

ASPECT Consortium

Analysis of Science and Policy in Europe for Control of Tobacco



European Respiratory Society



EUROPEAN NETWORK FOR SMOKING PREVENTION



Current Economic Research Needs: Findings of the ASPECT Report and ITEN Project on Economics of Tobacco Control

Hana Ross

International Tobacco Evidence Network
ITEN

CHANGE IS IN THE AIR – FUTURE DIRECTIONS IN TOBACCO CONTROL

Parallel Session 1

Limerick, June 17 – 18, 2004





Tobacco Control and EU Public Policies

EU goals such as improvement in public health, fiscal health, quality of life can be achieved by controlling tobacco consumption

To do this effectively, EU policies must to be based on policy relevant research evidence

This will require:

- reliable data
- research capacity
- application of proper analytical methods



Research Gaps in EU – Lessons from ASPECT Report

Data – exists in most EU15, but not collected systematically and for the purpose of TC research
- data in most areas of interest are missing in EU10

This make comparison impossible and analysis difficult

Research capacity – exists in most EU15, but it is unutilised due to underfunding of tobacco control research

- research capacity in EU10 is not suitable for TC

Analytical methods – are available and new approaches are emerging via cooperation among TC researchers all over the world



Research Gaps in EU – Lessons from ASPECT Report (cont.)

Cost of smoking

Estimates exist only in few EU countries, but not all costs are counted and different methodologies are used: it is difficult to compare results

Very little evidence from the EU10 MS

ASPECT report estimates: 1.04% - 1.49% of the region's 2000 GDP





Research Gaps in EU – Lessons from ASPECT Report (cont.)

Tobacco taxes and prices

Missing systematically collected database
with up-to-date cigarette prices and
cigarette taxes for all Member States

No good estimates of price responsiveness
for the population in the EU10 MS

No good estimates of price responsiveness
for the population subgroups





Research Gaps in EU – Lessons from ASPECT Report (cont.)

Substitution and tax avoidance

Missing estimates of the degree of substitution towards fine cut tobacco or other tobacco products (cross-price elasticities); this is crucial, because lower taxes on RYO can undermine the effectiveness of cigarette taxes

Information on tax avoidance (cross border shopping, smuggling) in most MS is based on the Industry information, which may not be reliable





Suggestions for Future Research

Fund **a comprehensive study of costs of smoking** in at least several selected EU15 and EU10 MS using **social perspective** (expressed as % of GPD) and **government perspective** (expressed as % of tobacco tax collection)





Suggestions for Future Research (cont.)

Create and periodically update database with prices and taxes of tobacco products and their relative affordability

Use the opportunity of natural experiments of upcoming tax increases in the EU10 MS to measure price elasticity, monitor changes in smoking prevalence, smokers' behaviour, tax collection, and monitor industry response to changing environment





Suggestions for Future Research (cont.)

Fund a study of cross-price elasticity for various tobacco products

Obtain information on tax avoidance and compare it with the Industry estimates

Monitor tobacco tax revenue after a tax increase to verify that they are increasing even in the presence of smuggling

Monitor effectiveness of TC programs





European Respiratory
Society



Policy Recommendations

1. Regular tobacco **tax increases** should be part of public health policy
2. Preferable tax is **specific tax** indexed for inflation
3. **Fine-cut tobacco** tax should be raised to the cigarette tax level
4. Support of **comprehensive** approach towards **TC** (including support of smoking cessation); **evaluation** needs to be part of any TC program



Policy Recommendations (cont.)

5. Earmark tobacco tax. It can mediate the impact of TC on the poor and provide resources for sustainable and self financed TC activities and research.
6. Create an EU Tobacco Clearing House that will gather the existing research evidence, set research priorities, guarantee the quality of research by offering technical support and rigorous peer reviews, disseminate the research results.

Analysis of Science and Policy in Europe for Control of Tobacco



European Respiratory
Society



International Tobacco Evidence Network

ITEN

Network of economists, epidemiologists, social scientists and other tobacco control experts

Inspired by work on Curbing the Epidemic and founded by Drs. Chaloupka, Ross & Ciecierski, (UIC) and Jha (U. Toronto)

Mission

To build research capacity

To foster interdisciplinary research

To share information and best practices

To facilitate peer reviews

Analysis of **S**cience and **P**olicy in **E**urope for **C**ontrol of **T**obacco



ITEN Methods

Collecting existing information to **identify research gaps**

Sharing/**teaching** policy relevant **research methods**

Providing support for **grant applications**
(sustainability of research)

Reviewing and disseminating research results and translating them into policy **recommendations**

Facilitating rapid response and collaborative **research**

Analysis of Science and Policy in Europe for Control of Tobacco



ITEN Tools and Projects

1. Internet-based information sharing and dissemination vehicles for research results “**ITEN paper series**”

<http://www.tobaccoevidence.net>

2. **Research workshops**
3. **Mentoring**

Current Projects in Poland, Czech Republic, Slovakia, Romania, Armenia, Ukraine; South East Asia; South Africa; Mexico; part of ITC group (UK, USA, Canada, Australia)

Operational **costs** of ITEN are minimal; most resources are used for research grants, for peer reviews and experts' participation at workshops

Analysis of Science and Policy in Europe for Control of Tobacco



Example of a Regional TC Initiative in SEA

- Funded mostly by Rockefeller Foundation and ThaiHealth (earmarked taxes)
- Focus on policy relevant research, capacity building, advocacy and coordination of activities in the region
- Operates via a small Coordinating Centre and a network of country coordinators
- ITEN helped to identify research gaps and to prioritise research needs; provided technical assistance and helped to build research capacity