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For Immediate Release.

CIVIL SOCIETY ORGANIZATIONS CALL ON THE GOVERNMENT TO INCREASE TAXES ON TOBACCO PRODUCTS, ALCOHOLIC BEVERAGES AND SUGAR SWEETENED BEVERAGES.

Today, Kenyan Network of Cancer Organizations (KENCO), The International Institute for Legislative Affairs (IILA) and The National Taxpayers Association (NTA) in a sitting with the National Treasury have called upon the government to increase excise duty taxes on all tobacco products, alcoholic beverages and sugar sweetened beverages. This call is also backed by other umbrella civil society groups namely Kenya Tobacco Control Alliance (KETCA) and Non-Communicable Diseases Alliance of Kenya (NCDAK).

Tobacco products

The 5 organizations have called for a 15% increase in the excise duty tax charged on all tobacco products and a return to a uniform specific excise tax structure for cigarettes. This is on the basis that tobacco taxation is recognized as the most effective control measure of reducing tobacco consumption by Article 6 of the WHO Framework Convention on Tobacco control

Studies have consistently shown that raising taxes on tobacco is the most cost-effective measure for reducing tobacco use. Increased taxation makes tobacco products less affordable, helping addicts quit and preventing non-users – especially young people, women, and the poor – from ever starting. Also, uniform specific excise tax is identified as best practice in tobacco control and excise revenue maximization.

Key to note also is that the impact of tax increases on illicit trade is minimal, if at all. Tobacco industry's estimates of illicit trade lack transparency and are unreliable and thus the Government should simultaneously increase excise taxes on tobacco and address illicit trade. Kenya is a signatory of both the WHO Framework Convention on Tobacco Control and the WHO Protocol to Eliminate Illicit Trade in Tobacco Products and has a moral responsibility to protect its citizens (rather than tobacco firms as alluded to in the 2017/18 Budget Policy Statement).

As per section 12(a) of the Tobacco Control Act, 2007, the minister in charge of Finance is directed to “implement tax policies and price policies on tobacco and tobacco products so as to contribute to the objectives of the Act” which include reduction of tobacco use. Tobacco is the single most preventable cause of morbidity and mortality and is estimated to cause over 6 million deaths worldwide annually of which 600,000 are from secondary smoke. We encourage the Government to use fiscal and other measures at its disposal to reduce consumption of tobacco which will result in increased public health gains.

Non-combustible Oral Nicotine Products

The 5 organizations have proposed a 100% increase in the excise duty rate of non-combustible oral nicotine products currently being taxed at an introductory rate of Kshs. 1200 for every kilogram. This tax imposition covers the novel oral nicotine products that have flooded the Kenyan market in the last year.

Claims by manufactures that these HIGHLY ADDICTIVE nicotine products are less harmful are false. In fact, the World Health Organization, have authoritatively stated that there is insufficient evidence to substantiate these claims. In its report on smokeless tobacco products, WHO states that **“there is no evidence to recommend that any smokeless tobacco product should be used as part of a harm reduction strategy. Marketing of smokeless tobacco products with harm reduction claims should not be permitted unless validated by an independent regulatory authority on review of evidence to be submitted by the manufacturer.”**

We also recommend further increase in taxes in subsequent years in order to move towards the Kshs. 5000 per kilogram that was earlier proposed by the treasury secretary in the initial 2021 budget statement

Alcoholic Beverages

The 5 organizations have proposed a 10% excise duty tax on alcoholic beverages of all categories as captured in the first schedule to the excise duty act. Globally, harmful use of alcohol caused 1.7 million deaths from non-communicable diseases in 2016, including 1.2 million deaths from digestive and cardiovascular diseases (0.6 million for each condition) and 0.4 million deaths from cancers.

In Kenya, 12.2% of persons aged between 15 and 65 (about 3.3 million) are active users of alcohol, with 10.4% of them being addicted. Increasing the tax as proposed will help to curb access of these alcoholic products by youth who are especially vulnerable to initiation to alcohol use and thereafter alcohol addiction.

Sugar-sweetened beverages

The 5 organizations have called on the Government to increase by 10% the current Excise Duty rate for all artificially sugar-sweetened non-alcoholic beverages. Research links consumption of sugar sweetened beverages to obesity which is a risk factor for Non-communicable Diseases (NCDs) such as diabetes, stroke, cancer and cardiovascular diseases. Sugar sweetened beverages have contributed significantly to the rise in overweight and obesity rates, which have been sadly on the rise for instance from 25% in 2009 to 33% in 2014. Childhood obesity is also a major public health concern especially in urban areas.

Studies have shown that increased tax on these sugar sweetened beverages will result in increased prices which will limit consumption of the same and incentivize consumption of healthier alternatives. This will reduce risk of diseases and decrease the health burden while generating more revenue for the Government.

Conclusion:

The burden of cancer and other NCDs has increased exponentially in the last few years. In Kenya, NCDs currently account for more than 50% of total hospital admissions and over 55% of hospital deaths and also pose a great socio-economic burden to the families affected. Cardiovascular diseases and cancer are the second and third leading causes of death in Kenya after infectious diseases.

Tobacco use, harmful use of alcohol and unhealthy diets are among the known risk factors for NCDs. Raising taxation of these products, lowers the burden of NCDs, leads to better public health outcomes and reduces expenditures on tobacco, alcohol and unhealthy diet-related NCDs. Treatment of NCDs is very expensive and prevention is our best bet.

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About the organizations:



The Kenyan Network of Cancer Organizations (KENCO) is the National umbrella body of registered cancer Civil Society Organizations active in various aspects of cancer control in Kenya. Currently, KENCO has a membership of over 35 organizations spread throughout the country and are committed to a unified approach to cancer control. Part of KENCO's mandates as the national umbrella body are networking, collaborations, and partnerships in cancer control; cancer civil society representation in various forums and advocacy aimed at influencing Government policies and legislation around cancer to the benefit of the public. Media Contact: Christine Mugo-Sitati, Executive Director, Kenyan Network of Cancer Organizations; www.kenconetwork.org; Social media: [@kenconetwork](https://twitter.com/kenconetwork), Phone: 0799400875.



The National Taxpayers Association (NTA) is a civil society organization promoting accountable, effective, and efficient collection and utilization of public resources. NTA strives to achieve its mission by demanding accountability from government and public institutions regarding the delivery of essential services and the management of devolved funds; demanding accountability from citizens with regard to their obligations under the Kenya Revenue Authority Taxpayer's Charter; providing information to citizens in response to their information needs; and compiling and submitting Citizen Report Cards to government on the management of devolved funds and provision of sub-county level services.



The International Institute for Legislative Affairs (IILA) is a not-for-profit organization that works closely with Policy making institutions, Government Departments, Members of Parliament, and other stakeholders in the legislative process to draft and advocate for pro-people policies and legislation. IILA's mandate is to engage stakeholders in the policy and legislative process to facilitate the enactment and implementation of policies and legislation that have a positive impact on the lives of people.



The Kenya Tobacco Control Alliance (KETCA) is a not-for-profit umbrella organization that brings together all civil society organizations (CSOs) that advance the fight against tobacco epidemic in the country. KETCA's vision is "Pushing towards a Tobacco-Free Kenya". Currently, the Alliance has a membership of over 25 organizations spread across the country. Over the years, KETCA has partnered with various state and non-state actors to realize a number of progressive life-saving policies and legislation in an effort to curb tobacco use in the country.



Non-communicable Diseases Alliance Kenya (NCDAK) is the national umbrella body of all organizations, patients' groups, NGOs, CBOs and professional associations involved in advocacy, prevention, control, care and rehabilitation of persons living with or at risk of developing NCDs. NCDAK, through its membership creates a national community of organizations, dedicated to responding to the global call of action for the prevention and control of NCDs including cardiovascular diseases, diabetes mellitus, cancers, chronic lung diseases, sickle cell, epilepsy, mental health, among over other 30 conditions.