High-Level Knowledge Exchange Conference
On Regional Tobacco Tax Harmonization in the Caribbean
SUMMARY REPORT

High-Level Knowledge Exchange Conference on Regional Tobacco Tax Harmonization in the Caribbean

HEU, Centre for Health Economics
The University of the West Indies
St. Augustine, Trinidad
June 21–22, 2018

The World Bank Group
HEU, Centre for Health Economics, The University of the West Indies
The colors of Grenada on the day of the 40th anniversary of independence in Grenada as worn by a vendor who is selling necklaces made from spices grown on the island. Photo by wwing / iStock.
Acknowledgements

This report summarizes the proceedings of the High-Level Knowledge Exchange Conference on Regional Tobacco Tax Harmonization in the Caribbean organized by the University of the West Indies Centre for Health Economics (HEU) under the leadership of Professor Karl Theodore, and Patricio V. Marquez, Lead Public Health Specialist, Health, Population and Nutrition Global Practice (HNPGP), World Bank Group (WBG), with the support of the WBG Global Tobacco Control Program. The conference took place on June 21-22, 2018, at the Centre for Health Economics facility on the campus of the University of the West Indies in St. Augustine, Trinidad.

The organizers extend thanks to the Ministries of Health and Finance of the Organisation of Eastern Caribbean States (OECS) and to the OECS Secretariat for facilitating their representatives’ participation at the conference.

Gratitude is also expressed to Alberto Gonima, Engineer and Modeling Consultant, WBG, and to the rest of the World Bank Group team, as well as the contributors from the European Commission, the Economics of Tobacco Control Project at the University of Cape Town, South Africa, the West African Economic and Monetary Union (WAEMU), Caribbean Community (CARICOM), and the Pan American Health Organization (PAHO).

Thanks are also offered to the HEU, Centre for Health Economics for its technical and logistical contributions to the conference, in particular through the efforts of: Director Karl Theodore, Althea La Foucade, Kimberly-Ann Gittens-Baynes, Christine Laptiste, Samuel Gabriel (Conference Management Team); Roxanne Brizan-St. Martin, Asif Cassim, Cedrina Carr, Joshua Ramsammy (Rapporteur Team); Cheryl Theodore, Ayanna Batson (Secretariat).

The final report was edited by Alexander Irwin. Spaeth Hill designed the report.

The WBG Tobacco Control Program is supported by the Bill & Melinda Gates Foundation and the Bloomberg Philanthropies.

World Bank Group Global Tobacco Control Program website:
# Table of Contents

## Acknowledgements

## Conference Overview and Key Results

- Policy Messages 01
- Background 01
- Goal of the Conference 02
- Main Topics and Discussion Outcomes 02
- Summarizing Country Experiences 04
- Recommendations and Next Steps 05
- Conclusions 05

## Detailed Summary of Conference Sessions

### Day One: Thursday, June 21, 2018

- Welcome and Opening Remarks 07
- Session 1: Tobacco Taxation: Taxing Tobacco: Good for Public Health, Domestic Resource Mobilization, and Equity 08
- Session 2: Why Tobacco Taxation Matters to Health 09
- Session 3: CARICOM – The Broader Context of Tobacco Taxation 09
- Session 4: Tobacco Taxation: What is the Starting Position in the OECS Region? 10
- Session 5: Tobacco Taxation in the European Union - Overview and Lessons Learned 11
- Session 6: Tobacco Tax Harmonization in the Southern African Customs Union: Possible Lessons for the Organization of East Caribbean States 13
- Session 7: Are Price Differences Associated with Illicit Trade? An Analysis of South Africa and Two Neighboring Countries 16
- Closing Remarks - Day One 18
<table>
<thead>
<tr>
<th>Session</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 2: Friday, June 22, 2018</td>
<td>19</td>
</tr>
<tr>
<td>Session 1: Experience of the West African Economic and Monetary Union (WAEMU) in Tobacco Tax Harmonization: Lesson Learnt</td>
<td>19</td>
</tr>
<tr>
<td>Session 2: Policy Option Scenarios on the Fiscal Impact of Tobacco Excise Tax Policy Reforms in OECS Member States</td>
<td>21</td>
</tr>
<tr>
<td>Session 3: Is Tobacco Tax Harmonization a Feasible Option for the Caribbean?</td>
<td>23</td>
</tr>
<tr>
<td>Closing Remarks - Day Two</td>
<td>24</td>
</tr>
</tbody>
</table>

List of Participants 26
Policy Messages

» Organisation of Eastern Caribbean States (OECS) countries are in discussion about harmonizing tobacco taxation across the region. The conference examined the case for regional tobacco tax harmonization, based on OECS data and global experiences.

» Currently, tobacco control policies in OECS countries are determined at the national level, with different tax structures, levels of taxation, and collection processes.

» Participants endorsed regional harmonization. The optimal taxation rate remains to be determined. The harmonized rate should be set as a minimum (floor).

» Simpler tax systems are better than more complex systems. A uniform specific tax that is adjusted regularly for inflation and income growth is regarded as best practice.

» The consensus recommendation was that excise taxes should be implemented incrementally, with a clearly defined timeline and targets.

Background

Conference Organization and Participation. The High-Level Knowledge Exchange Conference on Regional Tobacco Tax Harmonization in the Caribbean was organized by the World Bank Group’s Tobacco Control Program, led by Patricio V. Marquez, and the University of the West Indies’ Centre for Health Economics (UWI HEU), under the leadership of Professor Karl Theodore. The Conference was held at the Centre on the St. Augustine campus of UWI on June 21-22, 2018. The conference was attended by Ministry of Health and Ministry of Finance officials from the Organisation of Eastern Caribbean States (OECS), as well as representatives of the OECS Secretariat and CARICOM (Caribbean Community), along with representatives from the Ministry of Health of Trinidad and Tobago and the UWI.

Regional Political and Economic Context. OECS member states include high-income countries (St. Kitts and Nevis and Antigua and Barbuda) and upper middle-income countries (Grenada, St. Lucia, and St. Vincent and the Grenadines), with small populations. The combined population of the seven participating countries is roughly 650,000. Generally, the countries have large tourist industries, and each confronts a unique set of challenges. For example, Dominica and Antigua and Barbuda recently
experienced one of the worst hurricanes in their history, wiping out 100% of agriculture and over 60% of housing in these countries.

**Goal of the Conference**

OECS countries are currently in discussion about harmonizing tobacco taxation across the OECS region. The purpose of the conference was to discuss the need for and merits of tobacco tax harmonization, based in particular on experiences and lessons learned from other customs unions across the world.

**Main Topics and Discussion Outcomes**

**REGIONAL TOBACCO TAX STRATEGIES: EVIDENCE FROM OTHER CUSTOMS UNIONS**

» In weighing regional tobacco tax harmonization, OECS countries may draw lessons from efforts in other regional customs alliances worldwide. To inform deliberations, researchers from customs unions in Africa and Europe presented on tobacco tax policy initiatives in their respective settings and the results obtained.

» The Economics of Tobacco Control Project team from the University of Cape Town, South Africa, including Professor Corne Van Walbeek, Kirsten van der Zee, and Julie Berthet Valdois, presented on the history and characteristics of the Southern African Customs Union (SACU), tobacco control efforts in SACU, and possible lessons for the OECS. The team also presented a case study on illicit tobacco trade in Botswana, Lesotho, and South Africa.

» Assane Diouf, Ministry of Finance of Senegal, representing the West African Economic and Monetary Union (WAEMU), and Annerie Bouw, representing the European Union (EU), presented experiences and lessons learned on tobacco taxation in their respective customs unions.

**APPLICABILITY AND EFFECT OF TAX HARMONIZATION AT OECS REGIONAL LEVEL**

» The World Bank, in collaboration with the HEU-UWI Tobacco Team, and with data generated by the statistical offices and customs and excise authorities of OECS member countries, presented a background report on the state of excise taxes in the OECS region, including simulations on harmonization scenarios for 2019 to 2021.

» Currently, tobacco control policies in OECS countries are determined at the national level, with different tax structures, levels of taxation, and processes for tax collection.

» Five different types of taxes are currently applied on tobacco products across the region. Participants propose to simplify to three types of taxes.

---

The exact taxation rate that will fit all countries in the region remains under discussion. However, there is a general consensus that the harmonized rate should be set as a minimum (a tax floor, rather than a ceiling).

Simpler tax systems are better than more complex systems. A uniform specific tax that is adjusted regularly for inflation and income growth is regarded as best practice.

The consensus recommendation was that excise taxes should be implemented incrementally, with a clearly defined timeline and well communicated tax targets for the period. A clear guideline for future tax increases would inform people’s expectations and may make the tax increases more effective in reducing smoking rates.

Targeting a particular tax burden (e.g., 70%, as suggested in the Framework Convention on Tobacco Control [FCTC] Directive) is not always productive, as a country may experience a high tax burden, but still have quite low prices (cf. Bulgaria in the European Union).

Concern was expressed by Montserrat that an increase in excise taxes may not result in an increase in government revenues, due to the small population (5000 inhabitants).

Duty-free issue: a large and growing number of duty-free shops exist in the OECS, and locals often buy from them. This undermines the health and taxation agenda.

The decrease in official imports to the region could signify an increase in illicit trade. Illicit trade could reduce the benefits of higher taxation. St. Lucia noted that they have experienced stagnant tobacco tax revenue despite increases in excise taxes—it is possible that these additional taxes are not being collected.

Countries in the region lack data to explain the decrease in imports and changes in other import trends, including the trend in illicit trade. Better data can improve modeling and provide more accurate simulation outputs, among other gains.

A World Bank model was adapted to the excise tax structure in the various OECS countries. The model and its results were calibrated to validate 2016 and 2017 outputs with actual country tobacco excise and total tobacco tax revenue data, provided by statistical offices and customs and excise divisions of OECS countries.

Available data are not disaggregated between tourists and local smokers; this is a crucial distinction given the importance of tourism in many OECS economies.
EARMARKING

» Earmarking excise tax revenues could serve to amplify the positive impacts of tax increases on public health.

» However, earmarking tax revenues is not necessary to make an increase in the excise tax effective.

» A holistic approach is necessary for tax policy to optimally improve health and health care. Health does not depend only on good curative health care facilities, like hospitals. Sanitation provides an example.

Summarizing Country Experiences

In closing the conference, each country was invited to offer input on the background report, the applicability of the findings in their respective contexts, and potential commitment to harmonizing excise taxes.

Determination to act. All countries reported strong political will for strengthening tobacco taxation. Specifically, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines indicated that an effort to increase tobacco taxation would be timely, given that there has recently been much focus on tax and non-tax tobacco control legislation in these countries.

Options to invest additional revenue. What should be done with the (additional) excise tax revenue? Some countries favored earmarking revenues specifically for health care. St. Vincent and the Grenadines identified a need for a holistic approach, where revenue generated could be used for broader health action, as well as smoking cessation programs. In many countries, the excise tax revenue goes into the general (consolidated) budget.

Obstacles still to be tackled. Some countries have maintained various tax exemptions on tobacco products. For example, currently there are exemptions for cigarettes sold in hotels in St. Kitts and Nevis. Duty-free shops that are focused on tourists are also common on many of the islands. When locals buy at these outlets, this undermines the taxation agenda. There are also broad concerns about illicit trade in the region. Port controls can be improved. There should be clear legislation to govern the movement of goods across the region. Some participants noted that raising tobacco prices to curb tobacco use could result in substitution to other products, for example alcohol. Complementary policies should be used to avoid this outcome. More research should be done on the possibility to harmonize taxes on alcohol and sugar-sweetened beverages.

Filling data gaps. A lack of data hinders tobacco control policy and monitoring. For example, Monserrat currently has no data to inform tobacco taxation. Dominica was not included in the study due to the recent hurricane, and subsequently could not provide data. It was suggested to create a data repository for the region.

Set a floor, not a ceiling. There was a consensus that any tax harmonization would focus on a tax floor, not on a tax ceiling. Individual countries could set a higher excise tax level, if they wished to. For example, St. Lucia
has a particularly strong stance on tobacco taxation, wanting to double the price of cigarettes from their current levels.

Recommendations and Next Steps

» Disseminate the World Bank report to the respective national authorities, so that they can benefit from the evidence and make informed policy decisions. It was suggested that Professor Theodore travel to the various OECS countries to present these findings; this was well received.

» Collect data and use it to produce evidence for policymakers. The price collection methods used by the Economics of Tobacco Control Project at the University of Cape Town could be adapted for data gathering in the OECS context.

» Keep the tobacco excise tax system as simple as possible by opting for a uniform specific excise tax. Possibly use the highest rate currently implemented in the region as a minimum benchmark, and give each country a deadline to achieve that level, at their own pre-announced pace. The excise rate should be revised regularly to account for per capita income growth and inflation. Avoid setting a maximum rate (tax ceiling). Individual countries can set an excise tax higher than the harmonized tax level if they so choose.

» Keep the common external tariff.

» Make sure that the increase in taxation translates into retail price increase. Do not focus only on the tax burden, but focus on the affordability of tobacco (and ensure that cigarettes become less affordable over time).

» Publicize the excise tax increases, so that the public can pre-emptively change their smoking behavior.

» Use a track-and-trace system, and focus on port control to limit illicit trade.

» All countries should comply with a single, simple directive.

Conclusions

It was concluded that the two-day conference should be seen as a starting point. The shared experiences from other regional blocs such as the EU, SACU, and WAEMU are a source of inspiration, not something to copy directly to the OECS countries. Based on the experiences of the EU, SACU, and WAEMU, keeping it simple and setting a specific minimum excise duty rate seems a viable option for harmonization to achieve both fiscal and health objectives. Participants agreed that discussion on harmonization in the Caribbean region should continue and that the results of the modeling exercise of the WBG and UWI-HEU should be shared on national and OECS level.
Detailed Summary of Conference Sessions

Day One: Thursday, June 21, 2018
Facilitator: Dr. Christine Laptiste – HEU, Centre for Health Economics

Welcome and Opening Remarks

» Dr. Daren A. Conrad - Deputy Dean, Distance Education and Outreach, Faculty of Social Sciences, The University of the West Indies (UWI), St. Augustine

Dr. Conrad transmitted greetings from the Faculty of Social Sciences of the University of the West Indies. He highlighted concern with smuggling and tax evasion and the importance of the conference in light of these issues. Dr. Conrad emphasized the need for economic transformation as it relates to taxation.

» Mr. Patricio V. Marquez - Lead Public Health Specialist and Coordinator of the Global Tobacco Control Program, The World Bank Group

Mr. Marquez brought greetings on behalf of the World Bank Group. Participants from the different regions were welcomed, and the presence of distinguished speakers and discussants was acknowledged. Mr. Marquez encouraged participants to engage actively in the discussions, seizing this opportunity to advance the tobacco taxation agenda and make regional taxation a win-win. He highlighted the work of Sir George Alleyne, noting its alignment with the efforts of the HEU, a unique institution in the Caribbean. Mr. Marquez emphasized the ongoing importance of public health and political leadership and noted the distinguished contributions of Professor Theodore and the HEU team to the field of health economics.

» Professor Karl Theodore - Director, HEU, Centre for Health Economics, The UWI (UWI-HEU)

Professor Theodore provided background on the operations of the HEU and the objective of the institution in helping countries of the region solve problems. Effective solutions must be grounded in evidence. In the OECS, Professor Theodore argued, there has been a history of making firm decisions when needed. In this context, the issue of tobacco is important, and the objective of the conference is to strengthen countries’ efforts to effect change.
Session 1: Tobacco Taxation: Taxing Tobacco: Good for Public Health, Domestic Resource Mobilization, and Equity

Mr. Patricio V. Marquez, The World Bank Group

Mr. Marquez highlighted five important messages.

Message 1: "Cigarettes are among the most addictive substances of abuse and by far the most deadly" (Thomas C. Shelling, 2005 Nobel Prize winner in Economics).

» The Caribbean epidemic - Non-communicable diseases (NCDs) are the leading cause of mortality in the Caribbean; tobacco use is a contributing factor to a wide range of NCDs.

Message 2: Taxing tobacco is good for public health and fiscal revenues

» Why tobacco taxation matters for public health – Cigarette price increases lower consumption and save lives. This is confirmed in the recent experiences of many countries, including Chile, the European Union member states, Great Britain, Korea, Mexico, and Ukraine.

» Economic rationale for tobacco taxation - Raising tobacco taxes can offer a win-win: as health outcomes improve, revenues also rise.

Message 3: While improving health outcomes, higher tobacco taxes boost domestic resources to fund priority investments and programs that benefit all

» The direct and indirect economic costs of tobacco use divert resources from development investments and weaken countries’ human capital. Costs include rising health expenditures on tobacco-related diseases and negative impacts on countries’ labor force participation rate.

Message 4: Tobacco taxes are progressive

» The benefits of tobacco taxation far exceed the costs, and tobacco tax hikes deliver their greatest benefits to people with low incomes. Smart policy design can reinforce these effects. In the Philippines, following introduction of the country’s ‘sin tax’ reform, 15 million persons were able to access basic health services financed by tobacco tax revenues. In the United States, a substantial low-income population (mainly children) gained access to essential health services from tobacco tax revenues.

Message 5: While high taxes may create incentives for illicit trade, other factors have a much greater effect.

» Implicated factors include low capacity in a nation’s tax administration system and low likelihood of violators’ being caught and punished.

“While high taxes may create incentives for illicit trade, other factors have a much greater effect.”
Session 2: Why Tobacco Taxation Matters to Health

*Dr. Edwin Bolastig, PAHO/WHO*

**The Global Burden of Non-Communicable Diseases (NCDs)**

- NCDs account for 70% of global deaths and 86% of deaths in lower-income countries.

**Why Prioritize Tobacco?**

- Tobacco kills 7.2 million people worldwide every year. The global economy loses $422 billion annually in direct tobacco-related health expenditures. Tobacco use also exacerbates socioeconomic inequalities. Research finds a direct link between poverty and tobacco use.

**Tobacco Taxation is a Win-Win-Win**

- Higher tobacco taxes lead to: (1) better health outcomes, particularly by decreasing the burden of NCDs; (2) lower health expenditures; and (3) higher tax revenues.

**Tobacco Tax Best Practices**

- Total indirect taxes should represent more than 75% of the retail price of cigarettes, and excise taxes should make up at least 70% of retail price. Eliminate duty-free sales. Adjust taxes for inflation. Ensure the functioning of transparent licensing systems. Improve compliance measures. Establish appropriate penalties to discourage tax evasion.

**Health Impact and Economic Return**

- Every US$1 invested in the WHO Best Buys to tackle NCDs will yield a return of at least US$7 by 2030; controlling NCDs will increase life expectancy.

**Obstacles to Raising Taxes**

- Key challenges include the lack of capacity and political commitment in many developing countries, along with the “scare tactics” used by the tobacco industry.

Session 3: CARICOM – The Broader Context of Tobacco Taxation

*Dr. Rudolph Cummings, CARICOM*

In 2016-2017, Heads of State took up the issue of tobacco taxation in Georgetown and Grand Anse. Recent years have seen advances in tobacco control policies in CARICOM countries, but also resistance:

- Countries in the region with relatively aggressive tobacco control laws include Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago. However, Haiti has yet to ratify the FCTC, and no CARICOM country has signed the WHO Additional Protocol.

- Between 2007 and 2011, Guyana and Suriname banned tobacco promotion. Following the 35th meeting of the CARICOM Council for Trade
and Economic Development in 2011, all cigarettes sold and distributed in the region must carry pictorial health warnings. Such measures have not gone unopposed, however. A number of challenges have been lodged regarding label warnings, for example.

- In Jamaica, officials initially planned to require that warning labels cover 70% of the surface of cigarette packages. However, this was later reduced to 50%.
- The Jamaica National Health Fund is partly financed by 20% of a Special Consumption Tax charged on all Tobacco Products and 0.5% of annual earnings up to $500,000, paid by employee and employer, collected by the NIS.
- Examples of other “health” taxes in the region include Barbados’ tax on sugar-sweetened beverages and Guyana’s effort to curb the influx of plastic water bottles by imposing a 2% tax on these products.
- Common external tariff (CET) and taxes: For the Caribbean region, the highest level is found in Guyana (100% ad valorem). Rates in selected other countries include 50% in Suriname, 45% in Jamaica, and 35% in St. Lucia.
- Resistance to higher tobacco taxes persists in the region. Manufacturers argue that tobacco tax increases will spur smuggling.

**Session 4: Tobacco Taxation: What is the Starting Position in the OECS Region?**

*Dr. Christine Laptiste, Research Fellow, UWI-HEU*

- Smoking prevalence in OECS countries ranges from 10% to 27% in adults and 10% to 25% in teens. Highest prevalence levels of daily tobacco smoking are found among adult males. St. Lucia reported 16% prevalence in this group, while St. Vincent and the Grenadines measured 12%.
- Cigarette imports into the OECS are mainly from within the Caribbean (61%), South America, and North America. Other regions from which imports originate include Europe, Central America, and Asia.
- Most of the imports from the Caribbean region stem from Trinidad and Tobago (92%).
- Overall, OECS tobacco imports fell by 12.5% from 2014 to 2017.
- A price analysis was conducted on the main cigarette brands consumed in the OECS. Supermarkets, bars, and restaurants were sampled. Price ranges were widest in St. Lucia. This supported the high excise taxes. Prices were also segmented into premium, mid-price, and economy.
- Five main categories of tobacco taxes exist in the OECS:
  1. Import duty/common external tariff – generally applies as ad valorem tax in CIF, with the exception of St. Kitts, which applies a specific import duty on cigarettes
  2. Excise taxes vary widely, both by type and in terms of rates
3. Value added tax
4. Customs service charge – applied in all countries except Antigua and Barbuda, which has implemented a revenue recovery charge
5. Revenue recovery charge (Antigua and Barbuda)

» In Grenada, excise taxes contribute 72% of total revenue from tobacco products, while those in St. Lucia contribute 77%.

CONCLUSION
The heterogeneity of tobacco tax systems and structures in the OECS will have to be addressed, if tobacco taxes in the OECS are to be harmonized successfully. This will require regional cooperation.

DISCUSSION/QUESTIONS AND ANSWERS
» Which CARICOM/OECS countries are looking at adopting the labeling policy standard? The labeling policy standard is not mandatory. Jamaica and St. Lucia have adopted labeling policies. Concerns were raised about duty-free cigarettes and labeling.

» Because consumption (in St. Lucia) is so high, any increase in tax burden will increase revenue. What would be the most efficient tax level? What is the objective: increasing revenue or reducing consumption? Even though we are steadily increasing our tax rate, our revenue remains “flat.” Increase in price is not equal to decrease in consumption, due to elasticity of demand. The observed relationship is that a 1% increase in price leads to a decrease of 0.4% in consumption: addiction plays a role. The cost of production only represents 10% of the price of the cigarette, so the profit margin is enormous. Reducing consumption is the goal: flattening revenues may be a sign that fewer people are starting to smoke.

Session 5: Tobacco Taxation in the European Union - Overview and Lessons Learned
Ms. Annerie Bouw, Legal Advisor, European Commission, Directorate-General Taxation and Customs Union

REVIEW OF THE EU TOBACCO MARKET IN 2016
A review was undertaken with respect to consumption of cigarettes and tobacco and the associated revenues. Reasons to harmonize tobacco excise taxes include:

» To ensure that the internal market functions properly
» To strengthen health protection
» To avoid distortions of competition
» To increase revenues for member states.

Measures seek to achieve an equal tax burden for all member states, with the broad objective being decreased consumption. The experiences of the newest members Croatia (2013) and Romania (2007) was examined.
In Romania, increases in the excise tax to meet EU minimum levels led to increases in revenue. This trend was similar for Croatia.

With respect to harmonization of excise duties, two approaches were suggested:

- **Harmonized tax structure**: a complicated system where all states adopt the same tax structure. This structure can be specific (based on quantity) and/or ad valorem (based on price).
- **Approximation of minimal rates**: not all countries have the same rates, and not all can rapidly achieve high rates. Instead, it is suggested that all members increase their rates to attain a minimal rate which is outlined in legislation.

**LESSONS LEARNED**

- Various pieces of legislation and tax administration rules offer suggestive examples: for example, licenses which are also applied to alcohol and energy products.
- It is important to acquire enforcement tools to combat illicit tobacco trade. Increases in tobacco taxes tend to lead to more illicit trade. EU states have invested in enforcement: for example, excise movement and control systems to secure the movement of tobacco products and provide real-time information. In the near future (May 2019), EU authorities will consider introducing track-and-trace. Applying robust sanctions is another important strategy.

**DISCUSSION/QUESTIONS AND ANSWERS**

- With respect to tax burden and prices, Bulgaria is shown to have the EU’s lowest cigarette prices, but with a high tax burden. Is the tax burden a good indicator of what should happen? This does not translate into higher prices. Agreed. Bulgaria’s tobacco industry operates with lower profits than other places.
- What are some of the key elements of the EU agreement? Setting a minimum has been the key element and has been a successful system for many years. This was a great start to harmonization.
- Is the excise tax applied internally with respect to goods traded to member states? Yes. However, this depends on where: for example, if trading between Belgium (manufacturer) and France (operating/selling), and the tax was paid in Belgium, then the tax will be refunded and excise tax paid in the country of consumption, i.e., France.
- In setting up rates, how was the minimal rate decided? In the OECS, some rates are close to zero, while other countries have higher rates. In the EU, higher-taxing countries set target rates with a transitional period for the other countries. There is a process to achieve the minimal rates. The reality in the Caribbean is low rates with different excise taxes. There is no one-size-fits-all solution for tobacco taxes, since every market is different. There is a need for discussions among partners with respect to aligning to higher rates, as well as feasibility studies including deadlines and schedules for achieving the same. The process of discussion and negotiation is especially important. Montenegro provides an
illustration. There, the government wanted to accelerate the process, so the tax rate was increased. This was linked to a fiscal consolidation package that led to increased rates of tobacco and alcohol taxation, up to the level of the EU. Politics plays an important role and is critical. Policy makers must decide on the objectives they want to achieve.

> What happens to goods that move from place to place, as is often the case in the Caribbean? For example, what happens with trade within a country from a manufacturer to a wholesale producer who then exports? In the EU, legislation states that tax must be paid at the moment the product is released for consumption. Therefore, in the case described, consumption still occurs outside the country of origin, and the tax will be paid by the outside country. No double taxation takes place. There is also an escape clause for countries with taxes over a certain limit. It is important to continue reviewing and updating legislation.

> In the OECS islands, the populations are not large. Given the small population numbers compared to many EU countries, would higher taxes reduce regional revenue? Countries like Latvia and Lithuania also have small populations, yet they also experienced increases in revenue. Countries should have clear objectives. Population and human health should be in the forefront, as human capital is essential for development. Protection of this limited resource is vital. If not protected, this resource will be lost. Import revenue should not be examined in isolation, given that the objective is to curb use and promote a healthy nation. If tobacco consumption decreases because of higher taxation, government expenditure will also decrease for certain public goods (e.g., health care), so there is a balancing effect. An important indirect impact stems from the increase in productivity from a healthy population. Building and protecting human capital should be seen as a critical policy objective.

Session 6: Tobacco Tax Harmonization in the Southern African Customs Union: Possible Lessons for the Organization of East Caribbean States

Professor Corne van Walbeek, School of Economics at the University of Cape Town

OVERVIEW

> Tax increases have been the single most effective way to deter tobacco consumption.

> Economic blocs, for example the European Union, benefit from extended markets by being integrated, which promotes more competition and production at lower costs.

> Why tobacco tax? Reduce incentives for illicit trade and improve public health while at the same time increasing government revenues.
SOUTH AFRICAN CUSTOMS UNION (SACU) EXPERIENCE

» There are five member countries in SACU: Botswana, Lesotho, Namibia, South Africa, and Swaziland (in July 2018, the official name of the country changed to Eswatini), all of which have a common external tariff (CET) similar to the OECS. Additionally, there is a common revenue pool which consists of customs and excise taxes that are sub-divided to these five-member countries. In SACU, 90% of GDP is generated in South Africa, however, South Africa receives less than 50% of the funds from the common revenue pool.

» Tobacco in South Africa is considered a luxury product and is usually consumed by people who are comparatively well-off financially. Therefore, the excise tax is very specific.

» Experience of South Africa:
  › Rapid rise in tobacco consumption from the 1960s to the 1990s, with a sharp decrease in real prices of cigarettes.
  › The excise tax decreased, and for a period it was not adjusted.
  › In the early 1990s, there was a major focus on primary health care (prevention) as opposed to secondary care (treatment), which led to a rapid increase in the excise tax with a swift decrease in the consumption of tobacco.
  › The 2000s saw an increase in the illicit trade in tobacco and tobacco products.
  › Impact on cigarette consumption and revenues: consumption and revenues decreased up to 2000. This was followed by a period of stabilization of revenues.

TAX HARMONIZATION

Tax harmonization does not mean every country must adopt exactly the same approach. The important principle is that individual countries aim for tax rates above a defined minimum. For example, countries can choose to add their own levies above the excise tax, as is the case in Botswana, where revenues from the special levy are dedicated to health promotion. Among the five SACU countries, Botswana’s average cigarette prices are about 40% higher than those in the other countries: $3.45 per pack and $5.45 with cigarettes sold as singles. This levy in the case of Botswana has been useful, with no evidence of increase in illicit trade.

In tax harmonization, the tax structure is important from an administrative point of view; simpler is always better, since ad valorem taxes tend to be exploited. The main lesson from South Africa is the need for a robust tax administration system.

LESSONS FOR THE OECS

» Tobacco tax driver is important.
» Keep the tax structure simple.
» Tax harmonization reduces the incentive for illicit trade.
» A common currency helps tax harmonization but is not vital.
« Tax harmonization should set a floor and not a ceiling; for example, Botswana added a special levy over and above the excise tax.

DISCUSSION/QUESTIONS AND ANSWERS

» The OECS has a currency union and other cooperation initiatives. For the countries of SACU, has the relationship been smooth? What has been done to keep the countries harnessed to the union? The excise taxes implemented by SACU were applicable to all members; South Africa has taken the lead in this area and is considered the main driver. The politics behind this is important. In the case of the OECS, there is a strong sense of cooperation. This is important in considering whether one party may impose itself on others, as is the case with South Africa in the SACU.

» Is there free movement of goods and services in SACU? What kinds of goods are involved? While there is free movement of goods, there are some exceptions. Some goods are not allowed to move freely, for example guns and drugs. Other goods can move freely and are subject to taxes and other formalities.

» In the OECS, there are a number of excise taxes, so how do we move forward? In the context of “simpler is better,” it may not always be easy to get rid of all taxes, and there are some taxes that should be kept, for example VAT. However, there should be negotiations on what taxes should be kept. For example, customs service taxes can be removed or replaced or rolled into CET, and this can be the same for other taxes. It is important to set the bar high for everyone, recognizing that some countries will get there faster than others. It is also important to identify the steps the different countries need to take to reach their goals.

» How does SACU administer the excise tax? The excise tax is levied at the port of entry or once the product leaves the factory. As long as consumption is within the SACU region, there is liability once the goods leave the factory.

» How is the levy administered in Botswana? If the goods are produced in South Africa, for example, and consumed in Botswana, then the levy is applied once the products cross the border into Botswana.

» In the Caribbean, there are countries with high per capita incomes, for example Trinidad and Tobago, which implies a fast-growing economy with high purchasing power. What about introducing a component to account for the purchasing power of the population with more income? It is useful to account for increases in income, since income grows faster in some countries than others. In designing the excise tax, there should be some consideration for inflation and income growth. It may be that the excise tax can be increased by the rate of inflation. When pursuing tax harmonization, there can be rules for increasing excise tax every year by inflation plus 12.5%, for example, which may serve as an incentive for smokers to quit smoking now.
Session 7: Are Price Differences Associated with Illicit Trade? An Analysis of South Africa and Two Neighboring Countries

Ms. Kirsten van der Zee, Research Officer for the Economics of Tobacco Control Project, University of Cape Town

STUDY OBJECTIVE
To determine the perceptions of smuggling between the two countries (Lesotho and Botswana) and South Africa, along with the comparative prices of cigarettes and alcohol on both sides of the respective borders. The study investigated the price of goods in border towns and included both quantitative price data and qualitative data drawn from interviews with local residents. Interviews explored the perception and reality of smuggling between border towns. Tobacco prices were documented only for cigarettes, while alcohol prices were based on a range of products (beer, wine, and spirits). During the study, the tax levied was 30% for both alcohol and tobacco, raised to 40% for alcohol.

FINDINGS
» Quantitative
In Botswana, prices were much higher than in neighboring South African towns. Minimum cigarettes prices were 2.75 in Botswana, compared to 0.43 in South Africa. Prices in Botswana were 62% higher, on average. The study did not detect appreciable smuggling. The absence of large-scale smuggling was attested by the continued existence of major price differentials. If smuggling did exist, it was too small to bring down the market price in settings where levies were imposed. Lesotho and South Africa recorded a negligible 5% price difference.

» Qualitative
There has been substantially less smuggling in Botswana over the past five years due to more rigid border controls. There are strict curfews for bars and pubs in Botswana that some people avoid by going to South Africa. In Lesotho, smuggling is impactful enough that it affects market price. The major difference in these cases is the enforcement of the law, e.g., border controls.

DISCUSSION/QUESTIONS AND ANSWERS
» Simple monitoring tools can help in obtaining data and collating evidence.
» Tax administration is critical, as shown in Botswana.
» In the case of the Caribbean, countries can maximize comparative advantage. Through increased taxes, numerous activities can be financed to improve population health.
» Governments often impose limitations on the free movement of certain goods; cigarettes and alcohol fall into this category. As in Botswana, limits are set on the quantities of such goods that can be transported legally across the border. Botswana has strong border controls. In the
TOP LEFT: Castries Market, Saint Lucia. Photo by argalis / iStock.

TOP RIGHT: Union Island Clifton Bay Grenadines Islands. Photo by happytrip / iStock.

BOTTOM: Woman in St. Kitts. Photo by Joel Carillet / iStock.
Given the experiences shared, it is recognized that the road to harmonization may not always be smooth. Given the experiences shared, it is recognized that the road to harmonization may not always be smooth.
Day 2: Friday, June 22, 2018

Session 1: Experience of the West African Economic and Monetary Union (WAEMU) in Tobacco Tax Harmonization: Lesson Learnt

Mr. Assane Diouf, Senior Tax Inspector, General Directorate of Taxes, Ministry of Finance of Senegal

PRELIMINARY CONSIDERATIONS

» WAEMU Member States include Benin, Burkina Faso, Cote d’Ivoire, Mali, Niger, Senegal, and Togo.

» Smoking prevalence is relatively low in WAEMU countries.

» However, smoking accounts for 24,000 deaths per year in WAEMU countries, which is higher than the average number of smoking-related deaths across Africa as a whole.

» WAEMU is the sub-region in Africa where cigarettes are the most affordable. The share of excise tax in the retail price varies between 2% and 12% for the eight WAEMU member states, well below the African average of 39.88% and far below the 70% recommended by WHO.

» All WAEMU member states are parties to the WHO FCTC, but some of the countries are not in compliance with the FCTC laws.

» Tax systems and tax administration in the WAEMU countries are very weak, and there is interference by the tobacco industry on taxation and tobacco control.

LEGAL FRAMEWORK FOR THE TAXATION OF TOBACCO

In WAEMU countries, tobacco taxation is regulated by several directives, the latest of which, Directive No. 01/2017 / CM / UEMOA, of 22 December 2017, requires WAEMU countries to set an excise tax between 50% and 150% of the product value before December 2019. In March 2018, Senegal adopted the new fiscal minimum of 50%.

ADVANTAGES AND DISADVANTAGES OF THE WAEMU DIRECTIVE ON THE TAXATION OF TOBACCO

Advantages:

» Harmonization of the tax system in the Union, objective of the common market.

» A single tax structure for all countries (in this case, ad valorem based on product value).

Disadvantages:

» The current tax structure has led to larger price differentials between products.

» Undervaluation of goods by the importer/producer.

» The tax base is difficult to determine.
The countries have different tax rates.

The WAEMU Directive imposes a cap for the tax rate.

Inadequate means of control by national governments.

Market control failure by tax authorities (lack of real knowledge and monitoring of what is happening in the market).

OVERVIEW ON TOBACCO TAXATION SYSTEM IN ECOWAS

ECOWAS member states: Benin, Burkina Faso, Cape Verde, Cote d’Ivoire, Gambia, Ghana, Guinée, Guinée Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.

LEGAL FRAMEWORK FOR THE TAXATION OF TOBACCO IN ECOWAS

In ECOWAS countries, tobacco taxation is regulated by Decision No. 01/98 / CM / UEMOA of 3 July 1998, adopting a harmonization program of internal indirect taxation within ECOWAS. This regulation includes: definition of a common list of categories of products subject to excise duties; setting a range of rates to be applied by product; convergence of the tax base products; standardization of rates for products and tax base products: base “ad valorem.”

› The objective of this regulation is to harmonize excise duties in the ECOWAS, which requires member countries to impose excise taxes on tobacco and beverages, apply a tax rate per product, and set an excise tax on tobacco products between 15% and 100% of the producer value.

› The two different fiscal systems in the region pose a problem for tobacco tax harmonization because of the large disparity between recommended excise tax ranges for the WAEMU and ECOWAS.

RECOMMENDATIONS

› Adjust the range of tax rates by increasing the minimum. Subsequently remove the maximum tax rate (ceiling).

› Introduce a uniform specific excise duty, and move slowly away from the ad valorem tax.

› Establish a minimum specific excise duty that member states should apply by 2020 (the deadline should be adjusted by ECOWAS).

› Continued collaboration with partners, capitalizing on the work already done in two regional Commissions.

› Establish effective systems for collecting and analyzing data to better understand and control the tobacco market.

› Promote the exchange of information between tax and customs administrations.

› Set up a product traceability system through the introduction of tax stamps or electronic tracking of goods in transit in order to reduce the risk of illicit trade.
DISCUSSION/QUESTIONS AND ANSWERS

» ECOWAS is equivalent to CARICOM, and WAEMU is equivalent to the OECS. The Caribbean region has a similar creation story and situation to these economic blocs.

» Ad valorem is deficient for the case of Senegal. The reality is, imposing this type of tax proves to lead to inefficient outcomes, and it does not achieve the objectives that were set out.

» It is important to understand the reality of global supply chains. In terms of employment and labor, perhaps only Indonesia and India have manual rolling of tobacco leaves. Most industries are highly mechanized and automated.

Is WAEMU a work in progress? What else could we learn? Why do WAEMU and ECOWAS have a maximum tax rate, if the aim is to reduce consumption? This may be contradictory. The overall objective of the eight countries is to achieve harmonization, more specifically, economic harmonization based on the tax directives provided by the authorities. With respect to the maximum, authorities are adamant on tax harmonization, therefore the maximum is in place to provide grounds for this “togetherness.”

Session 2: Policy Option Scenarios on the Fiscal Impact of Tobacco Excise Tax Policy Reforms in OECS Member States

Mr. Alberto Gonima, Engineer and Modelling Consultant, World Bank Group

ASSUMPTIONS AND MODELLING CALIBRATION AND VALIDATION:

» Country datasets and price surveys were collected and analyzed by the HEU team.

» Data for the years 2005-2015 were sourced from the World Bank’s database.

» Data from 2016-2019 were provided by the Eastern Caribbean Central Bank.

» Data for 2020-2021 were sourced from the IMF Data Mapper Database.

» Import and revenue data were sourced from statistical offices, as well as Customs and Excise Divisions of the OECS countries.

» Simulations and model projection outputs were estimates executed by the World Bank Group.

OECS EXCISE TAX HARMONIZATION: SIMULATION ASSUMPTIONS: PRICE (-0.6/-0.4 RANGE), INCOME ELASTICITY (0.9/0.5 RANGE) FOR UPPER MIDDLE-INCOME COUNTRIES

To estimate the impact of the change in the retail price on consumption, the crucial parameters are:

1. Price elasticity of demand
2. Income elasticity of demand

3. St. Lucia VAT (12% in 2017) is equivalent to 10.7% of final retail price

4. St. Vincent and the Grenadines VAT (16% in 2017) is equivalent to 13.79% of final retail price

5. Grenada VAT (15%) is equivalent to 13.04% of final retail price

6. It is assumed that, to protect the profit margin, the importers and distributors pass-through the tax increase to consumers via price increases.

Price elasticity of demand for high-income countries is estimated to be -0.4 and between -0.6 and -0.4 in lower middle-income countries.

» The upper middle-income countries in this study are: Grenada, St. Lucia, and St. Vincent and the Grenadines.

Two simulation models were proposed. The models seek to assess the potential impact of tobacco tax policy measures on tobacco use, and to mobilize domestic resources to expand the fiscal capacity of the OECS governments, which could be used to fund priority investments. The two models can be characterized as follows:

1. Model 1 builds on the excise tax structure status quo. It suggests adding specific excise taxes in cases where only ad valorem excise tax exists. It further suggests a gradual two-tiered harmonization process.

2. Model 2 presents alternative uniform specific tax excise options to reach an ECS$4.00 (US$1.48) harmonized uniform specific excise tax per pack in OECS countries by 2021.

**Scenario Analysis: Policy Model 1:** The OECS members would see a significant increase in the average tax burden (total tax per 20-cigarette pack as a percentage of average retail price), mainly for Antigua and Barbuda and St. Kitts and Nevis. St. Vincent and the Grenadines would also require a significant increase in excise tax. Grenada, however, would reach the target of over 30% by 2019 and 40% by 2021. St. Lucia is already above 33% and would reach 40% by 2021. In the medium term, this policy would result in greater reductions in consumption.

**Scenario Analysis: Policy 2:** The ECS$4.00 (US$1.48) harmonized specific excise policy tax would generate a lower reduction in the total number of taxed cigarettes, implying a lower reduction in consumption, in particular during the earlier stages of the excise tax increase, in the period 2019-2021. By adopting this policy, both St. Kitts and Nevis and Grenada would be converting their ad valorem excise tax to uniform specific excise tax. Antigua and Barbuda and St. Kitts and Nevis would experience a major impact in their attempt to reach the desired harmonized uniform excise tax. The tax burden for these countries would rise to about 25% in 2021.

Tax burden in St. Vincent and the Grenadines would increase from 4% to 28% in 2021. Grenada and St. Lucia would remain within a range of 34% to 36%. It is proposed to continue harmonization for the period 2022-2025, so as to reach ECS$7.00 (US$2.59) by 2025.

Public health benefits would be expected from both policy options.
Session 3: Is Tobacco Tax Harmonization a Feasible Option for the Caribbean?

World Bank, OECS, SACU, WAEMU, EU, UWI-HEU

The OECS Excise Tax Harmonization modelling stopped at 2021, but it is possible to pursue up to 2025, which would take us to an excise tax rate of EC$8 for all the countries.

» Data collection in the region is an issue.

DOMINICA

» Appreciative of the decision made to exclude Dominica from the study. Dominica is willing to work along with HEU to provide the data needs for the project. Also, the country will be setting timelines to achieve the FCTC guidelines.

ST. KITTS AND NEVIS

» None of the FCTC guidelines have been implemented since signing on in 2007.

» Is in agreement with Professor Karl Theodore that Scenario 2 is the best option for the OECS countries, but will need to partner with the Ministry of Finance to achieve this.

» Implementing the policy will take some time, but officials are setting a timeline to achieve changes in excise taxes by 2019.

» Hotels may be willing to agree to a smoke free policy.

ANTIGUA

» The empirical evidence from the study would be compelling to encourage policy makers to move forward with the tobacco taxation initiative. However, there would be technical obstacles, since Antigua currently has no excise tax on tobacco products.

» The Ministry of Health is now working on a Tobacco Control Act.

GRENADA

» The country is currently engaged in discussions on increasing the excise tax on tobacco products and is hoping to have changes made to the legislation by the end of 2018.

» The excise tax per pack of cigarettes may be the best option for the country.

» Grenada is more concerned with achieving health objectives than increasing tobacco tax revenue. Among the country’s youth smoking population, substituting cigarettes with marijuana is a growing trend.

ST. VINCENT AND THE GRENADINES

» The country recently completed a draft tobacco control policy along with PAHO.
» Tobacco control should be from a health perspective rather than from a revenue generating objective.

» St. Vincent and the Grenadines has a small cigarette manufacturing industry. The ingredients are imported from Trinidad and Tobago, which is a CARICOM country, therefore targeting the excise tax may be the best mode of tobacco control for St. Vincent and the Grenadines.

» The government is considering increasing the country’s excise duty.

ST. LUCIA

» The country formed a multi-sectoral committee for tobacco control and has been working vigorously on tobacco control. The tobacco control committee is hoping to achieve smoke-free spaces in the country by the end of 2018.

» The government may not consider further increases to excise taxes but instead will be looking at other measures to complement taxation in order to improve health outcomes.

» There is no deterrence for the youth population to purchase cigarettes, therefore new legislation is needed to address this issue.

» St. Lucia is now embarking on a National Health Insurance (NHI) but the main concern is how the government will finance the NHI.

MONTSERRAT

» There is no data available on smoking prevalence.

» There is one tobacco manufacturer—Montobacco. However, an agreement was established that the firm would not be allowed to sell their products (cigarettes) locally. Instead, they target the European market.

OECS PERSPECTIVE

In CARICOM countries, the Common External Tariff (CET) should be revised for the different industries in order to support economic growth. Targeting the excise tax is the way to go, but the CET rates on certain sectors should be prioritized under tobacco tax harmonization. Taxation harmonization should be carried through in the OECS economic union, and consideration should be given to the environment in which the excise tax is being applied. Of the policy options presented, Policy Option Two (Scenario 2) would be the best option for the OECS. Tobacco control should be looked at holistically and not only from a revenue-raising point of view.

The OECS Health and Economic Affairs Council should be involved in discussion about the implementation of this policy.

Closing Remarks - Day Two

The best way to address the problem of the consumption of tobacco and tobacco products is by working together with an integrated approach. In the region, there is a weakness in data capture, which has consequences for policy and making decisions. This weakness highlights the need for collaboration and support in securing consistent and accurate data. This can best
“Although this conference was specifically aimed at taxation issues, the health of the population in the region is of ultimate importance.”

be done through cooperation on a regional level, given the human resource constraints that exist in many of our countries. The HEU is a resource to the region and can provide assistance and direction in this area.

Although this conference was specifically aimed at taxation issues, the health of the population in the region is of ultimate importance. The organizers expressed their gratitude to all countries providing data for the study or participating in the deliberations, as well as to all the international participants for their contributions.
List of Participants

Haleema Ali-Sisbane, Researcher, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Turkessa Benjamin Antoine, Senior Legal Officer, Regional Integration Unit, Organization of Eastern Caribbean States

Edwin Bolastig, PAHO/WHO Representative, a.i., Advisor, Health Systems and Services, Pan American Health Organization/World Health Organization

Annerie Bouw, Legal Advisor, European Commission

Roxanne Brizan-St Martin, Researcher, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Michal Burton, Economist, Ministry of Finance, Dominica

Randy Boyke Cadet, Assistant Comptroller (Ag), Inland Revenue Division, Ministry of Finance, Grenada

Cedrina Carr, Research Assistant, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Asif Cassim, Researcher, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Daren Conrad, Deputy Dean, Distance Education and Outreach, Faculty of Social Sciences, The University of the West Indies, St. Augustine

Rudolph Cummings, Program Manager, Health Sector Development, Caribbean Community (CARICOM)

Eddie Emmanuel De Freitas, Supervisor, Customs and Excise Department, Ministry of Finance, St. Vincent and the Grenadines

Assane Diouf, Tax Inspector, Ministry of Finance, Senegal

Fay-Ann Durham-Richards, Economist, Ministry of Finance, St. Vincent and the Grenadines

Samuel Gabriel, Researcher, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Kimberly-Ann Gittens-Baynes, Junior Research Fellow, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Alberto Gonima, Consultant, The World Bank

Del Hamilton, Public Health Consultant, Ministry of Health, St. Vincent and the Grenadines

Amoy Heyliger, Economist, Ministry of Finance, St. Kitts and Nevis
Lydia Phillip Jones, Senior Health Promotion Officer, Ministry of Health, Social Security and International Business, Grenada

Joanna Joseph, Deputy Coordinator, Substance Abuse Advisory Council Secretariat, Department of Health and Wellness, St. Lucia

Denise Knight, Senior Economist, Ministry of Finance and Corporate Governance, Antigua and Barbuda

Jemma Lafeuillee, Acting Director, Research and Policy, Department of Finance, Ministry of Finance, St. Lucia

Christine Laptiste, Research Fellow, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Hazel Laws, Chief Medical Officer, Ministry of Health Community Development Gender Affairs and Social Services, St. Kitts and Nevis

Derrick Lee, Comptroller of Customs and Head of the Customs Division of Customs and Revenue Service, Montserrat

Patricio V. Marquez, Lead Public Health Specialist, The World Bank

Roshan Parasram, Chief Medical Officer, Ministry of Health, Trinidad and Tobago

Joshua Ramsammy, Research Assistant, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Mignon Rolle-Shillingford, Coordinator (Ag.) Health Promotion, Ministry of Health and Social Services, Dominica

Karmesh Sharma, Epidemiologist, Ministry of Health, Trinidad and Tobago

Prof. Karl Theodore, Director, HEU, Centre for Health Economics, The University of the West Indies, St. Augustine

Julie Berthet Valdois, Research Officer, Economics of Tobacco Control, University of Cape Town, South Africa

Kirsten van der Zee, Research Officer, Economics of Tobacco Control, University of Cape Town, South Africa

Prof. Corne van Walbeek, Principal Investigator of Economics of Tobacco Control Project, University of Cape Town, South Africa

Cosbert Woods, Programme Officer, Trade Policy Unit, Organization of Eastern Caribbean States Commission

Oritta Zachariah, Medical Officer, Ministry of Health and Wellness, Antigua and Barbuda