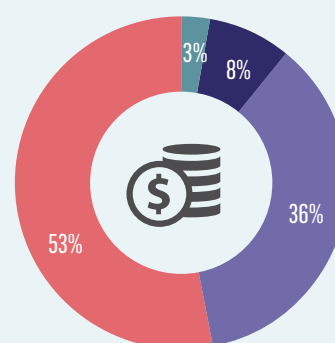


RAISE TAXES ON TOBACCO

KEY MESSAGES

- The proportion of WHO European Region countries in which tax represents more than 75% of the retail price of the most popular brand of cigarettes increased from 16 countries to 28 between 2008 and 2020 (1).
- Tax represents more than 75% of the retail price of the most popular brand of cigarettes in 28 countries of the Region (Fig. 1).
- A great disparity between cigarette retail prices was observed in the Region in 2020, with the price of a 20-cigarette pack of the most-sold brand varying from Int\$ 1.73 in Belarus to Int\$ 17.74 in Turkmenistan (Fig. 2).
- Cigarettes have become more affordable since 2010 in four countries (two high-income countries and the other two middle-income countries). No trend change in affordability of cigarettes has been seen since 2010 in 18 countries, and cigarettes have become less affordable since 2010 in 28 countries (Fig. 3).

FIG. 1. PERCENTAGE OF COUNTRIES IN THE WHO EUROPEAN REGION WITH DIFFERENT SHARE OF TOTAL TAXES IN THE RETAIL PRICE OF THE MOST WIDELY SOLD BRAND OF CIGARETTES



- Data not reported
- $\geq 25\%$ and $< 50\%$ of retail price is tax
- $\geq 50\%$ and $< 75\%$ of retail price is tax
- $\geq 75\%$ of retail price is tax

Source: WHO (1).

FIG. 2. PRICE OF A 20-CIGARETTE PACK OF THE MOST-SOLD BRAND, INTERNATIONAL DOLLARS (AT PURCHASING POWER PARITY (PPP)), 2020^a



Source: WHO (1).

^a Data not reported/not available for Andorra, Monaco and San Marino.

FIG. 3. CHANGE IN AFFORDABILITY OF CIGARETTES, 2010-2020



Source: WHO (1).

WHAT SHOULD BE DONE?

- The WHO Framework Convention on Tobacco Control Article 6 states “Each Party should ... adopt ... tax policies and ... price policies on tobacco products, so as to contribute to the health objectives aimed at reducing tobacco consumption” (2).
- The overall tax structure should be simple and easy for countries to implement.
- Governments should raise taxes periodically so that real prices increase faster than the combined effects of inflation and increased consumer purchasing power.
- Taxes should be increased on the most commonly smoked and lowest-cost products to prevent product substitution with less expensive products.
- Measures to combat tax evasion and smuggling should be implemented.
- Tobacco taxes can be used to pay for tobacco-control and other public health and social programmes. This makes tobacco tax increases even more popular with the public, including tobacco users.
- Trends in the affordability of cigarettes should be examined. This will help policy-makers understand how cigarette prices have changed relative to the population’s ability to purchase them. It can also guide recommended changes in tax policy to influence price levels and effectively reduce consumption (1).

REFERENCES¹

1. WHO report on the global tobacco epidemic, 2021. Geneva: World Health Organization; 2021 (<https://apps.who.int/iris/handle/10665/343287>).
2. WHO Framework Convention on Tobacco Control [website]. Geneva: World Health Organization; 2021 (<https://www.who.int/fctc/en/>).

¹ Weblinks accessed 9 February 2022.