**ECONOMICS OF TOBACCO CONTROL:**

**STRENGTHENING THE EVIDENCE FOR ADVANCING TOBACCO CONTROL POLICY IN MEXICO, COLOMBIA AND INDIA**

The global tobacco economics consortium (GTEC) to advance tobacco control

*Tobacco control is a global issue in need of a global response. Internationally, tobacco tax systems differ significantly in terms of their structure. Tobacco taxation offers a powerful tool to reduce poverty as well as the burden of smoking-related diseases. We need to provide additional analytic support for local taxation decisions in Mexico, Colombia and India that can be expanded globally.*

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**INTRODUCTION**

If no action is taken, tobacco will kill more than eight million people globally by 2030, with 80% of these deaths occurring in low- and middle-income countries (LMICs). The World Health Organization’s Framework Convention on Tobacco Control (WHO-FCTC) sets out the steps that governments need to take to reduce tobacco consumption.

However, LMICs are emerging markets for the tobacco industry. Without strong government policies and regulations, people in these countries are denied the kind of protection that has saved millions of lives in high-income nations like the UK. Robust evidence is needed to help counter interference from the tobacco industry who propagate false arguments about the likely effects of increased taxation, such as rising levels of illicit trade. This evidence will also demonstrate the health and economic benefits of tobacco control policies to decisionmakers.

Internationally, tobacco tax systems are structured in a variety of ways. They range from simple single tariff models, such as in the US, to very complex systems, such as India’s with 11 tax tiers.

The global consortium will begin work in three countries: Mexico, Colombia and India. These countries have been selected as they collectively represent over 1.5 billion people, with more than 75 million cigarette smokers. They also represent different tobacco epidemic circumstances vary in their tax structures, health systems, and policy engagement opportunities.
The team will deepen and expand the use of extended cost-effectiveness analysis (ECEA) - a policy tool that examines poverty consequences of higher taxation - to provide additional analytic support for local taxation decisions in each country.

THE RESEARCH

The project will be led by the Instituto Nacional de Salud Pública (INSP) in Mexico. The INSP is a centre of excellence in public health research and teaching in Latin America and has a dedicated research centre on tobacco control.

The team propose to build on the economic tool called ECEA, to enhance its value in tobacco tax analyses. They will deepen and expand the analytic framework to develop ECEA II. It will better account for the full range of costs, including health-related expenses, caregiving costs, and loss-of-productivity - including the impact of tobacco-related deaths.

They will use this tool to provide a snapshot of the potential impact of a tax hikes on cigarette price, consumption, and taxes collected in each country. Their objectives cover three key areas:

1. Strengthen the research capacity on tobacco economics in each country
2. Investigate the financial protection benefits associated with significant excise tax increases in each country
3. Generate tax structure recommendations for each country and implement them as policy tools to inform decision-making

The team will identify opportunities and strategies to engage with local decision makers to encourage uptake and use of the newly generated economic evidence.

THE IMPACT

Tobacco control is central to meeting the United Nations 2030 Sustainable Development Goals (SDGs), notably SDG 1—to end poverty—and SDG 3—to ensure healthy lives. This proposal aims to contribute to the following long-term outcomes in each country: higher tobacco prices, fewer smokers and eventually fewer deaths, fewer people descending into poverty, and higher taxes collected—all to the benefit of lower income groups. The evidence will also provide governments with tools to ensure they capture the additional revenue generated from higher taxes.

The analytic tools developed by the team will be made available as part of policy toolkits. They will be developed and used initially in Mexico, Colombia and India and then made widely available.

They team also aim to catalyse further collaboration with the World Bank and Pan American Health Organization in Latin America, and the WHO South East Asia Regional Office and the Asian Development Bank. The longer-term objective of this research is to see substantial increases in tobacco cessation rates among adults in most LMICs between 2025-2030. This will reduce deaths among current smokers and decrease the proportion of young adults who take up smoking, creating sustainable reductions of tobacco-related disease in the future.