

Raising excise taxes is the most cost-effective measure to reduce tobacco consumption ([WHO, 2021](#)).

A 10% increase in the price of tobacco is expected to decrease consumption by 6% to 8% in South Africa ([IARC, 2011](#)).

Breaking News

On 1 June 2023, the South African Treasury introduced an excise tax on e-cigarettes of R2.90 per millilitre of e-liquid, irrespective of nicotine content.

Tax Policies

Excise taxes are the most cost-effective measure to reduce tobacco use ([WHO, 2021](#)).

South Africa's excise tax is levied as a specific tax. The excise tax burden is targeted at 40%, which is higher than some other developing countries, although it is below the 70% level recommended by the WHO ([Kuehnle, 2019](#)).

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Non-Tax Policies

Non-Tax policies include:

- Packaging and warnings.
- Bans on tobacco advertising, promotion and sponsorship.
- Tobacco-free public places.

Economics

The economic cost of smoking in South Africa was estimated at R42 billion in 2016 ([Boachie et al., 2016](#)).

This R42 billion could:

- Build approximately 250,000 Reconstruction and Development Programme (RDP) houses.
- Pay approximately 215,000 high school teachers for a year.
- Provide approximately 8.8 million children with the Child Support Grant for a year.

Covid-19 Sales Ban

In 2020, as part of South Africa's COVID-19 lockdown, the South African government imposed a ban on the sale of all tobacco products for 20 weeks (from March to August).

- Between 7.9% and 15.3% of pre-lockdown smokers quit during the lockdown (25-50% relapsed post-ban) ([van Walbeek et al., 2021](#); [Filby et al., 2021](#)).
- Despite the ban, 93% of continuing smokers purchased cigarettes during the ban ([Filby et al., 2021](#)).
- Average cigarette prices increased by 240% in June 2020, compared to before the ban ([Agaku, 2021](#)).
- The National Treasury collected 48% less excise revenue than planned during 2020/2021 ([NT, 2022](#)).

Cessation

Smoking cessation can be encouraged with many different measures.

Effective methods include nicotine replacement therapy, Champix, Zyban, counselling, quit-and-win schemes, and cognitive behavioural therapy ([Heydari et al., 2014](#)). Combining measures improves their efficacy ([Levy et al., 2004](#)).

Lessons

1. Many policies and programs designed to reduce the demand for tobacco are cost-effective ([US NCI & WHO, 2016](#)).
2. Control of the illicit trade in tobacco is a key supplyside policy to reduce the prevalence of smoking and its health and economic consequences ([US NCI & WHO, 2016](#)).
3. The tobacco industry uses a wide range of tactics to oppose any policies that might reduce sales ([WHO, 2018](#)).

Updated on October, 2023 | For more information and references click [here](#)