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REEP: Research Unit on the Economics of Excisable Products

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WHO FCTC Knowledge Hub on Tobacco Taxation

Newsletter #41, January 2026


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Director's Message

Dear Friends

After a quiet few weeks over the December holidays and early January, everyone is back from their break, and the corridor is buzzing with life once more.

Over the coming year, I will be standing in for Corné while he is on sabbatical in the Netherlands. Although Corné will remain tangentially involved, we will ensure continuity of the work while he enjoys a well-deserved period dedicated to research. This newsletter highlights a new staff member as well as several past and future activities.

We are delighted to welcome [Gameli Adika](#) as a Postdoctoral Research Fellow. Gameli has been part of our team for almost three years, working part-time on the African Cigarette Prices Project, and we are very pleased to have more of Gameli's smiles and laughter in the office.

During the week of 20–23 January 2026, Corné, Zunda and Sam attended the [Global Tobacco and Alcohol Tax Meeting](#) held at the OECD Conference Centre in Paris. The event, co-hosted by Bloomberg Philanthropies and the OECD, provided a valuable opportunity to reconnect with international colleagues.

On 17 March, we will commence our third Tobacco Taxation 101 five-week online course. Registrations close on 9 February 2026, and we encourage interested participants to apply early.

Access to high-quality data remains central to our research work. After a year-long review process, we are pleased to share that UCT staff and students now have [access to micro-level databases](#) secured by the European Commission through Eurostat. These data provide access to a rich set of anonymised individual-, household-, and firm-level datasets, opening up new research opportunities.

We are pleased to share the release of ten new evidence-based [policy briefs from TCDI South Africa](#), developed in response to priority needs identified by the tobacco control community. The briefs translate the latest data into clear, policy-relevant insights on key issues, including youth uptake of new nicotine products, taxation, enforcement, illicit trade, and tobacco industry interference to support stronger tobacco control.

On 25 November 2025, National Treasury published a national online gambling tax discussion paper for public comment. The Treasury proposes the introduction of a national online gambling tax, set at 20% of Gross Gambling Revenue (GGR) (defined as total wagers minus winnings paid to players). This tax would be applied in addition to existing provincial GGR taxes, which currently range from 6–9%. Treasury's stated aim is to reduce gambling activity and its associated social harms. The deadline for public comment has been extended from 30 January to 27 February 2026. To read the discussion paper, see [here](#). Written comments can be sent to gamblingtax@treasury.gov.za.

We look forward to another busy and productive year in REEP.

Best regards

Nicole Vellios

Acting Director: Research Unit on the Economics of Excisable Products



NEWS: Research Unit on the Economics of Excisable Products

Last chance to apply: Tobacco Taxation 101

APPLY NOW

Online Course

16 March – 17 April 2026

Learn how efficient and effective taxation can improve public health by reducing tobacco consumption, boosting fiscal revenues and supporting sustainable development

The closing date for registrations is 9 February 2026.



APPLY HERE


Convened by the Research Unit on the Economics of Excisable Products (REEP) at the University of Cape Town, in collaboration with Tax Justice Network Africa (TJNA), and co-sponsored by Cancer Research UK.

<https://commerce.uct.ac.za/reep>

edition of REEP's flagship Tobacco Taxation 101 online course.

This five-week course equips government officials, researchers, and civil society practitioners with practical tools to design and assess effective tobacco tax policies that reduce tobacco use, improve public health, and strengthen domestic revenue mobilisation.

 **Final days to apply — registrations close on 9 February 2026**
Limited places available

 View the **2026 Tobacco Taxation 101 Prospectus** for course details, costs, and scholarship information.

Please share with colleagues working on health financing, taxation, or fiscal policy.

For more information about the course, the application process, costs, and details of the scholarships available, watch the **TT101 video**.

Staffing update

We are delighted to welcome Gameli Adika to our team as a Postdoctoral Research Fellow. Gameli holds a BA in Economics from the University of Ghana and an MA in Economics from the University of Botswana. His PhD in Economics at the University of Cape Town (submitted for examination in December 2025) focuses on socioeconomic inequalities in health in South Africa.

His research interests lie in health economics and the economics of tobacco and alcohol control. Since March 2023, Gameli has served as the coordinator of the African Cigarette Prices (ACP) Project at REEP, and in 2024 he coordinated the School of Economics' tutorial programme.



Gameli aims to conduct research on the ACP data. This data has been collected over 18 rounds of data collection since 2016. To date, more than 365,000 individual price data points have been collected. Given that Gameli was so closely involved in the collection of these data, he is extremely well-placed to analyse the data.

Before his academic career, Gameli worked as a Retail Banking Operations Officer at the Agricultural Development Bank in Ghana. In addition to his research role, he has lectured for the School of Economics at the University of Cape Town during the summer and winter terms. Outside of work, Gameli enjoys playing the piano, singing, taking walks in nature, and playing board games.

REEP colleagues attend Global Tobacco and Alcohol Tax Meeting in Paris

During the week of 20–23 January 2026, Corné van Walbeek, Zunda Chisha and Sam Filby attended the Global Tobacco and Alcohol Tax Meeting held at the OECD Conference Centre in Paris.



The meeting was co-hosted by Bloomberg Philanthropies and the OECD, and brought together technical partners working on tobacco and alcohol taxation from across the world.

Participants included representatives from the WHO, OECD, World Bank, IMF, Economics for Health (Johns Hopkins University), PAHO, ATAF, Vital Strategies/RESET, and several academic institutions.

The first three days focused on tobacco taxation. Discussions covered recent global trends in tobacco consumption and taxation, progress measured through the WHO Global Tobacco Control Report and the Cigarette Tax Scorecard, tax administration challenges, and the taxation of emerging nicotine products such as e-cigarettes and heated tobacco products. A strong emphasis was placed on the importance of simple tax structures, effective administration, and sustained increases in excise taxes to reduce affordability.

The fourth day shifted attention to alcohol taxation under the RESET initiative. Sessions explored global evidence on alcohol tax policy, principles of alcohol taxation, health tax packaging, and challenges related to tax administration and unrecorded alcohol. The discussions highlighted growing interest in integrated health tax approaches that collectively address tobacco, alcohol and sugar-sweetened beverages.

The meeting provided a valuable opportunity for REEP to engage with global partners, contribute to technical discussions, and strengthen coordination efforts to support Ministries of Finance and other national authorities.

The exchanges underscored that, despite strong evidence, tobacco and alcohol taxation remain underutilised policy tools, and that closer collaboration among partners will be critical to translate evidence into effective policy reform.



UCT staff and students can access Eurostat data



REEP recently applied for access to micro-level databases secured by the European Commission through Eurostat. Following a year-long review process, the European Commission has approved

access to Eurostat's microdata at the university level. As a result, UCT faculty members, researchers, and students are now able to apply for access to topic-specific and country-specific micro-level datasets covering all EU member states.

See [here](#) for further information on the available microdata and their scope can be found on the Eurostat website.

To request access, interested faculty and students need to submit a short research proposal directly through the Eurostat application portal, specifying the dataset(s) they intend to use. When submitting an application or corresponding with Eurostat, please ensure that UCT's institutional identification number (2025/063/ZA) is clearly referenced.

New from TCDI South Africa: 10 Evidence-Based Policy Briefs to Strengthen Tobacco Control



Tobacco Control Data Initiative

The Tobacco Control Data Initiative team is pleased to share the release of ten new TCDI South Africa policy briefs, developed in direct response to stakeholder consultations and priority policy needs identified across the tobacco control community.

These briefs translate the latest data and evidence into clear, accessible, and policy-relevant insights across key tobacco control themes: from protecting public health and regulating youth uptake of new nicotine products, to strengthening enforcement, taxation, and safeguarding policymaking from industry interference. Other countries' policy briefs are currently under development and will be released in the coming weeks.

To make it easy to see what's available at a glance, below is a short overview of the ten policy briefs and their core focus:

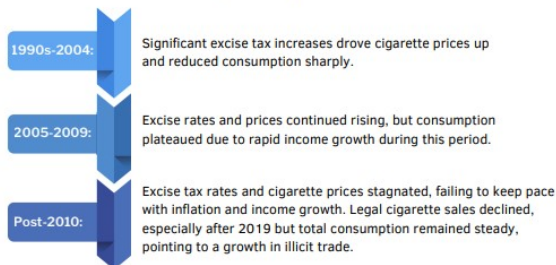
1. **Protecting Public Health from Tobacco Harm** outlines the scale of tobacco-related health harms in South Africa and the urgency of implementing comprehensive tobacco control measures to reduce preventable disease and death.



Executive Summary

Tobacco taxation is the most effective intervention to reduce tobacco consumption, prevent premature deaths, and raise government revenue. In South Africa, sustained excise tax increases during the 1990s and 2000s drove down cigarette consumption and boosted fiscal receipts. Yet, since 2010, excise rates have stagnated in real terms while illicit trade has grown, now accounting for more than half of all cigarette sales. This has eroded public health gains and cost the country billions in lost excise and VAT revenue. Urgent action is needed to restore taxation as a cornerstone of tobacco control by strengthening tax policy, closing enforcement gaps, and aligning prices with health objectives.

Trends in Tobacco Taxation, Consumption and Illicit Trade



 **Price Sensitivity:** Evidence shows that a 10% tobacco price increase would reduce consumption in South Africa by 6–9%, demonstrating the continued power of taxation as a public health tool.

Public Support: In 2021, nearly three-quarters (73%) of South African adults, including 79.7% of women and 65.8% of men, supported higher tobacco taxes, suggesting strong political feasibility for reform.



2. **Tobacco Prevalence and Use Patterns** presents the latest evidence on tobacco and nicotine use in South Africa, highlighting trends across age, gender, and population groups, with implications for targeted policy action.

3. **Regulating Youth Uptake of New and Emerging Nicotine and Tobacco Products (NENTPs)** focuses on youth exposure to e-cigarettes and other new nicotine products, examining marketing, flavours, access, and regulatory gaps, and providing concrete recommendations to prevent a new generation of nicotine dependence.

4. **Tobacco Taxation in South Africa** demonstrates how stronger tobacco taxation can reduce consumption, save lives, and increase government revenue, while countering common industry arguments against tax increases.

5. **Illicit Trade in Tobacco Products** clarifies the drivers of illicit trade in South Africa, showing that weak enforcement - not higher taxes - is the key issue, and outlines evidence-based solutions.

6. **Tobacco Control Enforcement** assesses the current state of tobacco control enforcement, identifies gaps, and highlights the importance of effective monitoring, compliance, and penalties.

7. **Safeguarding Public Health Policy under WHO FCTC Article 5.3** explains South Africa's obligations under WHO FCTC Article 5.3 to protect health policy from tobacco industry interests, identifies implementation gaps, and sets out priority actions to strengthen transparency and policy integrity.

8. **Exposing Tobacco Industry Interference in South Africa** documents how tobacco industry lobbying, misinformation, front groups, and corporate social responsibility tactics have delayed and weakened tobacco control reforms, and why addressing industry interference is critical for effective policy.

9. **Implementing the WHO MPOWER Measures** reviews South Africa's progress across the six WHO MPOWER pillars and identifies priority actions needed to strengthen tobacco control in line with global best practice.

10. **Tobacco Agriculture and Alternative Livelihoods** explores the impacts of tobacco farming on livelihoods, health, and the environment, and discusses pathways toward sustainable alternative crops and economic transitions.

👉 All briefs are available here: <https://southafrica.tobaccocontroldata.org/en>

New Research on the Economics of Tobacco Control: January 2026

This January 2026 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.

In the Media

Op-Eds

- Zunda Chisha authored: **After COP11, Zambia Must Tackle Conflicts of Interest Undermining Tobacco Control**, published on December 1, 2025 by *Zambia: News Diggers!*. He writes that for Zambia, the lesson from the Eleventh Conference of the Parties (COP11) to the WHO Framework Convention on Tobacco Control (WHO FCTC), is not just that stronger laws are needed. He asserts that the conflicts of interest and industry interference that keep those laws from ever seeing the light of day, must be confronted, head-on.

News clippings & media interviews

- "INVESTIGATION | Illicit cigarettes, legal loopholes, and billions gone: SA's hidden crisis" was published on 29 December 2025 in **The Star**, and re-published on 30 December by **IOL Business**. The piece includes a figure depicting the widening gap between self-reported consumption and tax-paid consumption (billions of cigarette sticks), drawn from a PubMed article by Nicole Vellios & Corné van Walbeek.

- 8 December 2025: **Police arrest Eswatini national in R17.4 Million illicit cigarette smuggling operation** was published in the Daily News.

The article cites the study by Professor Corné van Walbeek and Samantha Filby published in September.

Titled: "*Illicit cigarettes starve South Africa's fiscus of billions*", the research brings to light the huge impact the illegal cigarette trade is having on the country.

NEWS

Daily News

Police arrest Eswatini national in R17.4 Million illicit cigarette smuggling operation



Illegal cigarettes were found by police, concealed in massive water tankers on the back of truck, in Delmas, Mpumalanga

Image: Saps

- "South Africa's urgent call for decisive action on tobacco control after COP11" was published on 1 December by **IOL Business**, and re-published on the 4th in the **Saturday Star** Opinion. The authors

- describe how South Africa's delegation, including experts from REEP, was designed for effective diplomacy and evidence-based negotiation, and reflected a strong and credible commitment to protecting public health.
- On 14 January 2026, [Here's what's on South Africa's 2026 public health agenda](#) was published by Bhekisisa Centre for Health Journalism. The article features an input from Corn , given an opportunity as one of a number of experts in obesity, tobacco, artificial intelligence, HIV, TB and the National Health Insurance (NHI), to share his take some of the most pressing public health issues this year. The piece was republished by the [Juta MedicalBrief](#).



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:

tobaccoecon@gmail.com

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

tobaccotaxationkh@gmail.com

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