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REEP: Research Unit on the Economics of Excisable Products

with the

WHO FCTC Knowledge Hub on Tobacco Taxation

Newsletter #38, July 2025

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Director's Message

Dear Friends

In June 2025, I had the privilege of attending the **World Conference on Tobacco Control** in Dublin, alongside two REEP colleagues and a PhD student based abroad. This was the first time the conference had taken place since 2018, when it was last hosted in Cape Town.



The event brought together approximately 1,300 participants from advocacy groups, civil society, international organisations, academia, and funding agencies. It was a valuable opportunity to connect with colleagues from across the globe and to gain insights into both the achievements and ongoing challenges in tobacco control.

In this edition of the newsletter, we share **highlights from the conference**, including the research contributions made by REEP staff.

Over the past two months, REEP staff have provided technical support to two countries: Mauritius and Kyrgyzstan. These missions form part of the broader support programme offered by the WHO FCTC Knowledge Hub on Tobacco Taxation, and are made possible through funding from Cancer Research UK.

I want to alert you to a **seminar** that takes place tomorrow, 29 July 2025, at 18:00 SAST/CAT, focusing on health taxes in Africa. It is hosted by Vital Strategies in collaboration with partners, including REEP. The seminar will explore key findings from a report, "The future of health financing in Africa, the role of health taxes".

Given the shifting global funding landscape, particularly the reduction in U.S. aid programmes across Africa, and the continued threat that tobacco, alcohol and sugar-sweetened beverages pose to public health, this discussion is both timely and highly relevant.

This newsletter also includes our regular contributions: an update on the **Tobacco Control Data Initiative** (TCDI), and a summary of recent tobacco taxation research.

Best regards

Corné van Walbeek

Director: Research Unit on the Economics of Excisable Products



NEWS: Research Unit on the Economics of Excisable Products

REEP members attend the 2025 World Conference on Tobacco Control

WORLD CONFERENCE ON TOBACCO CONTROL 2025

DUBLIN, IRELAND 23 - 25 JUNE 2025

The Union With support from Bloomberg Philanthropies

The 2025 World Conference on Tobacco Control (WCTC), held in Dublin from 23–25 June 2025, was the first since 2018 and provided a timely opportunity for the global tobacco control community to reconnect and discuss key issues related to research and advocacy in person.

Despite visa issues that prevented three REEP colleagues from attending—an issue that affected many participants from the Global South—REEP was represented by Corné van Walbeek, Sam Filby, Nicole Vellios, and Qing Li.

Corné attended a pre-conference summit on tobacco endgame strategies, which brought together global leaders to discuss strategies aimed at eliminating tobacco sales. The summit revealed both

enthusiasm and some division around the definition of the endgame—particularly whether it should target tobacco alone or include nicotine. In countries with low smoking prevalence, where the endgame is realistic possibility, participants indicated that strategic communication is crucial. For example, they suggested focusing the discussion on industry accountability, avoiding polarising terms like "radical," and presenting the endgame as a logical next step to existing tobacco control interventions.



The conference's tax sessions were particularly relevant to REEP. Ministers of Finance from Chile and Senegal shared political economy strategies for building support for excise tax increases, emphasizing coalition-building, simplicity in communication, and the fiscal appeal of health taxes.

These insights reaffirmed the importance of REEP's work, but also suggested the need to expand partnerships beyond the research space.

REEP made several presentations – both oral and poster – at the conference, and submitted a number of abstracts that included:

- Sam Filby: A global study of the association between cigarette excise tax structure and the dispersion of cigarette prices.
- Sam and Estelle Dauchy (and Ce Shang): Identifying effective tax policies to reduce cigarette smoking: Cross-country empirical evidence.
- Corné van Walbeek: Earmarking health tax revenue for public health in Jamaica: An example for other countries.
- Corné (and Tim Evans): Tobacco is not just bad for your health; tobacco shares are poor financial investments.
- Nicole Vellios and Corné (and Emmanuel Guindon): The effect of cigarette prices on smoking cessation in South Africa using duration analysis: 1970–2017.
- Qing Li and Corné (and others): Tobacco farming related health shocks and labor use among smallholder farmers in Kenya; and Contract, credit, and tobacco farming efficiency among smallholder tobacco farmers in Kenya and Indonesia.
- Zunda Chisha and Corné (and Grieve Chelwa): Household tobacco expenditure and its impact on child nutrition: evidence from South Africa.
- Zunda and Leoné Walters (and Chitalu Miriam Chama-Chiliba and Felix Masiye): Barriers and opportunities in Zambia's health tax policy on tobacco, alcohol, and SSBs.
- Zunda, Vanessa Darsamo, Nicole and Corné: Revenue lost in Zambia as a result of excise tax incentive for local cigarette manufacturers.
- Mxolisi Zondi, Kirsten Van der Zee and Corné: Illicit trade in South Africa: new evidence from nationally representative surveys.
- Kirsten and Corné: Interactions between ENDS and cigarette consumption: evidence from a 2022 national telephone survey in South Africa.
- Kirsten: Brand switching during South Africa's COVID-19 tobacco sales ban and its long-term effect on illicit trade.

For the full programme, go to https://wctc2025.abstractserver.com/program/#/persons.

In all, the WCTC 2025 underscored the need for tobacco control efforts that are not only evidence-based but also collaborative, politically attuned, and strategically communicated. REEP is committed to contributing to these ongoing efforts by generating evidence, informing policy, and supporting effective tobacco control strategies across diverse contexts.

Virtual briefing on 29 July 2025: The Future of Health Financing in Africa: The Role of Health Taxes

The African region faces multiple threats to public health: a rapidly growing toll of noncommunicable diseases alongside a persistent infectious disease burden; shrinking international aid; and tightening domestic finances, all in the context of urbanization and growing youth and older adult populations.

Governments are under increasing pressure to respond by securing sustainable health financing and strengthening health systems. Health taxes—targeted excise taxes on harmful products—represent a cost-effective yet underutilized tool available to policymakers to reduce consumption of unhealthy products that cause preventable morbidity and premature mortality and impose enormous economic costs.



On July 29, join a virtual briefing to explore insights from a new publication by Vital Strategies, Economics for Health, and REEP at the University of Cape Town — The Future of Health Financing in Africa: The Role of Health Taxes with additional commentary from ONE.

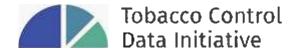
The virtual event will include discussion of the report's findings as well as commentary and analysis of the wider context.

Panelists, including REEP's Director, Prof Corné van Walbeek, will share insights into the current landscape of health taxes in Africa, highlight country case studies, and offer evidence-based policy design recommendations.

The session will conclude with a public Q&A.

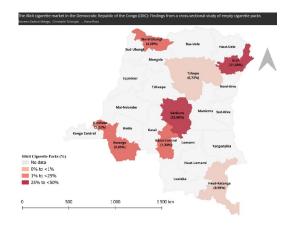
Register

Update from the Tobacco Control Data Initiative



The team held its second webinar 'Compliance with Smoke Free Laws in Ethiopia and Nigeria' where the team featured recent study findings including findings from the Global Adult Tobacco Survey Ethiopia.

Data collection on the prevalence spot check studies has been completed in the three countries including South Africa, Zambia and the Democratic Republic of Congo - data analysis and stakeholder engagement is ongoing before the team drafts a study report



The DRC illicit trade study was published in the PLOS journal.

In this study, empty cigarette packs were collected, examined and classified as licit if it complied, or illicit if it did not comply, with the DRC's tax stamp or written health warning requirements, or the requirements to have a notice indicating the prohibition of sale by/to minors or information on tar and nicotine content.

The study found that 8.6% of cigarettes sold in the DRC are illegal, with no tax stamp.

NEWS: WHO FCTC Knowledge Hub on Tobacco Taxation

Knowledge Hub supports tobacco tax reform in Kyrgyzstan

Estelle Dauchy and Zunda Chisha were invited to develop and present an evidence-based tobacco tax proposal for Kyrgyzstan, designed to significantly reduce the affordability of tobacco products in line with Sustainable Development Goal (SDG) targets on tobacco use reduction. In June 2025, Estelle and Zunda travelled to Kyrgyzstan to present and explain the model to relevant stakeholders.



The mission also sought to engage key policy stakeholders across government, parliament, and civil society, and to identify technical and political pathways to advance comprehensive excise tax reform and broader health taxes.

Kyrgyzstan has applied a uniform specific excise tax to cigarettes with annual increases tied to inflation since 2015. However, these tax increases—around 8-9% per year—have not been sufficient to substantially reduce the affordability of cigarettes. The current excise rate (of KGS 3500 or about €28.9 per 1,000 sticks in 2025) is just above the minimum allowed under the Eurasian Economic Union (EAEU) indicative excise tax rate. This is substantially less than the minimum tax of €90 per 1,000 sticks that is applied to member states of the European Union. This relatively low excise tax in Kyrgyzstan gives little room for meaningful public health impact. Much more ambitious reforms should be implemented. The team proposed much higher annual increases over a three-year period averaging about 25% annually. This would be expected to have positive public health and fiscal impacts.

During the mission, the team engaged with multiple stakeholders, including the Ministry of Finance, Members of Parliament, and the Ministry of Health. A recurring concern was the challenge posed by illicit tobacco trade, exacerbated by the free-trade arrangements within the EAEU and porous borders with neighbouring countries such as Kazakhstan, Armenia, Belarus, Russia, and Uzbekistan. In light of this, the REEP team committed to supporting research to quantify the scale of illicit trade and identify strategies to address it, independent of tax policy measures.

Another policy challenge faced by Kyrgyzstan is the rapid proliferation of novel tobacco and nicotine products, which remain largely unregulated in Kyrgyzstan. To raise public awareness and encourage policy reform, the mission concluded with a series of radio interviews highlighting the objectives and potential public health benefits of the proposed tax measures.

REEP provides technical assistance to support tobacco tax policy in Mauritius

In the second quarter of this year, the WHO FCTC Knowledge Hub on Tobacco Taxation provided technical assistance to Mauritius, building on prior collaboration initiated in 2018. The local NGO VISA initiated the re-collaboration. The REEP Knowledge Hub team, with inputs from VISA and the WHO country office, updated the Mauritius Tobacco Excise Tax Simulation Model (TETSiM) and compiled a report on tobacco taxation in the country. In May 2025, Kirsten van der Zee and Zunda Chisha presented the findings of the report and the TETSiM at an in-country meeting. This meeting was aimed at facilitating policy dialogue on strengthening tobacco taxation.



Mauritius has made substantial progress in terms of tobacco control. However, because of rapid economic growth, household incomes have increased sharply over the previous decades, making cigarettes more affordable. Additionally, while taxes have increased in nominal terms, these increases have often been below inflation, result in a real decline in the tax amount, and ultimately lower prices. Despite strong tobacco control interventions, cigarette consumption in Mauritius has increased by about 15% in the period 2015 to 2024. The REEP Knowledge Hub report recommended that the excise tax be increased at a rate that is higher than the sum of the inflation rate and the GDP per capita growth rate, in order to keep taxes high enough to see a reduction in tobacco consumtpion.

Key engagements at the in-country meeting included discussions with the Mauritius Revenue Authority (MRA), who welcomed the proposal for large annual increases in the tobacco tax. At the meeting, stakeholders raised persistent concerns around weak enforcement, including the widespread sale of single cigarette sticks and the availability of banned e-cigarettes.

A subsequent virtual meeting in June with the Ministries of Health and Finance provided a critical opportunity to present the updated TETSiM results. Both ministries expressed support for the report and acknowledged the importance of excise tax policy in advancing public health objectives.

New Research on the Economics of Tobacco Control: July 2025

This July 2025 edition of the **Appendix** to the REEP newsletter, compiled by Leoné Walters, again aims to keep you updated on the latest research in the field of economics of tobacco control.

Please reach out to **leone.walters@uct.ac.za** if you would like to publicise your working papers and new publications.

Op-Ed

In connection with the World Health Organisation's World No Tobacco Day on 31 May, Sam Filby and Corné van Walbeek published Big Tobacco's profit addiction needs a quit plan, in the Thought Leader in the Mail & Guardian on 30 May 2025.

In the context of the surge of vaping among youth, and big tobacco's unregulated playbook, they discuss the Tobacco Products and Electronic Delivery Systems Control Bill that aims to regulate ecigarettes and other novel products like traditional tobacco.



THOUGHT LEADER / 30 MAY 2025

Big Tobacco's profit addiction needs a quit plan

By Sam Filby & Corné van Walbeek



New legislation seeks to stop tobacco companies from luring non-smoking teens into becoming addicted to their deadly products.



Regards, The REEP team

If you have any comments or feedback on this e-newsletter, or suggestions for possible story ideas for our next issue, please get in touch with the REEP team, by emailing us at:

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And contact the WHO FCTC Knowledge Hub on Tobacco Taxation team at:

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