use a liquid? See what you prefer. There's heated tobacco if you don't like cigarettes. Do you want chewable tobacco? Do you want nicotine gum? Choose what you think would be best for you to give up smoking."

SIGFRIDO RANUCCI IN STUDIO

Polosa certainly manages a Centre that should limit the damage caused by smoking, but he's also a member of ECLAT, a spin-off company of the University of Catania, which in turn is indirectly financed by Philip Morris via the foundation established by the former WHO director. ECLAT, however, includes people selling electronic cigarettes, as well as people researching the damage caused by electronic cigarettes and those promoting electronic cigarettes. Basically, three in one. It also includes professor Polosa, who's also a member of LIAF, the Italian Anti-Smoking League, and two other members belonging to the spin-off that funds him. In the end, is LIAF, the Anti-Smoking League, an association wishing to promote health or an instrument manipulated by the tobacco multinationals who, having lost shares in the traditional cigarette market have decided to expand in the heated tobacco market? In all this, an understanding of who's guileless and who's not is essential, as it's about people's health. And I hope *Report* won't take the blame for simply telling the story.