



**ENOUGH  
IS  
ENOUGH**

#kickbuttsday



**MAKE  
TOBACCO  
HISTORY**

# Tobacco Tax Increase: Lessons from Pakistan

Sophia Mansoori  
Programme Coordinator in Pakistan  
Campaign for Tobacco Free Kids

# Pakistan Tobacco Taxes 2022 - 2023

- The rates of FED on cigarettes were revised three times during the fiscal year 2022-23, after three years of stagnation.
  - In the recent most FED rates were substantially enhanced by 146 per cent and 154 per cent for economy and premium brands, respectively.
- Political instability after the former government was ousted led to an economic downturn.
- This gave us an opportunity to demand for higher tobacco taxes.
- Prominent lawmakers in the new set-up were quickly mapped out and sensitized.





# Media Message

It was highlighted in the media that higher tobacco taxes can:

- Serve as a source of Revenue in the Wake of Economic Crisis
- Help mitigate the Health Burden
- Critical for saving children and youth from tobacco initiation

Today's Paper

INTERNATIONAL  
THE NEWS

Home Latest National Sports World Business Entertainment Technology Health

Islamabad

## Govt urged to raise taxes on tobacco products

May 24, 2022



BR - EPAPER JUN 01, 2022  
World No Tobacco Day  
Jun 01, 2022

Facebook

Govt urged to take effective

ISLAMABAD: On the occasion of World No Tobacco Day, the government has urged the

Students call tobacco products harmful and appealed to the government to take





# Challenges

- Several newspaper articles/reports were published few weeks prior to the budget that presented industry's argument about illicit trade and tax revenues.

## 'Hike in FED on cigarettes likely to dent govt revenue'

Analyst says 98% of revenue collected is borne by two companies

Shahram Haq | March 09, 2023



## Rise in illicit cigarette sales feared

Industry points out higher taxes will also lead to increase in smuggling

Our Correspondent | February 25, 2023



BUSINESS

## Heavy taxation can force consumers to shift towards Illicit cigarettes

Web Desk • 11:32 AM | 4 Mar, 2023



# Countering Tobacco Industry

- Society for the Protection of the Rights of the Child (SPARC) organized a session with the officials of Federal Board of Revenue (FBR) and Elected Representatives to highlight how tobacco industry tries to evade taxes through illicit trade argument.
- It was further highlighted that solution lies in track and trace system.





## Prime Minister Shehbaz Sharif issued a statement that illicit trade to be countered through **Track and Trace System**

Prime Minister Shehbaz Sharif, during a meeting with a delegation from the Pakistan Tobacco Company, emphasized the immediate need to address the issue of illegal sales of cigarettes and tobacco products.

The Prime Minister stressed the implementation of a track and trace system in all cigarette factories across the country by July 15.

The meeting was attended by notable officials, including Minister for Finance Ishaq Dar, Advisor to PM Ahad Cheema, and high-ranking FBR representatives.



Link: [https://pkrevenue.com/pm-sharif-directs-strict-measures-to-combat-illegal-sale-of-cigarettes/?fbclid=IwAR2hPC8I1FEQ7lOgDT\\_vtMy3KOEgD0J2kDYx8GWQrL3EfhAF97lZlx-gvMw](https://pkrevenue.com/pm-sharif-directs-strict-measures-to-combat-illegal-sale-of-cigarettes/?fbclid=IwAR2hPC8I1FEQ7lOgDT_vtMy3KOEgD0J2kDYx8GWQrL3EfhAF97lZlx-gvMw)



# The Way Forward

## Countering Industry claim of illicit trade through research

- It is important to have advocacy team kept in the loop while designing surveys on illicit trade.
- Most of the data on illicit trade, even government owned was, was generated through industry conducted surveys
- Industry uses methodology in collecting samples that skews data in favor of the industry claims
- Updating online resources with recent case studies of various Industry led campaigns from other countries



# Engagement with Lawmakers

- Lawmakers play a critical role in developing and implementing policies related to tobacco control.
- CTFK should engage lawmakers from health ministry in international conferences as these trainings can help them navigate complex policy options, the disinformation caused by the Tobacco Industry and highlighting similar patterns from other countries as well.







# Engagement with Government Officials

- Government officials such as Federal Board of Revenue members, officials overseeing Track and Trace system, are quite pivotal for securing decisions on taxes.
- Study tours for the officials on track and trace system, its benefits from other countries (e.g Kenya and Turkey) could be prepared
- Compiling resources from experiences of other countries and misleading claims of industry can help officials identify disinformation from within their own country as well.



# Resources for Digital Journalists/Influencers

- Young journalists need continuous support for understanding tobacco control as a cross cutting issue
- Organizing trainings and workshops of journalists from the same region can be helpful to understand the challenges of reporting on tobacco control
- Country comparisons have been particularly helpful for media to understand the gravity of the issue. Hence, continuously updating information on country comparison on tax policies is recommended.





# Thank You for your Time

You can contact me at:  
[smansoori@tobaccofreekids.org](mailto:smansoori@tobaccofreekids.org)