tobacconomics

Economic Research Informing Tobacco Control Policy

Fiscal Policy & Health: The Case for Health Taxes

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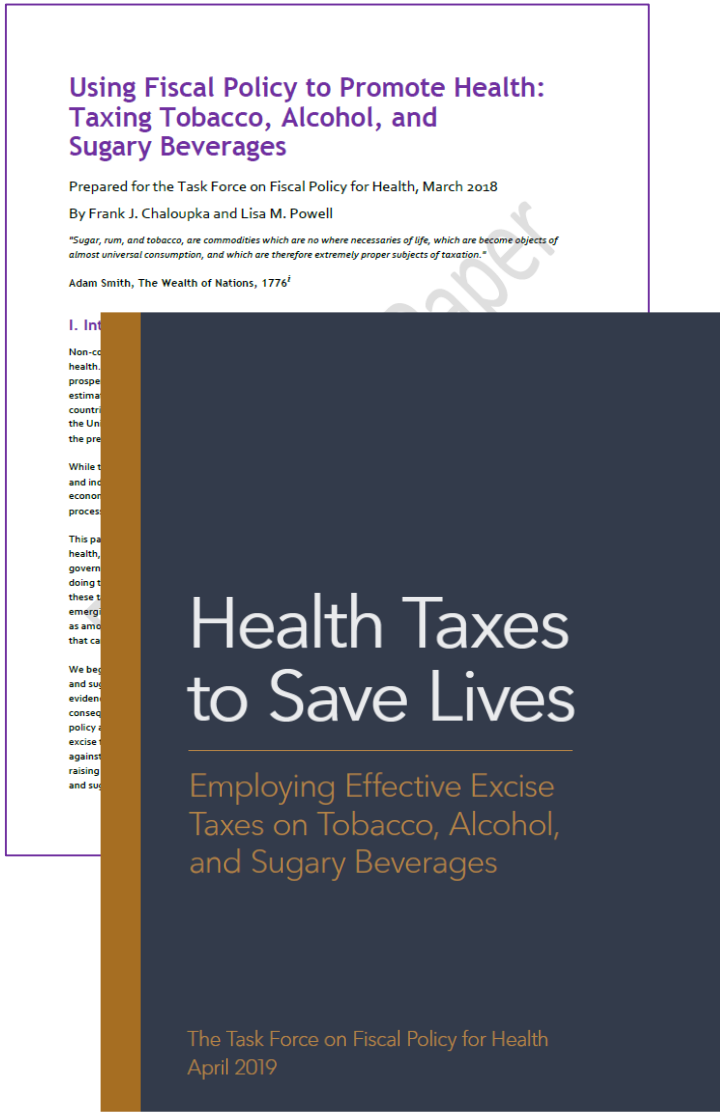
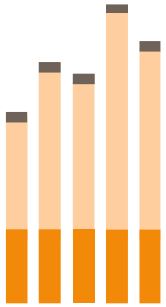
Behavioural Research in Cancer Control Conference

Perth, Australia, 17 May 2019

Overview

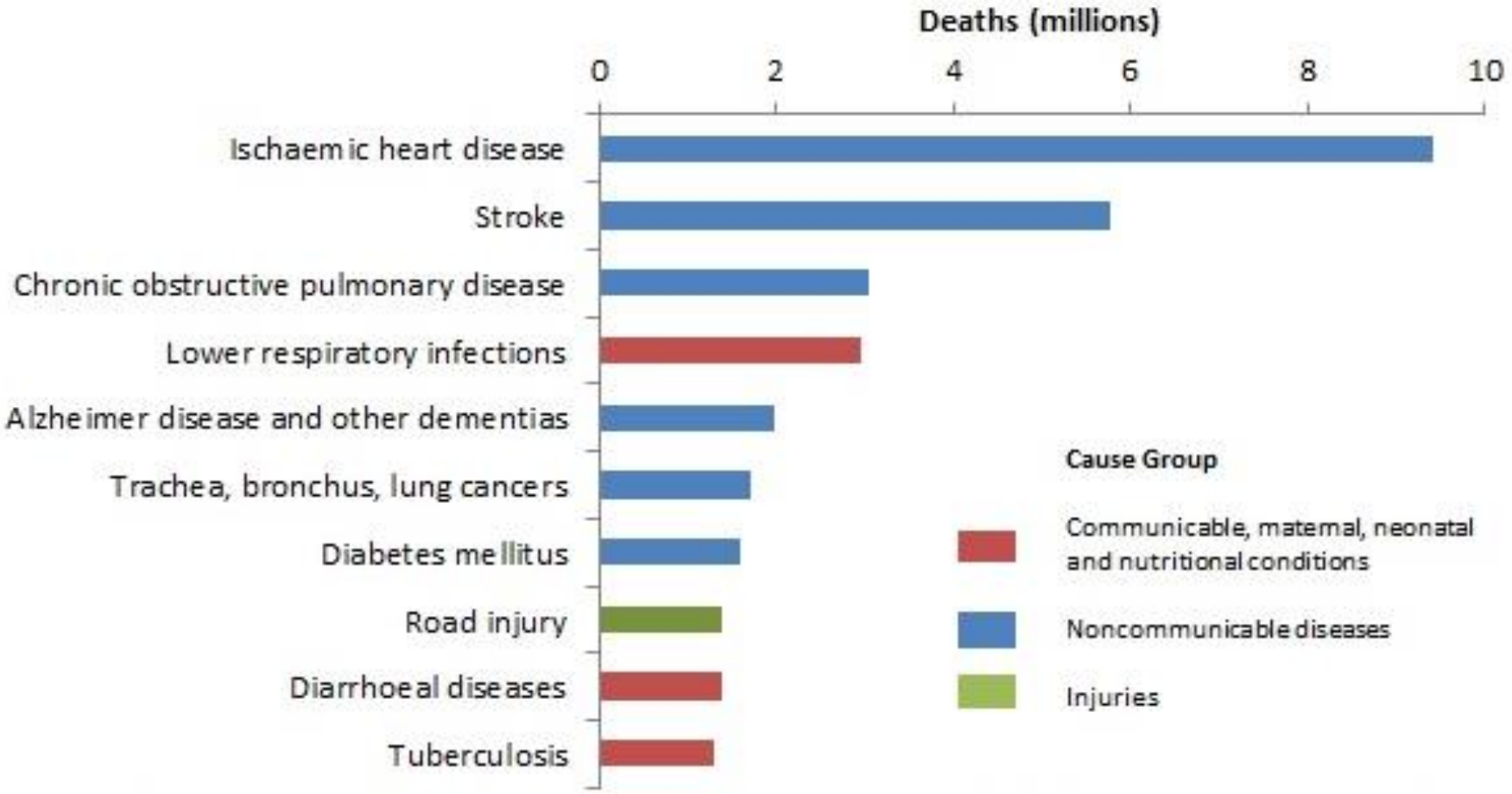
- Health & Economic Impact of Non-Communicable Diseases
- Impact of Tobacco, Alcohol, and Sugary Drink Taxes on Use and Consequences of Use
- Tax Revenues, Structure & Earmarking
- Myths and Facts About Economic Impact of Taxes





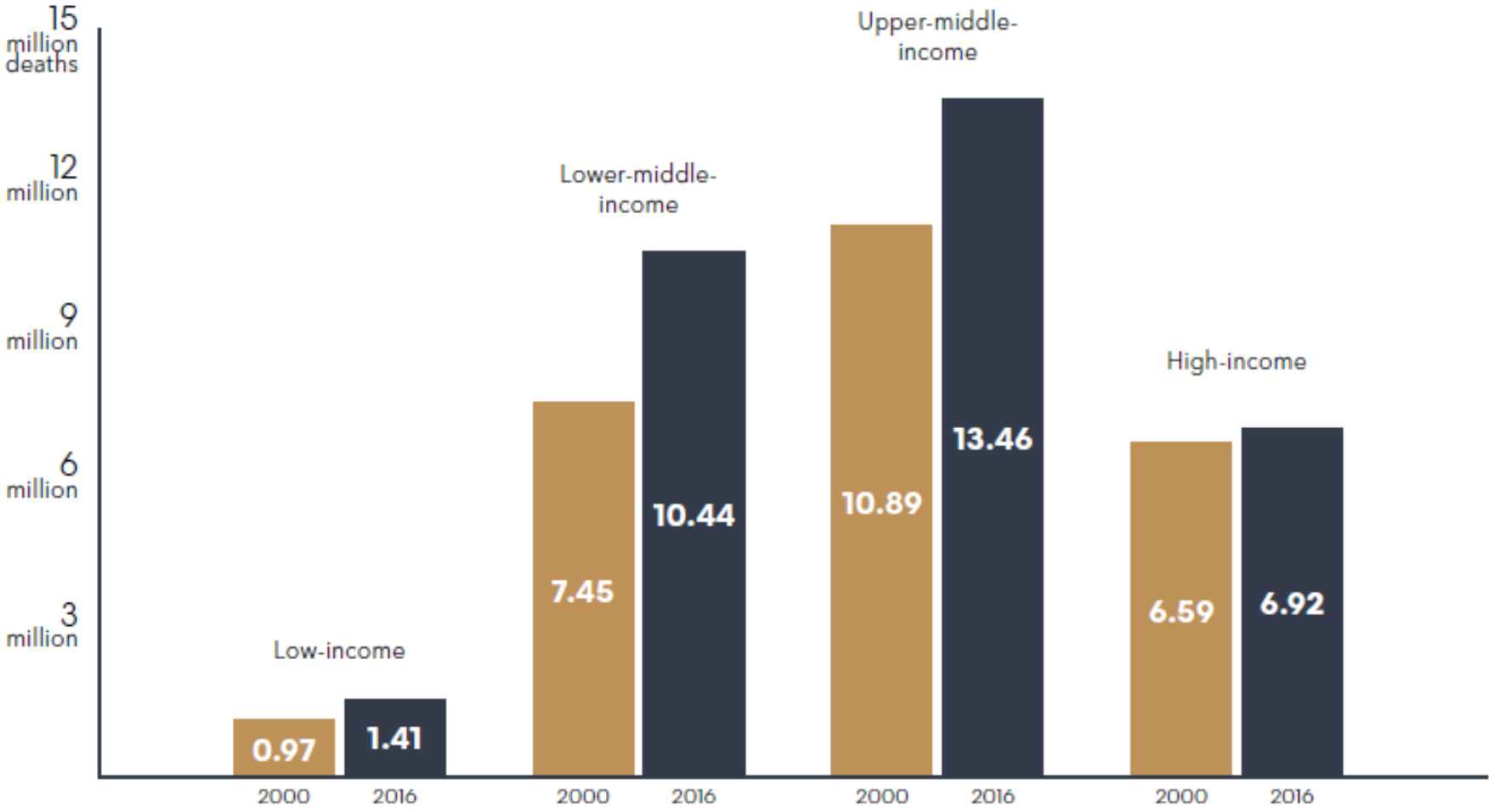
Health & Economic Impact of Non-Communicable Diseases

Top 10 Global Causes of Death, 2016



Source: World Health Organization, 2018

Leading NCD Deaths
by Income Group, 2010 & 2016

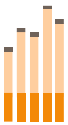


Source: Task Force on Fiscal Policy for Health, 2019
Note: Includes deaths from cardiovascular and chronic respiratory diseases, cancers, and diabetes

NCDs: Major Risk Factors

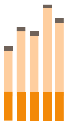
Major NCD	Major modifiable causative Risk Factors			
	Tobacco Use	Unhealthy Diet	Physical Inactivity	Harmful Use of Alcohol
Heart Disease & Stroke	√	√	√	√
Diabetes	√	√	√	√
Cancer	√	√	√	√
Chronic Lung Disease	√			

Source: WHO, 2010; Mackay, 2012



Economic Consequences of NCDs

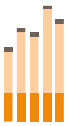
- Large economic burden from NCDs:
  - Large, growing health care costs from treating NCDs
  - Significant lost productivity
  - Cause of poverty
  - Account for much of inequalities in health

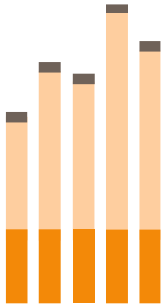


Economic Costs of Unhealthy Behaviors

- Significant direct and indirect costs
  - Tobacco use: > $1.4 trillion in 2012
    - Equivalent to 1.8% of global GDP
  - Alcohol use: 2.1% - 2.5% of GDP
  - Obesity: ~$2 trillion in 2014
    - Equivalent to 2.5% of global GDP
  - In Australia, estimated
    - Tobacco: $31.5 billion, 2004-05
    - Alcohol: $14.3 billion, 2010
    - Obesity: $8.6 billion, 2011-12

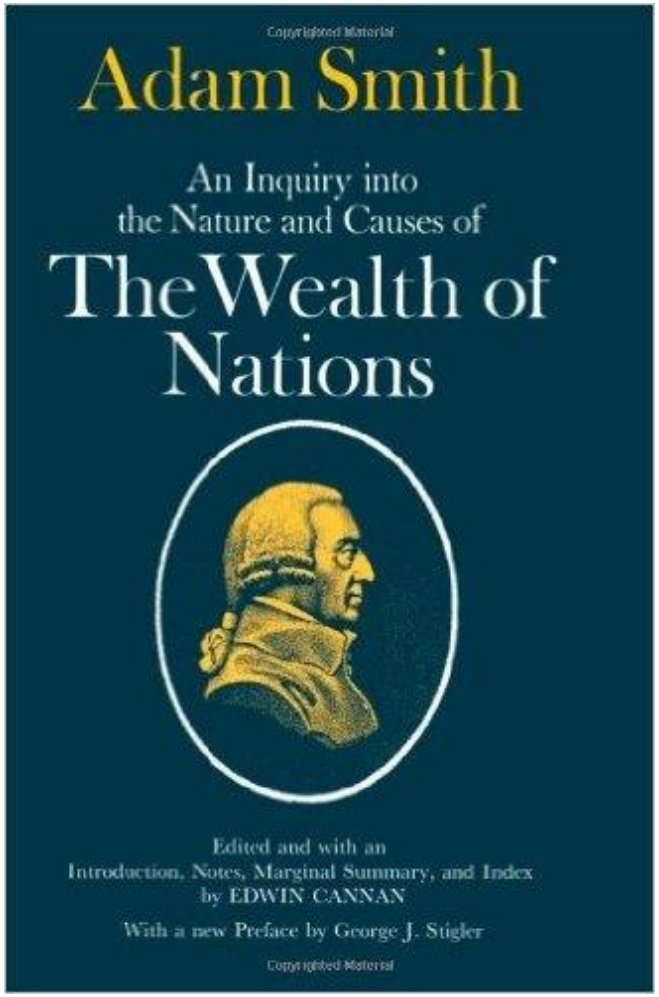
Sources: Goodchild, et al., 2017; WHO, 2017; McKinsey, 2014; Collins & Lapsley, 2008; Manning et al., 2013; AIHW, 2017

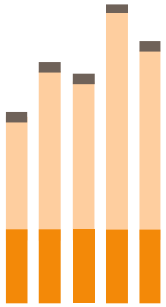




Impact of Taxes & Prices on Unhealthy Behaviors

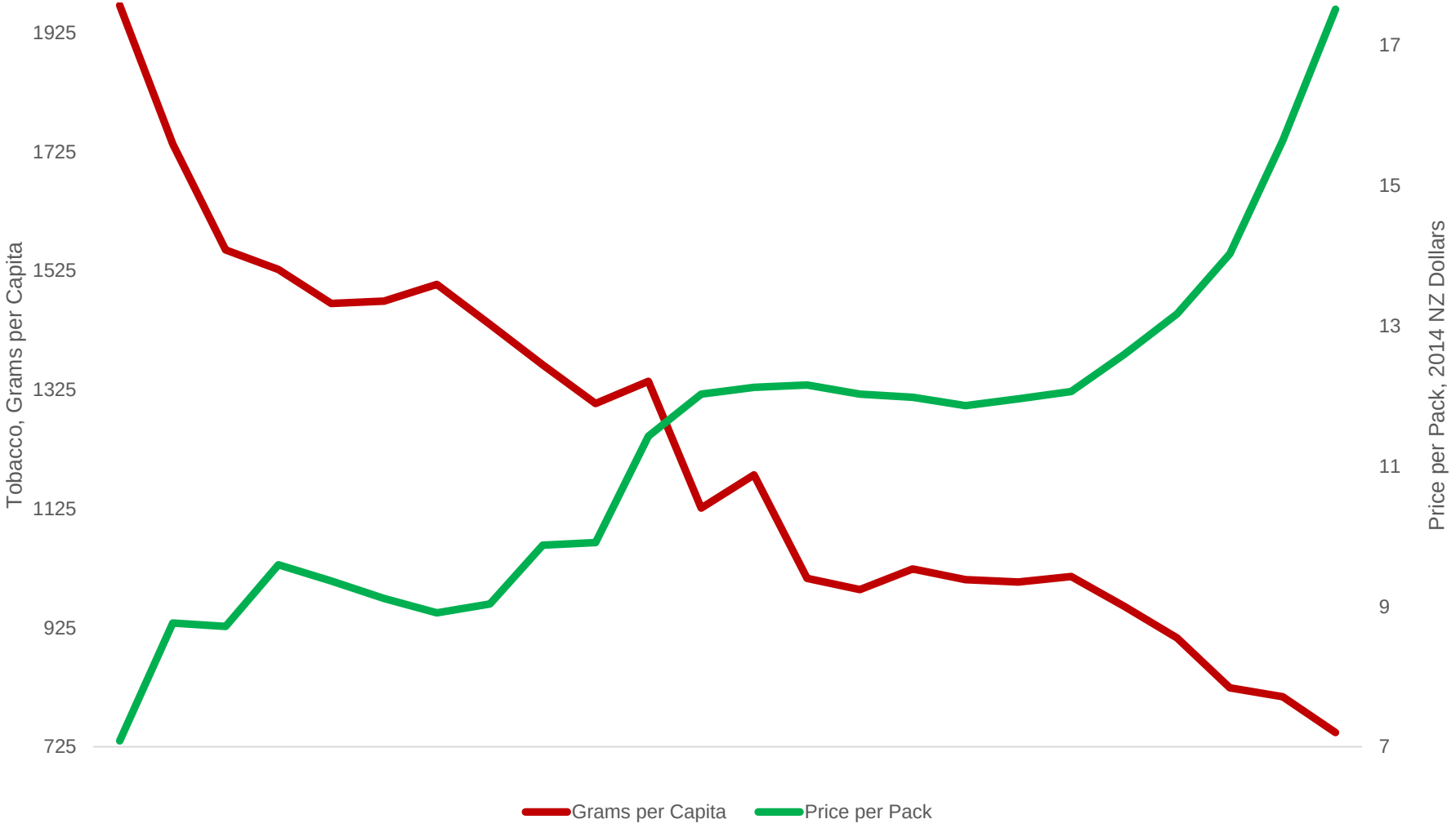
"***Sugar***, ***rum***, *and* ***tobacco,*** *are commodities which are no where necessaries of life, which are become objects of almost universal consumption, and which are therefore* ***extremely proper subjects of taxation.***





Taxes, Prices & Tobacco Use

Tobacco Consumption and Cigarette Prices
New Zealand, 1990-2013, Inflation Adjusted



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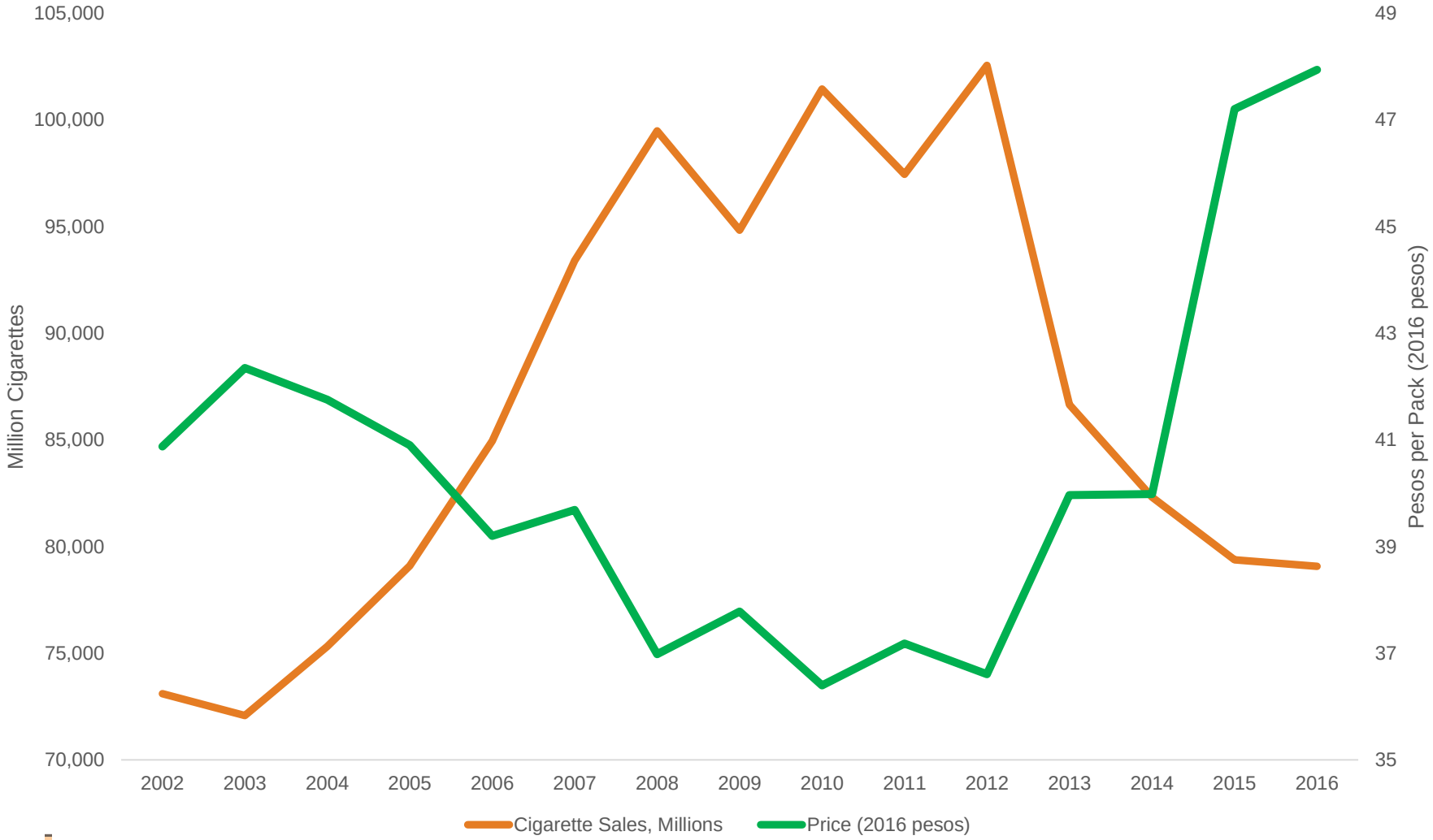
Sources: EIU, World Bank and OECD

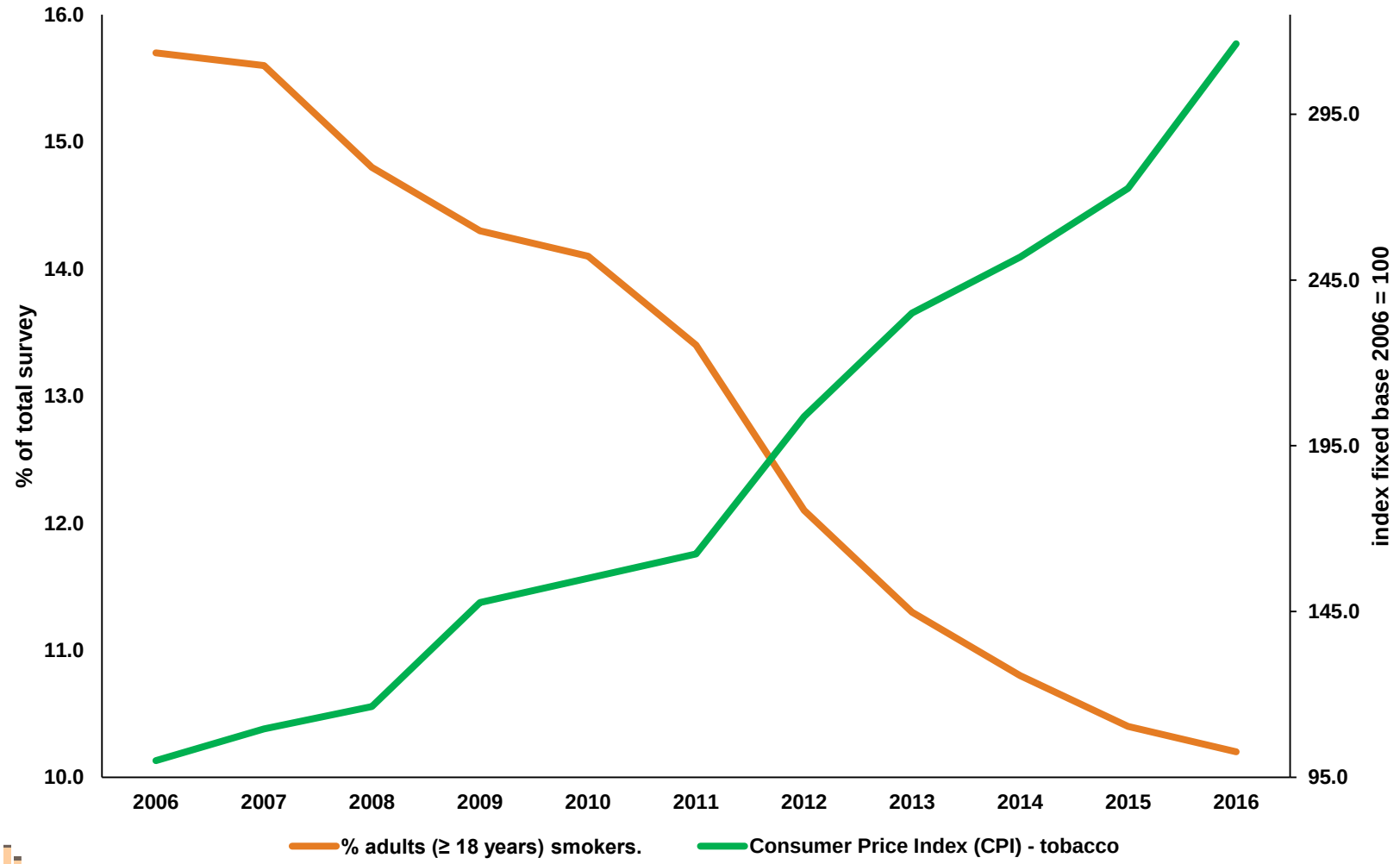
Cigarette Sales and Prices
Philippines, 2002-2016, Inflation Adjusted



Sources: Euromonitor, World Bank, and Authors' Calculations

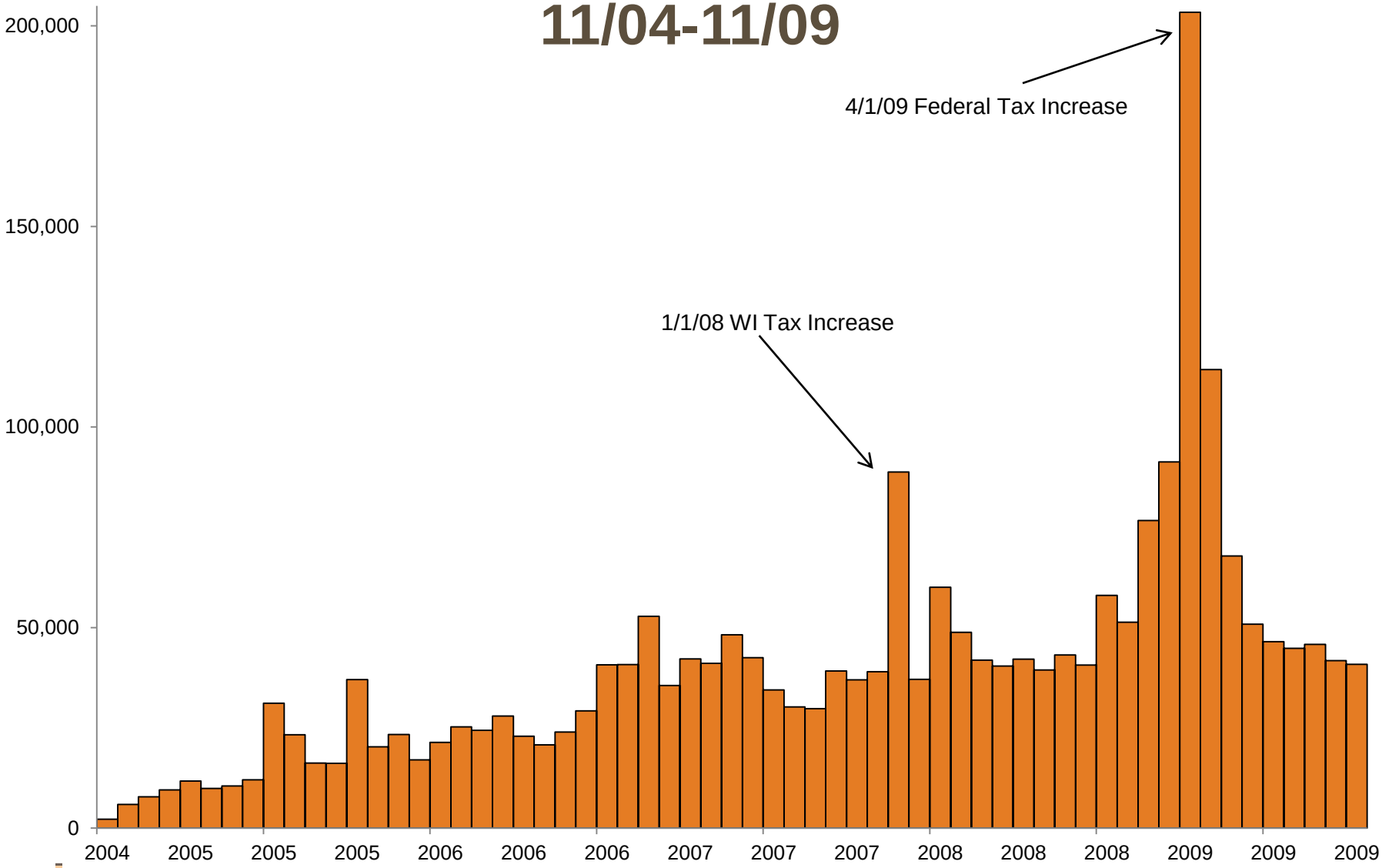
Adult Smoking Prevalence and Price

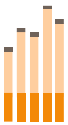
Brazil, 2006-2016, inflation adjusted



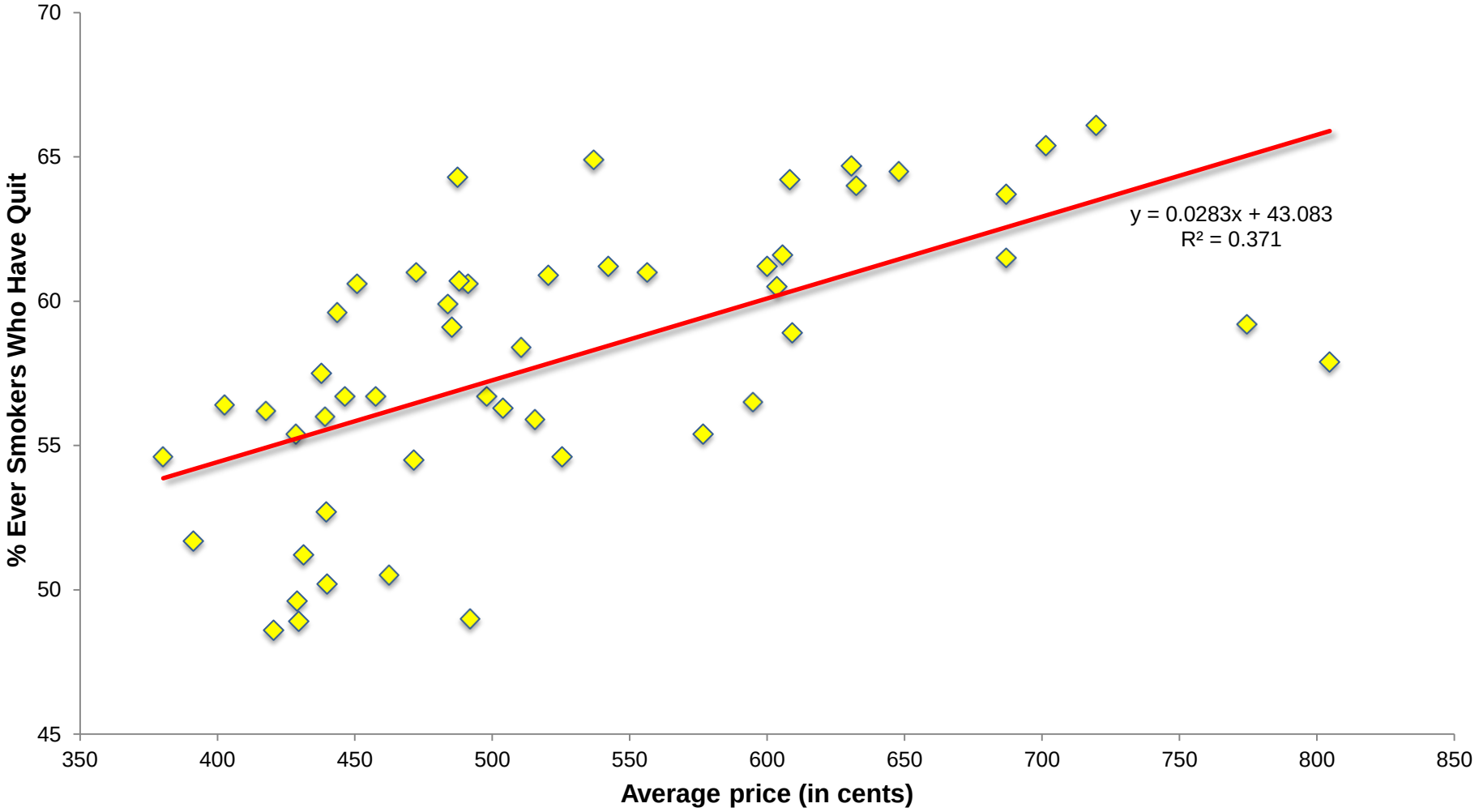
Source: Ribeiro and Pinto, 2019

Monthly Quit Line Calls, United States 11/04-11/09



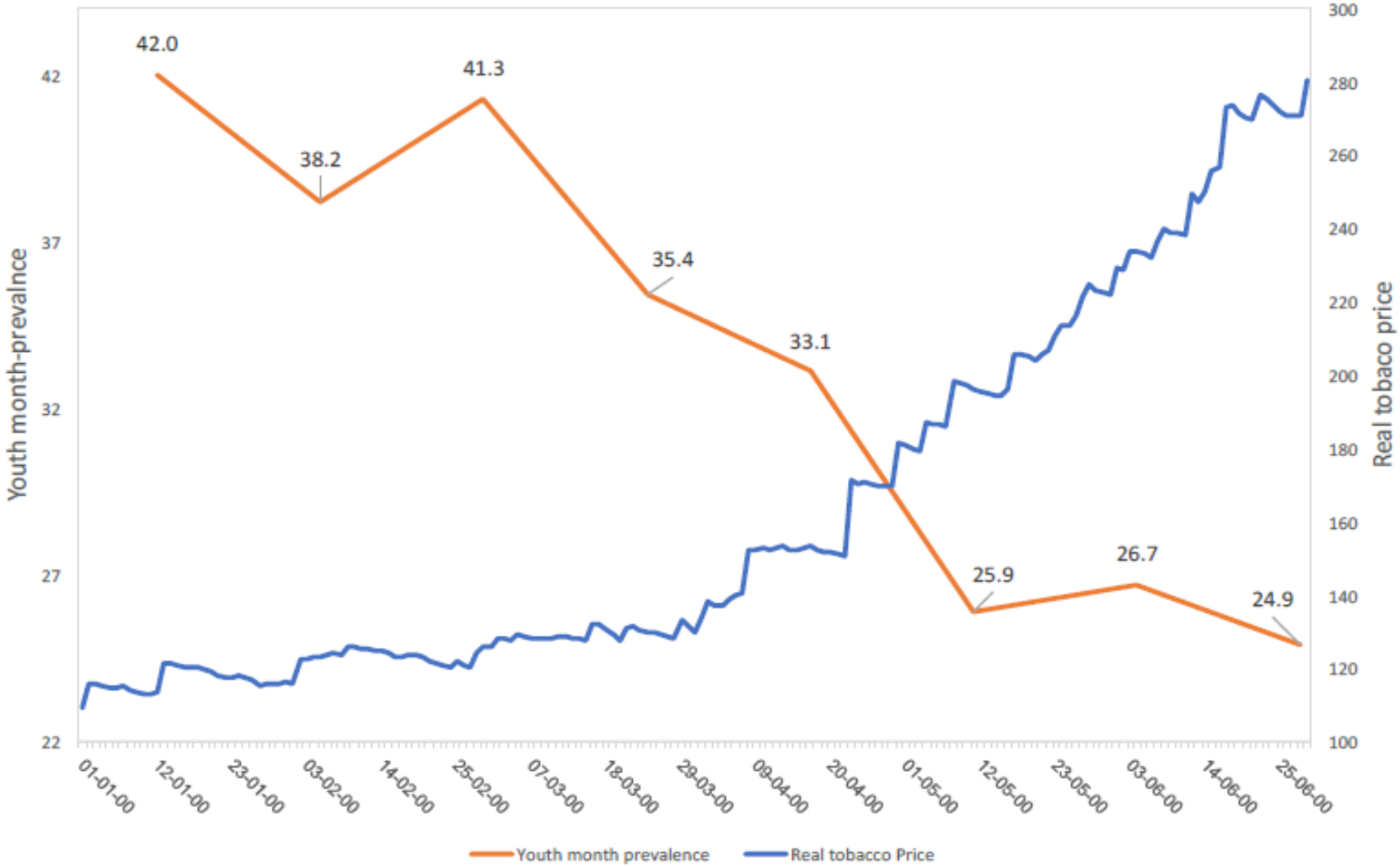


Cigarette Prices and Cessation
US States, 2009



Source: BRFSS, *Tax Burden on Tobacco,* 2010, and author's calculations

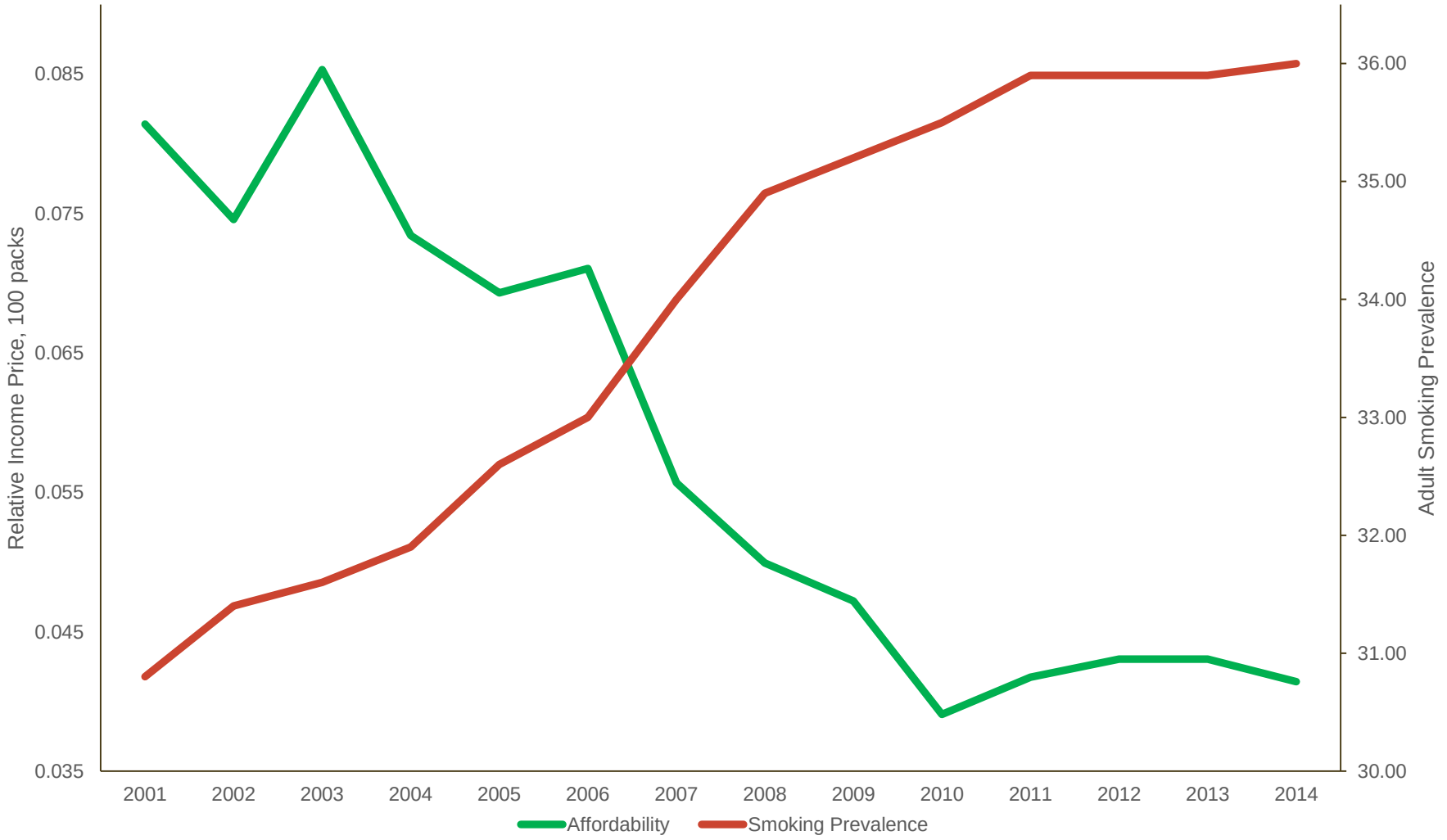
Cigarette Price & Youth Smoking Prevalence Chile, 2000-2015



Source: Paraje, 2017

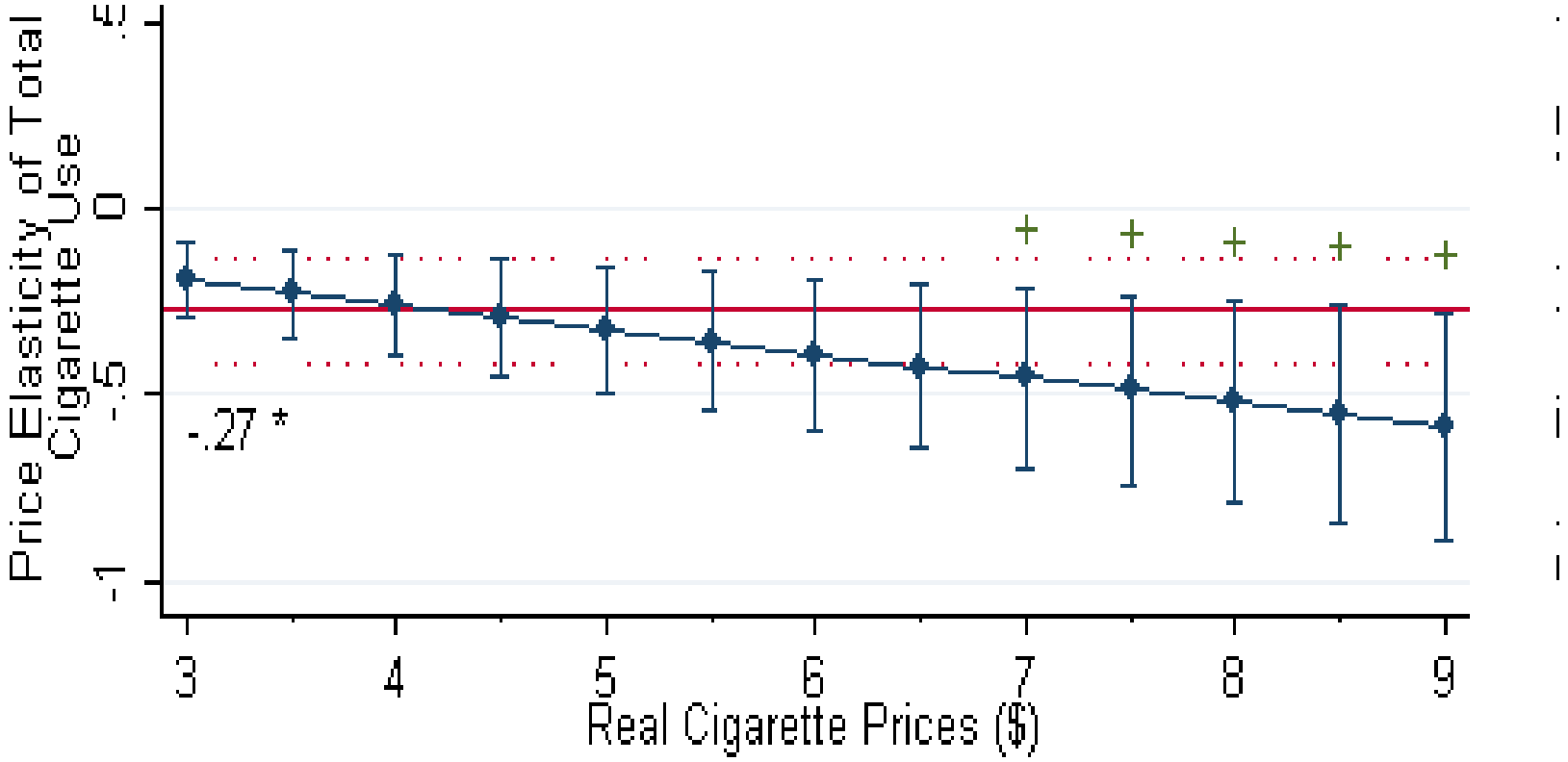
Affordability & Tobacco Use

Adult Smoking Prevalence, Indonesia, 2001-2014



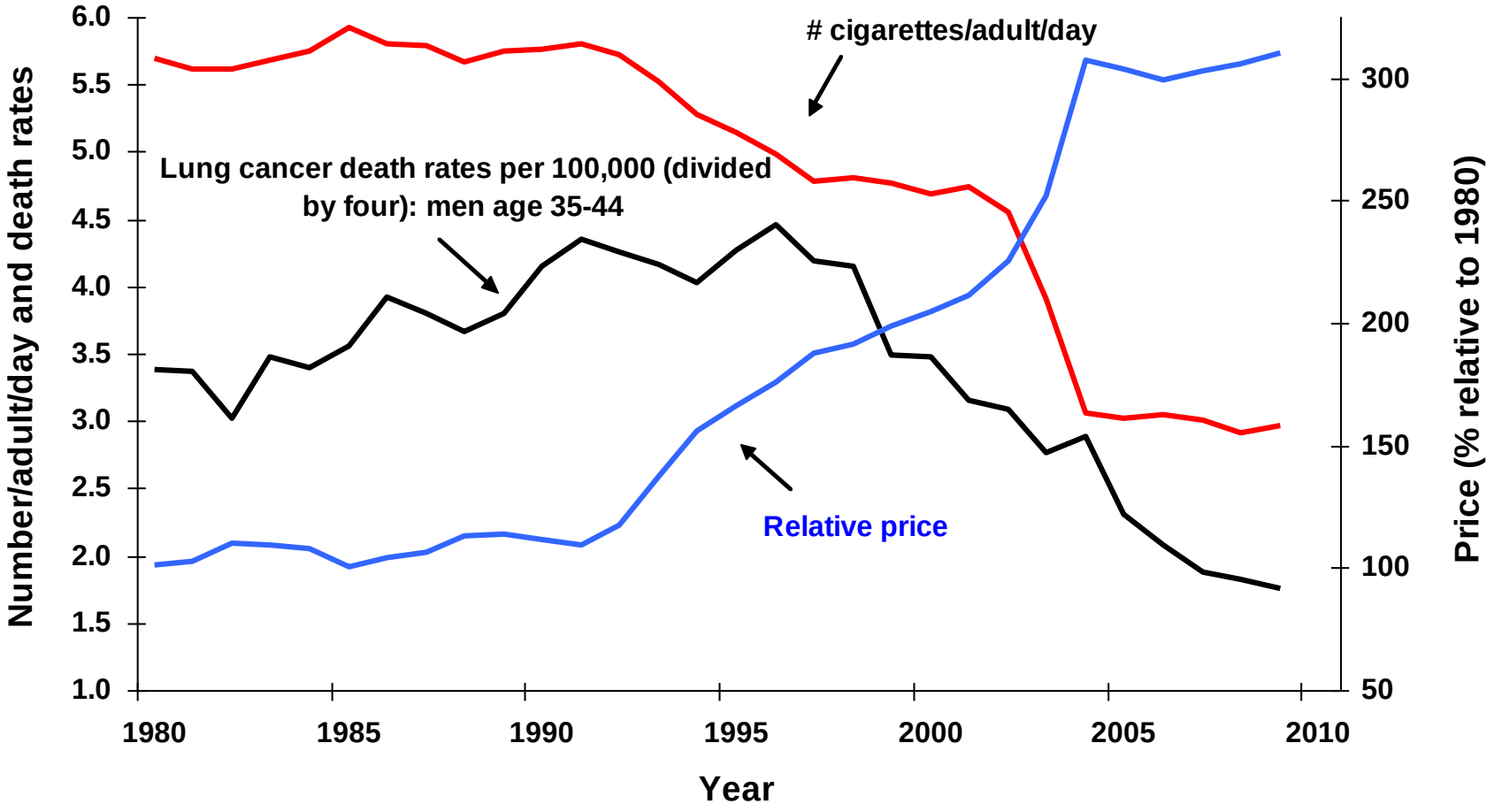
Sources: Euromonitor, EIU, World Bank, and Authors' Calculations

Increasing Elasticity with Increasing Price – U.S. TUS-CPS Data



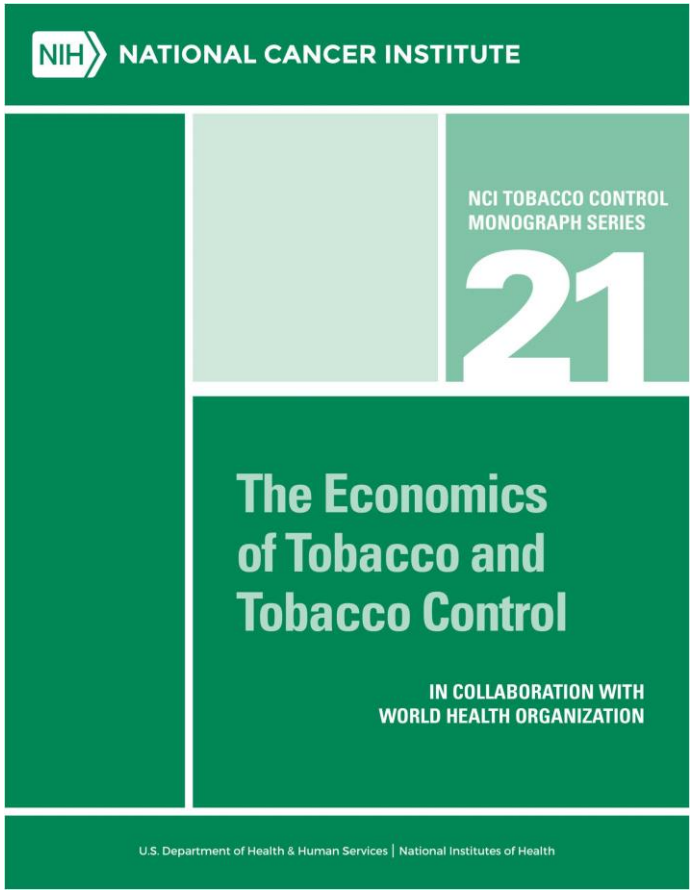
Source: Pesko, et al., 2016

France: smoking, tax and male lung cancer, 1980-2010



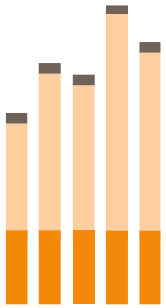
Source: *Jha, in progress*

Effectiveness of Tobacco Taxes



Chapter 4, Conclusion 1:

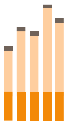
A substantial body of research, which has accumulated over many decades and from many countries, shows that **significantly increasing the excise tax and price of tobacco products is the single most consistently effective tool for reducing tobacco use**.



Taxes, Prices & Excessive Drinking

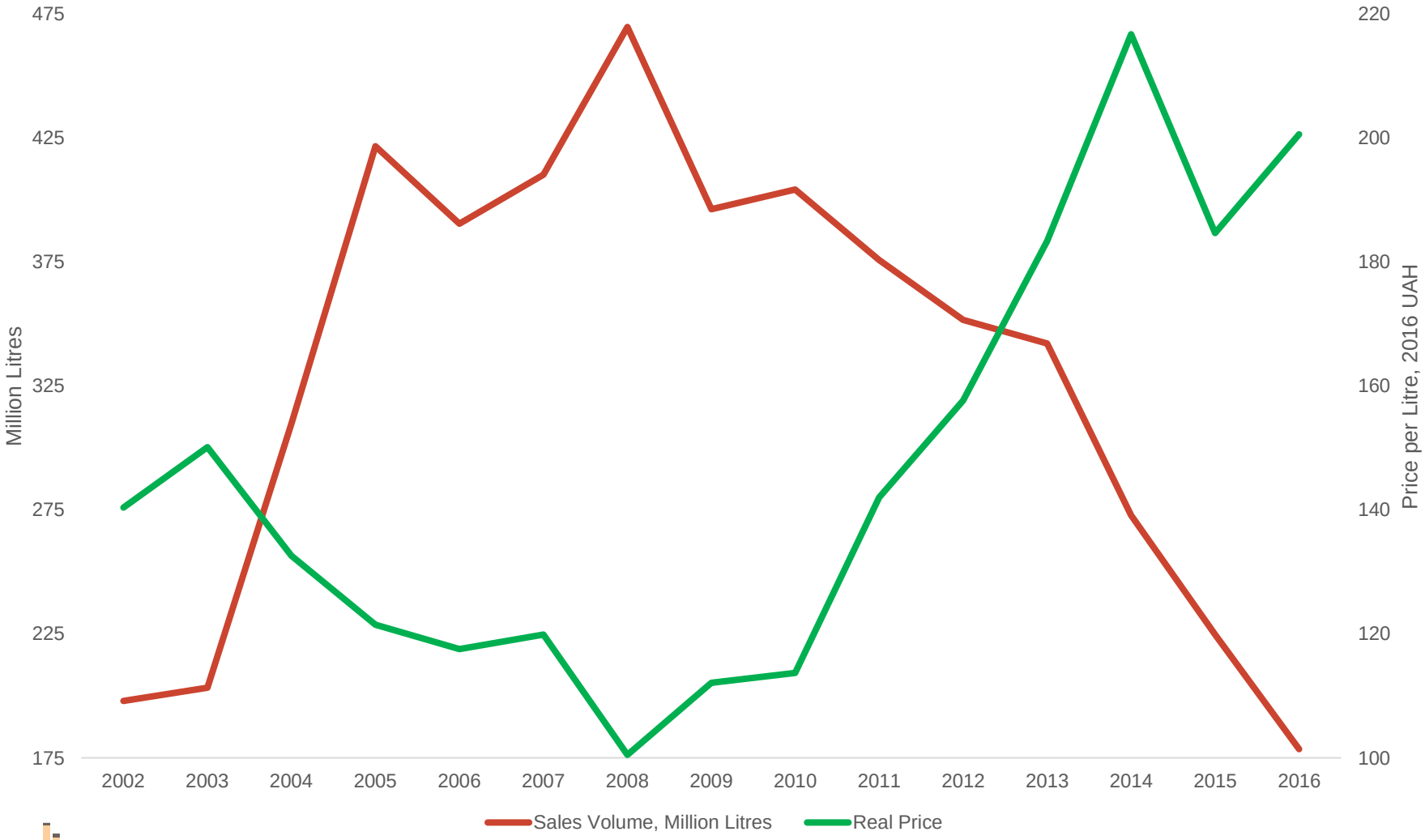
Alcohol Taxes, Prices & Drinking

- Extensive econometric and other research shows that higher prices for alcoholic beverages significantly reduce drinking:
  - 10 percent price increase would reduce:
    - Overall consumption by 5.1% to 7.7% in HICs
    - Overall consumption by 6.4% in LMICs
  - Tax/price increases reduce all aspects of drinking
    - Prevalence, frequency, intensity
  - Generally larger effects on youth and young adults



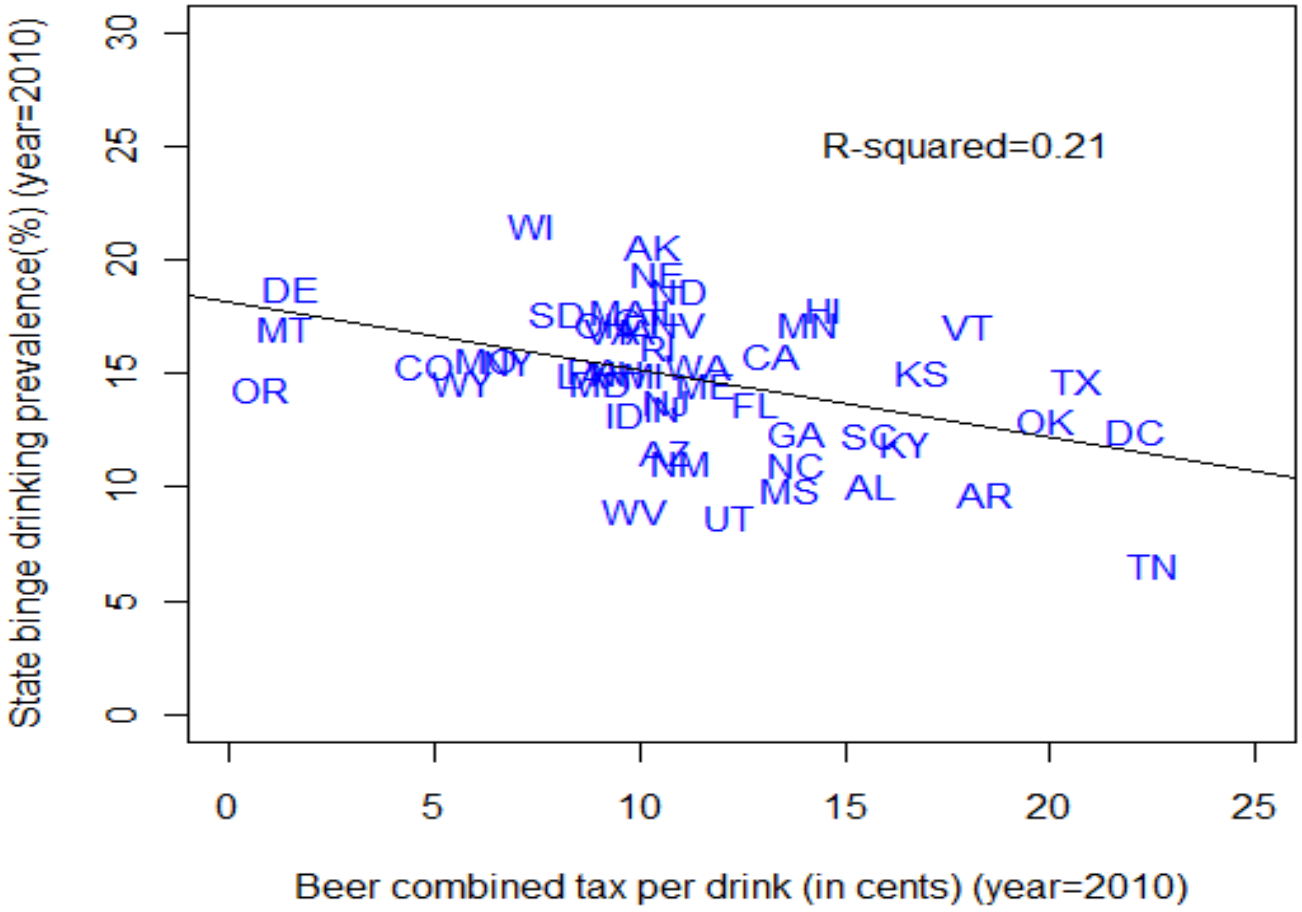
Source: Chaloupka, et al., 2019

Distilled Spirits Sales and Prices Ukraine, 2002-2016, Inflation Adjusted



Sources: Euromonitor; World Bank; and author's calculations

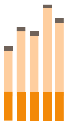
Beer Tax and Binge Drinking Prevalence US States, 2010



Source: Xuan et al., 2013

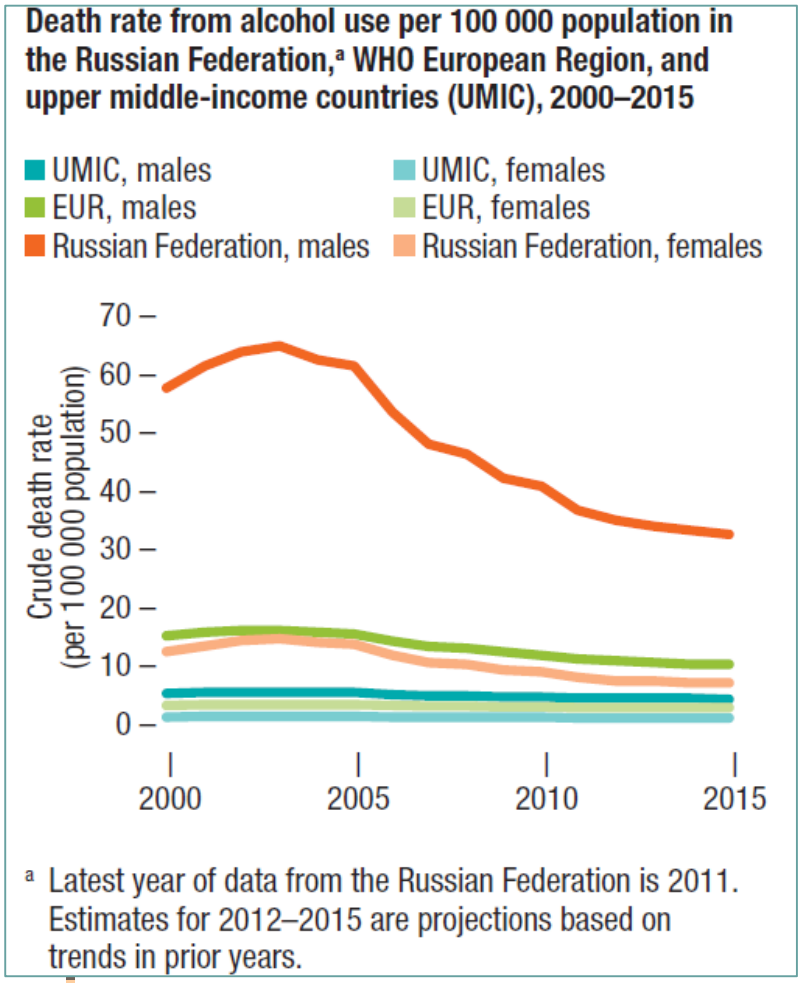
Alcohol Prices & Consequences

- Econometric and other research shows that higher prices for alcoholic beverages significantly reduce:
  - Drinking and driving, traffic crashes, and motor-vehicle accident fatalities
  - Deaths from liver cirrhosis, acute alcohol poisoning, alcohol-related cancers, cardiovascular diseases, and other health consequences of excessive drinking
  - Violence (including spouse abuse, child abuse, and suicide) and other crime
  - Other consequences of drinking, including work-place accidents, teenage pregnancy, and incidence of sexually transmitted diseases



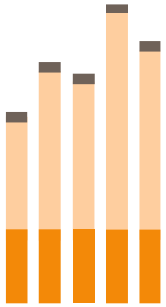
Source: Xin & Chaloupka, 20129; Wagenaar et al., 2010

Case Study: Russian Federation



- Implemented comprehensive set of alcohol control measures beginning in 2005 and strengthened over time, including:
  - **Tax increases**
  - Stronger controls on distribution
  - Minimum pricing policies
  - Zero-tolerance drink-driving laws
  - Limits on advertising and promotion
  - Improved treatment and prevention programs

Source: WHO 2017



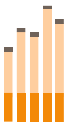
Taxes, Prices & Diet

Prices and Food & Beverage Consumption

Extensive economic research on the impact of food and beverage prices on consumption of various products; 10% price increase reduces:

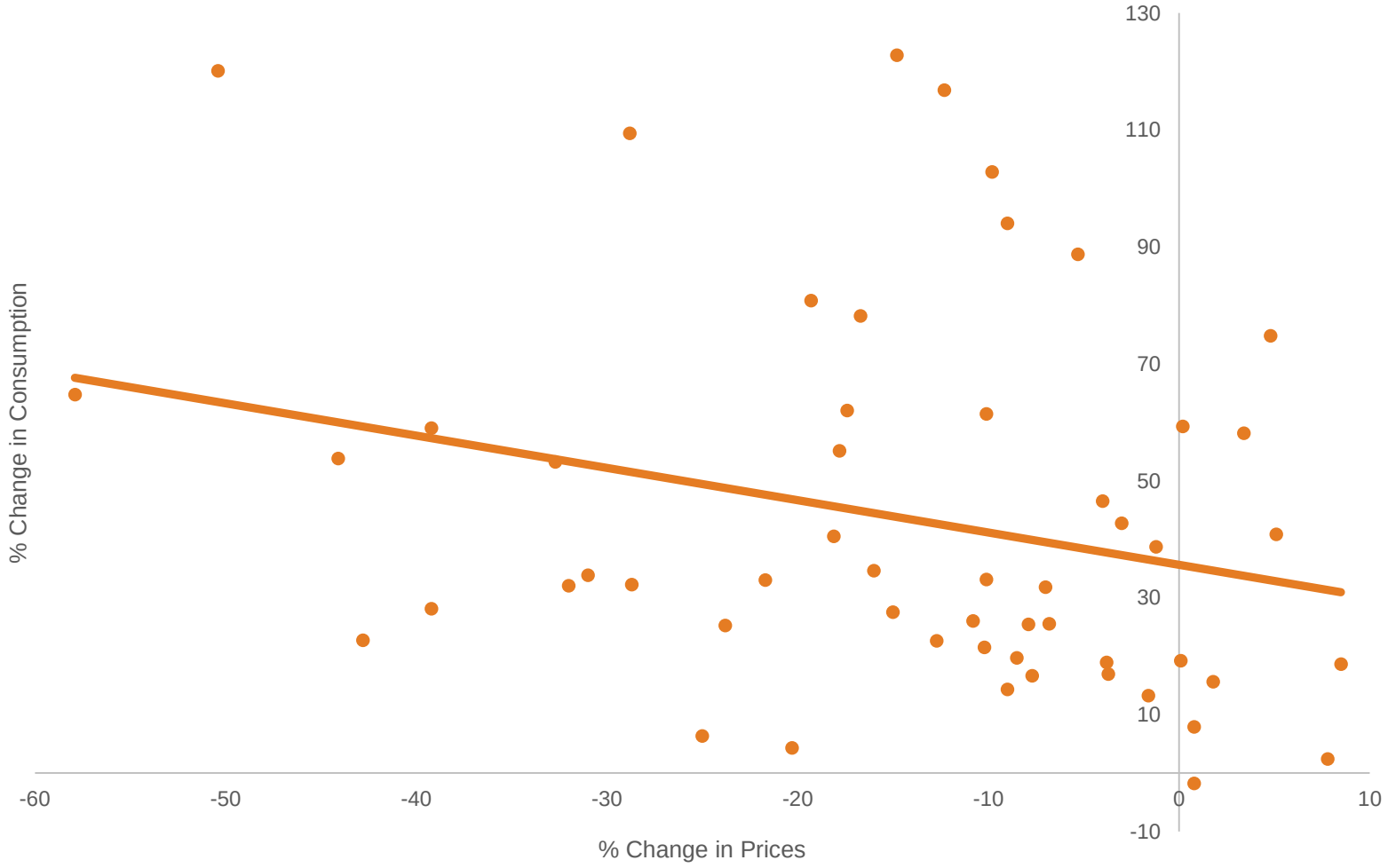
- Soft drink consumption by 7.8%
- Sugary drinking consumption by 12%
- Sweets consumption by 3.5%
- Fast food consumption by 5.2%
- Fruit consumption by 4.9%
- Vegetable consumption by 4.8%

Source: Andreyeva, et al., 2010; Powell, et al., 2013



Sweet & Savory Snack Prices & Consumption

Percentage Change, 2000-2014, Selected Countries



Source: Euromonitor, 2015, and author's calculations

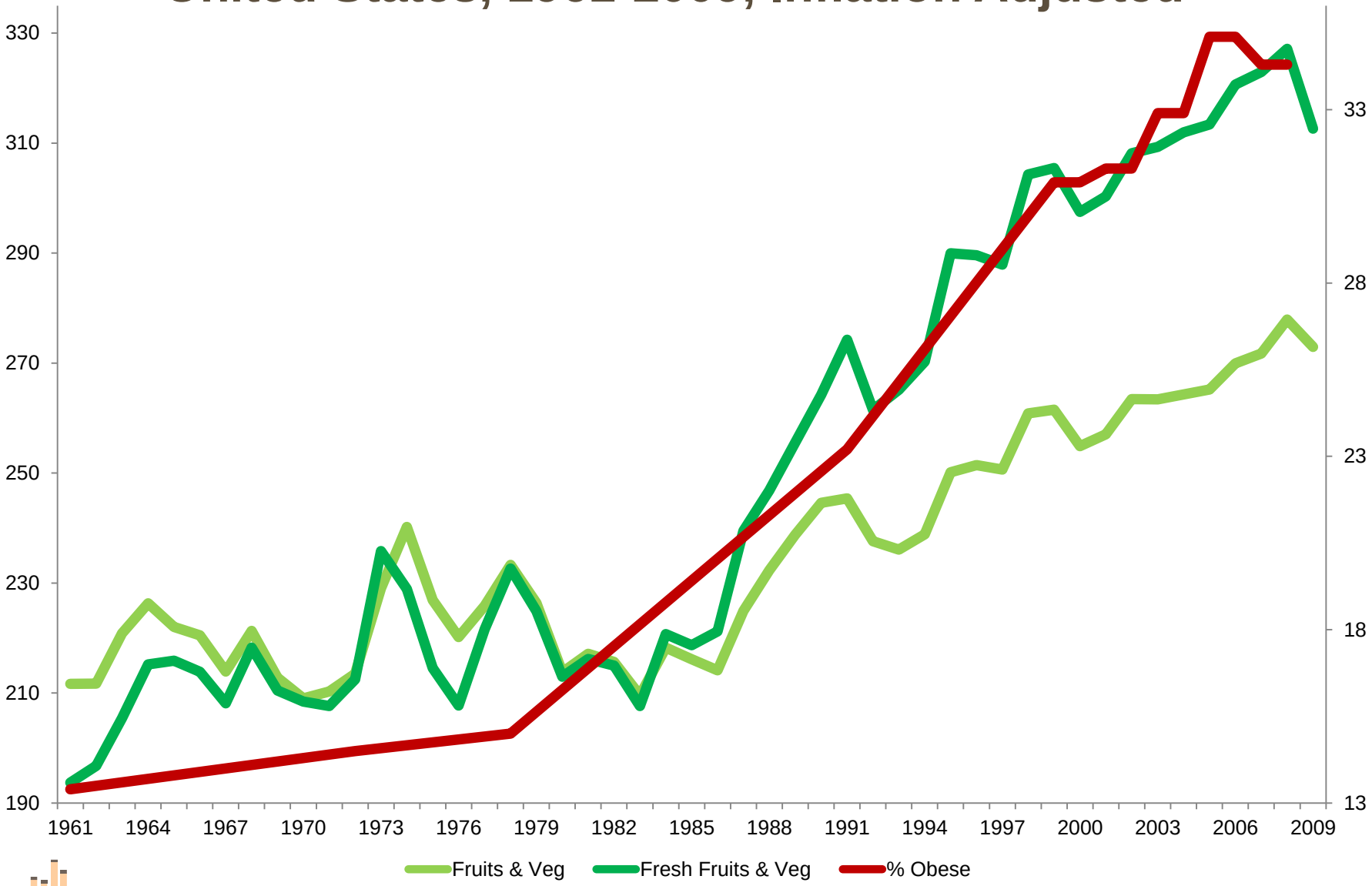
Soft Drink Prices & Consumption

Percentage Change, 2000-2014, Selected Countries

Source: Euromonitor, 2015, and author's calculations

Selected Food Price & Adult Weight Trends

United States, 1961-2009, Inflation Adjusted



Source: BLS; NHES-I 1960-62; NHANES, 1971-74, 1976-80, 1988-94, 1999-2000, 2001-02, 2003-04, 2005-06 , 2007-08

Selected Food Price & Adult Weight Trends

United States,1961-2009, Inflation Adjusted

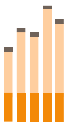
Source: BLS; NHES-I 1960-62; NHANES, 1971-74, 1976-80, 1988-94, 1999-2000, 2001-02, 2003-04, 2005-06 , 2007-08

Prices and Weight Outcomes

The weight of the evidence increasingly indicates that changes in relative prices for healthier and less healthy foods will affect weight outcomes, with greater impact on:

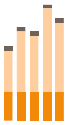
- Lower income, less educated populations
- Younger populations
- Populations at greater risk for obesity

Source: Powell, et al., 2013

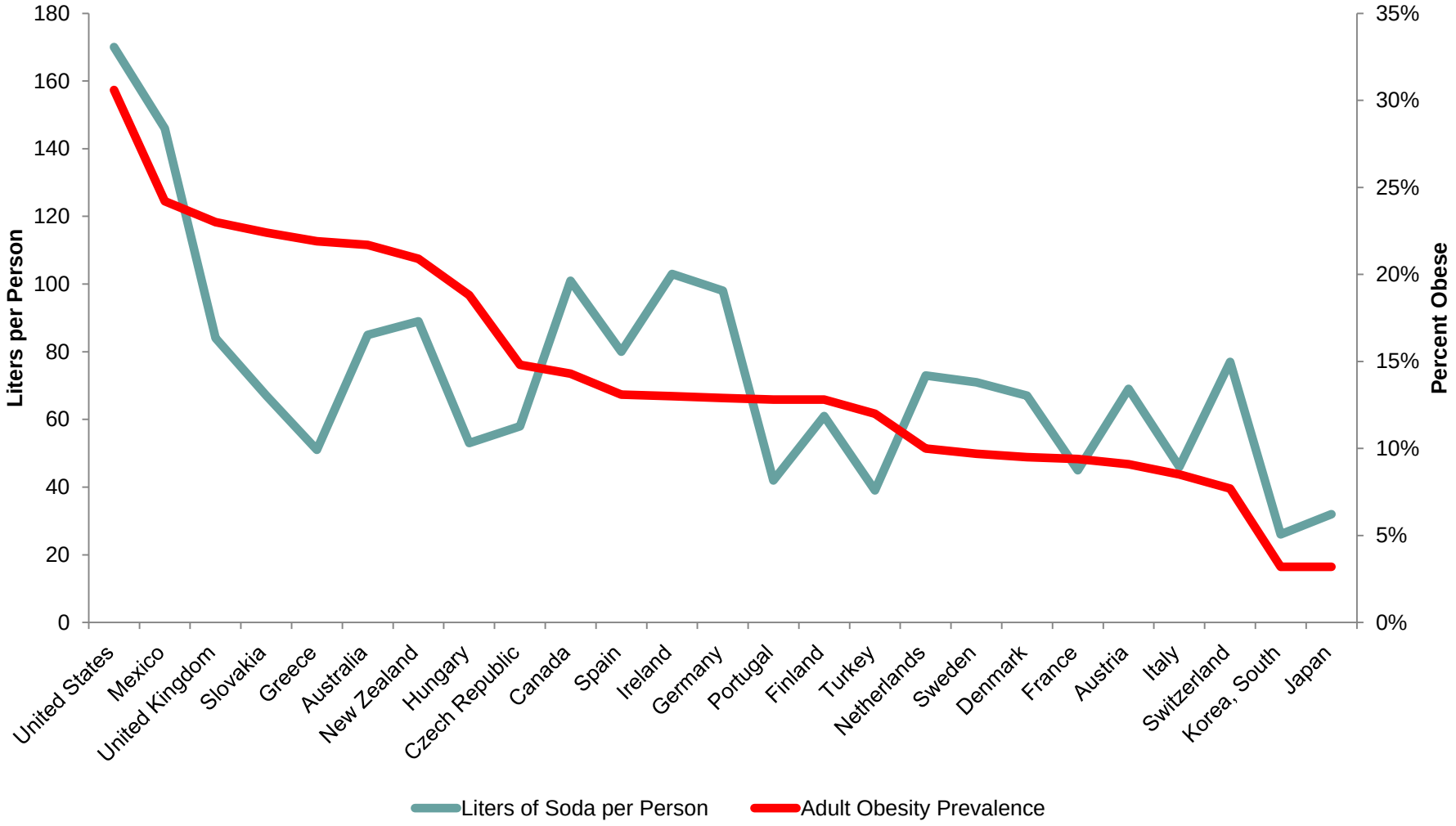


Rationale for Sugary Drink Taxes

- Link to obesity
  - Several meta-analyses conclude that increased SSB consumption causes increased weight, obesity
  - Increased calories from SSBs not offset by reductions in calories from other sources
- Other health consequences
  - Type 2 diabetes, lower bone density, dental problems, headaches, anxiety and sleep disorders

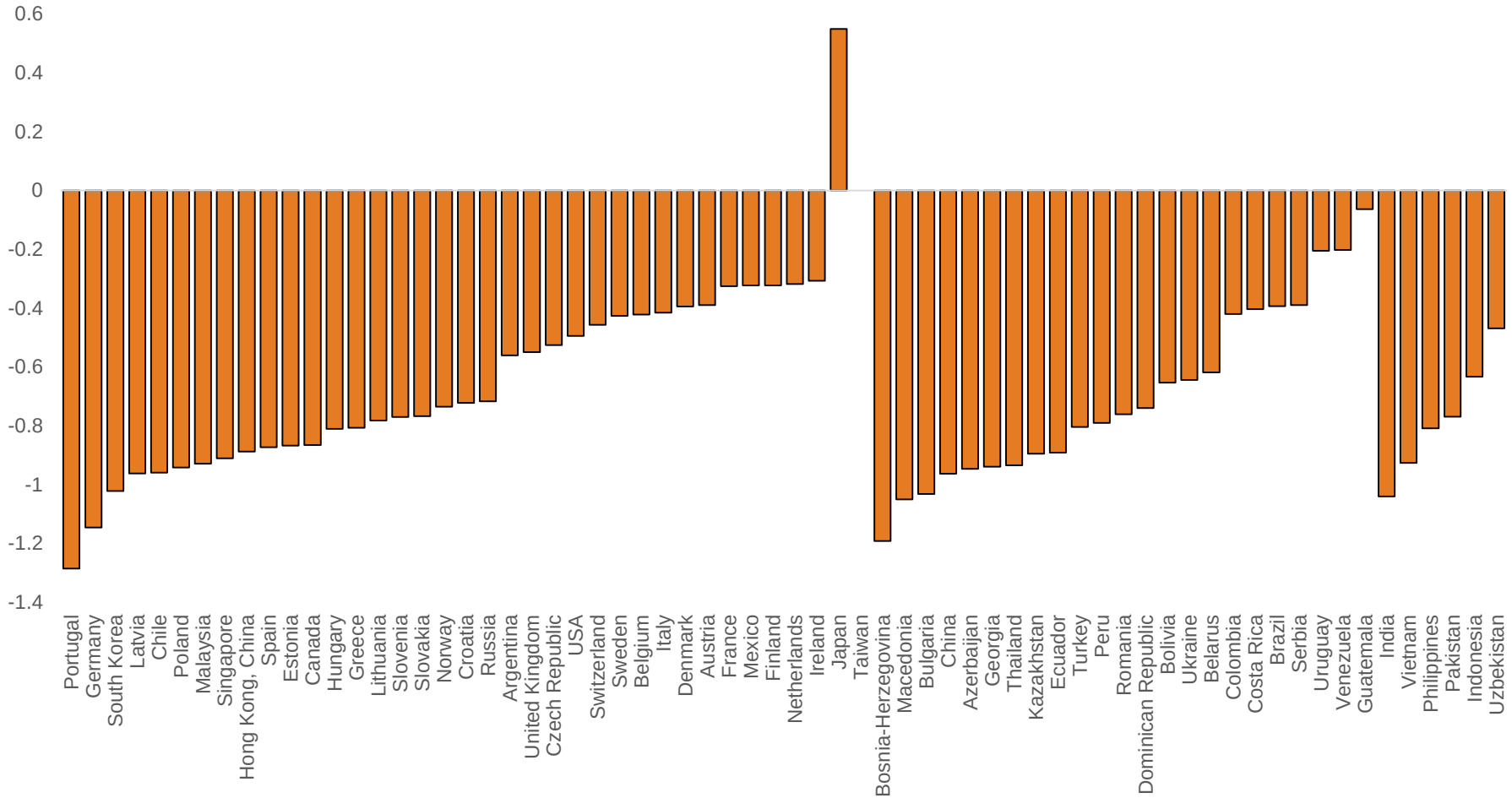


Soda Consumption & Obesity
Selected Countries



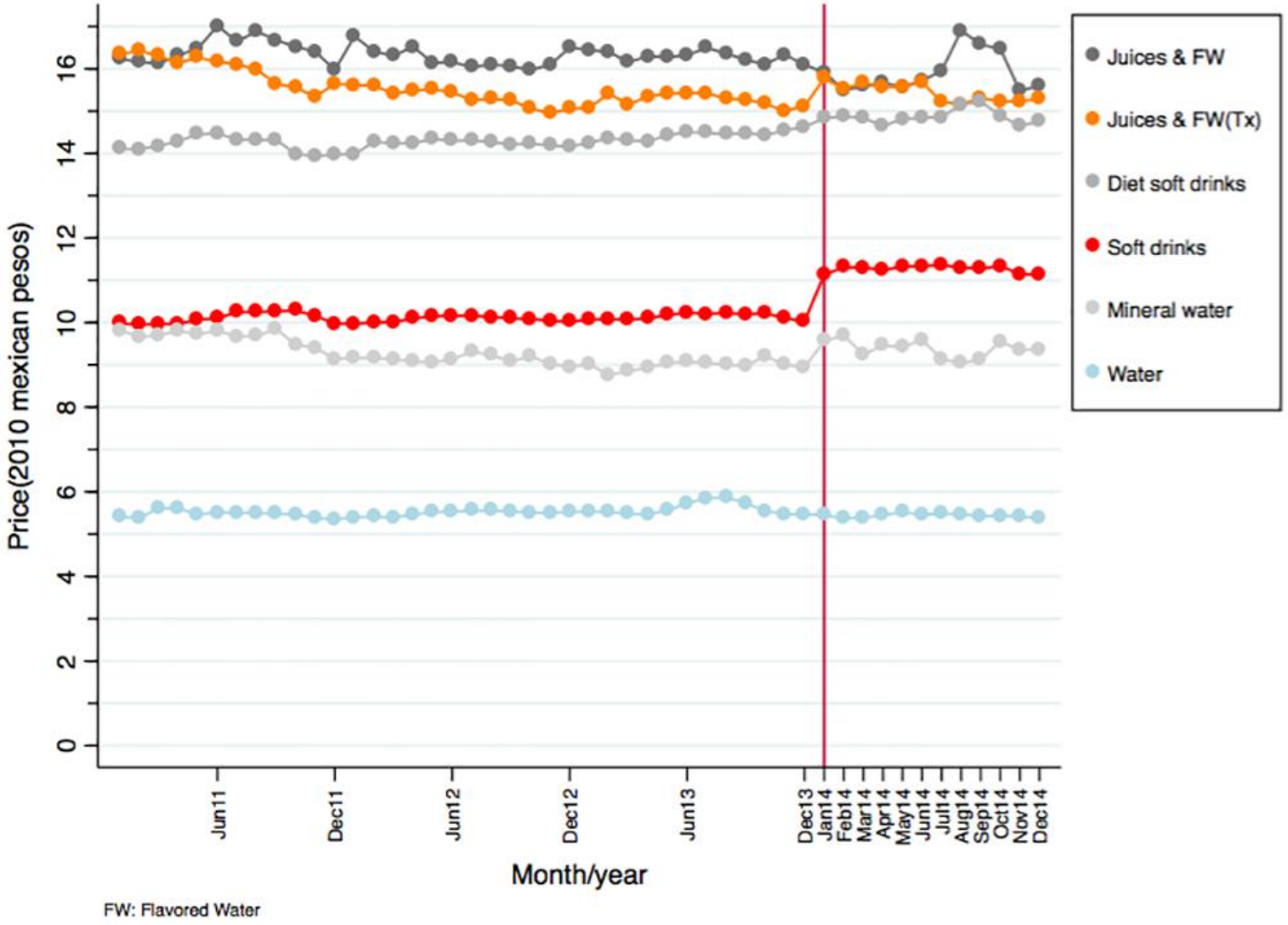
Source: Soda consumption from Euromonitor, 2011; Obesity prevalence from OECD Health Data, 2005

Change in Soft Drink Affordability 2000-2013, Selected Countries



Source: Euromonitor, 2015, and author's calculations

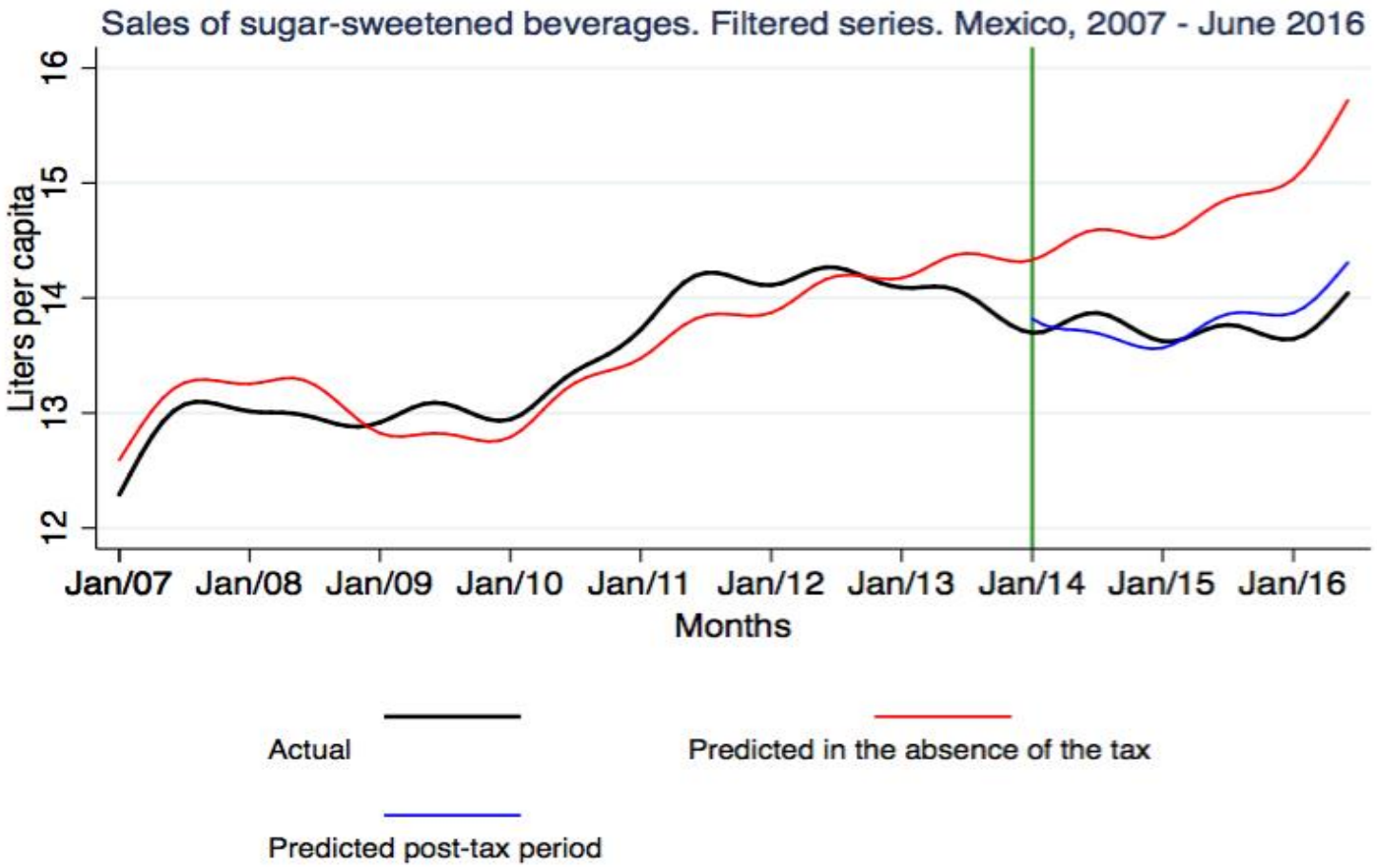
Sugary Drink Tax and Soft Drink Prices, Mexico, 2011-2014



FW: Flavored Water

Source: Colchero, et al., 2015

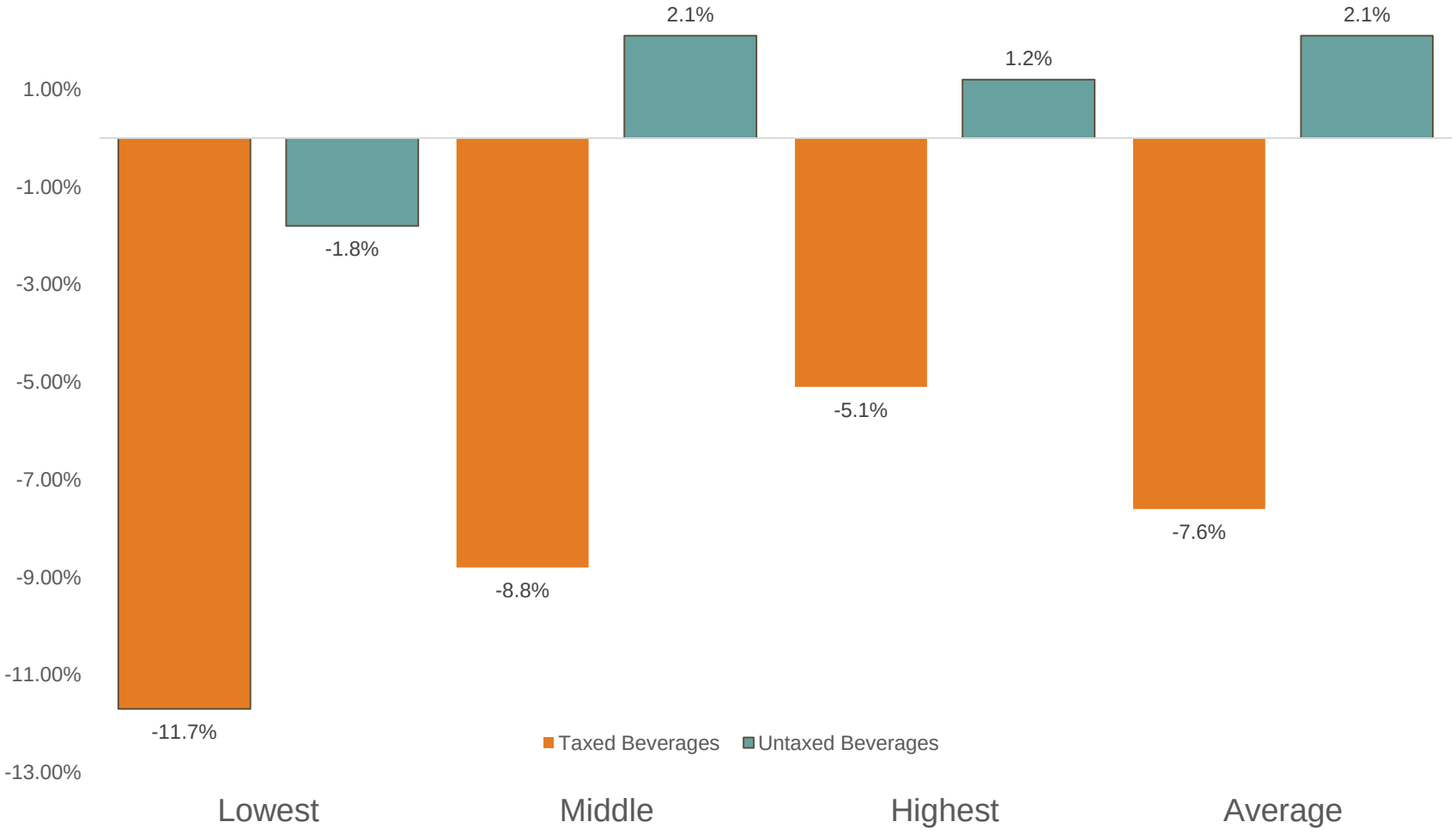
Impact of Sugary Drink Tax on Sales Mexico, 2007-2016



Colchero MA, Guerrero Lopez C, Molina M, Rivera J . Beverage sales in Mexico before and after implementation of a sugar sweetened beverages tax. 2016. PLoS ONE. 11(9).

Changes in sales of sugar-sweetened beverages in Mexico before (2007-2013) and after the tax (2014-2016): https://www.insp.mx/epppo/blog/4278-changes-sales-beverages.html

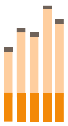
Changes in Household Purchases of Taxed and Untaxed Beverages By Socioeconomic Level, Mexico, 2014-15



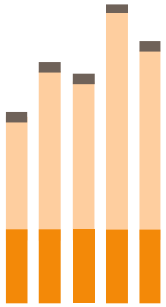
Source: Colchero, et al., *Health Affairs*, 2017

Impact of Tax on Purchases
Year One (2014)

- **Greatest impact on heaviest consumers**
  - **Highest purchasers:**
    - 31% of households, purchased average of 157 liters of SSB/capita/yr
      - ***10% reduction in purchases following tax***
  - **Middle purchasers:**
    - 40% of households, purchased average of 60 liters of SSB/capita/yr
      - ***8% reduction of taxed beverages post-tax***
  - **Light and non purchasers:**
    - Remaining households; small impact on light purchasers

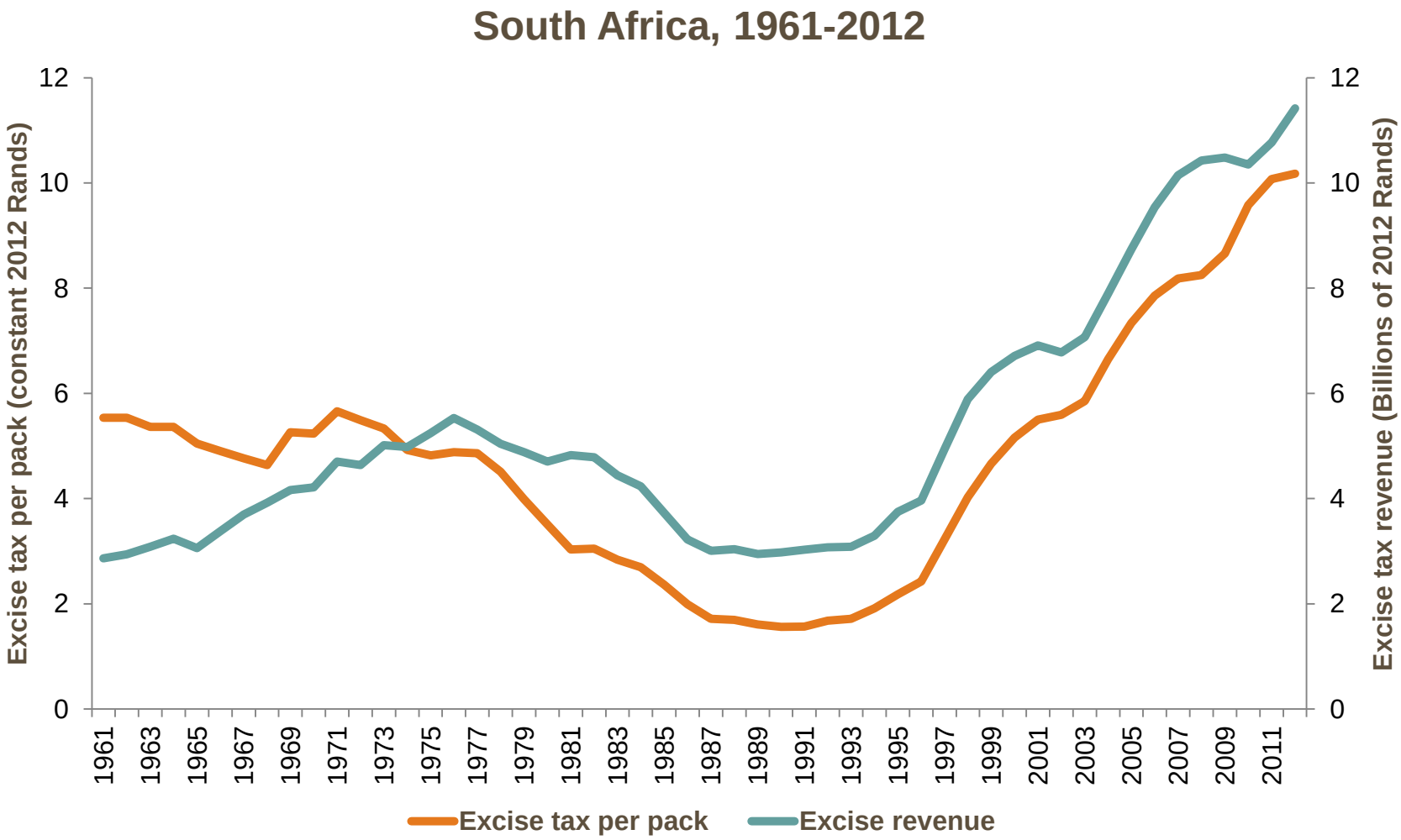


Ng SW, Rivera J, Popkin B, Colchero MA. Did high purchasers respond differently to the excise tax on sugar-sweetened beverages in Mexico?



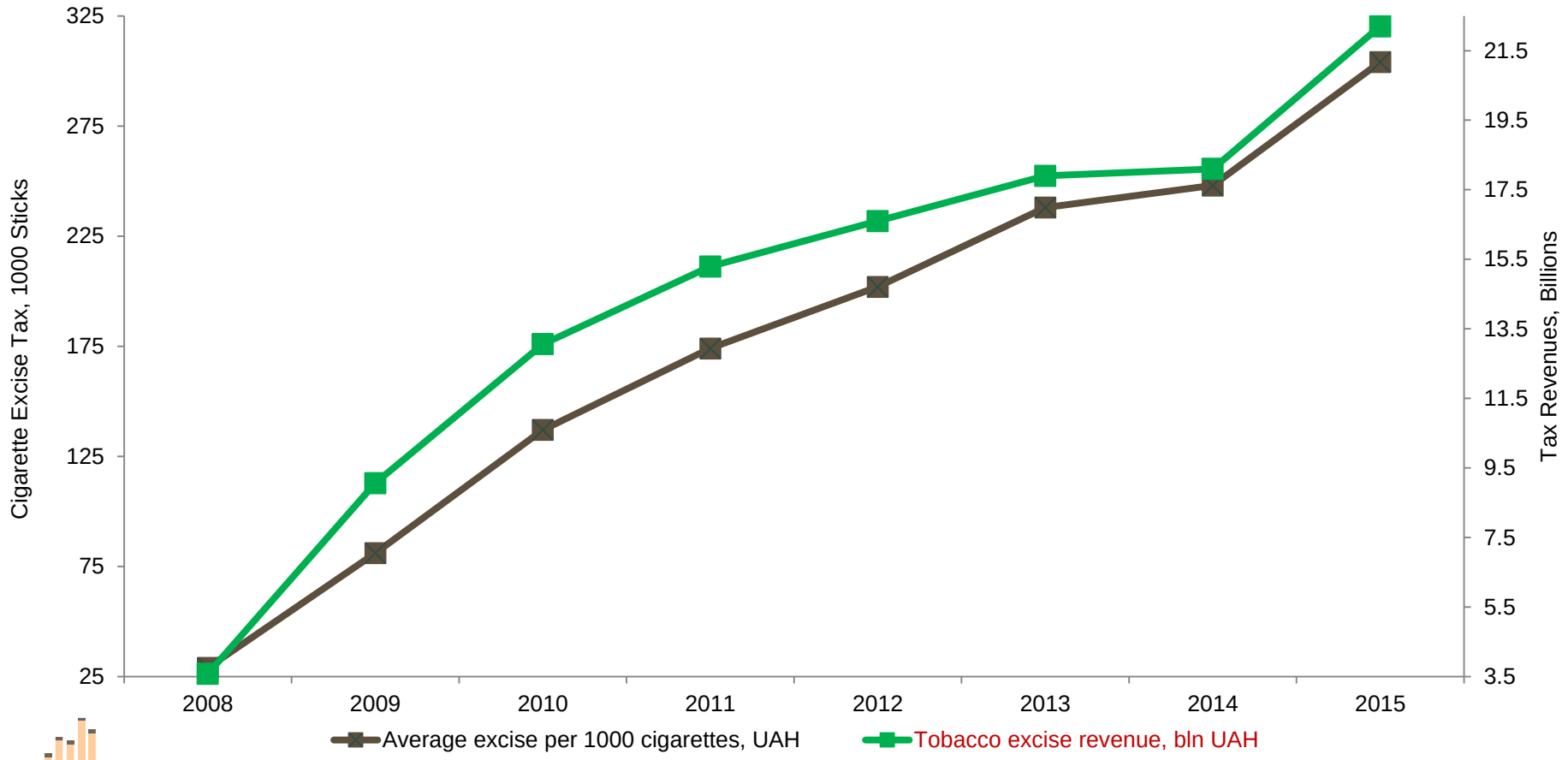
Taxes, Tax Revenues, Tax Structure, & Earmarking Tax Revenues

Tobacco Taxes and Revenues



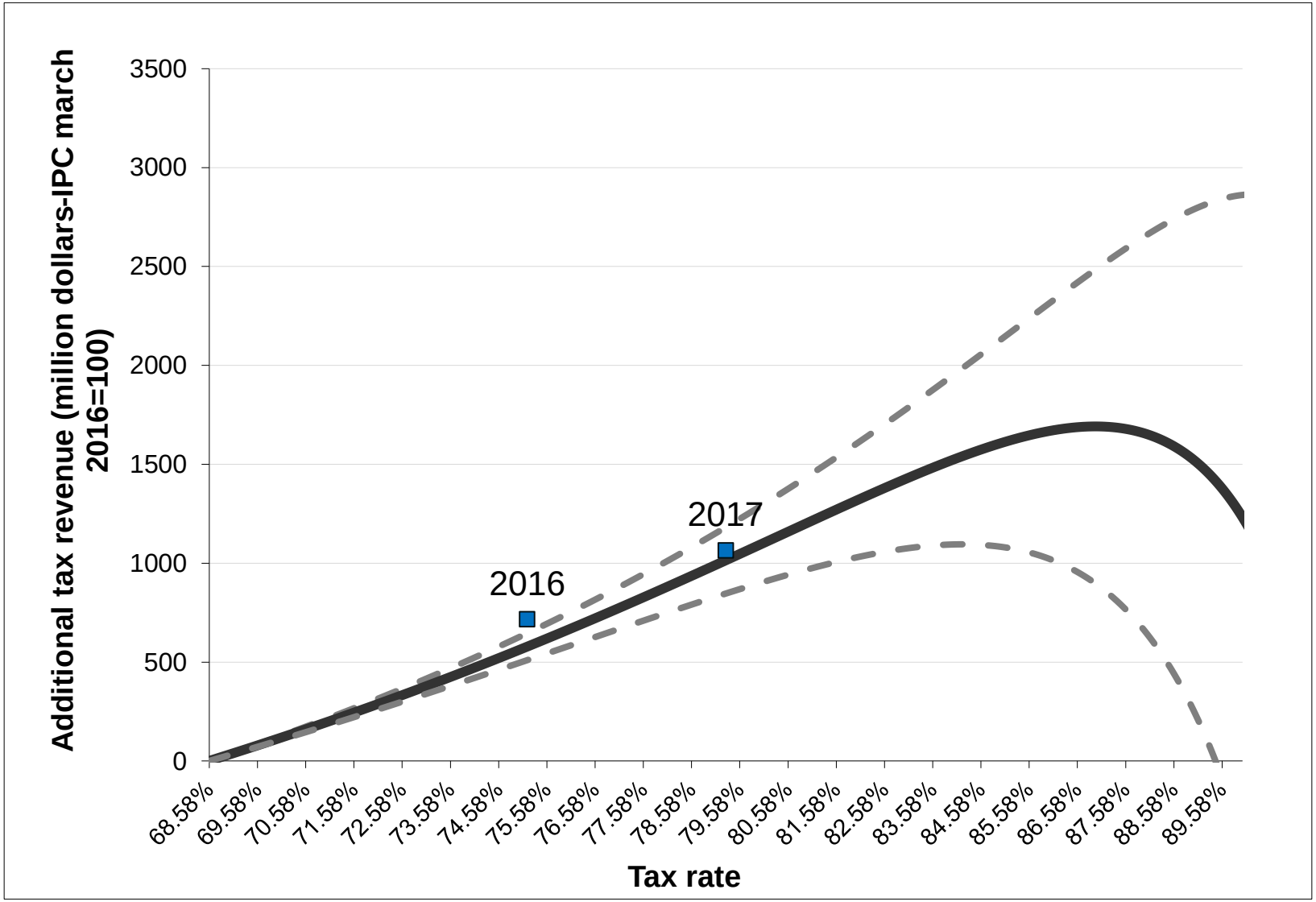
Cigarette Tax and Tax Revenues Ukraine: 2008-2015

Average excise rate for cigarettes – increased 10-fold
Cigarette Tax Revenue – increased 6-fold



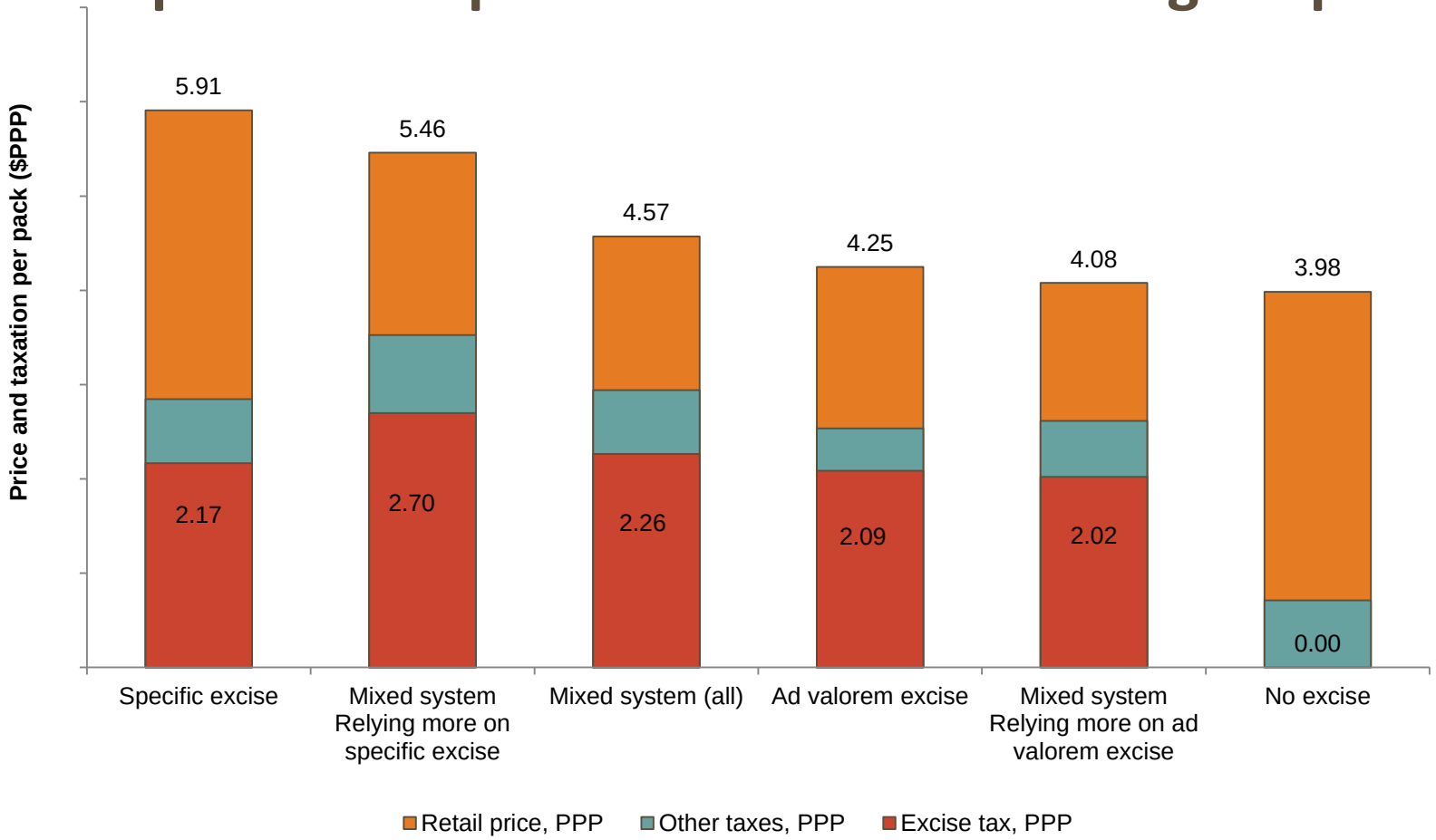
Source: Syvak and Krasovsky, 2017

The Laffer Curve – Argentina



Source: Tobacconomics, 2018

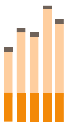
Excise tax structure: Specific and mixed relying more on the specific component tend to lead to higher prices



Source: WHO 2017 GTCR data; unpublished figure.
Notes: Averages are weighted by WHO estimates of number of current cigarette smokers ages 15+ in each country in 2015; Prices are expressed in Purchasing Power Parity (PPP) adjusted dollars or international dollars to account for differences in the purchasing power across countries. Based on prices as of July 2016 for 53 high-income, 100 middle-income and 27 low-income countries with data on prices of most sold brand, excise and other taxes, and PPP conversion factors.

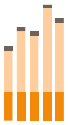
Beverage Tax Structure

- Volume-based specific taxes have same advantages for alcoholic beverage and sugary drink taxes
- Ingredient-based specific taxes more difficult to administer, but have greater health benefits
  - Ethanol-based alcohol taxes
  - Sugar-based beverage taxes
    - UK and Ireland two-tiered tax based on sugar content:
      - No tax on drinks with 5 or fewer grams/100 ml
      - 18p per liter for drinks with more than 5g/100 ml
      - 24p per liter for drinks with 8g/100ml or more
      - Projected revenue half of what was originally estimated

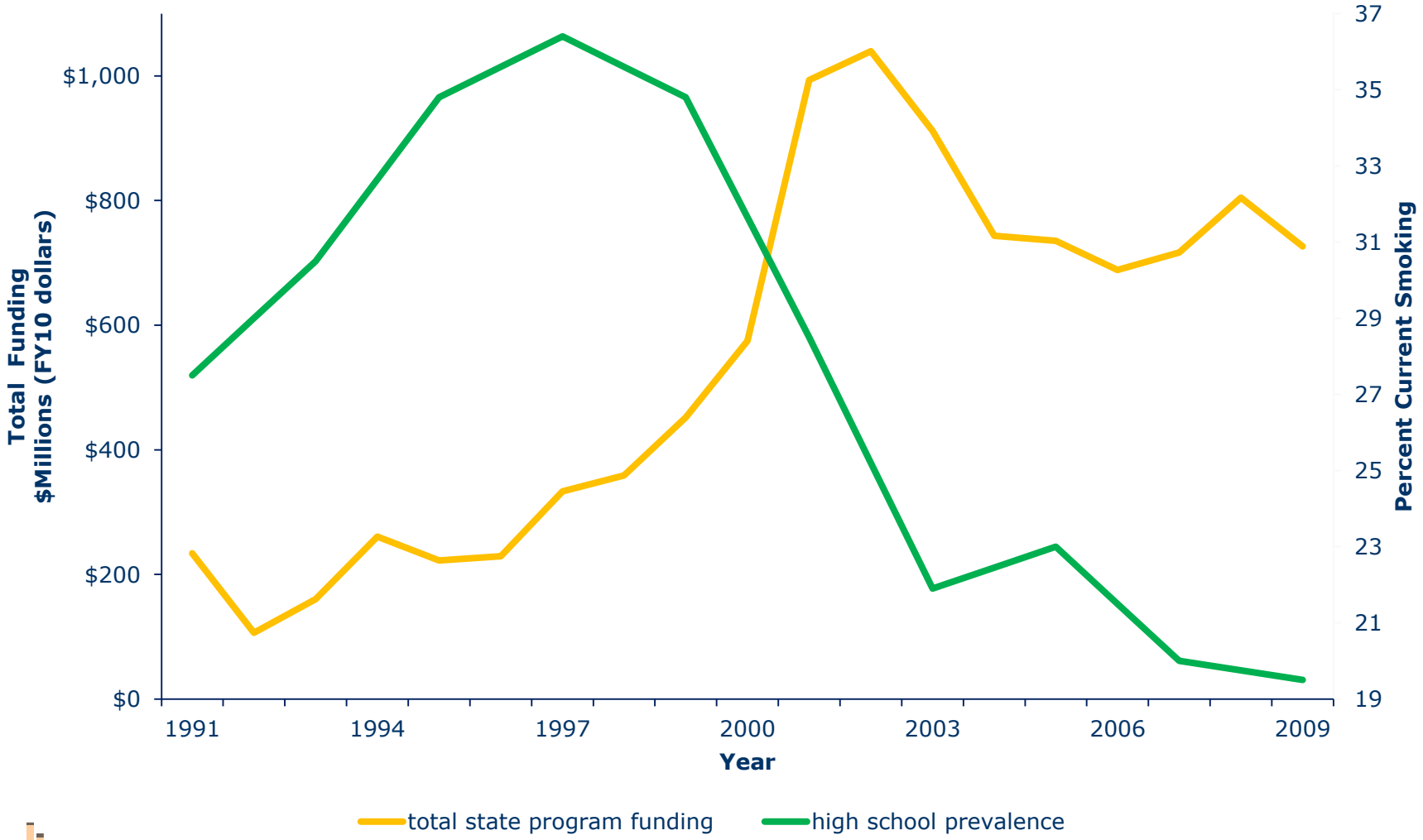


Earmarking Tax Revenues

- Using a portion of revenues to support other health promotion efforts
  - Increases the health impact of tax increases
  - Increases public support for tax increases
- Increasing interest in ‘soft’ earmarking of tobacco, alcohol, and/or sugary drink tax revenues

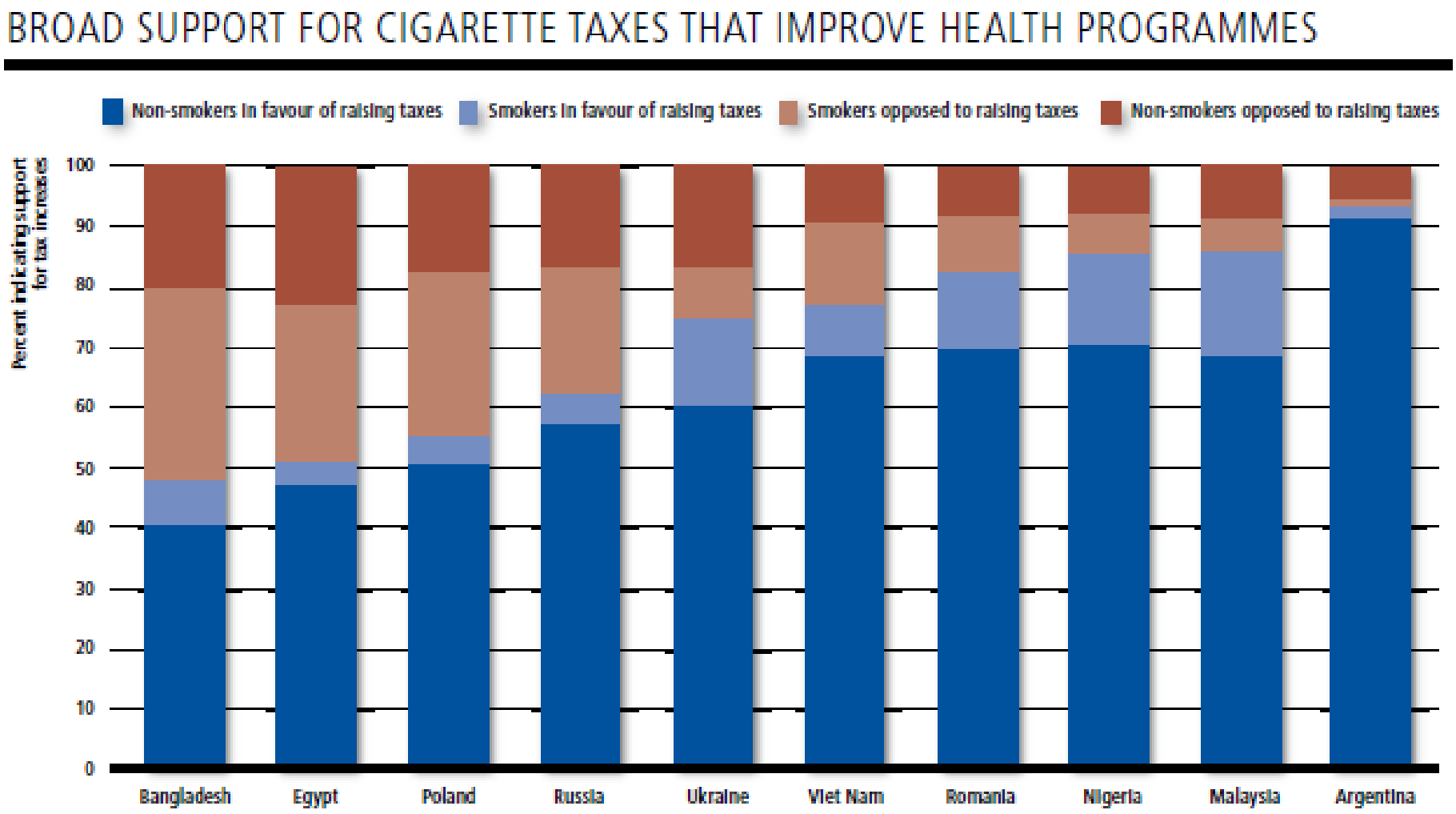


State Tobacco Control Program Funding and Youth Smoking Prevalence, United States, 1991-2009



Source: ImpacTeen Project, UIC; YRBS

Support for Earmarked Taxes



Source: WHO 2015

Tobacco Taxes and Revenues

- The Addis Ababa Action Agenda states:

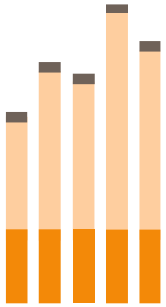
  "… price and tax measures on tobacco can be an effective and important means to reduce tobacco consumption and health-care costs, and represent ***a revenue stream for financing development in many countries****"*

THIRD INTERNATIONAL CONFERENCE

FINANCING FOR DEVELOPMENT

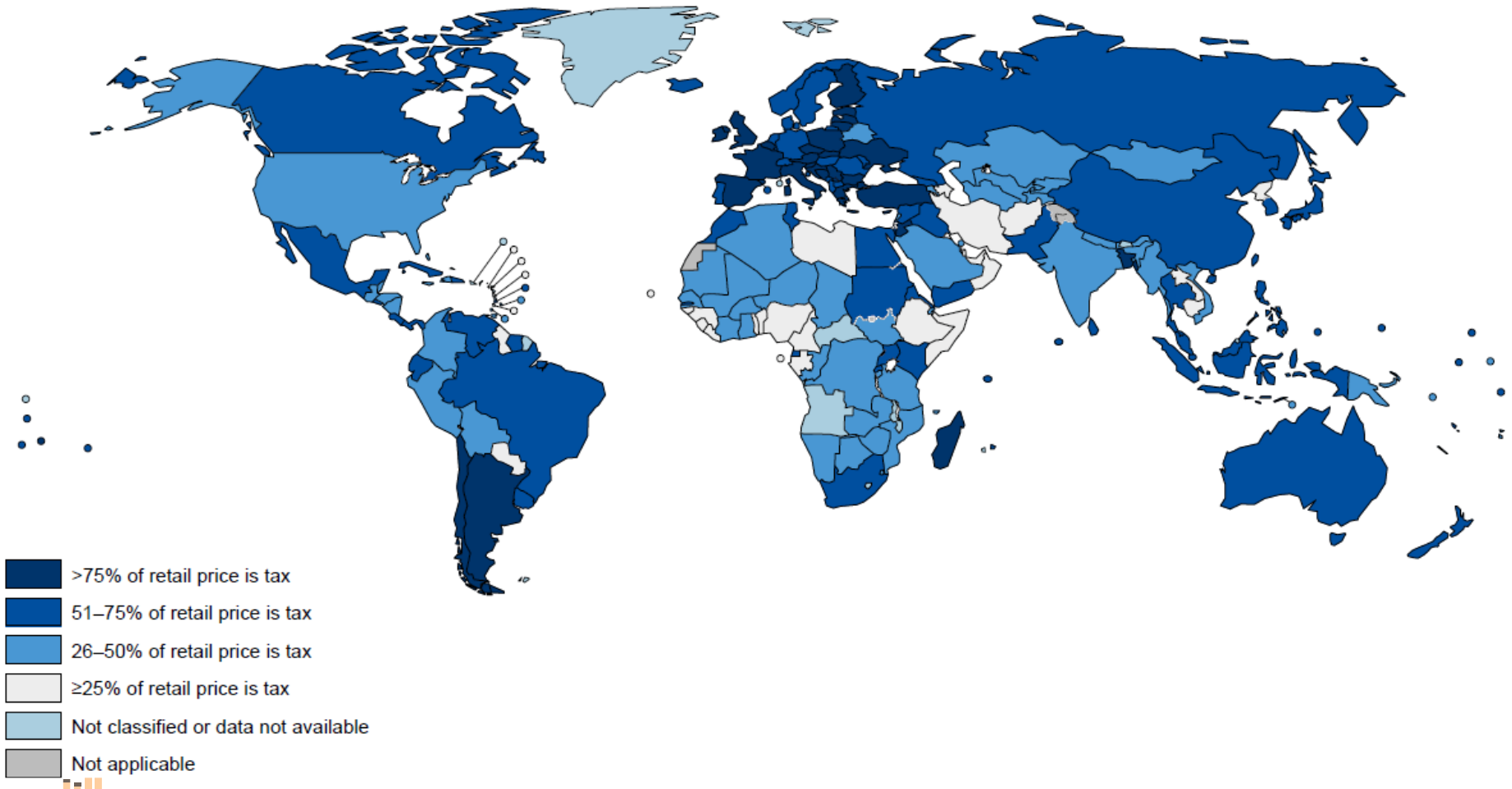
13-16 JULY 2015 · ADDIS ABABA · ETHIOPIA

TIME FOR GLOBAL ACTION



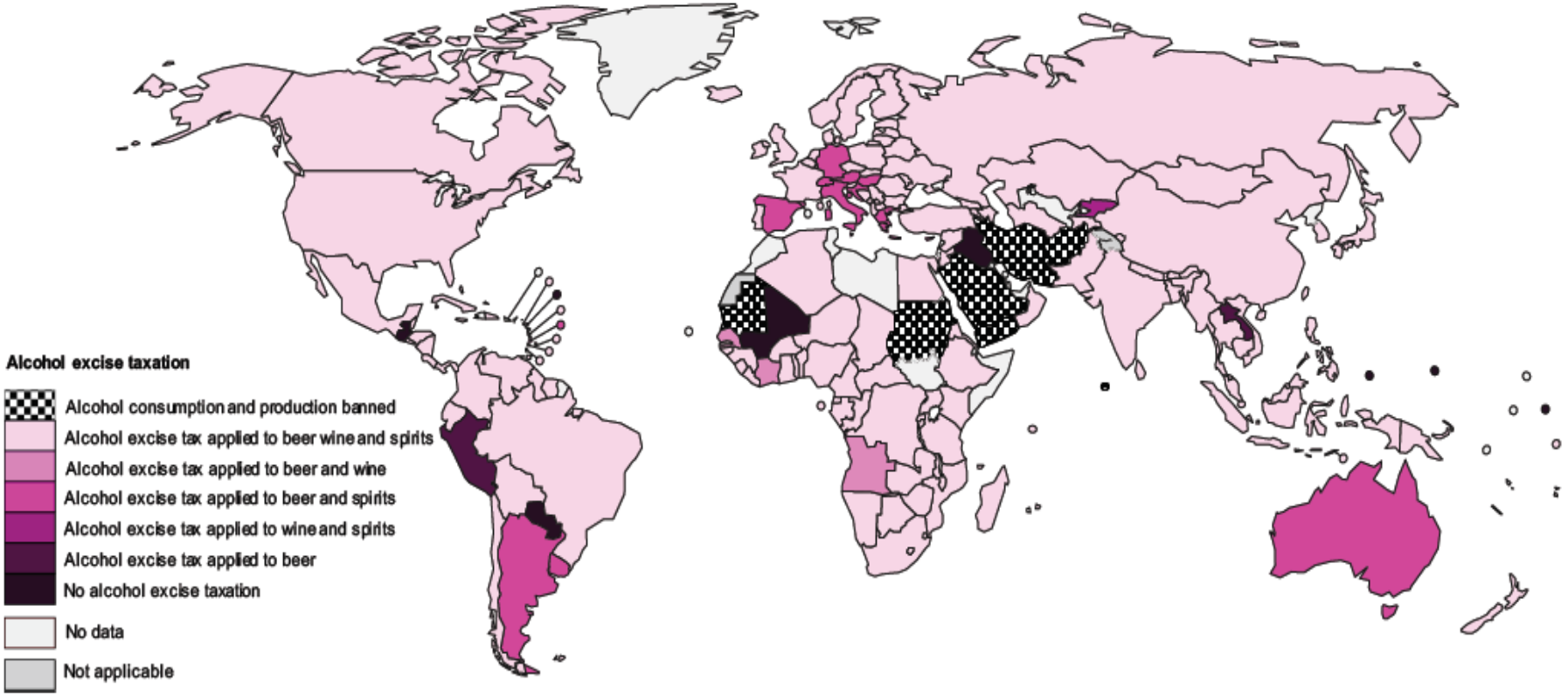
Oppositional Arguments

Cigarette Taxes as Percent of Retail Price July 2016



WHO, 2017

Alcoholic Beverage Excise Taxes by Beverage Type



The boundaries and names shown and the designations used on this map do not imply the expression of any opinion whatsoever on the part of the World Health Organization concerning the legal status of any country territory city or area or of its authorities or concerning the delimitation of its frontiers or boundaries. Dotted and dashed lines on maps represent approximate border lines for which there may not yet be full agreement.

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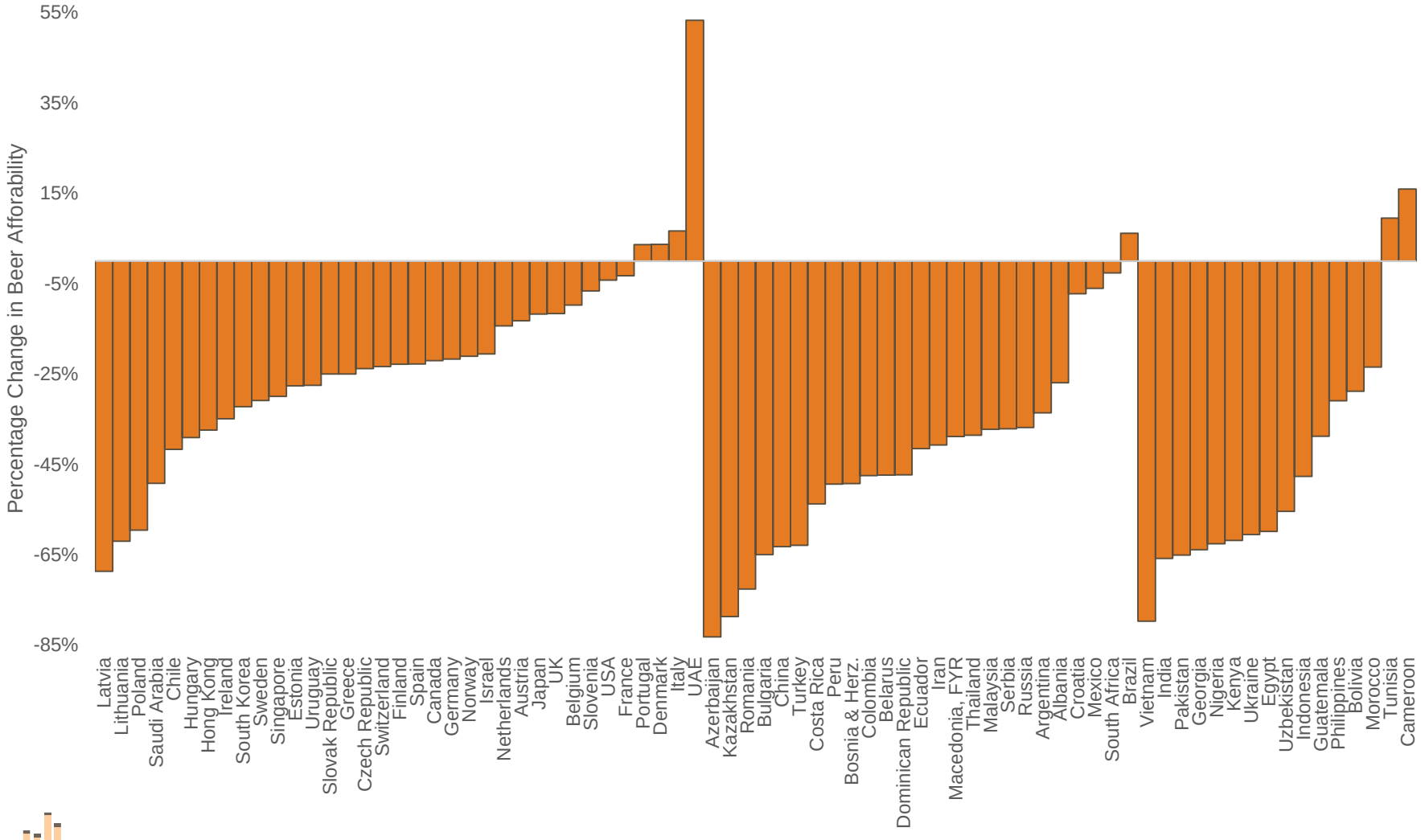
WHO, 2017

Change in Beer Affordability

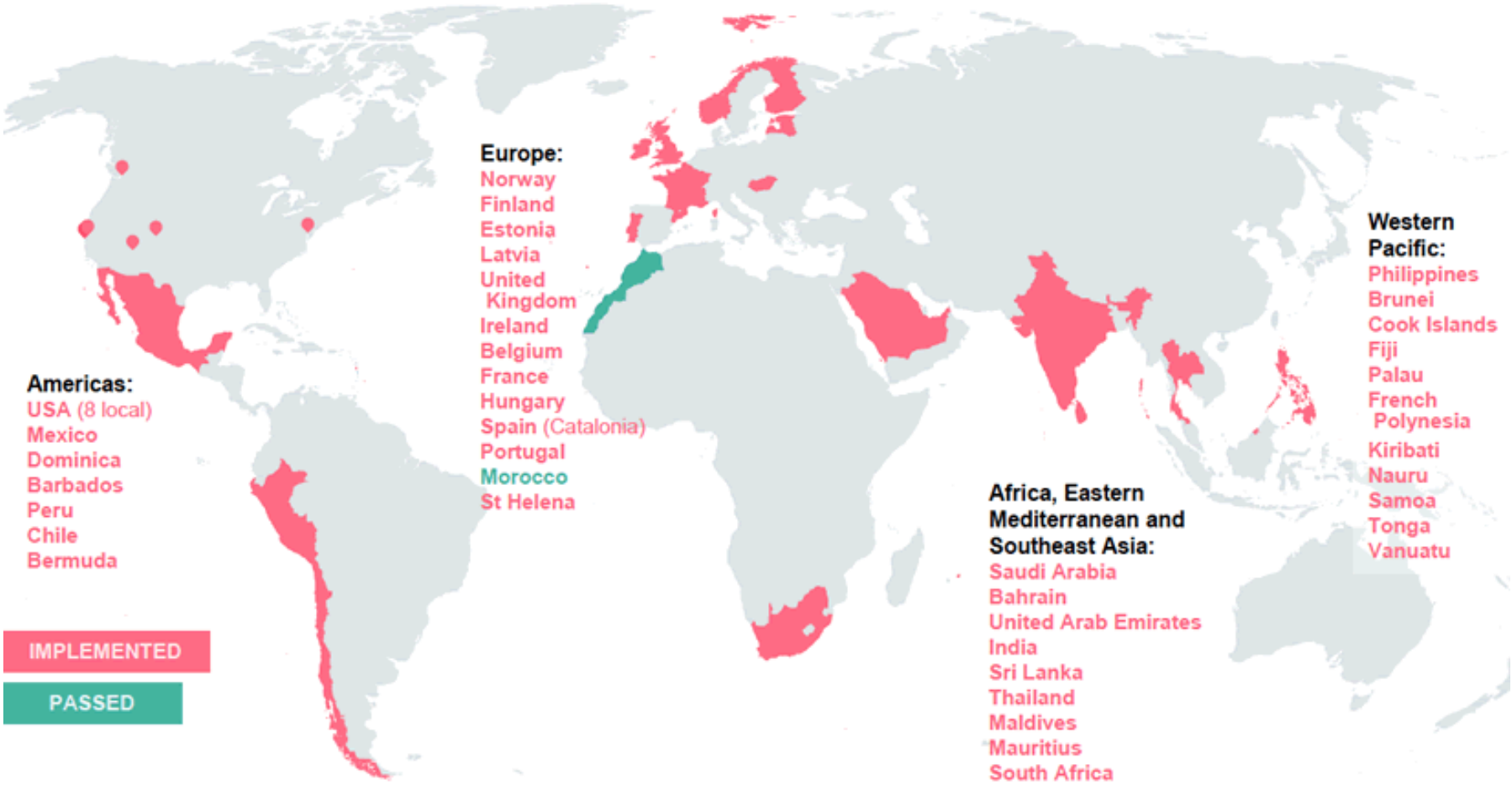
2002-2016, Selected Countries



Source: Euromonitor, World Bank, and author's calculations

Sugary Drink Taxes Globally

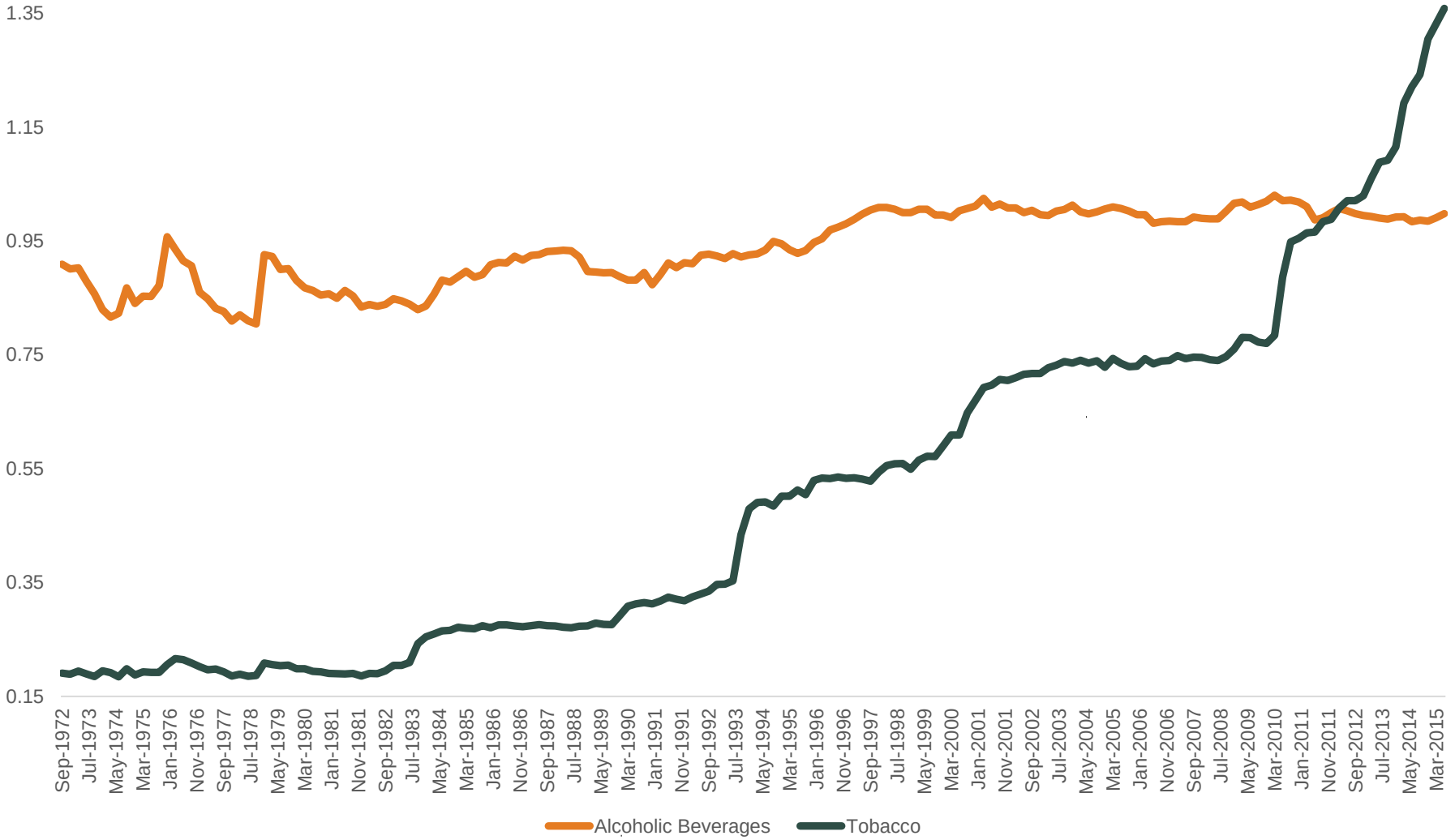
November 15, 2018



Source: University of North Carolina, Global Food Research Program, 2018

Alcohol & Tobacco Price Indices

Perth, 1972-2015



Source: *Australian Bureau of Statistics, 2015*

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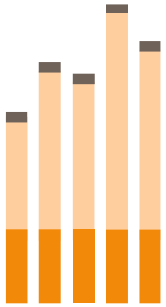
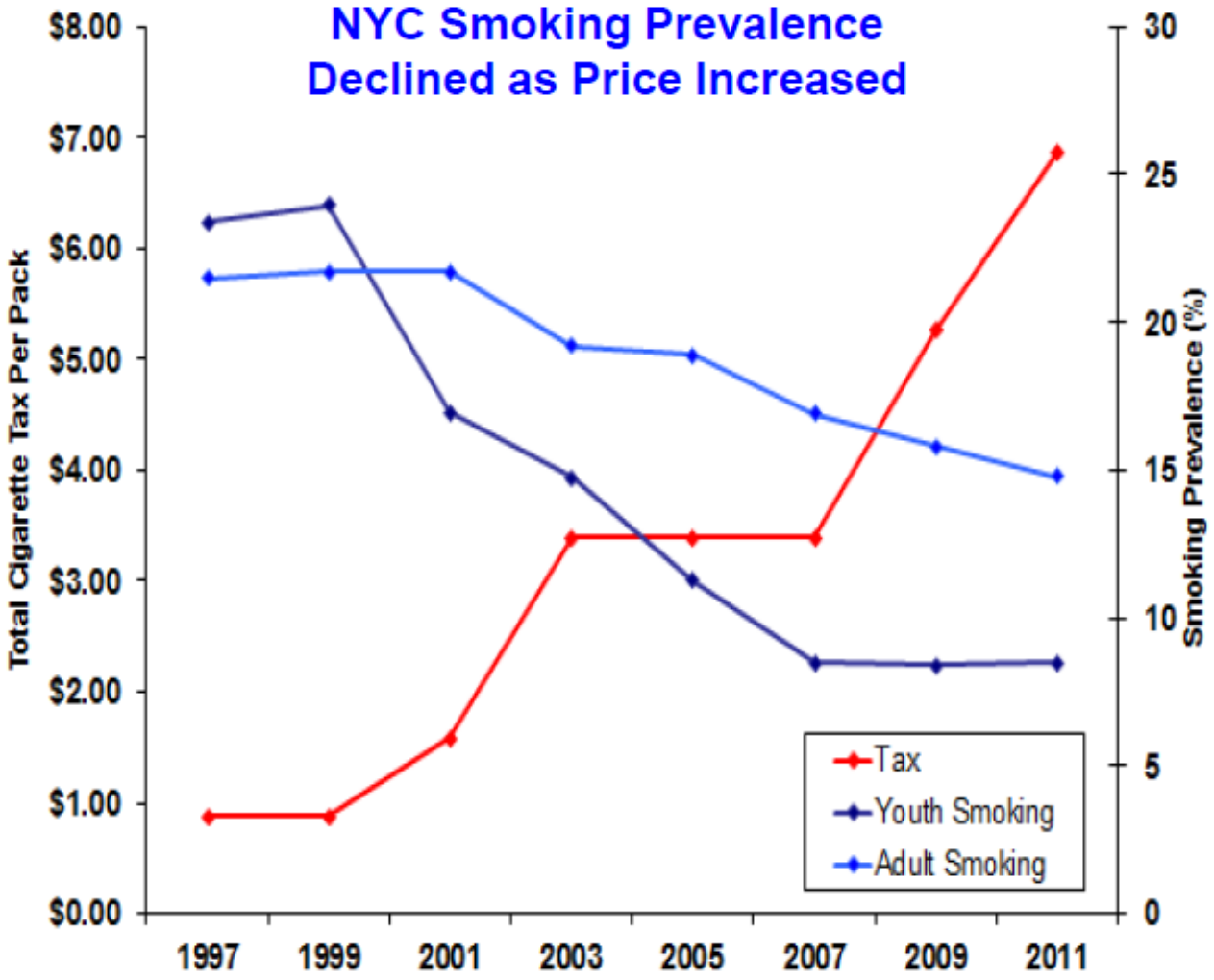
Common Oppositional Arguments

- Industries and allies use several common arguments in opposition to tax increases:
  - Will lead to extensive tax avoidance and tax evasion
  - Will harm poor and working class consumers
  - Will lead to massive job losses



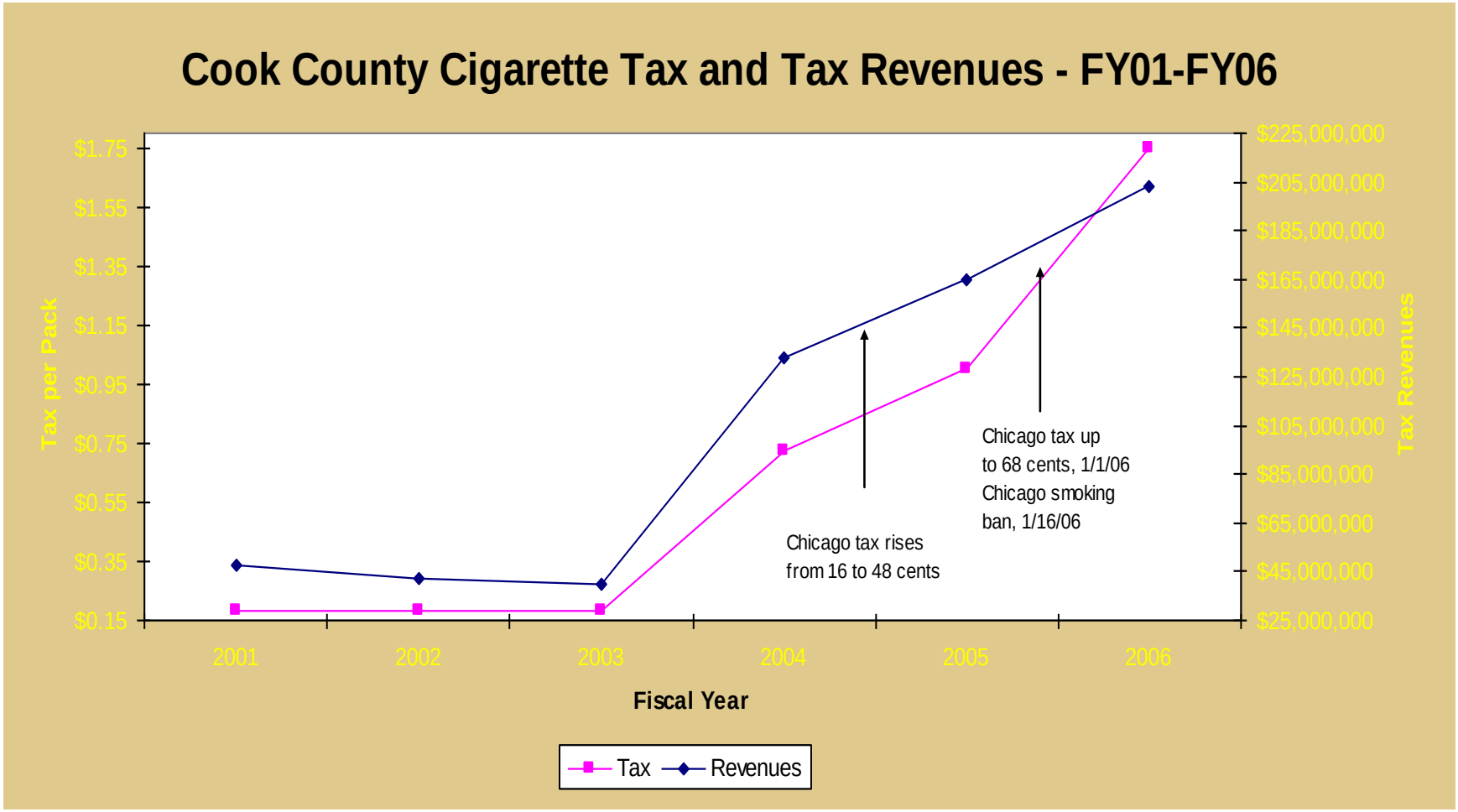
Tax Avoidance & Evasion

Tax Avoidance & Evasion Do NOT Eliminate Health Impact of Higher Taxes

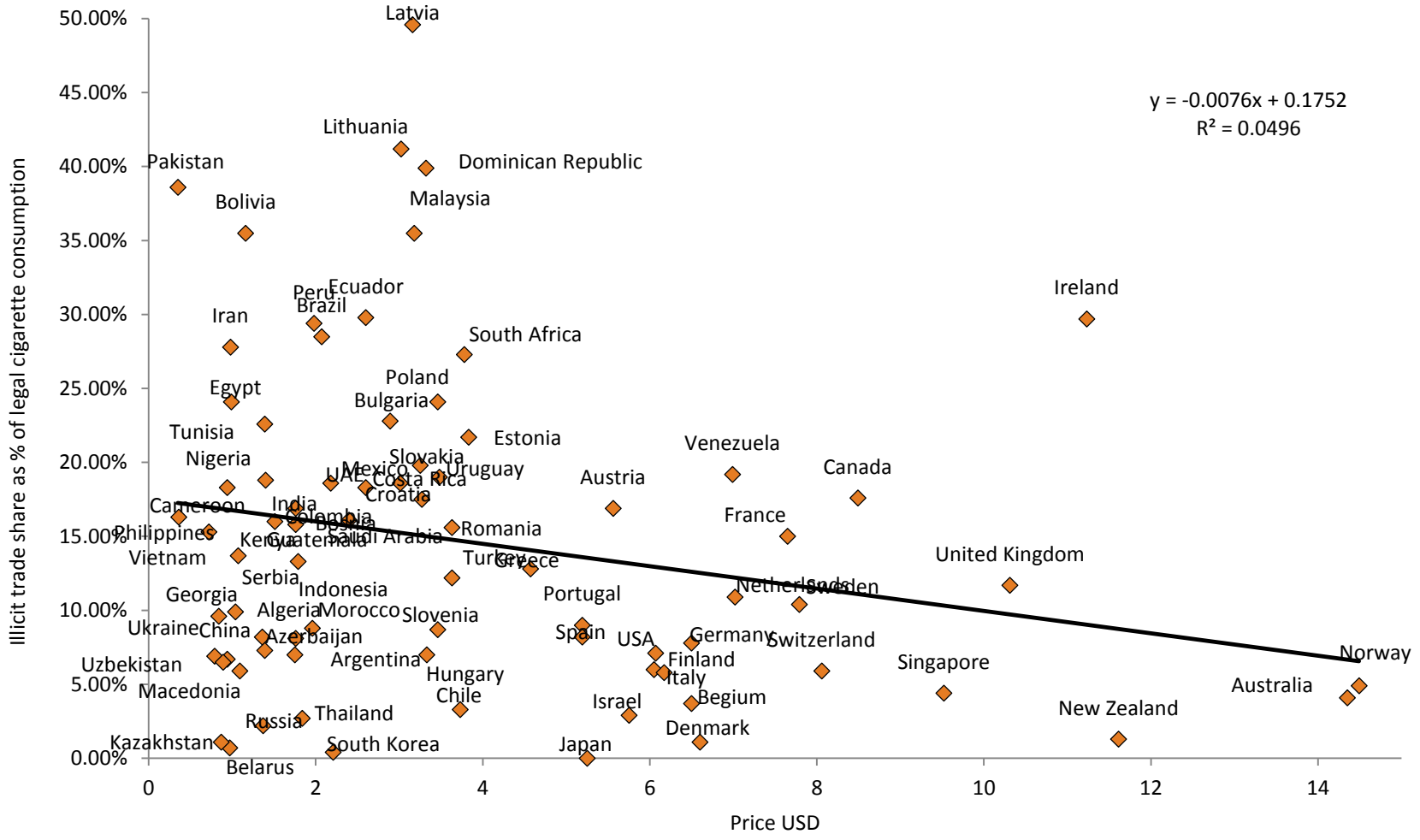


Source: Schroth, 2014

Tax Avoidance & Evasion Do NOT Eliminate Revenue Impact of Higher Taxes

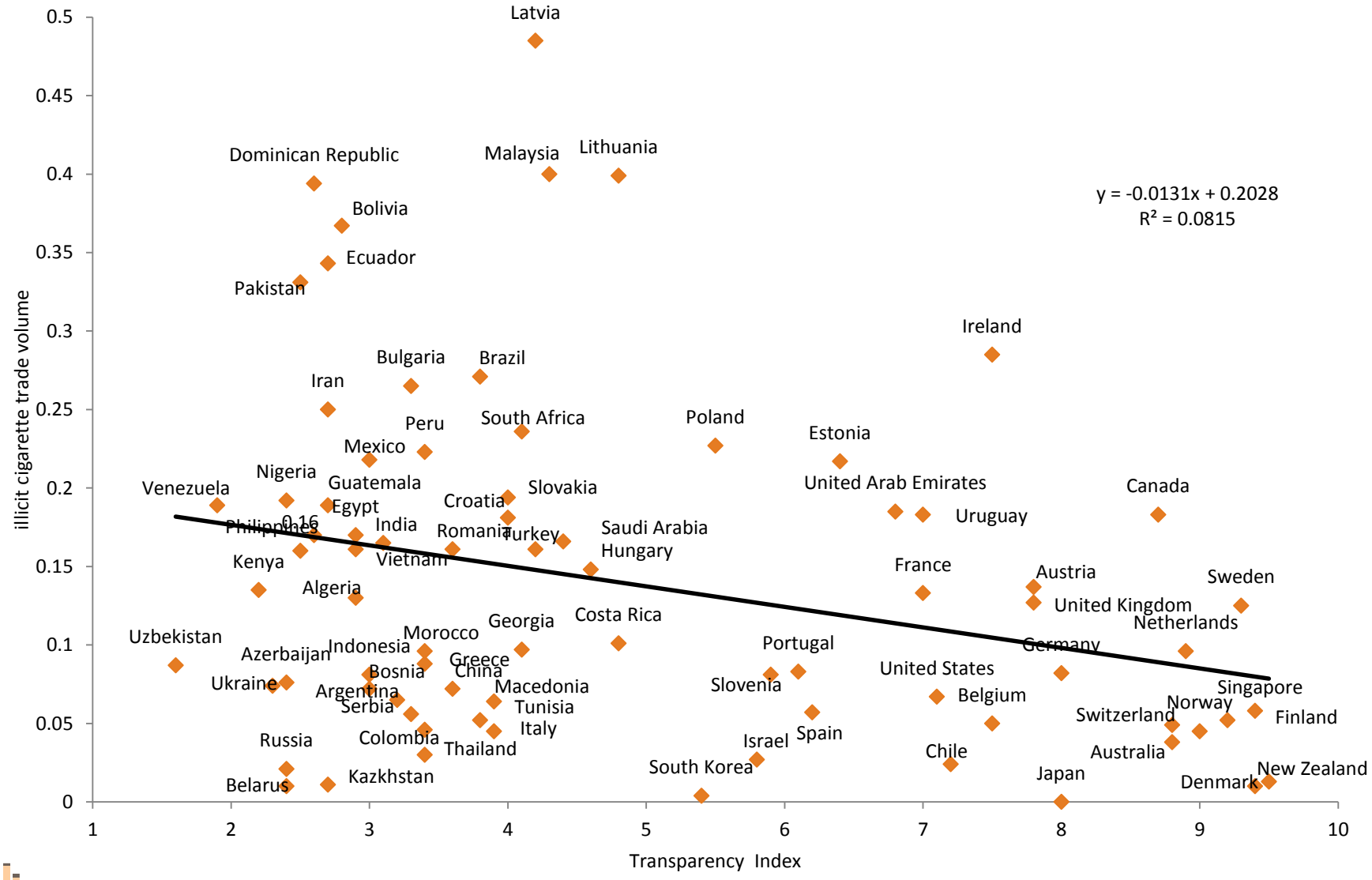


Illicit Cigarette Market Share & Cigarette Prices, 2012



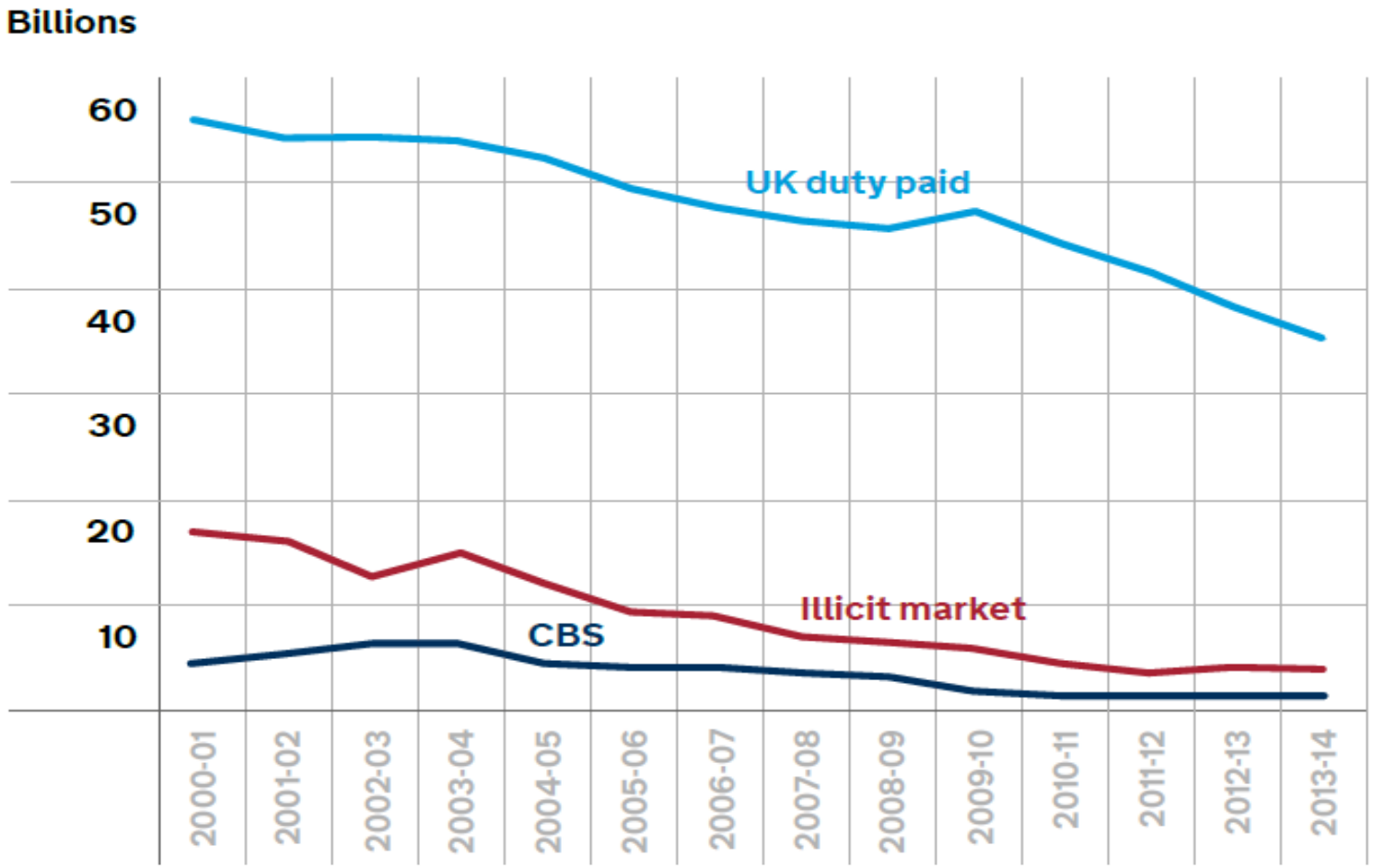
Sources: Euromonitor, WHO

Smuggling and Corruption, 2011



Sources: Euromonitor, Transparency International

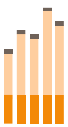
Estimated Volumes of Cigarettes Consumed in the U.K. – Duty paid, illicit, and cross-border shopping, 2000-01 – 2013-14

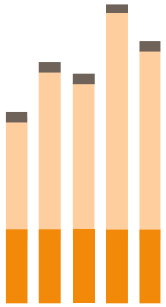


Source: HM Revenue & Customs, 2014

Combating Illicit Tobacco Trade

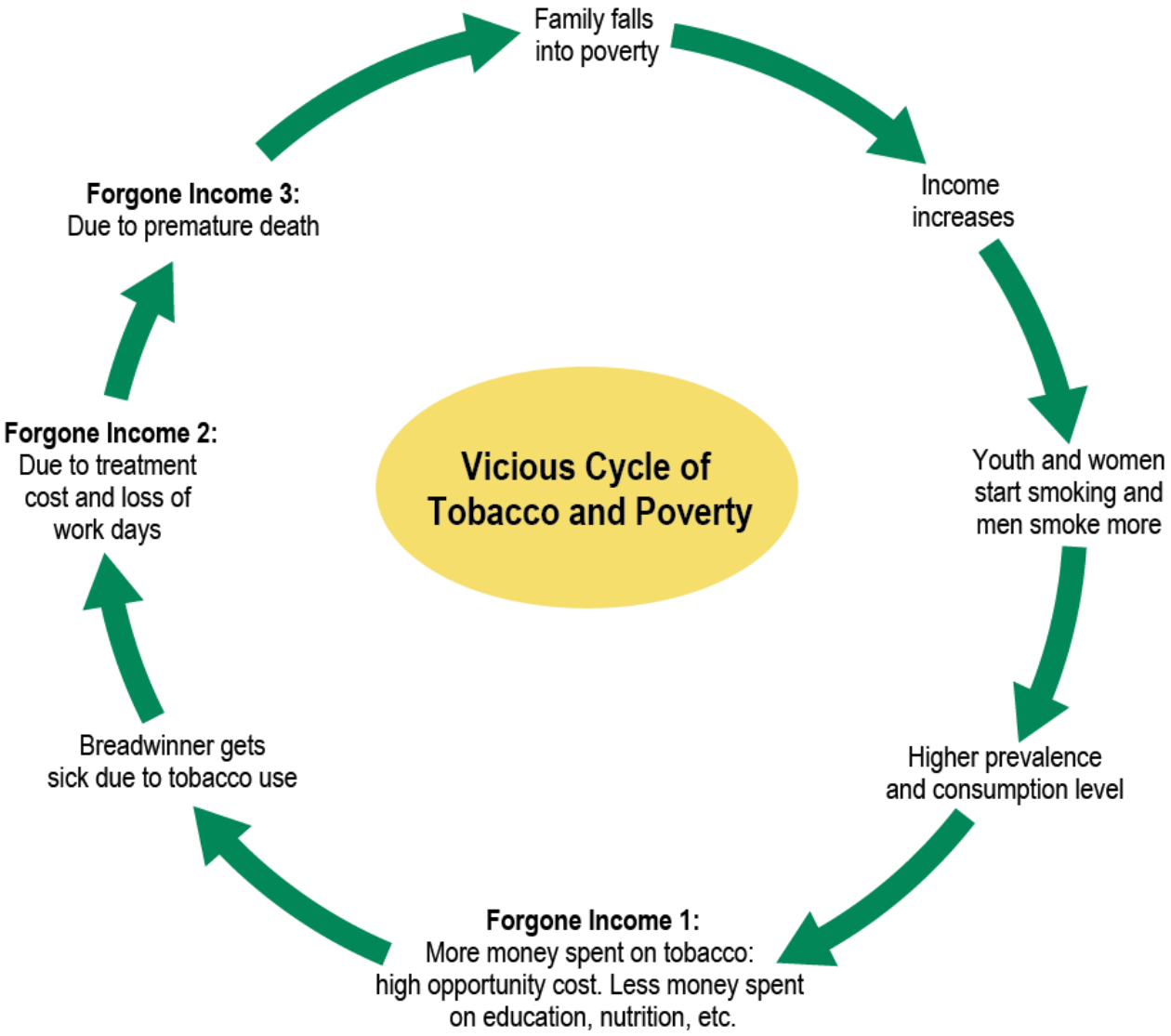
- Illicit trade protocol to the WHO FCTC
  - Entered into force September 2018
  - Provisions calling for:
  - Strong tax administration
    - Prominent, high-tech tax stamps and other pack markings
    - Licensing of manufacturers, exporters, distributors, retailers
    - Export bonds
    - Unique identification codes on packages
  - Better enforcement
    - Increased resources
    - Focus on large scale smuggling
  - Swift, severe penalties
  - Multilateral/intersectoral cooperation





Impact on the Poor

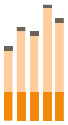
Tobacco & Poverty



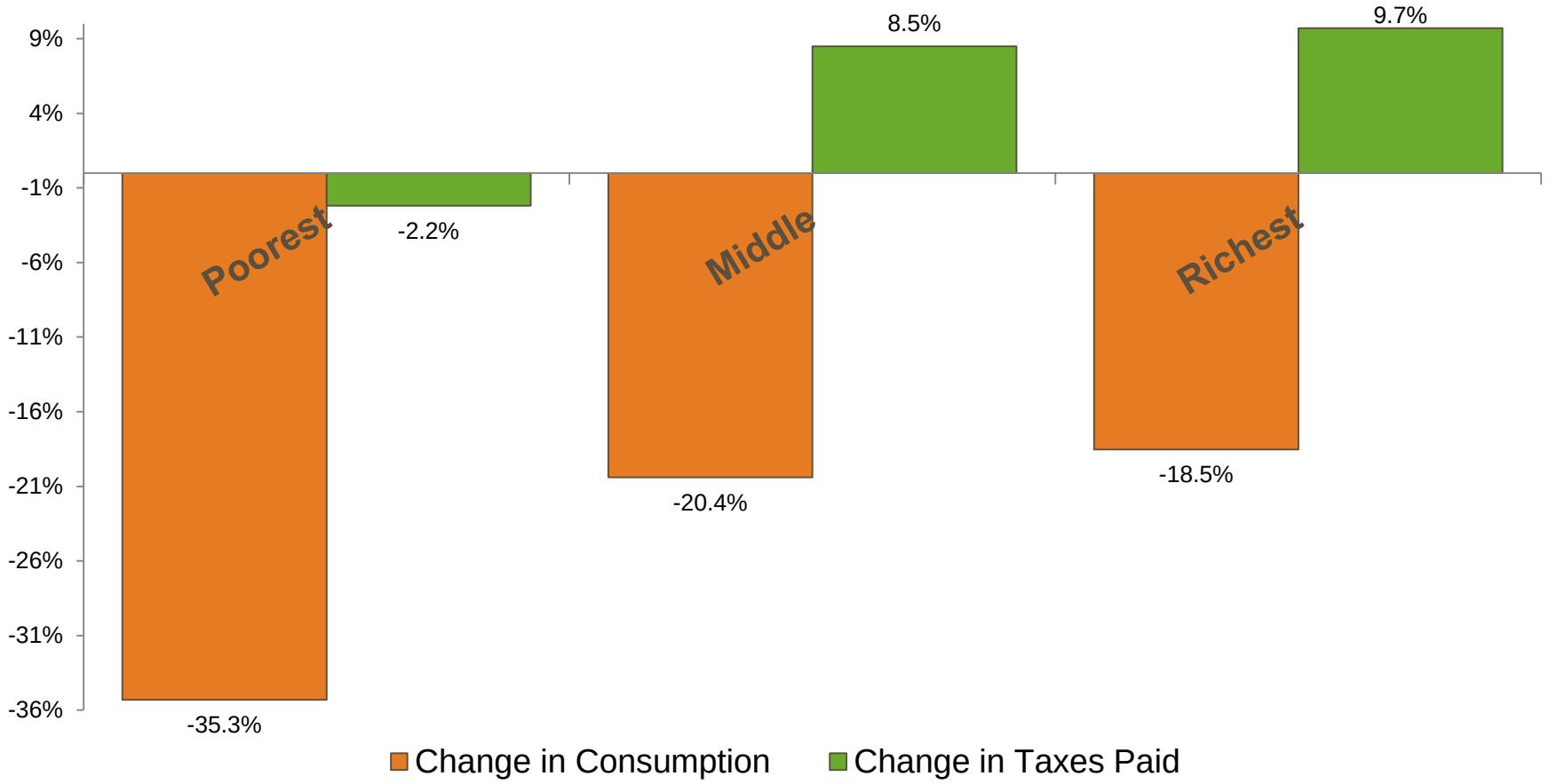
Source: NCI & WHO 2016

Impact on the Poor

- **Concerns about the regressivity of higher alcohol & tobacco taxes, food/beverage taxes**
  - Most excise taxes are regressive, but tax increases can be progressive
    - Greater price sensitivity of poor – relatively large reductions in use among lowest income populations, small reductions among higher income populations
    - Health benefits that result from tax increase are progressive
      - Reduced health care spending, increased productivity, higher incomes



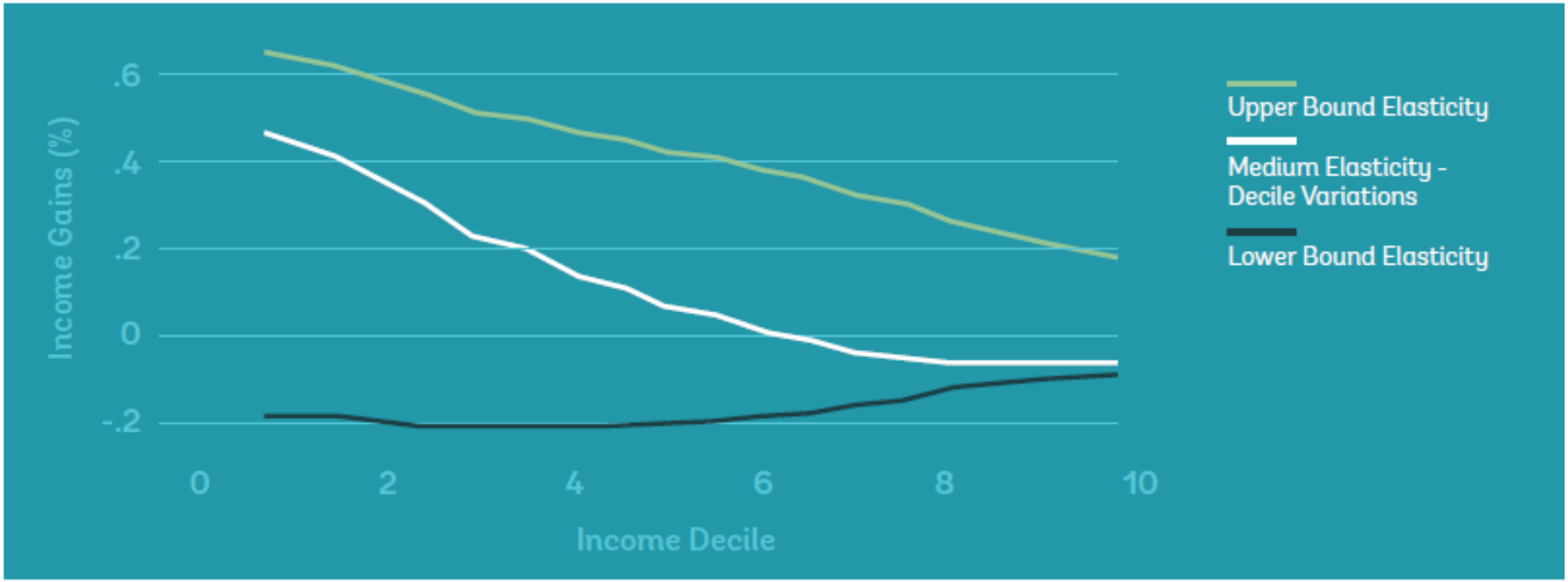
Who Pays & Who Benefits Turkey, 25% Tax Increase



Source: Adapted from Önder & Yürekli, 2014

Who Pays & Who Benefits Chile, 25% Tax Increase

Figure 6: Total Income Effect: Direct and Indirect Effect of Taxes
(tobacco price increase, medical expenditure and working years gained)



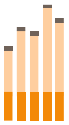
Source: Author's estimation using a price shock of 25%

Source: Fuchs, et al., 2017

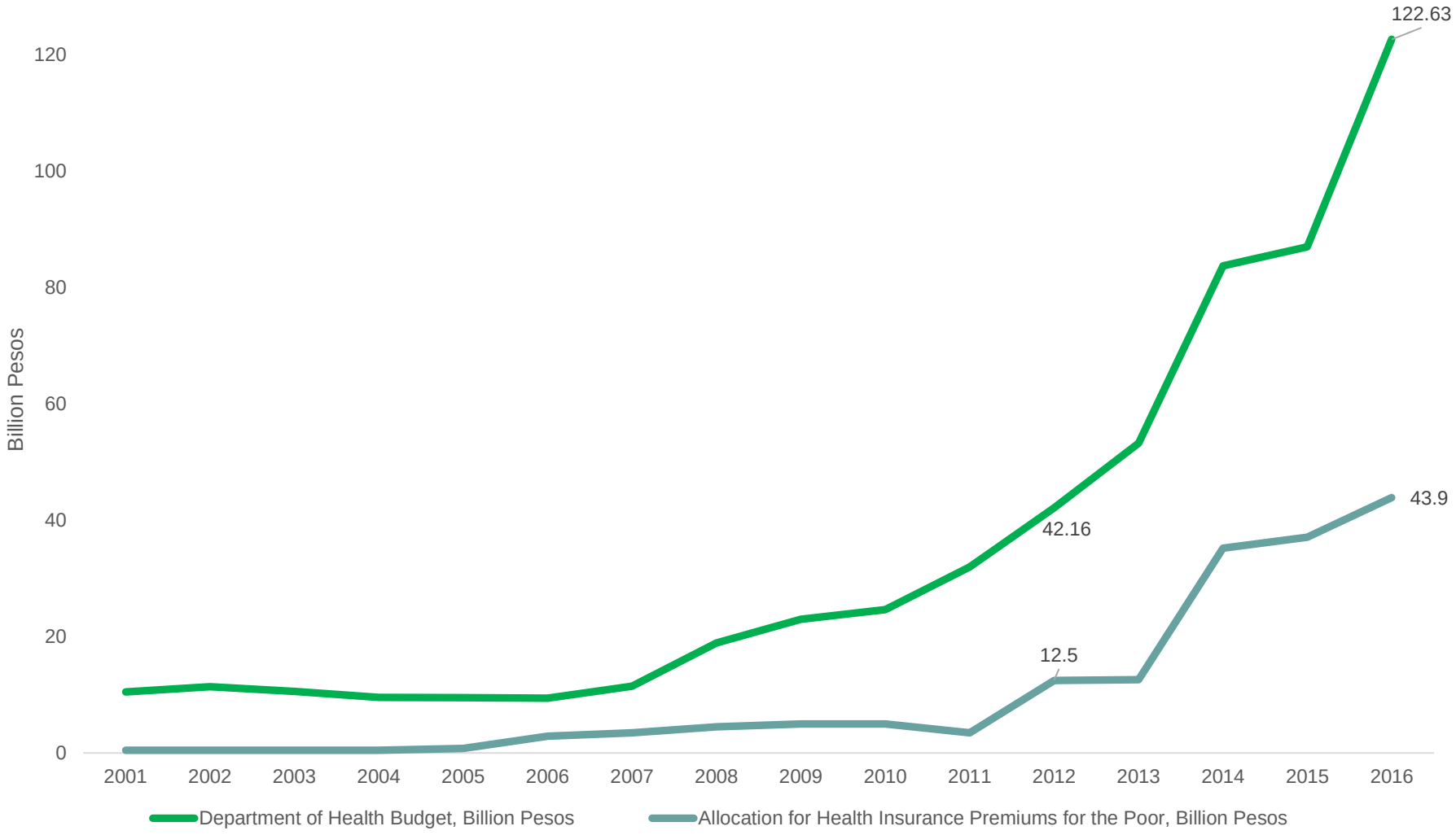
Impact on the Poor

Need to consider overall fiscal system

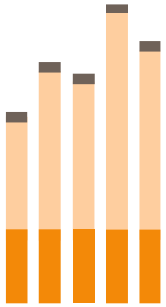
- Key issue with taxes is what's done with the revenues generated by the tax
- Net financial impact on low income households can be positive when taxes are used to support programs targeting the poor
- Concerns about regressivity offset by use of revenues for programs directed to poor



Incremental Revenues for Health and the Poor, Philippines, 2001-2016



Source: Adapted from Jeremias Paul, 2017

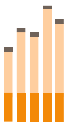


Impact on the Economy

Excise Taxes and Jobs

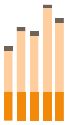
Industry-sponsored studies tell only part of story:

- Focus on the gross impact:
  - New tax or tax increase will lead to decreased consumption of taxed product
  - Results in loss of some jobs dependent on production of taxed product
- Ignore the net impact:
  - Money not spent on taxed product will be spent on other goods and services
  - New/increased tax revenues spent by government
    - ***Offsetting job gains in other sectors***



Tobacco Taxes and Jobs

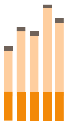
- Many published studies assess impact of reductions in tobacco use from tax increases and/or other tobacco control measures:
  - Variety of high, middle, and low income countries
  - Use alternative methodologies
- Generally find that employment losses in tobacco sector more than offset by gains in other sectors



Tobacco Taxes and Jobs

Concerns about job losses in tobacco sector have been addressed using new tax revenues:

- Turkey, Philippines among countries that have allocated tobacco tax revenues to helping tobacco farmers and/or those employed in tobacco manufacturing make transition to other livelihoods
  - Crop substitution programs, retraining programs



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Employment changes associated with the introduction of taxes on sugar-sweetened beverages and nonessential energy-dense food in Mexico

Carlos M. Guerrero-López, Mariana Molina, M. Arantxa Colchero*

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ARTICLE INFO

Keywords:
Employment
Taxes
Mexico
Evaluation
Policy
Obesity

RESEARCH AND PRACTICE

Employment Impact of Sugar-Sweetened Beverage Taxes

Lisa M. Powell, PhD, Roy Wada, PhD, Joseph J. Persky, PhD, and Frank J. Chaloupka, PhD

Sugar-sweetened beverages (SSBs) are the leading source of added sugar in the American diet and are associated with increased risk of type 2 diabetes, cardiovascular disease, dental caries, osteoporosis, and obesity.[1–4] From 1988–1994 to 1999–2004, average daily caloric intake of SSBs increased from 157 to 203 kilocalories among adults and from 204 to 224 kilocalories among children aged 2 to 19 years.[5,6] Recently, SSB consumption prevalence fell across all age groups from 1999–2000 to 2007–2008, although the prevalence of sports and energy drinks increased and heavy SSB consumption (≥ 500 kcal/day) increased among children.[2,7] In 2009–2010,

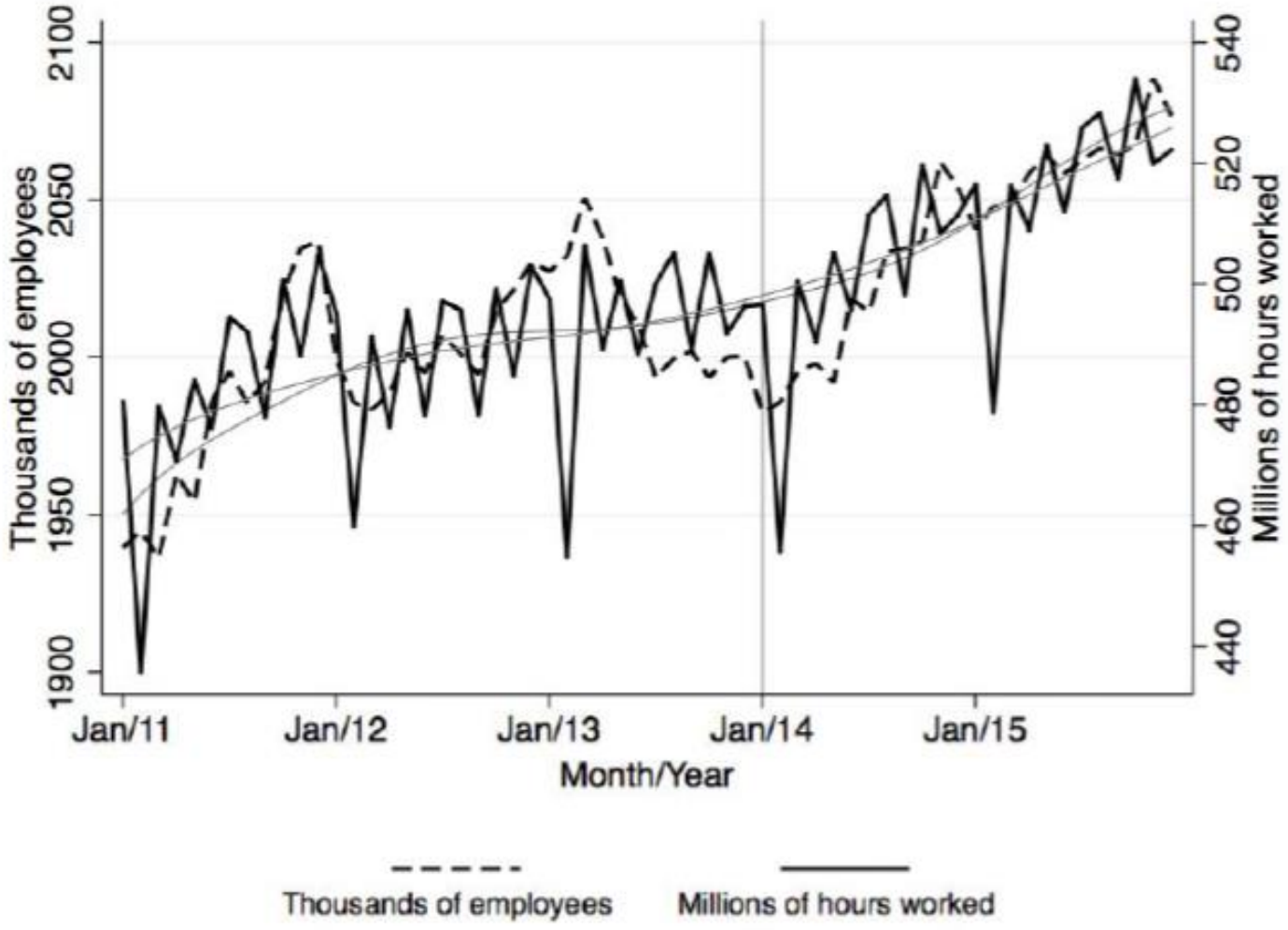
Objectives. We assessed the impact of sugar-sweetened beverage (SSB) taxes on net employment.

Methods. We used a macroeconomic simulation model to assess the employment impact of a 20% SSB tax accounting for changes in SSB demand, substitution to non-SSBs, income effects, and government expenditures of tax revenues for Illinois and California in 2012.

Results. We found increased employment of 4406 jobs in Illinois and 6654 jobs in California, representing a respective 0.06% and 0.03% change in employment. Declines in employment within the beverage industry occurred but were offset by new employment in nonbeverage industry and government sectors.

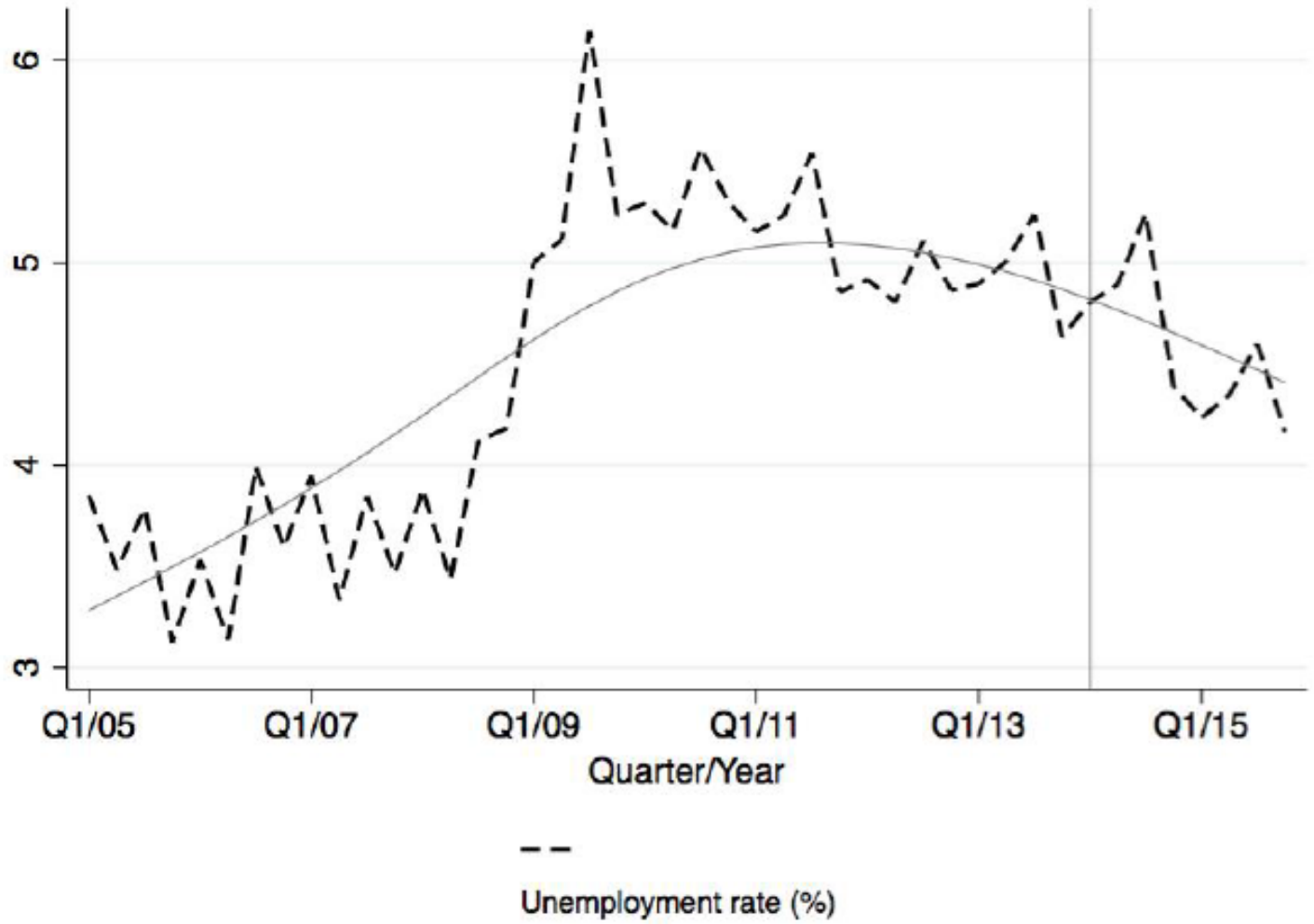
Conclusions. SSB taxes do not have a negative impact on state-level employment, and industry claims of regional job losses are overstated and may mislead lawmakers and constituents. (*Am J Public Health.* 2014;104:672–677. doi:10.2105/AJPH.2013.301630)

Figure 2. Employees and hours worked in commercial establishments. Mexico, EMEC, 2011-2015



Guerrero-Lopez CM, Molina M, Colchero MA (2017). Employment changes associated with the implementation of the sugar-sweetened beverage and the nonessential energy dense food taxes in Mexico.

Figure 3. Unemployment rate. Mexico, ENOE 2005-2015.



Guerrero-Lopez CM, Molina M, Colchero MA (2017). Employment changes associated with the implementation of the sugar-sweetened beverage and the nonessential energy dense food taxes in Mexico.

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Employment impacts of alcohol taxes☆

Roy Wada[a], Frank J. Chaloupka[b,c,*], Lisa M. Powell[b,c], David H. Jernigan[d]

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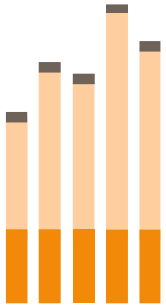
[d] Department of Health, Behavior and Society, Bloomberg School of Public Health, The Johns Hopkins University, Baltimore, MD 21205, United States

ARTICLE INFO

Keywords:
Alcohol taxes
Excise taxes
Sales taxes
Employment

ABSTRACT

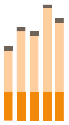
There is strong scientific evidence supporting the effectiveness of increasing alcohol taxes for reducing excessive alcohol consumption and related problems. Opponents have argued that alcohol tax increases lead to job losses. However, there has been no comprehensive economic analysis of the impact of alcohol taxes on employment. To fill this gap, a regional macroeconomic simulation model was used to assess the net impact of two hypothetical alcohol tax increases (a 5-cent per drink excise tax increase and a 5% sales tax increase on beer, wine, and distilled spirits, respectively) on employment in Arkansas, Florida, Massachusetts, New Mexico, and Wisconsin. The model accounted for changes in alcohol demand, average state income, and substitution effects. The employment impact of spending the new tax revenue on general expenditures versus health care was also assessed. Simulation results showed that a 5-cent per drink additional excise tax on alcoholic beverages with new tax revenues allocated to general expenditures increased net employment in Arkansas (802 jobs); Florida (4583 jobs); Massachusetts (978 jobs); New Mexico (653 jobs); and Wisconsin (1167 jobs). A 5% additional sales tax also increased employment in Arkansas (789 jobs; Florida (4493 jobs); Massachusetts (898 jobs); New Mexico (621 jobs); and Wisconsin (991 jobs). Using new alcohol tax revenues to fund health care services resulted in slightly lower net increases in state employment. The overall economic impact of alcohol tax increases cannot be fully assessed without accounting for the job gains resulting from additional tax revenues.



Summary

Conclusions

- Higher tobacco and alcohol taxes, and new sugary drink taxes significantly reduce consumption and raise new revenue
- Reduced consumption leads to fewer cases of cancer, cardiovascular disease, diabetes, and other diseases, reducing health care and other economic costs of NCDs
- Counterarguments about negative economic impact false or greatly overstated
- Taxes generally considered one of the “best buys” in NCD prevention

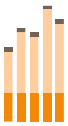


Health & Revenue Impact

- Impact of tax increases that raise prices by 50%:

Cumulative Effects Over 50 Years:	Deaths Averted (millions)	Increase in Tax Revenues (trillions of 2016 dollars)
Tobacco	27.2	3.0
Alcohol	21.9	16.7
SSBs	2.2	1.4
Total	51.3	21.1

Task Force on Fiscal Policy for Health, 2019



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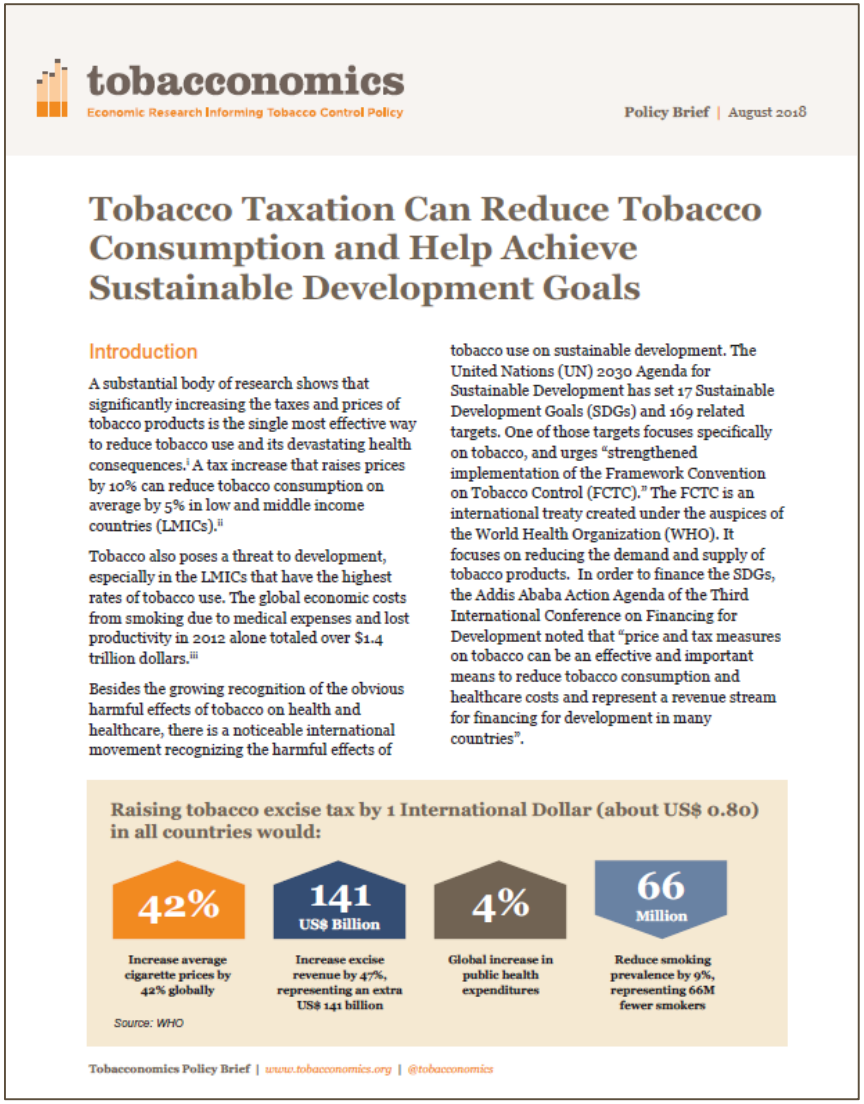

tobacconomics
Economic Research Informing Tobacco Control Policy

Policy Brief | August 2018

Tobacco Taxation Can Reduce Tobacco Consumption and Help Achieve Sustainable Development Goals

Introduction

A substantial body of research shows that significantly increasing the taxes and prices of tobacco products is the single most effective way to reduce tobacco use and its devastating health consequences.[i] A tax increase that raises prices by 10% can reduce tobacco consumption on average by 5% in low and middle income countries (LMICs).[ii]

Tobacco also poses a threat to development, especially in the LMICs that have the highest rates of tobacco use. The global economic costs from smoking due to medical expenses and lost productivity in 2012 alone totaled over $1.4 trillion dollars.[iii]

Besides the growing recognition of the obvious harmful effects of tobacco on health and healthcare, there is a noticeable international movement recognizing the harmful effects of tobacco use on sustainable development. The United Nations (UN) 2030 Agenda for Sustainable Development has set 17 Sustainable Development Goals (SDGs) and 169 related targets. One of those targets focuses specifically on tobacco, and urges "strengthened implementation of the Framework Convention on Tobacco Control (FCTC)." The FCTC is an international treaty created under the auspices of the World Health Organization (WHO). It focuses on reducing the demand and supply of tobacco products. In order to finance the SDGs, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development noted that "price and tax measures on tobacco can be an effective and important means to reduce tobacco consumption and healthcare costs and represent a revenue stream for financing for development in many countries".

Raising tobacco excise tax by 1 International Dollar (about US$ 0.80) in all countries would:

Source: WHO