



**World Health
Organization**

WHO REPORT ON THE GLOBAL TOBACCO EPIDEMIC, 2015

Raising taxes on tobacco

Executive summary

fresh and alive

mpower



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- P**rotect Protect people from tobacco smoke
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- E**nforce Enforce bans on tobacco advertising, promotion and sponsorship
- R**aise Raise taxes on tobacco

Overview

In the decade since the WHO Framework Convention on Tobacco Control (WHO FCTC) came into force, and 7 years after the introduction of MPOWER to assist Parties in meeting some of their WHO FCTC obligations, there has been steady progress in global tobacco control. Today, more than half of the world's countries, with 40% of the world's population (2.8 billion people) have implemented at least one MPOWER measure at the highest level of achievement (not including the Monitoring and Mass media measures, which are assessed separately). This progress more than doubles the number of countries and nearly triples the number of people covered since 2007.

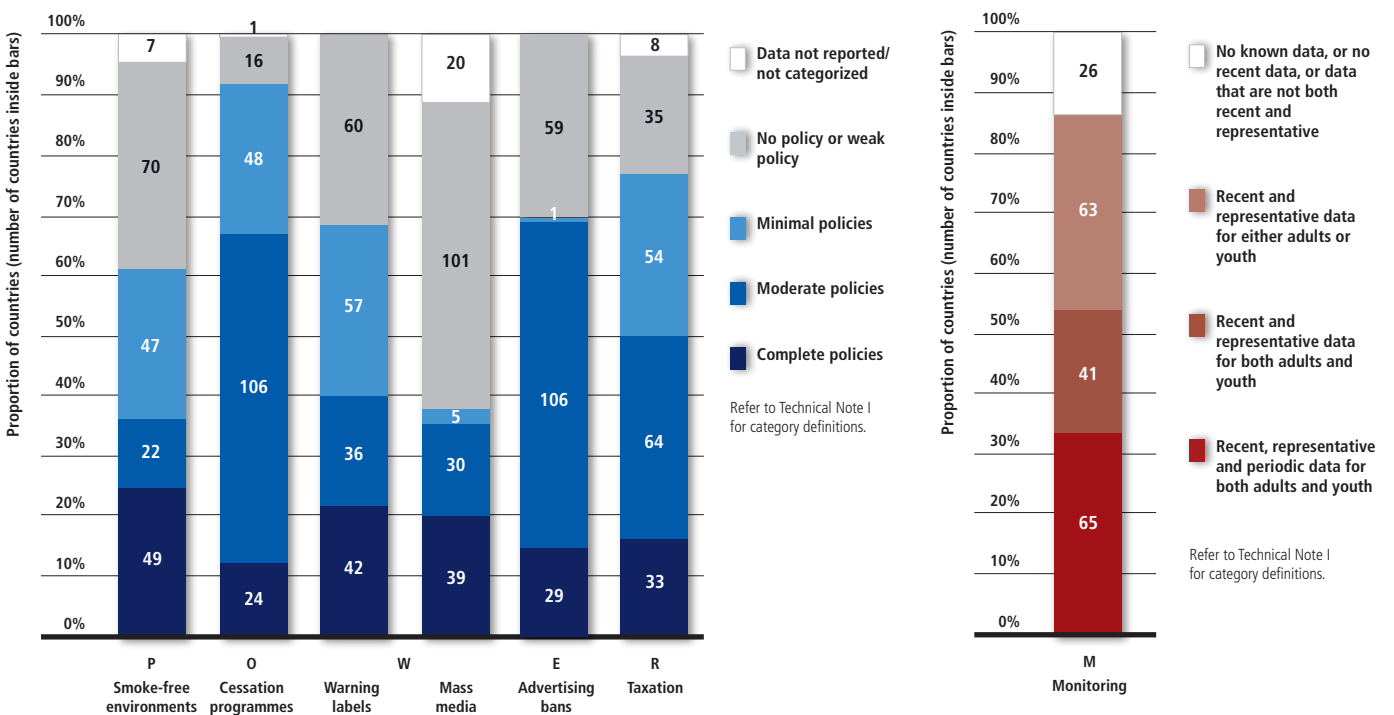
Raising tobacco taxes, the R measure in MPOWER and the focus of this *WHO report on the global tobacco epidemic, 2015*, is an area in particular need of attention.

Despite the fact that raising tobacco taxes to more than 75% of the retail price is among the most effective and cost-effective tobacco control interventions (it costs little to implement and increases government revenues), only a few countries have increased tobacco taxes to best practice level. Raising taxes is the least implemented MPOWER measure – with only 10% of the world's people living in countries with sufficiently high taxes – and is the measure that has seen the least improvement since WHO started assessing these data. Even so, by 2014, 11 countries had raised taxes to represent more than 75% of the retail price of a pack of cigarettes, joining the 22 countries that already had similarly high taxes in place in 2008. However, there are still many countries with extremely low tobacco tax rates, and some countries that

do not levy any tobacco taxes at all.

Many countries have implemented multiple MPOWER measures at the highest level of achievement. A total of 49 countries with nearly 20% of the world's population are covered by two or more MPOWER measures at the highest level, tripling the number of people protected by at least two fully implemented tobacco control measures to 1.4 billion people since 2007. Seven countries, five of which are low- and middle-income, have implemented four or more MPOWER measures at the highest level. Six of these countries (four of which are low- and middle-income countries with more than 4% of the world's population – more than 300 million people), are only one step away from having all MPOWER measures in place at the highest level.

THE STATE OF SELECTED TOBACCO CONTROL POLICIES IN THE WORLD, 2014



Key findings

Over the past 2 years, there has been notable progress in global tobacco control. Since the previous *WHO report on the global tobacco epidemic, 2013*, which reported data from 2012, the global population covered by at least one MPOWER measure at the highest level has increased from 2.3 billion to 2.8 billion, an increase of half a billion people (7% of the world's population). The number of countries implementing at least one MPOWER measure at the highest level has increased by 11 since 2012, from 92 to 103.

Each MPOWER measure saw new countries implementing best tobacco control practice since 2012.

- Five countries with a combined population of 187 million people, (Chile, Jamaica, Madagascar, Russian Federation and Suriname) implemented

a comprehensive smoke-free law covering all indoor public places and workplaces.

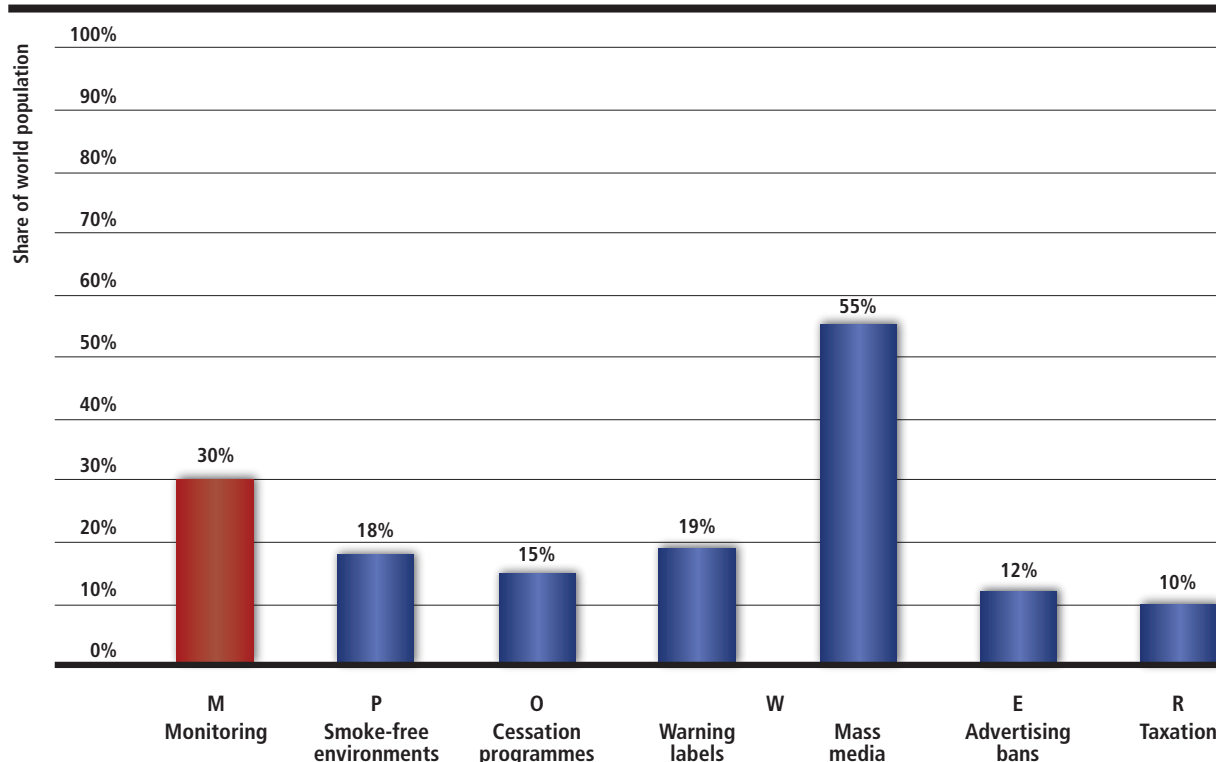
- Six countries (Argentina, Belgium, Brunei Darussalam, Malta, Mexico and the Netherlands) implemented appropriate cessation services. Because one country reduced services after 2012, the net gain for offering assistance to quit was five countries and 173 million people.
- Twelve countries with a combined population of 370 million people (Bangladesh, Costa Rica, Fiji, Jamaica, Namibia, Philippines, Samoa, Solomon Islands, Trinidad and Tobago, Turkmenistan, Vanuatu and Viet Nam) implemented large graphic pack warnings.
- Seven countries (Kiribati, Nepal, Russian Federation, Suriname, United Arab Emirates, Uruguay and Yemen)

introduced a complete ban on all tobacco advertising, promotion and sponsorship (TAPS) activities, thus protecting an additional 209 million people from exposure to TAPS.

- Seven countries (Bangladesh, Bosnia and Herzegovina, Croatia, Kiribati, New Zealand, Romania and Seychelles) raised taxes on cigarettes to more than 75% of the retail price (because four countries did not maintain sufficiently high taxes after 2012, and one country did not provide data, the net gain for raising taxes was only two countries and 154 million people).

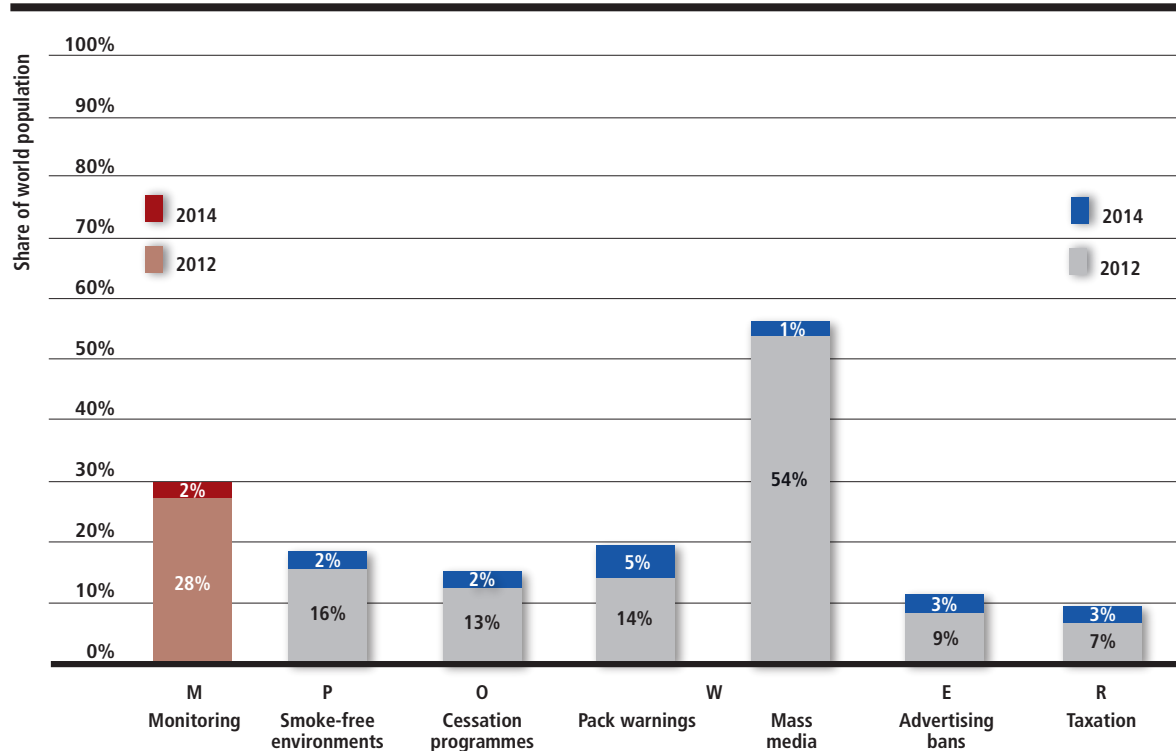


SHARE OF THE WORLD POPULATION COVERED BY SELECTED TOBACCO CONTROL POLICIES, 2014



Note: The tobacco control policies depicted here correspond to the highest level of achievement at the national level; for the definitions of these highest categories, refer to Technical Note I in the main report.

INCREASE IN THE SHARE OF THE WORLD POPULATION COVERED BY SELECTED TOBACCO CONTROL POLICIES, 2012 TO 2014



Note: The tobacco control policies depicted here correspond to the highest level of achievement at the national level; for the definitions of these highest categories, refer to Technical Note I in the main report.

Conclusion

Progress spurred by the WHO Framework Convention on Tobacco Control and the consistent MPOWER measures over the past decade has helped protect 40% of the world's people through at least one MPOWER measure at the highest level of achievement. As countries continue the process of adopting and implementing effective tobacco control strategies, they can look for inspiration and guidance to other countries that have successfully moved to advance their policies to the best practice level.

The focus of this report, Raising tobacco taxes, is the MPOWER measure that has experienced least progress. Only one in 10 of the world's people live in the 33 countries that levy taxes of more than 75% of the cigarette retail price, making it the least-implemented MPOWER measure and the one with least improvement since 2007. More than 80% of countries have no


tobacco taxation in place at the highest level of achievement despite clear evidence that increasing taxes to a sufficiently high level is an extremely effective – including cost-effective – intervention; it reduces tobacco use, costs governments relatively little to implement, and increases government revenues, sometimes substantially.

It can be difficult to generate sufficient political will to overcome opposition – including from the tobacco industry – to raising tobacco taxes. The tobacco industry has long opposed any strengthening of tobacco control measures, and is particularly active in attempting to prevent any type of tax increase leading to actual higher prices. The industry makes spurious claims of economic harm caused by higher taxes, which are not borne out by the evidence. One particular claim is that higher taxes lead to increased smuggling and illicit trade, but again the evidence does not

support this. But because tobacco taxes are generally better accepted than other types of taxes, it is possible to achieve widespread public support, even among tobacco users, especially if at least some of the new tax revenues are used for tobacco control, health promotion and other public health programmes.

All countries have an obligation to protect the health of their people, and all Parties to the WHO FCTC have made specific commitments to implement strong tobacco control policies as an important means of providing that protection. There has been substantial progress in the past decade, but we must now recommit ourselves to continuing our global tobacco control efforts so that all the people of the world are fully protected from the tobacco epidemic and its harms.





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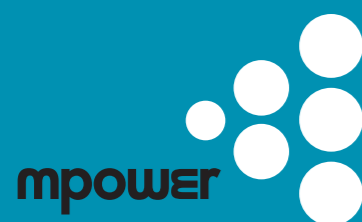
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