Press Release: New WHO global report on tobacco epidemic highlights need for higher taxes, lauds Philippines sin tax law

8 July 2015, Manila: The Southeast Asia Tobacco Control Alliance (SEATCA) applauds the latest "WHO Report on the Global Tobacco Epidemic (2015)". Launched in Manila, Philippines this week, the report focuses on tobacco taxation, which is a proven measure to reduce tobacco consumption and prevent tobacco-caused diseases, disabilities, and premature deaths.

The WHO report also covers other measures such as smoke-free environments, large pictorial health warnings, and comprehensive bans on tobacco advertising, promotion, and sponsorship and highlights the achievements of many countries in implementing their obligations under the WHO Framework Convention on Tobacco Control (FCTC). However, there are many more countries that are lagging in their implementation of these life-saving tobacco control measures.

“Raising tobacco excise taxes is scientifically proven to be the most effective and cost-effective means for governments to discourage tobacco use, particularly among the price-sensitive poor and youth, while also generating revenues for health and other social services,” said Dr. Ulysses Dorotheo, SEATCA’s FCTC Program Director.

The Philippines was selected for the launch of the WHO global report because of its landmark sin tax reform law, which has resulted in significantly increased excise revenues, which are partially earmarked for universal health coverage and other health programs. While the increases have been able to reduce smoking among the Philippine youth and the very poor, cigarettes remain affordable due in part to pricing schemes of tobacco companies.

According to Ms. Sophapan Ratanachena, program manager for SEATCA’s tobacco tax initiative, “Governments should heed the wake-up call provided by the WHO report. Tobacco kills and should be made as unaffordable as possible in order to protect our youth and other vulnerable sectors of society. Governments should also reject the unproven tobacco industry claims that raising taxes will result in increased illicit trade. Many countries with high taxes and prices have low levels of illicit trade because of effective anti-smuggling measures and good law enforcement.”

“Reducing the burden of tobacco-caused diseases and deaths is most important in low- and middle-income countries, because this will reduce health care costs, reduce disabilities, and improve human productivity, all of which benefit the national economy and help social development,” she added.

The tobacco industry has its sights on the ASEAN region, home to about one-tenth of the world’s 1.2 billion smokers (about 121 million adult smokers). In particular, countries with large smoking populations such as Indonesia (61.4 million smokers), Philippines (17.3 million) and Vietnam (15.3 million) have been targeted by the tobacco industry to grow their profits. Meanwhile there are 500,000 tobacco related deaths annually in the region, which is set to increase in the coming years.

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