

# Mozambique

*Overview of*

## **TOBACCO USE, TOBACCO CONTROL LEGISLATION, AND TAXATION**

World Bank Group  
Global Tobacco Control Program  
Country Brief

## **Table of contents**

Executive summary .....	3
Acknowledgments.....	4
Introduction .....	5
Tobacco control legislation .....	5
Tobacco use.....	5
Tobacco use among adolescents .....	5
Tobacco use among adults.....	5
Tobacco production and sales.....	7
Tobacco control policies.....	8
Tobacco taxation .....	9
Tobacco prices.....	9
Comparison of cigarette prices and taxes in Mozambique and neighboring countries .....	10
Tobacco smuggling .....	11
Discussion.....	12
Conclusions and recommendations.....	13
References.....	13

# Mozambique

## Overview of Tobacco Use, Tobacco Control Legislation, and Taxation A Country Brief

### Executive summary

Mozambique ratified the WHO Framework Convention on Tobacco Control only in 2017, but some tobacco control policies were already implemented in the country before that.

The prevalence of current tobacco use in 2003 was about 40% in men and 18% in women, while women consumed predominantly smokeless tobacco. Between 2003 and 2011, the level of tobacco use among women decreased: the prevalence of smoking remained at the same level, but the use of other tobacco products substantially declined. However, among men, the prevalence of current cigarette smoking increased.

The volumes of annual cigarette sales increased from about 2.5 billion cigarettes in 2006-2010 to about 3.7 billion cigarettes in 2012-2013 and then declined in 2014-2016.

Since 2010, the tiered specific excises for cigarettes and mixed (ad valorem and specific) excises for other tobacco have been in place. In 2013, 2014, and 2015, the excise rates were increased.

In 2013-2016 combined, tobacco prices in Mozambique increased by 85% in nominal terms, or by 27% in inflation-adjusted terms. Over those years, inflation-adjusted GDP per capita increased by 14%, and so, cigarettes became less affordable. In 2013-2015, the increase in tobacco excise became one of the factors of the price increase, which reduced tobacco affordability and probably reduced tobacco consumption and sales in the country. Tobacco excise revenue increased from 3.2 billion MZN in 2012 to 3.75 billion MZN in 2015.

However, all neighboring countries have cigarette prices and taxes much higher than Mozambique. In such a situation, cigarette smuggling out of Mozambique is rather common, while cigarette smuggling into Mozambique is very unlikely. Even in the report commissioned by the tobacco industry, percentage of contraband cigarettes at the Mozambican market was estimated to be only 1-2% of total consumption.

The following recommendations could provide both public health and fiscal benefits for Mozambique:

- As the first step, cigarette specific excise rates should be unified for all kinds of cigarettes at the level currently used for hard-pack cigarettes. Then, the unified rate should be annually increased to make tobacco products less affordable over time in order to reduce consumption and prevalence in line with FCTC provisions.
- The issue of cigarette smuggling should not be used in hindering the implementation of tax and price policies. Increase of cigarette taxes and prices in Mozambique would reduce cigarette smuggling out of the country, and it would reduce tobacco consumption in the neighboring countries.
- Tobacco control monitoring, including economic information on tobacco products sales, prices, and other indicators, should be much improved in the country to support more precise forecasts of the outcomes of the current and future tobacco control activities.

## **Acknowledgments**

This country brief was prepared by a team from the World Bank Group Global Tobacco Control Program led by Patricio V. Marquez, including Konstantin Krasovsky, and Tatiana Andreeva.

August 4, 2017

## Introduction

### *The Objective of the Country Brief*

This country brief presents an overview of current tobacco control legislation, tobacco use, and taxation policy in Mozambique. Data and information were collected from various sources. The brief is intended to serve as the context for complementary assessments on different aspects of tobacco taxation in the country to be shared with government teams and other national and international stakeholders.

## Tobacco control legislation

Mozambique is a low-income African country, which signed the WHO Framework Convention on Tobacco Control in 2003 and ratified the FCTC on July, 14, 2017.

## Tobacco use

### Tobacco use among adolescents

GYTS was conducted in Mozambique in 2002 and 2007 in Maputo City and on selected territories [1] and on a national level in 2013 [2, 3]. Results are shown in Table 1. The prevalence of cigarette smoking was higher among boys than girls. The GYTS results demonstrated some decrease in the prevalence of cigarette smoking among boys and no decrease among girls.

**Table 1. Prevalence of tobacco use among adolescents in Mozambique**

	2002 [1]	2007 [1]	2013 [3, 4]
Current cigarette smoking (%)			
Total	3.1% (2.0–4.7)	2.7% (1.6–4.7)	2.3
Boys	5.0% (2.9–8.5)	4.5% (2.6–7.9)	2.1
Girls	1.4% (0.6–3.3)	1.2% (0.4–3.5)	2.3

### Tobacco use among adults

#### *The national household survey, 2003*

A representative sample of 12,902 Mozambicans aged 25–64 years participated in a national household survey conducted in 2003 [5]. The prevalence of current tobacco use was 39.9% in men and 18.0% in women. Women consumed predominantly smokeless tobacco (prevalence: 10.1%), especially in the northern part of the country where most of the country's tobacco-growing is concentrated. Hand-rolled and manufactured cigarettes were the most frequently consumed among men (prevalence: 18.7% and 17.2%, respectively). Additionally, hand-rolled cigarette consumption predominantly occurred in the northern provinces and rural settings, whereas manufactured cigarette consumption predominated in the south and urban areas.

#### *DHS surveys, 2003 and 2011*

Demographics and Health Survey (DHS) conducted in 2003 [6, 7] measured prevalence of tobacco use among people aged 15–49, both men (with 14.1% of men constituting cigarette smokers and 11.9% - other tobacco smokers) and women (with 1.6% of women constituting cigarette smokers and 5.6% - users of other tobacco). With reported 4.7 cigarettes per day per male smoker and 2.8 per female smoker, if 2005 population data is applied, this makes an estimate of 2.6 bln cigarettes per year.

In 2011 DHS [8, 9], 97% of women aged 15–49 stated that they did not use tobacco in any of the forms, 1% smoked cigarettes and 2% consumed other tobacco products. The percentage of those who smoked

cigarettes increased with age from 0.2% among those aged 15-19 to 4.7% among women aged 45-49 and percentage of those who consumed other tobacco products increased from 0.1% to 9.5% respectively. Among men, 20% were smokers of cigarettes and 13% used other tobacco products. Over 50% of male smokers reported smoking 3-5 cigarettes per day.

Level of tobacco use, especially of other tobacco products than cigarettes, was higher among men and women without education or with lower education, those belonging to lower SES groups and living in rural areas.

Between 2003 and 2011, the level of tobacco use among women decreased. Among women aged 35-49, the prevalence of smoking remained at the level of 3.4% to 3.2% while the use of other tobacco products changed from 14.0% to 5.5%. However, among men, the prevalence of current cigarette smoking increased from 14% in 2003 to 20% in 2011.

### *STEPS survey, 2005*

STEPS survey on risk factors of non-communicable diseases was conducted in 2005 among 3323 persons aged 25-64 [10]. Daily smoking was reported by 9.1% of women (3.4% of women smoked manufactured cigarettes and 5.6% - hand-rolled) and 33.6% of men (with 18.7% being smokers of manufactured cigarettes and 14.8% of hand-rolled cigarettes). With a mean number of cigarettes smoked per day by men smokers equal to 6.7, cigarette consumption in 2005 is estimated as 2.816 bln. cigarettes. If women smokers are assumed to smoke on average one cigarette per day, the estimated consumption is 2.908 bln. cigarettes. Daily manufactured cigarette smoking was significantly more frequent in urban men (14.6%) than rural men (4.3%). Daily hand-rolled cigarette smoking was three- to four-fold more frequent among men and nearly 80% less frequent in urban areas, regardless of sex. The prevalence of daily smokeless tobacco use was 7.4% in women (chew, 6.4%; snuff, 1.0%) and 3.4% in men (chew, 1.6%; snuff, 1.8%) [11].

### *Global health professions students survey (GHPSS), 2009*

Among medical students in 2009 [12], 3.4% of males and 6.8% of females were current smokers.

According to published international estimates [13], age-standardized smoking prevalence in Mozambique almost did not change in 1996-2012 (Table 2) and in 2012 it was 22.3% among men and 4.2% among women.

**Table 2. Estimates of smoking prevalence and cigarette consumption in Mozambique [13]**

	1980	1996	2006	2012
Smoking prevalence (%) Male	23.3	22.7	23.2	22.3
Smoking prevalence (%) Female	4.1	4.2	4.4	4.2
Smoking prevalence (%) Both	13.2	12.6	13.0	12.6
# Smokers (thousands), Male	711.4	884.3	1,156.2	1,274.0
# Smokers (thousands), Female	125.9	172.4	224.3	241.3
# Smokers (thousands), Both	837.3	1,056.7	1,380.4	1,515.2
Total cigarette consumption (millions)	1,328.4	1,340.3	2,206.9	2,971.3
Mean Annual cigarettes consumption Per Capita	195	145	186	216
Mean Daily cigarette consumption Per Smoker	4.3	3.5	4.4	5.4

The estimated annual cigarette consumption increased more than 2-fold in 1996-2012, mainly due to the population growth. In 2012, the estimated consumption was about 3 billion cigarettes. Estimated mean daily cigarette consumption per smoker in 1996-2012 is rather low and in 2012 it was 5.4 cigarettes per smoker.

## Tobacco production and sales

According to the UN database, annual cigarette turnover (= production + import – export) in Mozambique in 2006-2010 was about 2.5 billion cigarettes, then it substantially increased to more than 3.7 billion cigarettes in 2012-2013 and then declined to 3.4 billion cigarettes in 2014.

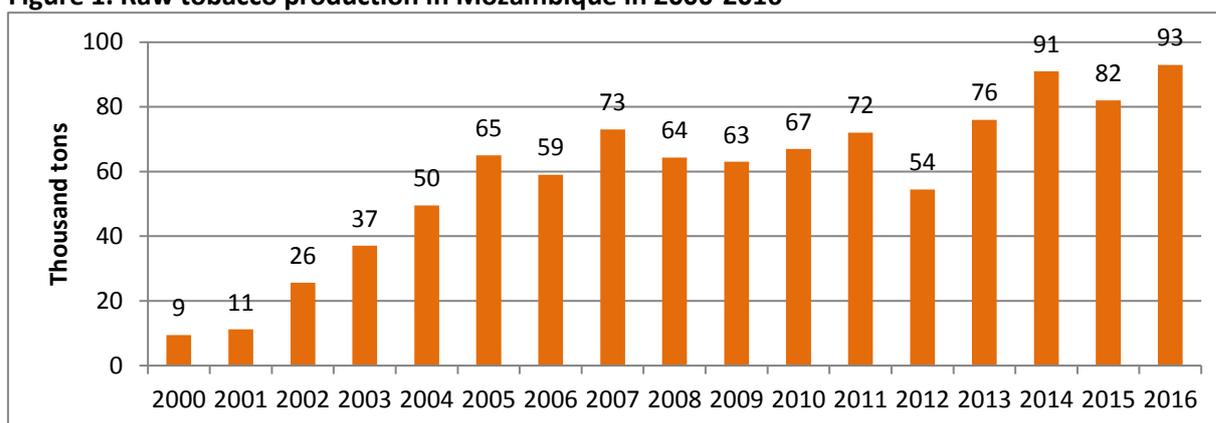
**Table 3. Cigarette production, import, export, and turnover in Mozambique**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Production	2179	2312	2725	2316	2700	3145	3296	2326	2557	2255
Import	127	159	120	70	92	107	467	1386	822	940
Export		49	138	97	154	213		1		14
Turnover	2306	2422	2707	2289	2638	3039	3763	3711	3379	3181

Source of data <http://data.un.org/Search.aspx?q=cigarettes>

According to the FAO statistics [14] and the National Statistics Institute Annual reports [15], raw tobacco production in Mozambique increased from 9 thousand tons in 2000 to 65 thousand tons in 2005, and then to 91 thousand tons in 2014 (Figure 1). In 2014-2016, annual raw tobacco production was about 90 thousand tons.

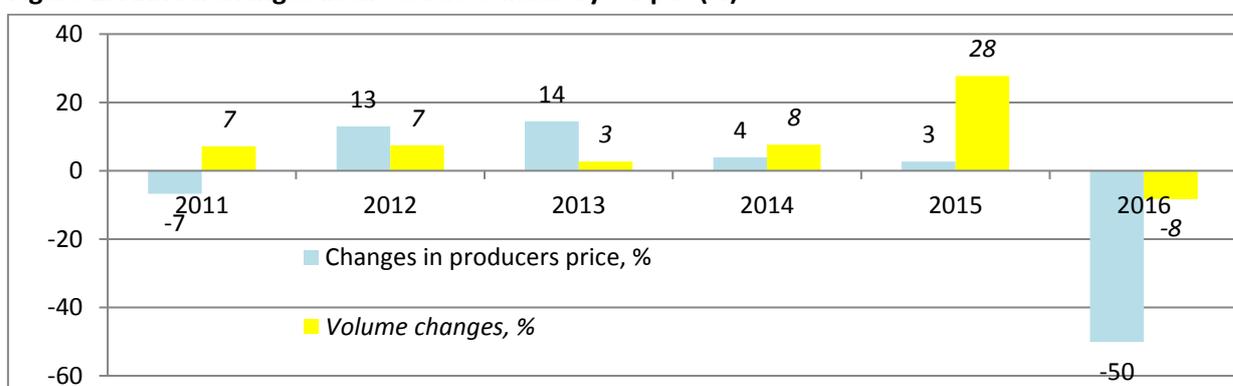
**Figure 1. Raw tobacco production in Mozambique in 2000-2016**



The National Statistics Institute annual reports [15] also provide information on tobacco industry trends in the country (

Figure 2).

**Figure 2. Annual changes in the tobacco industry output (%)**



Source: Statistical Yearbooks of the National Statistics Institute.

In 2011-2015, the volume of tobacco industry production increased every year, but in 2016 it declined by 8%. In total, the volume increased by 49% over 2011-2016. The average price of tobacco industry production increased in 2012-2015, but in 2016 it suddenly decreased by 50%.

## **Tobacco control policies**

Mozambique has specific national government objectives in tobacco control [16], which were expressed in the Regulation of Consumption and Marketing of Tobacco adopted in 2007 [17]. The National Strategic Plan for the prevention and control of NCDs [18] is also to contribute to these goals.

With regard to the protection of the population against the secondhand smoke exposure, in the regulation adopted in 2007 [17], it was stated that the consumption of tobacco in public places and collective environments is prohibited, and the proprietors of all public spaces must define smoking and non-smoking areas. It became illegal to smoke in any public place, including all state institutions, restaurants, schools, libraries, hospitals, airports, train stations and all forms of public transport. However, as the media emphasized [19], in most of these places, smoking had already been frowned upon, if not completely banned, long before these regulations were published. The mentioned regulation introduced a long list of indoor areas where smoking is prohibited, while Article 5 of this same regulation specified an even longer list of premises where smoking is allowed including establishments for smokers; bars, discotheques, restaurants and other public spaces where the main activity is the sale of alcoholic drinks; night clubs, casinos and other spaces where the main activity is the provision of entertainment; hotels, pensions, lodgings, guest houses and other spaces where the accommodation is offered by way of rent; boats, ferries, trains, airports, ports and railways stations, bus stations, workplaces. With regard to this list of places, it was specified that the area for smokers must not exceed 25% of the total area of the public space [17]. As a result, in the Mozambique country profile of the 2017 WHO report on the global tobacco epidemic [16], it is specified that only governmental facilities are currently smoke-free and that national law requires fines for smoking which are levied on smokers.

Regarding smoking cessation help, it is provided just in some health facilities, no first-line stop smoking medicines are available in the country and no health insurance coverage is applicable to smoking cessation [16].

Warning about the dangers of tobacco use is not widely developed. The 2007 regulation [17] contained Article 7 "Misleading Advertising and Contents of packaging and packets for Tobacco products" which specified that each unit of packaging or packet containing tobacco products must contain advertising describing the harmful effects of tobacco consumption. Health warnings on packaging units and tobacco product packets must be ample, clear, visible and legible; take up to 30% or more of the front part of the packaging and 25% of the back part, and must be written in Portuguese. Each packaging unit must contain information on the components and relevant emissions of the tobacco products, as defined by the competent national authorities.

With regard to the bans on tobacco advertising, promotion, and sponsorship, the 2007 anti-smoking regulations aimed to effectively outlaw all advertising of cigarettes and other tobacco products. All the public media were banned from advertising tobacco products - which formalized what was already the standard practice on Radio Mozambique and Mozambique Television (TVM) [20].

## Tobacco taxation

In 2009, the Excise Tax Code was adopted [21] and it introduced specific tax rates for cigarettes and ad valorem (75%) and specific rates for cigars, cigarillos and other tobacco (effective since 2010). In 2013, the excise rates were changed [22] with subsequent annual increases in 2014 and 2015 (Table 4).

**Table 4. Specific excise rates for cigarettes and other tobacco products (in MZN per 1000 sticks)**

	2010	2013	2014	2015
Cigars and cigarillos	300	400	428	458
Cigarettes in soft packs (20 cigarettes) with a retail price below 50 MZN (41 MZN* in 2010)	120	190	245	295
Cigarettes in soft packs (20 cigarettes) with retail price equal or above 50 MZN (41 MZN in 2010)	260	350	357	400
Cigarettes in hard packs	300	390	445	487
Other tobacco (per kg)	300	400	428	458
*MZN - Mozambican metical (plural: meticais), the currency used in Mozambique				

Over 2010-2015, specific excise rate for the cheapest cigarettes increased more than 2-fold and for cigarettes in hard packs – by 60%.

According to the WHO Global Tobacco Report, 2017 [4, 16] tobacco excise revenue increased from 3.2 billion MZN in 2012 to 3.75 billion MZN in 2015.

## Tobacco prices

According to the WHO Global Tobacco Report, 2017 [4, 16] price of the most popular (and the cheapest) cigarette brand (Safari) substantially increased over the recent years: 15 MZN in 2008; 20 MZN in 2010; 25 MZN in 2012; 30 MZN in 2014; 35 MZN in 2016.

According to some international sites,<sup>1 2 3</sup> in 2017, the price of international cigarettes brands (20 cigarettes pack) in Maputo ranged 80-150 MZN (100 MZN on average).

According to the National Statistics Institute<sup>4</sup>, consumer price indices substantially increased in 2013-2016 (Table 5).

**Table 5. Consumer price index (CPI) in December each year (December previous year = 100)**

	2013	2014	2015	2016
CPI total	103,5	101,9	110,6	125,3
CPI tobacco	118,0	104,2	109,1	138,0
GDP annual growth (in constant local currency per capita)	104,1	104,4	103,6	100,9

Data source: CPI - National Statistics Institute; GDP - World Bank database <http://data.worldbank.org>

In 2013-2016 combined, tobacco prices in Mozambique increased by 85% or by 27% in inflation-adjusted terms. Over those years, inflation-adjusted GDP per capita increased by 14% and so we can assume that cigarettes became less affordable, probably due to the excise tax increase in those years.

<sup>1</sup> <https://www.expatisitan.com/price/cigarettes/maputo>

<sup>2</sup> <https://www.numbeo.com/cost-of-living/in/Maputo>

<sup>3</sup> <http://www.combien-coute.net/cigarette/mozambique/>

<sup>4</sup> <http://www.ine.gov.mz/estatisticas/estatisticas-economicas/indice-de-preco-no-consumidor/quadros/nacional>

## Comparison of cigarette prices and taxes in Mozambique and neighboring countries

The WHO Global Tobacco Report, 2017 [4] has information on cigarette prices and taxes in Mozambique and neighboring countries in 2016 (Table 6).

**Table 6. Cigarette prices and taxes in Mozambique and neighboring countries**

	20-cigarette pack of the most sold brand, 2016					Prices in 2016, USD		Current specific excise rates (per pack of 20 cigarettes)	
	Price, Local currency	Price, USD	Excise share, %	Total taxes as % of price	% of GDP per capita required to purchase 100 packs	Cheapest brand	Premium brand	Local currency	USD
<b>Mozambique</b>	<b>35</b>	<b>0,51</b>	<b>16,86</b>	<b>31,39</b>	<b>14,6</b>	<b>0,51</b>	<b>0,87</b>	<b>5,9</b> <b>8,0</b> <b>9,74</b>	<b>0.1</b> <b>0.13</b> <b>0.16</b>
Malawi (in 2014)	800	2,01	14,53	20,68	54,8	1,00	3,01		0,30 <sup>5</sup>
South Africa	33	2,33	40,12	52,40	4,3	1,27	2,61	14,3	1,10 <sup>6</sup>
Swaziland	36	2,54	36,78	49,06	7,3	na	2,69		1,10
Tanzania	3000	1,38	18,68	33,94	14,2	na	3,02	237 560 1004	0.1 0.25 0.45 <sup>7</sup>
Zambia	17	1,66	23,53	37,32	12,9	0,58	2,63	4,8	0,54 <sup>8</sup>
Zimbabwe	na	1,75	22,86	35,90	17,9	1,00	2,30		0,40 <sup>9</sup>

<sup>5</sup> <http://www.mra.mw/press-releases/amendments-to-customs-excise-tariffs-order>

<sup>6</sup> <http://www.sars.gov.za/AllDocs/LegalDoclib/SCEA1964/LAPD-LPrim-Tariff-2012-05%20-%20Schedule%20No%201%20Part%20A.pdf>

<sup>7</sup> <http://taxsummaries.pwc.com/ID/Tanzania-Corporate-Other-taxes>

<sup>8</sup> <http://say-zambia.org/wp-content/uploads/2016/11/2017-BUDGET-HIGHLIGHTS.pdf>

<sup>9</sup>

[https://www.google.com.ua/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjMIKOCK5rVAhVMEJoKHcHdB78QFggoMAE&url=http%3A%2F%2Fwww.zi.mra.co.zw%2Findex.php%3Foption%3Dcom\\_phocadownload%26view%3Dcategory%26id%3D25%3Astatutory-instruments%26download%3D561%3Astatutory-instrument-169-customs-and-excise-tariff-amendment-notice-2014-no.-14%26Itemid%3D1&usg=AFQjCNHBBDrO08yuMT\\_5dB\\_T\\_Eh7T\\_yrQA](https://www.google.com.ua/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0ahUKEwjMIKOCK5rVAhVMEJoKHcHdB78QFggoMAE&url=http%3A%2F%2Fwww.zi.mra.co.zw%2Findex.php%3Foption%3Dcom_phocadownload%26view%3Dcategory%26id%3D25%3Astatutory-instruments%26download%3D561%3Astatutory-instrument-169-customs-and-excise-tariff-amendment-notice-2014-no.-14%26Itemid%3D1&usg=AFQjCNHBBDrO08yuMT_5dB_T_Eh7T_yrQA)

In 2016, cigarette prices in Mozambique were 3-4 times lower than in all neighboring countries. Specific excise rates were also lower. Only Tanzania also had multi-tiered specific taxes, while other countries had uniform specific excise rates.

The WHO Tobacco Free Initiative compared cigarette affordability in 2016 in different countries by such indicator as % of GDP per capita required to purchase 100 packs of the most sold brand (the higher the %, the less affordable cigarettes are). In Mozambique, cigarettes were less affordable than in other neighboring countries except for Malawi and Zimbabwe.

### **Tobacco smuggling**

In accordance with article 6 of Decree no. 69/2009, of 11 December 2013, use of tax stamps in Mozambique was made compulsory<sup>10</sup>. As seen from the interviews with tobacco industry representatives<sup>11</sup>, the situation at the tobacco market (and alcohol as well) was presented as that suffering from contraband goods appearing at the market. It was probably suggested that the tobacco excise revenue is not as high as expected because of illicit cigarette sales. In an attempt to reduce contraband, in 2017 the Mozambican Tax Authority (AT) has banned the production, import, and sale of tobacco products that do not carry an official fiscal stamp<sup>12</sup>. The deadline for placing the fiscal stamps on tobacco products was July 1, 2017. The companies that produce or import tobacco have to purchase fiscal stamps. The stamps for locally produced cigarettes cost 7.5 euros (about 8.6 US dollars) per 1,000 stamps. For imported cigarettes, the cost is much higher – 17.22 euros per thousand. The price of the stamps is fixed in euros, rather than in the Mozambican currency, meticais because they are produced in the UK. That decision was taken in order to ensure security features on the stamps to avoid forgery. Any products found without the fiscal stamps after the deadline were to be seized<sup>13</sup>. In early July 2017, the Mozambican Customs inspected local markets and seized 5,431 packs of cigarettes of various brands, which did not have excise stamps.

However, the presence of illicit cigarettes on local markets does not mean that cigarette excise taxes in the country are too high, because the contraband cigarettes can be more expensive than licit cigarettes. A recent report [23] compared prices for licit and illicit cigarettes in 14 middle- and low-income countries and in several countries including Bangladesh, India, Pakistan, Philippines, Thailand, and Vietnam, illicit cigarettes tend to be more expensive than legal cigarettes in retail settings.

In 2012, tobacco industry estimated the size of illicit cigarettes trade in Mozambique as only 1% to 2% of total consumption [24], while in most other countries of South African region it was estimated at the level of 10-23%. Such situation is not surprising, because all neighboring countries have cigarette prices and taxes much higher than Mozambique (see Table 6) so there is no sense for cigarette bootlegging into Mozambique while purchasing cigarettes in Mozambique to sell them illegally in other countries could be quite profitable. Numerous cases of cigarette smuggling out of Mozambique were registered in South Africa<sup>14</sup> <sup>15</sup> and Swaziland<sup>16</sup> <sup>17</sup>. Mozambique is also a transit route for illicit cigarettes from Zimbabwe and

---

<sup>10</sup> <http://www.opsecsecuritymozambique.com/tax-solution.html>

<sup>11</sup> <https://furtherafrica.com/2017/03/21/mozambique-control-stamps-obligatory-for-tobacco/>

<sup>12</sup> <https://furtherafrica.com/2017/03/21/mozambique-control-stamps-obligatory-for-tobacco/>

<sup>13</sup> <http://clubofmozambique.com/news/watch-cigarettes-without-fiscal-stamp-will-be-seized-tax-authority-of-mozambique/>

<sup>14</sup> <http://bulawayo24.com/index-id-news-sc-africa-byo-72730.html>

<sup>15</sup> <http://www.ann7.com/illicit-cigarettes-cost-sa-r4bn/>

from the Middle East [24]. Cigarettes were seized when they were smuggled from Zimbabwe to South Africa via Mozambique [25, 26]. In 2002, the tobacco corporation Gallaher imported cigarettes from the UK to Mozambique, but later those cigarettes were found in Romania<sup>18</sup>.

## Discussion

Tobacco excise rates were substantially increased in Mozambique in 2013-2015 and it was one of the factors of the substantial tobacco price increase, which reduced tobacco affordability and probably reduced tobacco consumption and sales in the country. Tobacco excise revenue also increased in 2012-2015.

However, all neighboring countries have cigarette prices and taxes much higher than Mozambique. In such situation, cigarette smuggling out of Mozambique is rather common, while cigarette smuggling into Mozambique is very unlikely; even in the report commissioned by the tobacco industry, percentage of contraband cigarettes at the Mozambican market was estimated as 1-2% of total consumption.

Recent tobacco excise increases in Mozambique could reduce incentives for cigarette smuggling out of the country, while it also could reduce taxable cigarette sales in Mozambique. Paradoxically, after taxes are increased, and numbers of cigarettes purchased for smuggling out of the country falls down, the government can receive more revenue even from the remainder of smuggled cigarettes, if the percentage increase of excise rates is higher than the percentage reduction of taxable cigarettes smuggled out of Mozambique. Anyway, overall cigarette consumption in the region will decline if cigarette prices in Mozambique become closer to prices in the neighboring countries.

While the difference in cigarette price between countries can be an incentive for smuggling, the tobacco industry never proposes to increase tax rates in a country with low taxes to reduce such difference. The industry deliberately overestimates tobacco smuggling into countries, but usually does not even mention smuggling out of countries, while both kinds of smuggling can only exist in combination. Tobacco industry tries to influence tobacco taxation policy in Mozambique and other countries, using some institutions, which pretend to be independent. For example, representatives of the International Tax and Investment Center (ITIC) took part in the 7th Africa Tax Dialogue in Maputo, Mozambique 17-19 November 2015<sup>19</sup>. ITIC has a longstanding history of facilitating the tobacco industry's access to government officials<sup>20</sup>.

Mozambique has already ratified the Framework Convention on Tobacco Control. The Guidelines for implementation of Article 6 of the WHO FCTC [27] clearly state: *The development, implementation and enforcement of tobacco tax and price policies as part of public health policies should be protected from commercial and other vested interests of the tobacco industry, including tactics of using the issue of smuggling in hindering implementation of tax and price policies, as required under Article 5.3 of the WHO FCTC.*

It is also worth mentioning that Mozambique is characterized by a pattern of tobacco use where manufactured cigarettes constitute only a part of tobacco consumption. As a population of a tobacco-growing country, Mozambican men in rural areas more likely use hand-rolled cigarettes and rural women

---

<sup>16</sup> <http://www.times.co.sz/News/81942.html>

<sup>17</sup> <http://www.observer.org.sz/news/86591-two-moza-men-nabbed-smuggling-cigarettes-into-swaziland.html>

<sup>18</sup> [http://www.tobaccotactics.org/index.php?title=Ocean\\_Traders](http://www.tobaccotactics.org/index.php?title=Ocean_Traders)

<sup>19</sup> [http://www.tobaccotactics.org/index.php?title=International\\_Tax\\_and\\_Investment\\_Center#cite\\_note-ITICMay-45](http://www.tobaccotactics.org/index.php?title=International_Tax_and_Investment_Center#cite_note-ITICMay-45)

<sup>20</sup> [http://www.tobaccotactics.org/index.php?title=International\\_Tax\\_and\\_Investment\\_Center\\_-\\_A\\_History\\_of\\_Tobacco\\_Industry\\_Facilitation](http://www.tobaccotactics.org/index.php?title=International_Tax_and_Investment_Center_-_A_History_of_Tobacco_Industry_Facilitation)

use tobacco in a smokeless form. Thus, excise measures are expected to have an impact on tobacco consumption of the urban population where users of manufactured cigarettes are more prevalent. Use of locally grown tobacco by rural population needs to be addressed with other policies including targeted education campaigns.

## Conclusions and recommendations

Tobacco excise increases implemented in Mozambique in 2013-2015 reduced tobacco affordability in the country and could contribute to the tobacco consumption reduction. However, cigarette prices and excise tax rates are still much lower in Mozambique than in all neighboring countries and should be further increased.

As a first step, cigarette specific excise rates should be unified for all kinds of cigarettes at the level currently used for hard-pack cigarettes. Then the unified rate should be annually increased to make tobacco products less affordable over time in order to reduce consumption and prevalence in line with FCTC provisions.

The issue of cigarette smuggling should not be used in hindering the implementation of tax and price policies. Increase of cigarette taxes and prices in Mozambique would reduce cigarette smuggling out of the country and it would reduce tobacco consumption in the neighboring countries.

Tobacco control monitoring, including economic information on sales of tobacco products, their prices, and other indices, should be much improved in the country to support more precise forecasts of the outcomes of the current and future tobacco control activities.

To address the use of locally-produced non-manufactured tobacco, it is necessary to launch specific awareness campaigns which take into account both the peculiarities of rural life in Mozambique and patterns of tobacco use in various age and gender groups.

## References

1. Warren, C.W., et al., *Change in tobacco use among 13-15 year olds between 1999 and 2008: findings from the Global Youth Tobacco Survey*. Glob Health Promot, 2009. **16**(2 Suppl): p. 38-90.
2. Arrazola, R.A., et al., *Current Tobacco Smoking and Desire to Quit Smoking Among Students Aged 13-15 Years - Global Youth Tobacco Survey, 61 Countries, 2012-2015*. MMWR Morb Mortal Wkly Rep, 2017. **66**(20): p. 533-537.
3. *Global Youth Tobacco Survey Mozambique 2013 Fact sheet*. 2013.
4. World Health Organization. *WHO report on the global tobacco epidemic 2017. Monitoring tobacco use and prevention policies*. 2017; Available from: [http://www.who.int/tobacco/global\\_report/en/](http://www.who.int/tobacco/global_report/en/).
5. Araujo, C., et al., *Manufactured and hand-rolled cigarettes and smokeless tobacco consumption in Mozambique: regional differences at early stages of the tobacco epidemic*. Drug Alcohol Depend, 2011. **119**(3): p. e58-65.
6. Instituto Nacional de Estatística/Moçambique, Ministério da Saúde/Moçambique, and MEASURE DHS+/ORC Macro, *Moçambique Inquérito Demográfico e de Saúde 2003*. 2005, Instituto Nacional de Estatística/Moçambique, Ministério da Saúde/Moçambique, and MEASURE DHS+/ORC Macro: Calverton, Maryland, USA.
7. Pampel, F., *Tobacco use in sub-Saharan Africa: estimates from the demographic health surveys*. Soc Sci Med, 2008. **66**(8): p. 1772-83.
8. Ministerio da Saude - MISAU/Moçambique, Instituto Nacional de Estatística - INE/Moçambique, and ICF International, *Moçambique Inquérito Demográfico e de Saúde 2011*. 2013, MISAU/Moçambique, INE/Moçambique and ICF International: Calverton, Maryland, USA.

9. Sreeramareddy, C.T., P.M. Pradhan, and S. Sin, *Prevalence, distribution, and social determinants of tobacco use in 30 sub-Saharan African countries*. BMC Med, 2014. **12**: p. 243.
10. *Mozambique STEPS Survey 2005 Fact Sheet*. 2005; Available from: [http://www.who.int/chp/steps/2005\\_Mozambique\\_FactSheet\\_EN.pdf?ua=1](http://www.who.int/chp/steps/2005_Mozambique_FactSheet_EN.pdf?ua=1).
11. Padrao, P., et al., *Tobacco consumption in Mozambique: use of distinct types of tobacco across urban and rural settings*. Nicotine Tob Res, 2013. **15**(1): p. 199-205.
12. *Global Tobacco Surveillance System Data (GTSSData)*. 2009.
13. Ng, M., et al., *Smoking prevalence and cigarette consumption in 187 countries, 1980-2012*. JAMA, 2014. **311**(2): p. 183-92.
14. Food and Agriculture Organization of the United Nations. *FAOSTAT*. 2017; Available from: <http://www.fao.org/faostat/en/#data/QC>.
15. *Instituto Nacional De Estatistica - Moçambique. 1996-2017*. 2017; Available from: <http://www.ine.gov.mz/estatisticas/publicacoes/anuario/nacionais>.
16. *WHO report on the global tobacco epidemic, 2017. Country profile: Mozambique*. 2017; Available from: [http://www.who.int/tobacco/surveillance/policy/country\\_profile/moz.pdf?ua=1](http://www.who.int/tobacco/surveillance/policy/country_profile/moz.pdf?ua=1).
17. *The Regulation of Consumption and Marketing of Tobacco*. 2007; Available from: <http://tobaccocontrolaws.org/files/live/Mozambique/Mozambique%20-%20Decree%20No.%202011-2007.pdf>.
18. Silva-Matos, C. and D. Beran, *Non-communicable diseases in Mozambique: risk factors, burden, response and outcomes to date*. Global Health, 2012. **8**: p. 37.
19. *Mozambique: New Tobacco Regulations Take Effect*. AllAfrica 2007; Available from: <http://allafrica.com/stories/200712031633.html>.
20. *Mozambique: Tobacco Regulations - Details*. AllAfrica 2007; Available from: <http://allafrica.com/stories/200706010935.html>.
21. *Lei nº 17-2009, de 10 de Setembro*. 2009; Available from: <http://www.at.gov.mz/por/content/download/1462/11141/version/1/file/Lei+n%C2%BA+17-2009%2C+de+10+de+Setembro.pdf>.
22. *Lei nº 2-2013 de 7 de Janeiro*. 2013; Available from: <http://www.at.gov.mz/por/content/download/1437/10922/version/1/file/Lei+n%C2%BA+2-2013+de+7+de+Janeiro.pdf>.
23. Brown, J., et al., *An analysis of purchase price of legal and illicit cigarettes in urban retail environments in 14 low- and middle-income countries*. Addiction, 2017: p. n/a-n/a.
24. Lester, A. and E. Allen. *SADC Review – Study into the illicit trade in excisable products with particular reference to alcohol and tobacco products*. 2012; Available from: [http://www.sadc.int/files/3913/5895/1270/SADC\\_study\\_into\\_the\\_illicit\\_trade\\_in\\_excise\\_products.pdf](http://www.sadc.int/files/3913/5895/1270/SADC_study_into_the_illicit_trade_in_excise_products.pdf).
25. *Mozambique: Large Amount of Contraband Cigarettes Seized*. AllAfrica 2015; Available from: <http://allafrica.com/stories/201507090165.html>.
26. *South African nabbed smuggling cigarettes*. The Manicapost 2016; Available from: <http://manicapost.co.zw/south-african-nabbed-smuggling-cigarettes/>.
27. *Guidelines for implementation of Article 6 of the WHO Framework Convention on Tobacco Control*. 2014; Available from: [http://www.who.int/fctc/guidelines/adopted/Guidelines\\_article\\_6.pdf](http://www.who.int/fctc/guidelines/adopted/Guidelines_article_6.pdf).