
Progress report on the Tobacco-Free Initiative

Introduction

1. It is well established that the tobacco epidemic is a multifaceted problem. One of its most important contributing factors is the illicit trade in tobacco products, which leads to increases in tobacco consumption by making tobacco products more affordable and accessible. In addition to contributing to the global burden of tobacco-related death and disease, the illicit manufacture and trade of tobacco products undermines national regulatory and pricing policies and deprives governments of tax revenues.
2. Experts currently estimate that illicit trade accounts for more than one-tenth of annual global cigarette sales, or about 600 billion cigarettes,¹ and that illicit tobacco trade represents 11.6% of the global cigarette market. It is also estimated that at least US\$ 40.5 billion in tax revenue is lost by governments each year due to illicit trade in tobacco products.²
3. It is not known how many illicit tobacco products are consumed in the Eastern Mediterranean Region. However, studies show that smuggling activities and illicit tobacco trade have existed in the Region for many years.^{3,4} Globally it is estimated that 12.1% of the cigarette market in low-income and middle-income countries is illicit, compared to 9.8% in high-income countries.²
4. The role of the tobacco industry in promoting illicit tobacco trade is firmly established.^{5,6} Illicit trade benefits the tobacco industry by making cigarettes more accessible and affordable to people. The activities of the tobacco industry in promoting illicit trade have been documented in many countries including those in the Region.⁷
5. Acknowledging that illicit tobacco trade presents a real threat to public health and to tobacco control legislation, Article 15 of the WHO Framework Convention on Tobacco Control (FCTC) calls upon Parties to take measures to control the supply chain and to cooperate internationally on a wide range of matters. On the basis of this article, in 2008 the Conference of the Parties to the WHO FCTC initiated negotiations for the first WHO FCTC protocol, on illicit tobacco trade.

The Protocol to Eliminate Illicit Trade in Tobacco Products

6. The Protocol to Eliminate Illicit Trade in Tobacco Products was adopted at the fifth session of the Conference of the Parties to the WHO FCTC in Seoul, Republic of Korea, in November 2012.
7. The Protocol is divided into articles specifying actions for Parties to take in order to control and eliminate illicit tobacco trade.
 - Supply side measures are the key provisions and technical actions to be taken by parties to control illicit tobacco trade. They include licensing (Article 6); due diligence (Article 7); tracking and tracing (Article 8); record-keeping (Article 9); security and preventive measures (Article 10); sale by internet, telecommunication or any other evolving technology (Article 11); free zones, international transit (Article 12); duty free sales (Article 13).
 - Other important provisions of the Protocol address issues such as offences, including unlawful conduct and criminal offences, seizure payments and disposal/destruction of confiscated products, international cooperation including information sharing, administrative and legal assistance and extradition, and financing of the protocol, governance and other institutional issues.

8. The Protocol is now open for signature and ratification by all Member States that are Parties to the WHO FCTC. By signature, countries demonstrate political commitment to the Protocol and the intent, in due time, to take the appropriate domestic actions to become a Party. The only obligation that signature imposes is for a country to refrain from any acts which would defeat the objectives and purposes of the Protocol. Ratification is a domestic process that is based on the national legal system, after which the country becomes a Party to the Protocol by depositing the ratification instrument with the United Nations.

9. In order for the Protocol to enter into force, it must be ratified by 40 Parties of the WHO FCTC. The Protocol will enter into force on the 90th day following the date of deposit of the 40th instrument of ratification.

10. In the last negotiation session of the Protocol held in March 2012, a total of 16 Member States of the Region that are Parties to the WHO FCTC participated, many with multisectoral delegations. So far only three Parties to the WHO FCTC from the Region have signed the protocol: Libya, Syrian Arab Republic and Tunisia. None have ratified it.

11. The Protocol will remain open for signature at the United Nations headquarters in New York until 9 January 2014. After the deadline for signature, countries can only become Parties to the Protocol by acceding to it.

The way forward

12. Over the past five years, the Regional Office and the Framework Convention Alliance have conducted training workshops on assessing illicit tobacco trade; both Pakistan and Egypt are now in the process of conducting national assessments on the scope of the problem. More efforts are needed to determine the magnitude of illicit tobacco trade in the Region in a multisectoral fashion. The main sectors responsible for estimating the size of the problem at national level and for the implementation of the Protocol will be trade and finance. However, ministries of health must continue to spearhead tobacco control efforts at national level.

13. The tobacco industry advocates a decrease in taxation as the only solution for illicit tobacco trade. This approach, which makes tobacco products more affordable, not only suits the industry's own interests but has also proved ineffective in countries where it has been implemented.⁸ The real solution to illicit tobacco trade is implementing the WHO FCTC Protocol to Eliminate Illicit Trade in Tobacco Products. The Protocol provides a roadmap for national measures that have proven successful over the years and also paves the way for better regional and international collaboration in this area. Member States who are Parties to the WHO FCTC are urged to sign and ratify the Protocol immediately.

14. Signature and ratification will require multisectoral action at national level with ministries of finance, trade and foreign affairs. National mechanisms for such collaboration were established with the ratification of the WHO FCTC and can be used again for ratification of the Protocol.

¹ *Illicit tobacco trade, illegal profits and public peril. Campaign for Tobacco-free Kids*. October 2008.

² Joossens L et al. *How eliminating the global illicit cigarette trade would increase tax revenue and save lives*. Paris, International Union Against Tuberculosis and Lung Disease, 2009.

³ *The cigarette "transit" road to the Islamic Republic of Iran and Iraq*. Cairo, WHO Regional Office for the Eastern Mediterranean, 2003. Accessible at <http://applications.emro.who.int/dsaf/dsa537.pdf>

⁴ *Coveting Iran: the infiltration and exploitation of Iran by global cigarette companies*. Cairo, WHO Regional Office for the Eastern Mediterranean, 2001. Accessible at http://applications.emro.who.int/dsaf/EMRPUB_2001_EN_767.pdf

⁵ Collin J et al. Complicity in contraband: British American Tobacco and cigarette smuggling in Asia. *Tobacco control*, 2004, 13 (suppl II):ii104–11.

⁶ Joossens L, Raw M. Cigarette smuggling in Europe: who really benefits? *Tobacco control*, 1998, 7:66–71.

⁷ Nakkash R, Lee K. Smuggling as the "key to a combined market": British American Tobacco in Lebanon. *Tobacco control*, 2008, 17(5):324–31.

⁸ Joossens L, Raw M. How can cigarette smuggling be reduced? *British medical journal*, 2000, 321(7266):947–50