

## **Tobacco Taxation - Light at the End of Health and Poverty Tunnel**

Tobacco is the leading cause of death and disease in the world yearly killing estimated 8 million people around the world. Almost 80% of these deaths occur in Low-and-Middle-Income-Countries (LMICs), more than 160,000 in Pakistan. Such rampant tobacco usage in LMICs has a direct impact on the SDGs such as health and wellbeing, and poverty.

WHO Framework Convention on Tobacco Control (FCTC) Article 6 provides a comprehensive approach to reduction in tobacco consumption through taxation. Evidence shows that price and taxation increase on tobacco products result in reduced production and consumption, induces cessation, increase government revenues, has encouraging health outcomes, and positive contribution towards alleviating poverty/household income expenditures. Evidence also suggests that tax increase is generally countered by forestalling, price over-shifting and significant overestimation of the illicit/smuggled tobacco products. Moreover, most of the smokeless tobacco products, electronic tobacco devices including e-cigarettes, Heated Tobacco Products, refills and chemical liquids used in these products are sold untaxed or highly under-taxed.

Foregoing in view, this panel will deliberate on the positive outcomes of tobacco taxation aligned with the FCTC, guidelines to FCTC, and global best practices, making recommendations on following aspects:

1. What is the evidence suggesting positive tobacco taxation outcomes for health, revenue generation, reduction in consumption, and poverty alleviation?
2. Why are most LMICs (including Pakistan) lacking in implementing stringent tobacco taxation measures?
3. How can the taxation starved LMICs enhance their structures to accrue maximum benefits from tobacco taxation?
4. What is the tobacco industrial tactic used to mitigate the taxation outcomes?

### **Panel Organisers:**

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