

Kevin Welding, PhD; Katherine Clegg Smith, PhD; Joanna Cohen, PhD

Background

- Knowing the sources and channels of illicit trade can inform policies to reduce it
- Tobacco companies have used illicit trade to introduce products to new markets and avoid taxation
- The industry lobbies against tobacco control efforts by warning about lost tax revenue from increased illicit trade
- This study investigates the source and channel of illicit cigarette packs in urban retail locations in 2013 and 2015-17 within nine countries (Bangladesh, Brazil, China, India, Indonesia, Philippines, Russia, Thailand, and Vietnam) across four WHO regions

Methods

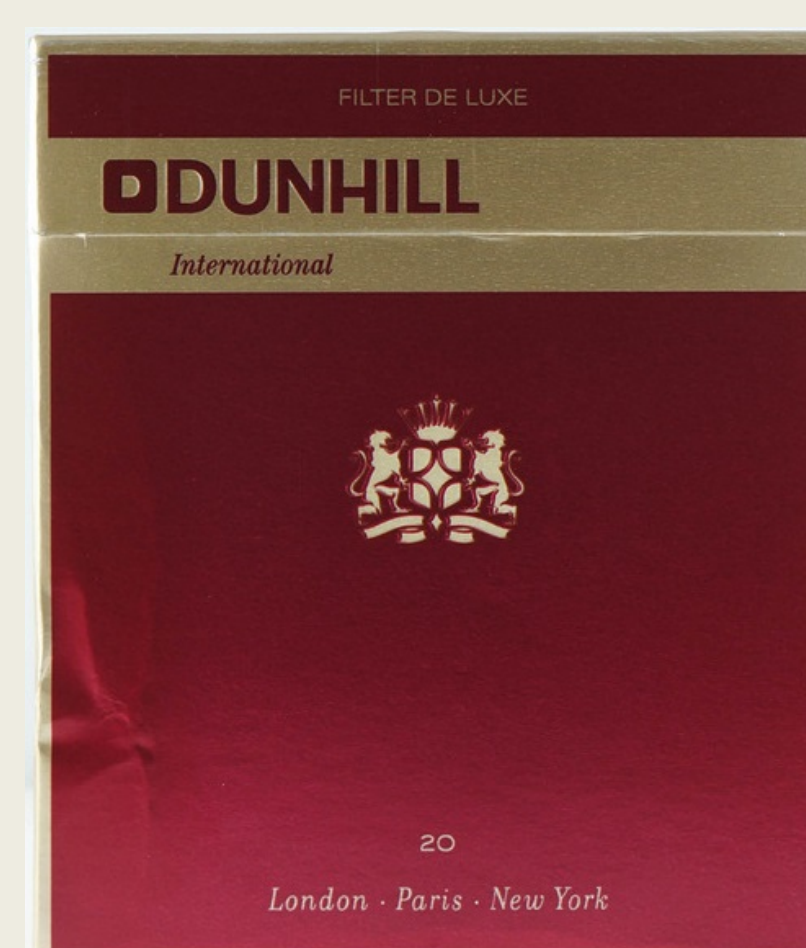
- The Tobacco Pack Surveillance System (TPackSS) project systematically collects unique tobacco packs sold in low- and middle-income countries with high tobacco use
- In 2015-17, TPackSS returned to countries that changed health warning policies since a 2013 pack collection
- In each country, one vendor in each of 12 low-, middle-, and high-socioeconomic areas in three major cities (four in India in 2016, five in China) was sampled and unique packs were purchased
- The absence of country health warning labels (HWLs) was used to identify illicit packs
- Information available on the cigarette packs was used to identify where packs originated



Duty Free pack from Korea purchased in Beijing, China (2017)



Duty Not Paid pack from Malaysia purchased in Surabaya, Indonesia (2015)



“Vente en Cote D’Ivoire” pack purchased in Dhaka, Bangladesh (2016)



“For sale in GCC* Countries” pack purchased in Chittagong, Bangladesh (2016)

*Gulf Cooperation Council



Pack made in the Philippines with an English HWL purchased in Bangkok, Thailand (2015)



Pack with Thai HWL purchased in Cebu City, Philippines (2013)



Results

- The 2013 sample of 2,034 packs and the 2015-17 sample of 2,337 packs both found that 19% of the country-unique collected packs were illicit, ranging from 0% (Brazil, Indonesia, 2013; Russia, 2015) to 71% (Bangladesh, 2013)
- Between the two collections, the percentage of packs that were illicit increased in China and Indonesia, and decreased in Thailand and the Philippines
- There were 827 illicit packs across the two samples
- 328 packs (40%) had “duty free” or “duty not paid” statements despite being purchased outside of a duty free store
- 27 packs (3%) contained statements about where they could be sold, but were found outside of those countries
 - Almost half of those packs were intended for sale in the Gulf countries, but were found in Bangladesh. Other packs in Bangladesh were intended for Guinea, Ivory Coast, and Mauritania

Conclusions

- Packs intended for the Gulf Cooperation Council countries were the largest proportion of illicit packs with a country specific sales statement
- Duty free resale make up a large proportion of illicit packs
- Strong supply chain surveillance (e.g., track and trace) and international cooperation can help to reduce the prevalence of illicit cigarettes
- Free economic zones like duty free stores play an important role in the illicit trade of cigarettes

Acknowledgements: This work was supported with funding from Bloomberg Philanthropies’ Bloomberg Initiative to Reduce Tobacco Use (Bloomberg.org)