Tobacco control in the Region

Agenda item 2(d)
62nd Session of the WHO Regional Committee for the Eastern Mediterranean
5–8 October 2015, Kuwait
Outline

- Global / regional status
- Specific issues:
  1. Economic costs
  2. Farming/alternative crops
  3. Tobacco industry
  4. Way forward
Tobacco pandemic increasing

- More people in world 7–9+ billion in 2040
- More people living longer ....

Therefore more:
- Smokers
- Disease and deaths
- Burden on health systems
- Jobs for farmers, manufacturers
- Tax for governments
- Profits for tobacco industry

*** Red alert: EMR + AFR prevalence will increase ***

[Image of bar charts showing comparison between 2010 and 2040]
# 2010–2025: Worsening of regional epidemic

<table>
<thead>
<tr>
<th>Region</th>
<th>Men</th>
<th>Women Both sexes</th>
<th>Men</th>
<th>Women Both sexes</th>
<th>Men</th>
<th>Women Both sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFRO</td>
<td>23.2</td>
<td>2.5</td>
<td>12.8</td>
<td></td>
<td>25.3</td>
<td>2.2</td>
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<tr>
<td>AMRO</td>
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<td>14.0</td>
<td>18.7</td>
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<td>12.2</td>
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<tr>
<td>EMRO</td>
<td>35.1</td>
<td>3.0</td>
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<tr>
<td>EMRO</td>
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<td>18.4</td>
</tr>
<tr>
<td>EMRO</td>
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<td>2.9</td>
<td>18.2</td>
<td></td>
<td>31.3</td>
<td>2.3</td>
</tr>
<tr>
<td>WPRO</td>
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<td>3.5</td>
<td>26.6</td>
<td></td>
<td>47.4</td>
<td>3.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Men</th>
<th>Women Both sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLOBAL</td>
<td>36.7</td>
<td>7.2</td>
</tr>
<tr>
<td></td>
<td>21.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>35.2</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td>20.8</td>
<td>33.0</td>
</tr>
<tr>
<td></td>
<td>4.6</td>
<td>18.8</td>
</tr>
</tbody>
</table>
Regional comparison tobacco use among youth, ages 13–15, GYTS

1. Economic costs
Economic myths

<table>
<thead>
<tr>
<th>Tobacco industry says</th>
<th>Health economists say</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco control will lead to job and business losses for farmers, factory workers,</td>
<td>NOT TRUE</td>
</tr>
<tr>
<td>retailers, the hospitality industry and other businesses, and governments</td>
<td></td>
</tr>
<tr>
<td>The creation of smoke-free areas will cause loss of income for restaurant owners.</td>
<td>NOT TRUE</td>
</tr>
<tr>
<td>TAPS bans will severely affect the advertising industry</td>
<td>NOT TRUE</td>
</tr>
<tr>
<td>Increasing tobacco taxes will harm the poor and increase illicit trade</td>
<td>NOT TRUE</td>
</tr>
</tbody>
</table>

Many governments echo these concerns, to the extent these mistaken economic arguments are the major obstacle to tobacco control.
## Economic costs of tobacco to governments, employers and smokers

<table>
<thead>
<tr>
<th>Health costs</th>
<th>Other economic costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and health care costs</td>
<td>Time off for “smoke breaks”</td>
</tr>
<tr>
<td>Higher absence rates</td>
<td>Lower productivity</td>
</tr>
<tr>
<td>Loss of skilled workers by premature death</td>
<td>Fires caused by careless smoking</td>
</tr>
<tr>
<td>Increased early retirement due to ill health</td>
<td>Damage to building fabric</td>
</tr>
<tr>
<td>Secondhand smoke risks</td>
<td>Litter of billions of cigarettes, matches, packets, lighters</td>
</tr>
</tbody>
</table>
# The Opportunity Costs of Smoking

Every society gives up the opportunity to buy something important when valuable resources are spent treating smoking-related illnesses.

<table>
<thead>
<tr>
<th>Direct cost of tobacco use in USD</th>
<th>How else could these resources be spent?</th>
</tr>
</thead>
<tbody>
<tr>
<td>$9,584 million UK, 2008</td>
<td>SERVICES OF TRANSPORTATION DEPARTMENT</td>
</tr>
<tr>
<td></td>
<td>Government of the United Kingdom, 2010</td>
</tr>
<tr>
<td>$1,140 million Chile, 2008</td>
<td>PUBLIC SAFETY PROGRAM</td>
</tr>
<tr>
<td></td>
<td>Chile Ministry of the Interior, 2008</td>
</tr>
<tr>
<td>$922 million Malaysia, 2008</td>
<td>RURAL DEVELOPMENT PROGRAM</td>
</tr>
<tr>
<td></td>
<td>Government of Malaysia, 2007</td>
</tr>
<tr>
<td>$244 million Thailand, 2006</td>
<td>SERVICES OF ENERGY DEPARTMENT</td>
</tr>
<tr>
<td></td>
<td>Government of Thailand, 2010</td>
</tr>
<tr>
<td>$166 million New Zealand, 2004</td>
<td>ANNUAL SCHOOL CONSTRUCTION</td>
</tr>
<tr>
<td></td>
<td>New Zealand Ministry of Education, 2009</td>
</tr>
</tbody>
</table>

Source: Tobacco Atlas, 4th edition; tobaccoatlas.org
Tobacco control is a best buy in cost-effectiveness.
2. Farming/alternative crops
Farming/alternative crops

- Tobacco farming is NOT a lucrative cash crop
- Tobacco farming is labour-intensive with serious negative environmental, health and social impacts, e.g. green tobacco sickness, exposure to agrochemicals, respiratory diseases, food insecurity due to displacement of food crops
- Developing sustainable alternatives to tobacco farming should be at the core of government tobacco-control policy
- Viable agricultural alternatives exist
  [e.g. Yunnan China: 458 farming households’ annual income increased 21–110% per acre in 4 years]
3. Tobacco industry
Forms of tobacco industry interference

Manoeuvering to hijack the political and legislative process
Exaggerating the economic importance of the industry
Manipulating public opinion to gain the appearance of respectability
Fabricating support through front groups
Discrediting proven science and economic evidence
Intimidating governments with litigation or the threat of litigation, or trade threats

Based on Stella Bialous, 2015
TI-funded groups: International Tax and Investment Centre (ITIC) active in the Region

Sixth Annual Middle East/North Africa Tax Forum

**Event Details**
- **What:** Sixth Annual Middle East/North Africa Tax Forum
- **When:** 10-12 November 2015*
- **Where:** Doha, Qatar, hosted by the Qatar Financial Centre
- **Web:** [itcnet.org/MENA2015](http://itcnet.org/MENA2015)
- **Email:** ITIC members (tmaiers@itcnet.org)

**MENA Tax Forum Library**
ITIC has annually organized the Middle East/North Africa Tax Forum since 2010.
To view presentations and related documents from previous forums, please visit:

Registration will open on 15 July.

Qatar, November 2015
2015 Bloomberg (Gates) announced USD4m fund to support countries against trade threats
4. The way forward

Next steps:
Key messages on policies, political commitment and tobacco industry
Build on key developments in 2015

• 16 countries adopted a tobacco reduction target, all 30% while Pakistan 50%.
• United Arab Emirates and Yemen highest achievement in TAPS.
• Pakistan, Qatar, Kuwait highest achievement in M.
• Saudi Arabia highest achievement in P.
• New comprehensive tobacco control legislation in Afghanistan, Sausi Arabia.
• Establishment of observatory in Egypt for TAPS in Drama. Another two are under consideration in Kuwait and United Arab Emirates.
• Two legislatives updates expected in all GCC and in Iraq.
Listen to Industry “scream test”

- **Tax *** Children very price sensitive**
  - Smoke-free areas
  - Bans on all advertising, promotion and sponsorship
  - Plain /standardized packaging, large graphic warnings

- Industry ignores (so we know these do not work):
  - Traditional schools’ programmes
  - Ban on sales to minors
Tobacco taxation status in the Region

- Jordan: 83.3%
- Tunisia: 82.6%
- Egypt: 74.6%
- Sudan: 73.1%
- Morocco: 72.4%
- Pakistan: 70.5%
- Yemen: 60.7%
- Lebanon: 53.8%
- Kuwait: 43.4%
- Syrian Arab Republic: 34.7%
- United Arab Emirates: 33.3%
- Djibouti: 28.6%
- Oman: 22.2%
- Qatar: 20.0%
- Saudi Arabia: 20.0%
- Bahrain: 20.0%
- Iraq: 19.2%
- Libya: 8.4%
- Somalia: 7.5%
- Iran (Islamic Republic of): 4.8%
- Afghanistan: 2.8%
Tax: Key actions

- Simplify tobacco tax collection
- Raise tobacco tax
- Use tobacco tax to fund tobacco control
Philippines sin tax, 2013

- Tobacco taxes raised by up to 340%
- Simplified tobacco tax structure
- 85% earmarked to fund insurance universal health care programme; remainder tobacco control etc.
- US$ 1.6 billion revenues generated 2013
Aim at agreed WHO target

WHO target: 30% relative reduction in prevalence of current tobacco use in persons aged 15+ years by 2025

BUT at present rate of progress:
- Only 1/3 will meet target
- Final reduction will be 18% not 30%

Adopting the highest level in MPOWER measures is the best solution to get to the target
10 Key messages

- Tobacco control is good for the wealth AND health of nations.
- The tobacco industry is very active in the Region in opposing tobacco control.
- The Region can expect a huge rise in tobacco use in future.
- The regional WINN initiative will support Member States in halting this rise.
- Tobacco tax increases are a WIN–WIN policy.
- Laws must adopt the highest level in the MPOWER policy.
- The law is only as good as its implementation – which involves other sectors that have to be trained, as well as social support through media campaigns.
- The tobacco industry must be kept out of policy-making (Art 5.3).
- Political commitment is crucial.
- Sustained effort is needed.