

Parliamentarians host tobacco tax workshop in Uganda

Uganda has the second lowest cigarette excise tax burden in the East African Community (EAC). The most recent round of the Demographic and Health Survey (DHS) shows that Uganda's smoking prevalence is the highest in the EAC region and there are indications that prevalence is likely to increase on the back of strong economic performance and population growth. It is against this background that Uganda's Parliamentary Forum on Non Communicable Diseases (PFNCD) hosted a workshop on tobacco taxation at Kampala's Serena Hotel on 4th April 2013. The workshop was attended by officials from the Tax Policy Unit of Uganda's Ministry of Finance, officials from the Uganda Revenue Authority (URA) and members of Uganda's Parliament. Also in attendance were experts on tobacco taxation, experts on the health aspects of tobacco and experts on tobacco tax administration.

The workshop's objective was to develop a shared understanding of tobacco taxation and its related health and economic benefits. The Economics of Tobacco Control Project was represented by Grieve Chelwa whose presentation stressed the importance and effectiveness of tobacco taxation for tobacco control. Grieve's presentation pointed out that the current structure of tobacco taxes in Uganda was not ideal from a tobacco control and tobacco revenue perspective as it left room for tax avoidance. His presentation showed that moving to a uniform specific tax would result in a significant public health pay-off while delivering an increase in excise tax collections.

At the end of the workshop, representatives from the Ministry of Finance and the Uganda Revenue Authority agreed to pass on the workshop's message to their seniors with a view to increasing tobacco taxes in the current budget cycle.