

“Tobacco Tax; a Sustainable Source for Health Financing”.

Roundtable workshop Report

(16 July,2017)



Activity: A round table discussion was successfully conducted based on tobacco taxation.

Roundtable title: Roundtable Discussion on “Tobacco Tax; a Sustainable Source for Health Financing”.

Aim of workshop: This activity is to support and encourage concern bodies an urgent need to raise of tax on tobacco products.

Venue: Banquet Hall, Hotel Annapurna, Kathmandu

Time: 8:00 AM

Organized by: Jointly organized by Action Nepal, The Union and Swasthya Khabar Patrika

Attended personnel’s: Hon. Kripa Ram Rana (MP, CPN-UML), Hon. Ram Hari Kahtiwada (MP, Nepali Congress), Nain Singh Mahar (Chairman, Nepal Student Union), Anil Sharma (Deputy Chairman, Akhil Krantikari), Dr. Kiran Regmi (Secretary, Ministry of Health), Bachppan Bahadur Singh (Secretary, Nepal Youth Union), Anil Nyaupane (Chief Editor, Swasthaya Khabar Patrika), Ishwor Koirala (Branch Officer, IRD), Mahendra Shrestha (DPHO, Kathmandu- Public Health Officer), Binod Joshi (Nepal Public Health Association), Dr.Subash Pyakurel (Founder, Helath Concern), Jeffrey Drope (American Cancer Society), Dr. Pushpa Chaudhary (Ministry of Health), Dr. Tara Singh Bam (Deputy Director, The Union Asia Pacific, Singapore) and Ananda Bahadur Chand (Action Nepal).

Agenda sharing: Speech and ppt. Presentation along with round table interaction

Statement of problem:

Current situation of Nepal;

Tobacco users: Male – 51.9 %, Female – 13 %

Death rate: 68 people/day & yearly 25,000 people

Global death rate: 7 million peoples

Health Problem: 15,000 – 25,000 people suffered health problems/die due to tobacco related diseases (TB, Bronchitis, Cancer etc) every year.

Importance of raising tax on tobacco products:

- Raising taxes on tobacco products is the most cost-effective public health intervention of tobacco control. If taxes on tobacco products are higher than people stay away from using expensive tobacco products.
- Higher taxes work more effectively to reduce smoking among youths.
- It promotes public health by reducing tobacco use.
- Increase in tax on tobacco products also raises government revenue which can be allocated to fund health goals”.

Responsible agencies:

Government Officials from different ministries and departments

- Ministry of Finance
- Ministry of Industry
- Ministry of Commerce
- Ministry of Health
- Inland Revenue Department
- Custom Department
- National Planning Commission and stakeholders
- Media, Civil Society and responsible organization

Summary and Conclusion:

Roundtable Discussion on, **Tobacco tax; a sustainable source for health financing”** organized successfully today by Action Nepal jointly with The Union and Swasthya Khabar Patrika with aiming to ensure tax raise. Almost all media houses attended roundtable discussion; they were The Himalayan Times, Nayapatrika, Nepal Samchar Patra, Kantipur, SwasthyaKhabar, Radio Sagarmatha, RSS, Sahara Khabar, Nepalihealth.com, NSV, Hamrodoctor.com, Karobar Daily, 12 Khari.com, AV News TV, Image TV, Kantipur Publication etc.

Speakers at an interaction program said increased taxation on tobacco products could reduce their consumption. Firm political commitment and intersect oral coordination between the government and non-governmental organizations are crucial to raise of tax on tobacco products. Although, Nepal had already made progress in implementing a ban on advertisement, promotion and sponsorship of tobacco products, Secretary at the Ministry of Health Kiran Regmi said she was committed to lobbying concerned bodies for higher taxes on tobacco products. Nepal is the first country in the South- East Asia Region to impose a dedicated levy on to tobacco products as health tax. “The levy is being used for tobacco control activities and treatment of cancer and other tobacco related diseases. As much as 75 percent of the fund is used for treatment of tobacco related diseases and the remaining amount goes to other diseases,” she

informed. Taxation on tobacco is only 33.7 percent in Nepal against 70 percent determined by the World Health Organization.

International speaker from The Union, Dr. Tara Singh Bam, Deputy Regional Director said raising taxes on tobacco products was the most cost-effective measure of tobacco control. "Tax should be increased in such a way that people stay away from using expensive tobacco products. Higher taxes work more effectively to reduce smoking among youths. The international speaker Jeffrey Drope, vice president, Economic and Health Policy Research Programme at American Cancer Society said a higher tax on tobacco was the most effective public health intervention. He further suggested that "It promotes public health by reducing tobacco use. Quitting makes ex-smokers healthier and reduces health care cost. Increase in tax on tobacco also raises government revenue which can be allocated to fund health goals".

Law makers Ramhari Khatiwada and Kripa Ram Rana pledged to raise the issue of tobacco taxation in the parliament. Ananda Bahadur Chand, chairperson of Action Nepal, urged the government to strengthen their initiatives against tobacco that is adding to the increasing epidemic of non-communicable diseases such as chronic lung disease, heart ailments and cancer. He further said that "Raising taxes on tobacco could be a powerful weapon to reduce its consumption and to deter future smokers in the country".

In the program, the focus point was increasing tax is one of the best measures in tobacco control on tobacco products as it encourages smokers to give up and discourages potential smokers. Governments need to tax all tobacco products in a manner that people do not opt out of one expensive product to a less expensive one. Nepal has excellent acts and regulations and is ahead of many countries in terms of policy formulation on tobacco. But the tax rate on tobacco products in Nepal is quite low compared to other countries. So, it is time to think about hiking taxes on tobacco to safeguard public health. Tobacco tax increase is the single most effective policy to reduce tobacco use.

The roundtable activity was published in different national daily newspapers regarding an urgent need to raise of tax on tobacco products and their strong commitments. The summary of particular workshop was also broad-casted in various online news and TV channels.