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**1 December 2022**

## **Raising taxes on tobacco can be a potent tool for reducing cigarette use in sub-Saharan Africa**

In the context of declining tobacco use at the global level, sub-Saharan Africa is positioned to experience a tobacco epidemic. This is as a result of fast economic and population growth, coupled with intensive marketing efforts by the tobacco industry.

Increasing the excise tax on tobacco products can serve as a powerful tool for reducing the demand for these products because tax increases raise the price of tobacco products, which renders them less affordable. Higher prices of tobacco products result in lower smoking prevalence because fewer people start smoking and more people quit, and it reduces the intensity of tobacco consumption by limiting the number of cigarettes that continuing smokers can afford to smoke.

While the negative association between tobacco product prices and demand for these products is well established at the international level, policymakers typically demand local evidence before implementing policy changes. In the African context, research on the relationship between cigarette prices and smoking outcomes is scarce, which may be a factor contributing to the observed policy stasis in the area of tobacco taxation on the continent.

A new [study](#) by University of Cape Town's researcher, [Samantha Filby](#), which was recently published in the *British Medical Journal Tobacco Control*, sought to address this research gap by analysing the association between cigarette prices and smoking outcomes in eight sub-Saharan African countries. Countries included in the analysis are: Botswana, Cameroon, Ethiopia, Kenya, Nigeria, Senegal, Tanzania and Uganda.

"The study, which is based a sample of 51 270 individuals from these eight African countries, finds that cigarette prices are a statistically significant predictor of both smoking participation and smoking intensity (the number of cigarettes smoked). Specifically, the results show that higher cigarette prices are associated with reductions in smoking prevalence and smoking intensity among people in the sampled countries," said Filby.

Economists use a concept called the 'price elasticity of cigarette demand' to measure the responsiveness of cigarette consumption to changes in cigarette prices. Filby estimates that the price elasticity of smoking prevalence in the sample is  $-0.362$ , meaning that a 10% increase in cigarette prices is associated with a 3.62% decrease in smoking prevalence for the sampled countries. On the matter of smoking intensity, she estimates that a 10% rise in cigarette prices will reduce the number of cigarettes smoked by continuing smokers by 1.33%. The research also shows that the impact that higher prices have on the number of cigarettes

smoked by continuing smokers decreases with the number of years that a person has been a smoker.

Taken together, the research shows that, for this sample of African countries, the biggest impact of a price-led decrease in the demand for cigarettes is on smoking prevalence, rather than smoking intensity.

Filby believes that this is fortuitous. The epidemiological literature clearly shows that the public health impact of people quitting smoking is much greater than continuing smokers cutting back on the number of cigarettes that they smoke.

“This finding for these eight African countries makes an increase in the excise tax a more potent tool for reducing cigarette use than in those countries where the primary impact of a price increase is on reducing smoking intensity.”

This research provides governments on the continent with locally-relevant evidence on the link between cigarette prices and smoking outcomes. Since governments can influence the price of cigarettes through changes in the excise tax, the study points to the need for African governments to increase excise taxes on tobacco products to discourage smoking and, ultimately, prevent the continent from becoming the future epicentre of the tobacco epidemic.

- [Read the study.](#)

For more information about the study, please contact [Samantha.filby@uct.ac.za](mailto:Samantha.filby@uct.ac.za)

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***Issued by: UCT Communication and Marketing Department***

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