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REEP: Research Unit on the Economics of Excisable Products

with the
WHO FCTC Knowledge Hub on Tobacco Taxation

Newsletter #45, September 2026

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Acting Director's Message

Dear friends,

August and September have been busy and productive months. Our team has been involved in meetings, workshops and policy discussions across Africa and further afield. From Johannesburg and Cape Town to Harare, Windhoek and Beijing, it has been great to see different members of the team engaging with policymakers, researchers and civil society partners.

One theme that runs through many of the activities in this newsletter is the increasing attention being paid to health taxes as a source of domestic revenue. With countries facing significant pressure on health budgets, these discussions are increasingly about both improving health and raising additional government revenue.

We are also excited to be starting new work. With support from Vital Strategies, we have begun a project [examining cigarette pricing practices in South Africa](#) and what these may tell us about tax compliance and enforcement. We have also joined a [new health tax advocacy initiative](#) with partners in Ghana, Namibia, Nigeria and South Africa, where REEP will provide tax modelling to support alcohol and SSB tax reform. These projects build on many years of work at REEP using economic evidence to support stronger health tax policy in Africa.

Finally, we have had some very happy milestones within the team. A huge congratulations to [Gameli](#), who graduated with his PhD in Economics in September, and to [Sam](#), who submitted her PhD in August. I hope you enjoy reading about everything we have been up to.

Best regards,
Nicole

Acting Director: Research Unit on the Economics of Excisable Products



NEWS: Research Unit on the Economics of Excisable Products

New research on cigarette pricing practices in South Africa



Vital Strategies is funding REEP to investigate tobacco industry pricing practices and their implications for tobacco tax policy and enforcement in South Africa. The project builds on the [African Cigarette Prices Project](#) database, a unique dataset that REEP has collected and maintained since 2016. Through successive rounds of data collection, the ACP records retail prices for cigarette brands and sub-brands sold across South Africa and other African countries, together with information on product characteristics, geographic location, and retailer type (including formal retailers, spaza shops, and street vendors).

Using South African data collected between 2016 and 2026, the project will identify cigarette brands and producers whose retail prices appear inconsistent with the full payment of excise tax and VAT. The analysis will examine how these patterns vary over time, across geographic areas, retailers, and market segments, including changes associated with the COVID-19 tobacco sales ban.

The findings will be translated into a technical report, policy brief, and targeted communication materials for government, civil society, and the media. Engagement with key stakeholders, including the South

The findings will be translated into a technical report, policy brief, and targeted communication materials for government, civil society, and the media. Engagement with key stakeholders, including the South African Revenue Service (SARS) and National Treasury, will help ensure that the evidence contributes to discussions on tax compliance and enforcement. By generating producer-specific evidence on potentially under-taxed cigarettes, the project aims to strengthen tobacco industry accountability, support more effective tax enforcement, and contribute to evidence-based tobacco control in South Africa.

REEP examines claims about illicit alcohol trade in South Africa

On 12 August 2026, the Southern Africa Alcohol Policy Alliance (SAAPA) organised a media briefing on proposals to increase the excise tax on beer and wine. Together with Prof Charles Parry and representatives from National Treasury and the DG Murray Trust, Corné gave a presentation critiquing an often-quoted report commissioned by the Drinks Federation of South Africa, which states that illicit alcohol trade increased by 55% between 2017 and 2024. The report is not publicly available, but REEP's critique is available [here](#) (see summarised version [here](#), and Business Day article [here](#)). Corné subsequently presented REEP's critique to National Treasury at its fourth alcohol tax consultation later that month (see story below).

The Euromonitor report estimates that legal alcohol consumption increased by 24.2% between 2017 and 2024. REEP broadly agrees with this estimate, which is based on National Treasury data. With the population aged 15+ increasing by about 14%, this implies that per capita consumption of legal alcohol increased by nearly 10%. This occurred despite a 4.5% decrease in per capita GDP, a 1.5% decrease in household disposable income, roughly constant real alcohol prices, and an international trend towards lower alcohol consumption. REEP argues that the methods used (desk research, store visits, interviews with industry stakeholders, and a survey of 707 alcohol consumers) do not allow for a robust estimate of the size or growth of the illicit alcohol trade.

National Treasury consultations on alcohol tax changes continue

On 27 August 2026, National Treasury held its fourth consultation on proposed changes to alcohol excise taxes. The meeting formed part of an ongoing series of stakeholder consultations on different aspects of alcohol tax reform. REEP has participated throughout the process, providing economic analysis and evidence to inform the discussions. At the first consultation, in November 2025, Nicole presented on the alcohol market and prevalence of alcohol consumption. Mxolisi presented REEP's modelling of a tiered beer excise tax system in June 2026, while Corné discussed illicit trade estimates and presented updated tax modelling at the July 2026 consultation.

The fourth consultation focused specifically on illicit alcohol trade. Building on the media briefing earlier that month, Corné presented REEP's critique of the Euromonitor report, arguing that the research methods used do not provide a sufficient basis for estimating the size or growth of the illicit alcohol market. The discussion also addressed REEP's recent media commentary on the Euromonitor findings, which prompted a strong response from the Drinks Federation of South Africa.

REEP's work on alcohol taxation is supported by Vital Strategies through the RESET Alcohol initiative.

REEP joins health tax advocacy initiative in four African countries



From 28–30 July 2026, Nicole attended the Health Tax Advocacy in Africa Kick-Off Meeting in Johannesburg, organised by the Tax Justice Network Africa (TJNA). The meeting brought together civil society organisations, technical experts, and partners to lay the foundation for coordinated health tax advocacy in Ghana, Namibia, Nigeria, and South Africa.

The initiative will focus on strengthening alcohol and sugar-sweetened beverage taxes across the four countries. As a technical partner, REEP will conduct tax modelling to estimate the potential impact of tax reforms on consumption and government revenue.

During the meeting, participants discussed national policy landscapes, identified priority opportunities for tax changes, and refined country work plans. Discussions also focused on using existing evidence to support policy proposals. Participants also discussed using health taxes as tools for domestic resource mobilisation and non-communicable disease prevention.

The meeting concluded with country-specific advocacy plans, stronger collaboration among participating organisations, and a shared framework for advancing health tax reforms across the four countries.



Congratulations to Dr Gameli Adika



On 9 September 2026, Gameli graduated with a PhD in Economics from the University of Cape Town. His thesis, titled Family Structure, Inequality and Child Health in South Africa, examined how family structure and socioeconomic inequality influence child health outcomes. The research highlighted the roles of parental presence, remittances, grandmothers' pensions, nutrition, and access to healthcare in shaping childhood chronic illness.

As a postdoctoral research fellow at REEP, Gameli conducts research on the economics of tobacco control. His current work explores the pricing and taxation of e-cigarettes in South Africa. He is also investigating tobacco industry pricing practices and their implications for tobacco tax policy, administration, and enforcement. His work aims to generate evidence to strengthen tobacco control policy in South Africa and across Africa.

Sam Filby submits her PhD

On 24 August 2026, Sam Filby submitted her PhD. Her thesis was supervised by Corné and Michal Stoklosa (WHO). It examines under-explored issues in cigarette tax policy. She analyses how cigarette prices shape youth smoking in African countries. Using global data, she then compares how well different international cigarette tax benchmarks explain changes in cigarette consumption, and evaluates how the cigarette excise tax structure influences gaps between high- and low-priced cigarette brands.

Her research shows that tax-led price increases can reduce youth smoking directly by discouraging smoking and indirectly through their effect on parental smoking. Her assessment of tax benchmarks shows that appropriate benchmarks differ according to countries' income levels. Her evaluation of cigarette tax structures finds that price gaps are narrowest when every brand faces the same tax, charged mainly or entirely as a fixed amount per unit.

She is now working on turning each thesis chapter into a peer-reviewed journal article.

REEP contributes to global discussions on health taxes and the commercial determinants of health



The 18th World Congress on Public Health (WCPH), held in Cape Town in September, gave REEP an opportunity to contribute to discussions on tobacco control and the commercial determinants of health. REEP presented at three of the events.

The first event, ahead of the Congress, was the relaunch of the **Global Commercial Determinants of Health Action Network (GCAN)** at the University of Cape Town on 5 September. The event marked the relocation of GCAN's administrative hub from the American University of Beirut to South Africa, with the Universities of Cape Town and Witwatersrand co-hosting. The programme examined how commercial actors and industries influence health and health equity. Zunda gave a short presentation on the tobacco industry as a commercial determinant of health, focusing on how industry practices, power, and policy influence tobacco-related harms. Participants also discussed the future direction of GCAN and jointly developed a statement on commercial determinants of health.

Zunda participated in a panel at the WCPH, titled *'Reframing Tobacco Control in Africa: Inequality, Industry Power and Policy Innovations'*. Zunda's contribution focused on the political economy of tobacco taxation and opportunities for domestic financing. He discussed why tobacco taxes remain underused in many African countries despite their potential to reduce consumption and generate additional government revenue.

At the WCPH, Nicole also presented on health taxes at an interactive workshop organised by the **Rural Health Advocacy Project**. Participants also took part in a practical health tax simulation exploring how health taxes can generate sustainable resources for stronger health systems.



Supporting stronger health taxes in East Africa

The African Tax Administration Forum (ATAF) invited REEP to participate in a regional meeting titled *'East African Community Regional Engagement on Health Taxes in the Context of Excise Taxation'*, held from 25–29 August 2026 in Mombasa, Kenya. Zunda led a virtual session on sugar-sweetened beverage (SSB) tax policy design. His presentation focused on the design choices that determine whether an SSB tax achieves its intended health and fiscal objectives. The session examined product scope, tax base and structure, rate setting, indexation, administration, and monitoring.

A central theme was the need to align tax design with both policy objectives and administrative capacity. Participants also discussed which elements of SSB taxation could be harmonised across the East African Community, while allowing countries flexibility in implementation. REEP's modelling expertise was highlighted as one area of support available to countries.

This contribution forms part of wider discussions aimed at strengthening the harmonisation, administration, and effectiveness of health taxes across Africa, in collaboration with African Tobacco Tax Consortium partners.

Second Southern African Conference on Tobacco Taxation held in Windhoek



From 10–11 September 2026, Sam Filby attended the second Southern African Conference on Tobacco Taxation (SACoTT) in Windhoek, Namibia. The conference was hosted by the Namibia Development Foundation and the Centre for Trade Policy and Development. The conference brought together government officials, researchers, and civil society organisations from across the region.

This year's theme focused on shifting from external funding towards domestic resource mobilisation, and on how stronger tobacco tax systems can help countries finance their health systems and address NCDs.

Sam moderated the first technical session, which examined how Southern African countries can shift from external health financing towards sustainable domestic funding.

Panelists included representatives from Namibia's Ministry of Finance, the Namibia Statistics Agency, and the African Tobacco Control Alliance (ATCA).



Sam also presented in a session on the political economy of tobacco taxation. Her presentation explored how industry tactics and competing interests influence tax policy and implementation, and how to keep reforms evidence-based and focused on public health.

The conference concluded with the adoption of the Windhoek Declaration on Tobacco Taxation and Domestic Health Financing. REEP looks forward to supporting countries as they turn these commitments into policy.



REEP participates in health tax forum in Beijing

From 19–23 September 2026, Sam was in Beijing, China, for the 14th Beijing Humboldt Forum on Fiscal Policies for Health. The forum was hosted by the University of International Business and Economics (UIBE), home to the WHO Collaborating Centre on Health Tax and Fiscal Policy. It brought together Ministry of Finance, customs and health officials from eight countries in the Western Pacific Region, along with experts from the WHO and the Johns Hopkins Bloomberg School of Public Health.



The sessions combined training on global best practices and health-tax simulation modelling, along with sharing of country experiences. Sam presented on SSB taxation and led a training session on price and affordability elasticities. Between sessions, delegates took body breaks that included some refreshing tai chi!

The forum was a valuable opportunity to connect with health tax regulators from across the region. It was also a chance to meet PhD students at UIBE who are undertaking their doctoral research in the domain of health taxation. REEP looks forward to following the progress that comes out of these productive meetings. We also look forward to deepening the partnerships formed with both the regulators and the UIBE students and staff.



Mxolisi and Zunda attend ACBF meeting



Mxolisi Zondi and Zunda Chisha represented REEP at the African Capacity Building Foundation (ACBF) Mid-Term Review Workshop, held in Harare, Zimbabwe, from 3–6 August 2026. The workshop focused on the findings of an independent mid-term review of the Strengthening Capacity for Sustainable Tobacco Control in Africa (TC3) programme, as well as resource mobilisation and institutional sustainability. Commissioned by ACBF and conducted by Equinox Africa, the review assessed the programme's progress, effectiveness, efficiency, sustainability, and organisational capacity across 12 participating organisations.

The review recognised REEP as a strong technical hub within the TC3 programme, highlighting its role in tobacco economics and taxation and its research and capacity-building work, including the **Tobacco Taxation 101 course** and the **African Cigarette Prices Project**. The review also identified opportunities for REEP to strengthen its impact, including demonstrating more clearly how research and

training translate into policy outcomes, strengthening results management, expanding resource mobilisation and partnerships, and building stronger links with country-level TC3 partners.

The final two days focused on resource mobilisation and institutional sustainability, including funding diversification, strategic partnerships, and organisational positioning. For REEP, the workshop provided an opportunity to reflect on its contribution to tobacco control in Africa and how to strengthen its reach, partnerships, and long-term sustainability.

Publications

Van den Bosch, A, Filby, S et al. (2026). [Why Adolescents Choose to Stop or Never Start Vaping: Evidence From South Africa](#). *Nicotine and Tobacco Research*.

In the media

Media interviews



UCT study challenges claims that high tax is driving consumers to the illicit market



23 August 2026: Newzroom Afrika interview with Professor Corné van Walbeek: [UCT study challenges claims that high tax is driving consumers to the illicit market](#)

News clippings

- 23 August 2026: [UCT Study Debunks Claims of Surging Illicit Alcohol Market in South Africa Amid Tax Debates](#), Main News
- 14 August 2026: [South Africans poor but drinking more, fuelling alcohol tax debate](#), Cape Argus
- 13 August 2026: [SA University research unit backs track-and-trace system to curb illicit alcohol trade](#), Channel Africa
- 13 August 2026: South Africans got poorer, but alcohol consumption increased, UCT analysis finds, [IOL](#) and the [Cape Times](#)

Ask REEP

REEP has years of experience supporting governments, CSOs, and other partners with technical assistance and capacity strengthening on health taxation in Africa and internationally.

If you are working on a health tax reform or implementation challenge, REEP may be able to support you. Support depends on available expertise, staff capacity, and funding. REEP and the WHO FCTC Knowledge Hub can provide health tax policy analysis using tax modelling simulations, evidence synthesis and policy briefs, and capacity-strengthening workshops.

Use our short form to tell us about the technical support you require.

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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