



Harms Reduced Products: **SAFER ALTERNATIVE TO CIGARETTES**

POLICY BRIEF

Disease Burden

The total costs attributable to all smoking-related diseases and deaths in Pakistan for 2019 are Rs 615.07 billion (US\$3.85 billion) (Durre Nayab, Muhammad Nasir, Juniad Alam Memon, & Siddique., April 2021). The Government of Pakistan (GOP) can save this cost by extending to active 24 million smokers a robust cessation service including Nicotine Replacement Therapy (NRT) and Harm Reduced Products (HRPs).

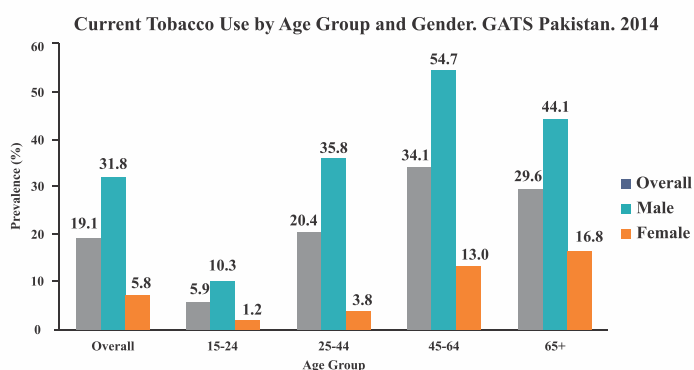
The Smoking-attributable cost is 3.65 times higher than the overall tax revenue from the tobacco industry (120 billion in 2019).

	Rs Billion
- The total economic cost of smoking from three major diseases (2019)	437.8
- The total direct cost of smoking from three major diseases (2019)	100.3
- Revenue from tobacco (smoking) taxation (2018–19)	120
- Public sector health expenditure on health	421.8
- Total health expenditures	1208.5
- GDP at current prices (2018–19)	37972
- Cost of smoking (% of GDP)	1.15%
- Tobacco revenue (% of the cost of smoking)	27%
- Direct cost as (% of total health expenditures)	8.3%

Source: PIDE-2021

Tobacco User Demographics

The GATS (Global Adults Tobacco Survey) states that 23.9 million (WHO, 2014) of Pakistan's 220 million adults (19.1%) currently use tobacco products. Cigarette smokers make up 12.4% of the total tobacco users. While 31.8% of men and 5.8% of women currently use tobacco products, the prevalence of cigarette smoking is 22.2% in men and 2.1% in women. Incidence of smoking in both men and women is higher if they reside in rural areas than urban areas (13.9% in the country and 10.0% in the city).



Smoking Cessation

The WHO global report on trends in the prevalence of tobacco use 2000-2025 (WHO, 2019) states that reducing tobacco use in men will probably not reach the WHO's Sustainable Development Goal of 30% by 2025. The WHO also states that 70% of smokers want to quit smoking, which means that Pakistan needs to provide cessation facilities to 14.7 million people.

CESSATION

	MEN (%)	WOMEN (%)	OVERALL (%)
Smokers who made a quit attempt in past 12 months ³	24.4	27.9	24.7
Current smokers who planned to or were thinking about quitting	22.9	15.4	22.3

Source: GATS 2014

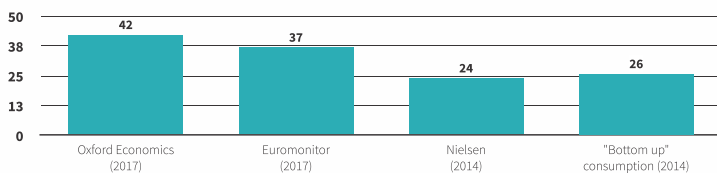
Nicotine Replacement therapy (NRT) medications (DRAP, 2018) were added to the National Essential Medicines list Pakistan in 2018 under therapeutic category 24.5. Pakistan has 2mg and 4mg Policrilex chewing gum and 5-30 mg transdermal patches available, but smoking prevalence has not decreased.

According to the report submitted to the FCTC by Pakistan (WHO FCTC, 2020), tobacco dependence and counselling services for the cessation of tobacco use are virtually not included in national programs, plans, and strategies for health, education, or tobacco control. No rehabilitation centers for the treatment of tobacco dependence or a national Quitline are available.

Harm Reduced Products

E-cigarettes termed as Harm Reduced Products (HRPs), (NHS UK) are described as the best possible smoking cessation aids as they mimic the physical sensations of smoking and also contain nicotine that alleviates tobacco withdrawal symptoms. Twice as effective compared to other quit smoking methods and 95% safer than combustible cigarettes, they are an effective replacement for combustible cigarettes.

With a higher cost and lower level of effectiveness cessation medications few people are able to quit smoking in lower and middle-income countries (LMICs). HRPs can help bridge the gap for people who want to quit, reduce morbidity and mortality, and save billions of dollars in healthcare costs worldwide.



Source: Asia Illicit Tobacco Indicator 2017: Pakistan

On average, more than 1.6 billion illicit cigarettes are sold in Pakistan every month, and this trade segment has grown by 43.5% over the last six years. During that time, taxpaid cigarette volume has declined by 11%. According to Oxford Economics, 41.9% of total cigarette consumption in Pakistan is illicit. Legal domestic sales were estimated at 45.1 billion cigarettes in 2017, which was a decrease of 7.4% compared to 2016. Legal sales in Pakistan have fallen every year since the beginning of the Asia Illicit Tobacco Indicator research program in 2012, and were nearly 30% lower in 2017 than they were in 2012.

The State Bank of Pakistan (State Bank of Pakistan) noted that the tobacco industry is facing immense competitive pressure from tax-free cigarettes, which are far cheaper than tax-paid brands. As a result, not only the sale volumes of the legitimate and tax-paying segment of the industry are facing a decline, the government is also losing revenue. The trace and track system for cigarette is in the offing but still there are question marks on its efficacy in circumventing duty non paid cigarettes. HRPs can also provide solution by offering healthier choice to smokers. As part of economic compensation strategy, smokers may not switch to cheaper illicit cigarettes but to HRPs. For this HRPs require a tax free regime that is proportionate the insignificant health risk they pose to users.

National Tobacco Control: Regulatory Framework

The prohibition of Smoking and protection of Non-Smokers Health Ordinance 2002 (GOP,2002) (ordinance no LXXIV) is a comprehensive tobacco control law in Pakistan but it does not cover ENDS (electronic nicotine delivery systems).

Recommendations:

- Introduce an umbrella tobacco control policy with a dedicated section on HRPs
- Promote the progressive taxation of HRPs using different economic models.
- Compare the per capita costs of NRTs and HRPs if they are put on Pakistan's essential drug list.
- Pakistan currently does not have any HRP regulations, so this is the ideal time to improve the perception of HRPs and help enact favorable tax structures and regulations that will keep them affordable and available.

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