UNITED NATIONS **E**

Economic and Social Council

Distr.
GENERAL

E/1993/56
11 May 1993

ORIGINAL: ENGLISH

Substantive session of 1993
Geneva, 28 June-30 July 1993
Item 4 (e) of the provisional agenda*

COORDINATION QUESTIONS: MULTISECTORAL COLLABORATION ON TOBACCO OR HEALTH

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Economic and Social Council, as an annex to the present note, the report of the Director-General of the World Health Organization on multisectoral collaboration on tobacco or health, prepared in pursuance of Economic and Social Council decision 1993/212.

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* E/1993/100.

Annex

MULTISECTORAL COLLABORATION ON TOBACCO OR HEALTH

Report of the Director-General of the World Health Organization

In May 1992 the Forty-fifth World Health Assembly expressed renewed concern about the economic effects of the reduction of tobacco production in the tobacco-producing countries which are still unable to develop a viable economic alternative to tobacco. In adopting resolution 45.20 on multisectoral collaboration on the World Health Organization (WHO) programme on tobacco or health, the World Health Assembly requested the Economic and Social Council to include the subject of tobacco or health in the agenda of its substantive session of 1993, a proposal which was accepted by the Economic and Social Council during its organizational session in decision 1993/212.

The present document introduces essential elements on tobacco production, commercialization and consumption and gives an overview of the health effects of tobacco use. It summarizes policy decisions by the World Health Assembly, emphasizes the complexity and importance of this subject far beyond the responsibility and capacity of WHO, and proposes multisectoral collaboration for the future.

CONTENTS

I. TOBACCO, DISEASES AND DEATHS

A. Tobacco-related diseases

1. In populations where smoking has been a long-established custom, about 90-95 per cent of lung cancer cases, 40-45 per cent of all cancers and over 80 per cent of cases of chronic bronchitis and emphysema are attributable to tobacco use, as are some 20-25 per cent of coronary heart disease and stroke deaths. Numerous other adverse health conditions, including respiratory distress, gastric ulcers and pregnancy complications, are also attributable to smoking. The adverse effects of smoking on pregnancy range from low birth weight to increased incidence of spontaneous abortions, prematurity, still-births, sudden infant death syndrome and neonatal deaths. Low birth weight is one of the strongest predictors of infant mortality. Other long-term effects on the child include impaired physical and intellectual development. Tobacco used in smokeless forms, e.g., for chewing or snuff taking, is a major cause of oral cancer in countries, mostly on the Indian subcontinent, where the habit is widespread.

2. Tobacco smoke, as well as being dangerous to the smoker, is dangerous to nearby non-smokers. Besides the acute effects of eye and throat irritation due to exposure to the smoke, passive smoking increases the risk of lung cancer and, quite possibly, cardiovascular disease in non-smokers exposed for many years to sidestream smoke at the workplace and/or at home. Children are particularly sensitive to the damaging effects of enforced passive smoking.

3. Tobacco consumption is not only a major health hazard but an economic burden on individuals, families and countries at large. In addition to premature death and disease and the associated health and social costs, tobacco consumption brings about huge production losses due to excessive work absenteeism among smokers. Smoking materials are also a leading cause of many forest and residential fires and fire-related casualties. In several industrialized countries these costs have been calculated and shown to be far higher than the revenue brought to the country by the tobacco business.

B. Tobacco-related mortality: present situation and projections

4. Currently, tobacco use is estimated to account for 3 million deaths per year, with slightly more than half of these occurring in the developed world, where the cumulative exposure (primarily from smoking) has been much higher than in the developing world. Over the past decade or so, there have been very significant changes in consumption patterns, with consumption and smoking prevalence stagnating or even falling considerably in several developed countries, most notably the United Kingdom of Great Britain and Northern Ireland and the United States of America, but rising in many developing countries, especially among men. In China, for example, which alone accounts for almost one third of the entire population of the developing world, the consumption of cigarettes increased from 500 million in 1978 to 1,600 million in 1991: this represents one quarter of the world's total cigarette consumption. Over 60 per cent of Chinese men smoke, compared with less than 10 per cent of women.

Surveys conducted during the 1980s indicate that in almost 60 per cent of developing countries surveyed, over half of the men smoke, compared with fewer than 30 per cent of industrialized countries.

5. In some industrialized countries, there is increasing evidence that the peak mortality from smoking has already occurred among males and that it may shortly do so in other industrialized countries. On the other hand, among women, death rates from lung cancer, a very reliable marker of the evolution of the smoking epidemic, are rising throughout the developed world and consequently the full effects of the massive adoption of cigarette smoking by women in the post-1945 period are yet to be seen.

6. Given these trends, what are the likely future health effects of previous tobacco consumption, particularly smoking? At the global level, the annual number of tobacco-related deaths is expected to rise dramatically from 3 million to about 10 million by the 2020s. Only if there were to be a very substantial fall in smoking prevalence among adolescents would this epidemic of smoking-related deaths be tempered, since the majority of those who will die from tobacco-related diseases in the 2020s are the youth and young adults of today, born between about 1950 and 1980, precisely the period when cigarette smoking was adopted extensively on a world-wide scale.

7. Globally, unless there is a significant change in the tendency for children to become regular smokers, about 250 million of today's children and teenagers will eventually die as a result of smoking, along with a similar number of adults alive today.

C. Tobacco control and health gains

8. During the past 30 years in a number of developed countries, substantial efforts have been put into reducing the levels of smoking and considerable success has been achieved. However, there is a period of delay between the cause (smoking or chewing) and the effect (tobacco-related diseases) and, hence, the high levels of disease and mortality occurring today are the result of many decades of very heavy tobacco consumption. In the same way, a delay is to be expected between cessation of, or a decrease in, smoking and any evidence of a downturn in the levels of smoking-related disease. Nevertheless, in a few countries during the past few years, the efforts of 30 years have begun to show in the reduction in smoking-related disease incidence and mortality.

9. Just as increases in tobacco consumption imply higher levels of tobacco-related diseases and mortality, decreases in tobacco consumption lead progressively to a reduction in these conditions. In particular, lung cancer, a typical indicator of the extent of the tobacco epidemic, begins to decline.

10. Records of tobacco use in the United Kingdom date back to 1870 and it is reasonable to assume that smoking was predominantly a male habit at that time. The First World War boosted the consumption both of cigarettes and of all other tobacco goods: cigarettes to 2,500 per head and all tobacco goods, including cigarettes, to around 4,500 grams. During the Second World War, smoking became more popular among women and continued to increase in the population at large. By 1950, smoking prevalence was 77 per cent for men and 38 per cent for women.

In men the figure began to fall during the late 1950s; in women the per capita consumption increased to 2,630 in 1974 before a downturn became apparent and the prevalence of smoking increased to 45 per cent in 1966 before starting to fall, in response to health information campaigns.

11. Throughout the United Kingdom, lung cancer in men reached a plateau in the 1970s and the rate then began to decrease. These observations are in accord with the changes in smoking habits and the expected time lag between the cause and effect: the highest annual per capita cigarette consumption for adult males was 4,030 in 1960 and the smoking prevalence in males has been falling since that date. For women, no similar disease plateau is yet apparent, in keeping with the fact that the female per capita figure continued to rise until 1974 when it reached 2,630 and the smoking prevalence in women did not start to show any decrease before 1970.

12. Although lung cancer is perhaps the best known of the diseases causally associated with smoking, three to four times as many smoking-related deaths occur from diseases other than lung cancer, primarily vascular diseases. As smoking has declined among men, so has the overall total number of smoking-related deaths. Conversely, smoking-related mortality is progressively rising among women and, in countries such as the United Kingdom, may soon overtake smoking-related deaths among men. These trends are summarized in figure I.

Figure I. Smoking-attributed deaths (all ages, all causes) in the United Kingdom

(Thousands)

Source: WHO estimates.

13. These data are extremely encouraging and show the success that can be achieved in not only bringing to a standstill the escalating smoking-related disease mortality but also reversing the trend.

14. Even in industrialized countries, however, the pattern is far from uniform. Notably, tobacco-related mortality and tobacco consumption are both high and rising in all countries of Central and Eastern Europe. With recent economic liberalization in Central and Eastern Europe, tobacco marketing and promotion techniques, previously unknown in the region, have been introduced, and are retarding or even reversing progress in tobacco control in these industrialized countries.

II. TOBACCO GROWING, MANUFACTURING AND TRADING

A. The impact of tobacco production on the economy: world overview

15. A large number of countries in the world produce tobacco commercially (see figure II) but only a few developing countries depend on tobacco production as a major source of income. World tobacco production is rising, having increased by 10 per cent from 7.1 million tonnes in 1990 to 7.8 million tonnes in 1992. Although the total area of land devoted to growing tobacco represents only 0.3 per cent of the world's arable and permanent crop area, in a number of countries a more significant proportion of arable land is used for tobacco production. These countries include Malawi (4.3 per cent), Bulgaria (2.5 percent), Zimbabwe (2 per cent) and China (1.1 per cent).

Figure II. Top five tobacco-producing nations in 1992
(Farms sales, weight basis)

Source: United States Department of Agriculture, June 1992.

16. The geographical distribution of tobacco production has undergone a significant change over the past two decades. Developing countries' share of world tobacco production rose from 53 per cent in 1962-1964 to 69 per cent in 1985-1987, while over the same period the share produced by developed countries has declined from 47 per cent to 31 per cent. The chief factors in this shift were increased production in Bangladesh, Brazil, China, India, Indonesia, Republic of Korea, Thailand and Turkey, coupled with a sharp decline in production in the United States of America. Since 1987, however, world demand for tobacco leaf grown in the United States has increased and United States production has grown concomitantly from 0.62 million tonnes in 1988 to 0.76 million tonnes in 1992. (Total world production of tobacco leaf in 1992: 7.8 million tonnes.)

17. These trends are mirrored in the patterns of world tobacco consumption. Over the past decade, world consumption of leaf tobacco has been rising at around 2.4 per cent per annum. However, in many developed countries such as Canada, France, the United Kingdom and the United States, tobacco consumption is declining, whereas in developing countries, including Brazil, China, India, Indonesia and many others, it is rapidly increasing. The reduction in tobacco consumption in the developed world is due to increased health awareness following antismoking campaigns, heavy taxation and the subsequent high retail price of tobacco products, as well as the increasing social stigma attached to smoking. More worrying is the fact that in the developing countries, the increase in consumption has been almost entirely in the form of manufactured cigarettes, with a decline in traditional smoking methods and a corresponding move from home-produced cigarettes to factory-made products.

18. A significant exception to this trend is found on the Indian subcontinent. There, rapid growth is also observed in tobacco consumption, but most of this growth is in indigenous products. In India, manufactured cigarettes hold only a 5 per cent to 10 per cent share of the total tobacco market and this is declining. Most of the growth is in consumption of bidis, pan, khaini and other smokable or chewable tobacco products. Significantly, all of these products are hazardous to health; like manufactured cigarettes, they generate economic activity in the form of tobacco growing, production, employment and consumption.

19. Tobacco is a lucrative short-term cash crop and tobacco prices tend to be stable in contrast to the price instability of other commodities. However, this profitability is not necessarily part of the natural order; it is partly due to price support and other policy measures operating in the great majority of producer countries. These measures include production and supply management programmes, provision of seed, fertilizer and other inputs, as well as soft loans to tobacco farmers, guaranteed prices, premiums to buyers of domestic leaf, and export subsidies.

20. The processing of tobacco and the manufacture of tobacco products also provide employment, as do related industries such as agricultural equipment and transportation and engineering related to tobacco processing. Many people are also employed in the wholesale and retail trade in tobacco but it is difficult to estimate the number solely employed in the sale of tobacco products, at both the wholesale and retail levels.

21. In reviewing the effect of tobacco production on countries' economies, there are comparative issues to take into consideration. For example, China, the United States, India and Brazil are major producers of tobacco leaf but the economic significance of tobacco to each, as to many other producing countries, is quite different. In 1987 China exported relatively little tobacco whereas the United States was the leader in tobacco exports world wide (15 per cent), followed by Brazil with 13 per cent.

22. But by 1992, Chinese exports grew sixfold and China had become the world's sixth leading tobacco leaf exporter after the United States, Brazil, Zimbabwe, Italy and Greece.

23. It is also of interest to consider the effect of tobacco on the trade balance in each country. Thus, in Malawi, tobacco is the backbone of the economy, with tobacco export earnings in 1988 reaching almost 60 per cent of total income from exports; in Zimbabwe it was 20 per cent; but in Brazil exports of leaf tobacco have never exceeded 2-3 per cent of the total value of all exports. Other developing countries spend more on importing tobacco than they earn in exporting it. A large number of developing countries (including the least developed countries) have an important deficit in their balance of trade for tobacco products, such as Angola, Bangladesh, Benin, Burkina Faso, China, Ethiopia, Papua New Guinea and Somalia.

24. Moreover, it is apparent that world leaf trade is no longer expanding rapidly, due to the reduction of consumption in the developed countries. An additional factor in the slowing down of leaf demand is the development of manufacturing techniques that reduce total leaf requirements, such as the use of tobacco sheet made from leaf, stem, ribs and dust as a cigar wrapper and as a filler to be blended with leaf in cigarette tobacco. Puffed, foam and freeze-dried tobaccos also reduce the weight of tobacco used per cigarette. These techniques, in addition to a gradual extension of the filter tip, shortening of the tobacco column, and reduction in cigarette circumference, are likely to lead to a decline in leaf demand over the long term. This is one indication that the long-standing price stability of tobacco, in an otherwise unstable agricultural commodities market, may not continue indefinitely.

25. Other trends in the international tobacco trade are also becoming less favourable to developing countries. Generally their share of the export market is decreasing as consumption declines in the developed world, while their cigarette imports are rising due to the prevalence of a tobacco habit initiated and perpetuated by their own involvement in tobacco production. Thus, here is a loss of foreign currency due to a reduction in leaf exports and an increase in the import of cigarettes, a combination which, if the trends continue, will result in a net loss in the longer term.

26. Reduced demand in developed countries, notably the United States, the European Community and Nordic European countries will curtail the amount of hard currency earned by developing countries that supply them with tobacco. Consequently, tobacco-importing countries will increasingly be those of Central and Eastern Europe and others that pay with non-convertible currency or deal in countertrade. This development is likely to severely handicap countries that currently rely heavily on tobacco export revenues. This has important implications, in that tobacco is currently seen in many developing countries as

a hope in the face of balance-of-payment deficits. Thus any reduction in export revenue linked with an increase in imports is more than likely to impose additional burdens on the economy of those countries that currently have severe balance-of-payment problems. The ramifications of these changes in trade flows may be considerable, and it can be inferred that the long-term advantages to be derived from the production and export of tobacco may be substantially less than is currently stated. In fact, the long-term effect could be a considerable increase in the indebtedness of many developing countries.

27. The points outlined above, as well as the fact that tobacco production may entail environmental losses, add to the very serious concerns arising from the effects of tobacco on the health of a population. When these negative effects are superimposed on the ill-health and mortality consequences of tobacco consumption, the problems are severe and far-reaching.

B. Environmental costs of tobacco production

28. Production of tobacco carries an environmental risk in many countries resulting from soil degradation, the use of pesticides and deforestation.

Soil degradation

29. In relation to other crops, tobacco is very demanding of nutrients. Furthermore, tobacco depletes soil nutrients faster than other crops, an important consideration in developing countries, particularly those where soils are characterized by their low nutrient content. Consequently, to maintain soil fertility, this extraction of nutrients must be balanced by suitable inputs of costly and, in many cases, imported fertilizers. Where tobacco is cultivated on land with minimal rotation, there is also a tendency for the soil to become exhausted and crop pests to become endemic. The alternative to replenishment is to exhaust soil fertility and then clear new land which can be cultivated. In the past this shifting cultivation has been responsible for deforestation and, to some extent, still is today.

Use of pesticides

30. Before 1940 few effective crop-protection chemicals were available to farmers. Along with the growth in the number and use of pesticides, the possibility of unwanted effects became more generally recognized. Although tobacco grows like a weed, the production of good-quality leaf is notoriously beset by problems requiring the use of herbicides, nematocides, fungicides, insecticides and chemicals. Thus, the use of complex chemical compounds brings the possibility of crop contamination, with the inherent danger to those who smoke or chew the leaf; land and water-supply contamination, bringing danger to local communities; and occupational hazards to the farmers and their families.

Use of wood

31. Increasing concern has been expressed over deforestation and associated environmental problems such as soil erosion, siltation, flooding and droughts, and the depletion and, in some cases, extinction of wildlife. Crop failures

caused by floods or droughts are a real loss to both farmers and the national economy.

32. Countries where fuelwood is an important input to tobacco production include Bangladesh, Brazil, Kenya, Malawi, Malaysia, Pakistan and the United Republic of Tanzania. However, tobacco production is responsible for forest depletion in a number of ways other than the use of wood for curing purposes. First, trees are felled to provide land for tobacco cultivation. Secondly, wood is utilized in the construction of barns for flue and air-cured tobaccos, as well as ancillary equipment used in the curing process. Thirdly, wood-based materials are used for packaging tobacco and for cigarette manufacture.

33. A recent study carried out by the International Forest Science Consultancy in Argentina, Brazil, India, Kenya, Malawi, Thailand and Zimbabwe indicates that the amount of wood required to cure one kilogram of tobacco ranges from 4.8 kg in Argentina to 12.9 kg in Malawi. It was estimated that the total annual consumption requirements of the tobacco sector in developing countries is some 9.25 million m^3 of wood per annum. Although the tobacco sector's use of wood is small in comparison with total wood consumption in tobacco-producing countries, the point should be stressed that many tobacco areas lie within parts of the world that have been identified by the Food and Agriculture Organization of the United Nations (FAO) as having, or likely to have, a wood deficit. Moreover, the area of all types of woodland in most African and Asian countries is now below the level at which it is capable of meeting present and future fuelwood demand on a sustainable basis. As a result, accelerating deforestation is expected, with potentially serious ecological consequences, and tobacco's contribution to this should not be underestimated.

C. Impact on national economies

34. It would appear from the facts outlined above that a good case can be made to show that tobacco has a significant economic impact on some countries by providing incomes for farmers and other workers. However, if tobacco production and manufacturing were either decreased or had never been introduced, most, if not all, of these incomes would be generated in forms currently available or in other ways. Consequently, people who are involved in growing tobacco and those involved in the manufacture and distribution of tobacco products, would grow, manufacture and distribute alternative crops and other products.

35. Assessments of the possibilities of crop diversification in individual countries have shown the feasibility of crop diversification in various regions. While the stability of pricing for tobacco crops and the lack of extreme variation in demand for tobacco compared to other agricultural crops have been underlined, it should be noted that many of these advantages of producing tobacco find their origins in private or public subsidies, tariffs and supply restrictions that support high tobacco prices (see section below); and the long-term prospects are for steadily declining demand for tobacco products as the health concerns are taken into consideration world wide.

36. To begin to measure the economic impact on a national economy of growing tobacco, it is necessary to know the gross value of production; the costs of production (seed, fertilizer, acquisition of production tools); the extent to

which the above are affected by subsidies (governmental or private); and the net environmental costs of producing tobacco that are not captured by market prices. It is also necessary to calculate the gross return and costs of production from the next most profitable farm activity. It should be underlined that the farm component in the retail value of cigarettes is very small: in the United States of America, only 6 cents goes to the tobacco farmer from a US$ 2 pack of cigarettes, whereas the advertiser receives 16 cents.

37. It will also be necessary to determine, for both the short and long term, the economic costs of premature deaths, the economic cost of added morbidity and the cost of medical care. As an example, it can be mentioned that in 1985, in the United States, the total direct health care costs associated with smoking were estimated at over US$ 12 billion, or about 5 per cent of all direct health care costs in that year. The total lifetime excess medical care costs for smokers were also estimated to exceed those for non-smokers by US$ 501 billion - an average of over US$ 6,000 per current or former smoker. In the United Kingdom as well, smoking-attributable diseases cost the National Health Service more than £400 million each year, with over 50 million working days lost annually due to tobacco-induced illnesses. In 1991, in Australia, the total health care costs of smoking in 1988 were estimated at A760 million and "savings" (of non-smokers' additional years of costs) from premature deaths were A150 million, resulting in net costs of A610 million. In Japan, a study that linked the records of a health survey and the medical insurance records estimated that, in 1987, the medical costs for children in smoking households were 30 per cent higher than those in non-smoking households (US$ 260 vs US$ 200 per child). In developing countries, where epidemiologic transition is currently going on, tobacco-related diseases are also increasing. In Brazil, the cost of public information and personal smoking cessation services is estimated at 0.2-2.0 per cent of per capita GNP for each year of life gained, while treatment for lung cancer costs 200 per cent of per capita GNP per year of life gained. Although there are few data on the economic burden of smoking for most developing countries, it should be remembered that these countries have to pay simultaneously not only for communicable diseases but also non-communicable tobacco-related diseases. Some comparisons will need to be done on an international level as the costs and benefits of tobacco production and consumption do not necessarily occur in the same countries.

38. While tobacco may be a source of employment not only in the agricultural (primary) sector but also in the secondary and tertiary sectors, it does not affect countries in the same way. Figure III shows, for example, that the main producers of cigarettes are not the same as the main producers of tobacco; it is also a source of reduced productivity through various factors such as absenteeism, fires, disruption of work and the like. Finally, the economic cost of labour used in the manufacture of tobacco products, as well as in retailing, is the opportunity cost of that labour. In a well-functioning labour market, the opportunity cost of labour is the prevailing wage.

Figure III. Top five cigarette-producing countries and their cigarette exports, 1991

Source: United States Department of Agriculture, August 1992.

39. Tobacco taxes are an important source of government revenue, as well as an important health policy tool for discouraging tobacco consumption. Provided that smuggling is reasonably well controlled, that all tobacco products are taxed at similar rates, and that taxes are effectively collected on all tobacco products, tobacco taxes have proven important in achieving both health and fiscal objectives. In circumstances of rising tobacco taxes, government revenues will continue to increase for many years, even as tobacco consumption declines. Figure IV shows that government tax revenues in Canada increased through progressively higher rates of tobacco taxation during the 1980s; while, at the same time, tobacco consumption decreased due to higher tobacco taxes and other measures.

Figure IV. Cigarette consumption and tobacco taxes in Canada, 1980-1992

Note: 1985-1992 data adjusted for smuggling.

Sources: Statistics Canada and Canadian Tobacco Manufacturers' Council.

40. Moreover, in many countries, taxes collected on tobacco can be earmarked as a source of revenue for investment in further tobacco control measures, improving health care, or other important social investments. Such strategies are currently employed in countries as diverse as Australia, New Zealand, Portugal and Romania, all countries where tobacco is grown.

41. While tobacco brings in added revenue to individual Governments through taxes, it is also a source of expenditure to Governments through subsidies. For example, of all the crops supported by the common agricultural policy of the European Community, tobacco cultivation has seen the highest increase in expenditure. In 1980, 309 million European currency units (ECUs) were spent on tobacco subsidies. This rose to 1,330 million ECUs in 1991 (or a 4.3 times increase in a period of 11 years) as shown by figure V below.

Figure V. European Community expenditure on tobacco subsidies from 1980 to 1991

Source: Commission of the European Communities.

42. The benefit derived from tobacco production or use in terms of the foreign exchange position of the country is difficult to assess. However, foreign exchange earnings are important to all Governments and are critical to the economic development efforts in many developing nations. Tobacco affects foreign exchange through imports and exports of leaf or manufactured products and of machinery and supplies used in processing leaf for manufacturing tobacco products.

43. Lastly, in some cases special trade agreements or concessionary sales may alter the foreign exchange effects of tobacco. Recent political and economic realignments in the world have had a number of consequences for world tobacco trade. As recently as the mid-1980s, major transnational tobacco companies were important only in about one third of the world's tobacco markets. Now, they operate almost everywhere in the world, including China (through joint venture agreements), in some other countries of Asia, and, more recently, in some countries of Western and Eastern Europe where State monopolies had previously imposed import restrictions to protect their markets from foreign influence.

44. While these companies are not yet dominant in all the new markets that have opened to them, they can bring new forces to bear on tobacco production and consumption. Modern techniques of tobacco advertising and promotion, typically most expertly practised by the transnational tobacco companies, can be used to make tobacco use appear very attractive. This can have the effect of slowing down rates of smoking cessation, and encouraging more widespread smoking among segments of the population where smoking was previously relatively rare, such as women and young adolescents of both sexes. The heightened competition brought about by the new presence of transnational tobacco companies, through new advertising and other means, could result in new segments of the population taking up the tobacco habit and overall levels of tobacco consumption being higher than they would be in the absence of these companies.

45. New investments from transnational tobacco companies in tobacco marketing, and the related activities of tobacco growing, manufacturing and distribution, sometimes imposed on countries, can appear initially very attractive to countries in economic difficulty, but in reality, they are a form of private subsidy which can lead to the long-term economic costs and disastrous public health consequences that were outlined previously.

III. WHO CONCERNS WITH TOBACCO OR HEALTH ISSUES

A. World Health Assembly policy and WHO activities

46. As early as 1970 the World Health Assembly expressed concern over the serious effects of smoking on the pulmonary and cardiac diseases, including broncho-pulmonary cancer, chronic bronchitis, emphysema and ischaemic heart diseases. It also requested the Director-General of WHO to bring to the attention of FAO the need for studying crop substitution in tobacco-producing countries (World Health Assembly resolution 23.32). Since then, the subject has been regularly brought up by the World Health Assembly, which has emphasized the need to study the economic component of the problem through a multidisciplinary approach.

47. The interest expressed by the World Health Assembly has led during the past few years to a certain number of studies and implementation of projects in various countries in collaboration with other agencies of the United Nations system. In addition, the World Bank, together with FAO and representatives of other agencies, attended and participated actively in WHO expert committees and an inter-agency meeting on smoking and health; they showed a readiness to collaborate in tobacco control if approached by individual countries. However, the magnitude and complexity of the problems involved have made it difficult to reach final conclusions and to develop specific long-term country programmes.

48. Of particular importance were the recent resolutions, World Health Assembly resolutions 42.19 (see annex I) and 43.16 (see annex II), which led to extensive studies. From these studies it would appear that in both developed and developing countries there are crops that match or exceed the level of return from tobacco. However, some crops that give high returns, such as fruits and vegetables, have a limited potential because of market constraints and unstable prices, and farmers may be reluctant to produce alternative crops unless they have a market for them. Given these factors it is clear that specific studies

will be required for individual countries or even provinces. The experience gained from these wide-ranging studies, in addition to more specific technical recommendations on particular issues, led the Forty-fourth World Health Assembly to conclude that:

(a) It is necessary to adopt a country-by-country approach when considering the economic impact of tobacco production and consumption on the economy, on the environment and on health. Different trading policies may influence the interest and benefits to be derived from tobacco production. Successful cases of crop substitution have all involved complex packages of public policy measures at the national and international levels developed on the basis of local knowledge;

(b) Developing countries that depend on tobacco production as a major source of income are likely to need external support to divert from tobacco to other crops or activities and to find markets to dispose of them. This support can be given on a technical basis by the Food and Agriculture Organization of the United Nations, the United Nations Industrial Development Organization, the United Nations Conference on Trade and Development, the International Labour Organisation or the General Agreement on Tariffs and Trade; however, to strengthen the position of these organizations, decisions and resolutions to act in these areas will have to be taken by their respective governing bodies, within their field of competence. External resources to support this diversification may also need to be sought.

B. Collaboration with relevant United Nations agencies

49. In response to the above-mentioned resolutions, the Director-General of WHO contacted, in many instances, the relevant United Nations agencies in order to explore the possibilities and methods of collaborating with them in the elaboration of country programmes and, in particular, to encourage crop substitution programmes in countries whose economies depended heavily on tobacco. This collaboration led to the production of a few reports but no substantive formal programmes were established, for example, to further research on crop substitution, trade, employment and the implications of phasing out tobacco production and consumption.

50. However, this collaboration has influenced the evolution of the policy of these various agencies on matters related to tobacco production and consumption. A particularly interesting development is the adoption by the World Bank of a new policy on tobacco which can be summarized as follows:

(a) The World Bank's activities in the health sector, including sector work, policy dialogue and lending, discourage the use of tobacco products;

(b) The World Bank does not lend directly for, invest in, or guarantee investments of loans for tobacco production, processing or marketing. However, in the few countries that are heavily dependent on tobacco as a source of income and of foreign exchange earnings (i.e., those where tobacco accounts for more than 10 per cent of exports) and especially as a source of income for poor farmers and farm workers, the World Bank treats the subject within the context

of responding most effectively to these countries' development requirements. The World Bank seeks to help these countries diversify away from tobacco;

(c) To the extent practicable, the World Bank does not lend indirectly for tobacco production activities, although some indirect support of the tobacco economy may occur as an inseparable part of a project that has a broader set of objectives and outcomes (e.g., rural roads);

(d) Unmanufactured and manufactured tobacco, tobacco processing machinery and equipment, and related services are included in the negative list of imports in loan agreements;

(e) Tobacco and tobacco-related producer or consumer imports may be exempt from borrowers' agreements with the Bank to liberalize trade and reduce tariff levels.

51. As a positive side-effect of this collaboration, the majority of United Nations agencies and affiliated organizations have become part of the tobacco-free environment.

IV. MULTISECTORAL COLLABORATION ON TOBACCO OR HEALTH

A. The need for multisectoral collaboration

52. During the past two years when debating the problems of developing countries that depend on tobacco production as a major source of income, the World Health Assembly considered that WHO had already made considerable efforts to comply with Health Assembly resolutions and that the limits of WHO action in this field must be carefully defined, keeping in mind that the goal of WHO activities in the tobacco or health programme was the lessening of tobacco-related health problems through reduced tobacco use. Yet for the sake of the few countries depending on tobacco production for their economic and health development, important matters such as agricultural diversification and economic support should not be neglected. It was thus felt important to ensure that these issues be discussed in the appropriate competent forums of the United Nations system, such as the governing bodies of FAO, GATT, ILO, UNCTAD and UNIDO, which would need to formulate their own resolutions on the subject. As a step in this direction the Director-General of WHO proposed to underline the importance of the tobacco-related economic issues in his report to the Economic and Social Council.

53. Presenting the issue to the Economic and Social Council in July 1991, the Director-General explained how tobacco had become a special concern of WHO, as a commodity and as a danger to health; he also expressed the WHO understanding of the plight of certain countries that depend heavily on tobacco production for sustaining their already weak economies. It was therefore essential to bring to the attention of the Council the serious socio-economic and health problems connected with tobacco production and consumption, in the hope that in due course the agencies competent in this field, in particular, FAO, GATT, ILO, UNCTAD, UNIDO and the World Bank, would take up with WHO, in a spirit of multisectoral cooperation, the important issues of crop substitution, industrial

and tobacco trade aspects, government subsidies to tobacco growers, and import duties and taxes on tobacco products.

54. The Director-General also underlined that the Governing Council of the United Nations Development Programme (UNDP) had broached the issue of drug abuse control and crop substitution at its meeting in June 1991 and that it had decided to allocate resources to finance projects in this area. He urged the international community to increase significantly its support for such efforts and expressed the hope that a similar effort to provide multilateral assistance to tobacco-related projects in some developing countries, to reduce their dependence on this crop, would also be successfully negotiated within the international community. He concluded with the need for a multisectoral and multilateral approach to the solution of such social and economic issues, a conclusion that was endorsed by the Economic and Social Council when it decided to include the provisional agenda for its substantive session of 1993, under the item entitled "Coordination questions", a sub-item entitled "Multisectoral cooperation on tobacco or health".

B. Recommendation for future action

55. Tobacco consumption is, in a number of countries, already a major avoidable cause of death, often in the poorest segment of the population. The United Nations system should do its utmost to prevent this risk from spreading further, in particular, to developing countries. While the world is acquiring the technology to break the vicious circle of poverty and disease, increased tobacco consumption in developing countries (and among women in developed countries) should not threaten to undo much of the progress made in health. Developing countries will be even less able to cope with the social and economic cost of further avoidable ill-health caused by tobacco. Yet, tobacco is an economic good and its production and trading brings in much needed revenue to people in many countries and in many walks of life.

56. The complexity and importance of this subject are far beyond the responsibility and capacity of the World Health Organization, as confirmed by World Health Assembly resolution 45.20 (see annex III). WHO will continue to deal with the health aspects of tobacco use within its own competence and resources; the many important issues in agriculture, trade, foreign exchange and employment are not matters that can be rightly brought before the World Health Assembly, nor can the WHO secretariat deal with these subjects.

57. The World Health Assembly, composed of the Governments who are also members of the Economic and Social Council, had no alternative but to address the Council. The World Health Assembly considered it to be the correct procedure when it seeks the attention of the international community on matters outside its competence and drew attention to three main concerns:

(a) The socio-economic and development implications of tobacco in countries depending on tobacco production as a major source of income;

(b) The economic effects of the reduction of tobacco production in countries which are still unable to develop a viable economic alternative to tobacco;

(c) The need for multisectoral strategies, including involvement of the other members of the United Nations system, as mentioned earlier.

58. In the framework of these complex and difficult issues far beyond the specific health promotion mandate of WHO, the World Health Assembly asked that the item be placed on the agenda of the Economic and Social Council so that the subject was officially discussed, with an appropriate follow-up in the United Nations General Assembly, and with the organizations of the United Nations system.

59. The Economic and Social Council may wish to recommend to all organizations concerned, in particular the World Bank, FAO, GATT, ILO, UNCTAD and UNIDO, that discussions be held at the decision-making level, before the end of 1993, on the issues of health, on socio-economic matters, such as agricultural diversification, trade and employment, and on tobacco-attributable health matters related to tobacco growing, processing and trading, and to establish:

(a) A focal point on the subject of multisectoral collaboration on the health and economic aspects of tobacco production and consumption, with experience in developing and handling a major policy framework in the field of tobacco control;

(b) A programme of work, organization by organization, with specific deadlines and with the appropriate involvement of countries concerned;

(c) A schedule for reporting to the Economic and Social Council on the subject and on progress made.

Appendix I

WORLD HEALTH ASSEMBLY RESOLUTION 42.19

Tobacco or health

The Forty-second World Health Assembly,

Recalling resolution WHA39.14 and resolution WHA41.25 requesting the Director-General to draw up a plan of action on tobacco or health for submission through the Programme Committee to the eighty-third session of the Executive Board;

Recognizing that the use of tobacco is responsible world wide for more than 2 million premature deaths annually;

Recalling that active efforts are needed to resolve the economic issues involved in reducing tobacco production;

Concerned at the fact that, while tobacco consumption is decreasing in developed countries as a result of effective health promotion supported by appropriate legislation and regulations, the developing countries are registering increases in tobacco consumption;

Reaffirming that the health services should clearly and unequivocally publicize the health risks connected with the use of tobacco and actively support all efforts to prevent the associated diseases;

1. THANKS the Director-General for having already accelerated implementation of the WHO programme on tobacco or health;

2. APPROVES the plan of action for the WHO programme on tobacco or health for 1988-1995 as proposed by the Director-General and endorsed by the Executive Board;

3. REQUESTS the Director-General:

(1) to continue to support this programme as outlined in the plan of action and to mobilize extrabudgetary funds for its implementation;

(2) to support national authorities, at their request, in taking measures to disseminate information on the health risks of tobacco, to promote lifestyles without tobacco, and to control the promotion of tobacco consumption;

(3) to work, in close collaboration with national health authorities, with organizations of the United Nations system, and with relevant non-governmental organizations in official relations with those organizations, to ensure that both health and economic aspects are fully taken into account;

(4) to review the impact of tobacco production on the economy, environment and health of the populations in developing countries which depend upon tobacco production as a major source of income, and to report on this issue to the Forty-third World Health Assembly;

(5) to collaborate actively with FAO and other relevant United Nations agencies with a view to developing agricultural projects that demonstrate how crop substitution programmes can be implemented in countries whose economies depend heavily upon tobacco production and to encouraging such countries to implement these programmes;

4. RESOLVES that each year 31 May shall be World No-Tobacco Day.

Appendix II

WORLD HEALTH ASSEMBLY RESOLUTION 43.16

Tobacco or health

The Forty-third World Health Assembly,

Recalling the strong statement on the issue of smoking and health made by the President in opening the Forty-third World Health Assembly;

Recalling resolutions WHA33.35, WHA39.14, WHA41.25 and WHA42.19 on the health hazards of tobacco smoking and the WHO programme on tobacco or health;

Recalling the requirement contained in resolution WHA42.19 concerning a review of crop substitution and economic aspects of tobacco production and consumption;

Recalling further that resolution WHA39.14 urged Member States to implement a comprehensive nine-point smoking control strategy;

Encouraged by:

(a) the significant progress made by many Member States in the implementation of this strategy;

(b) the continuing decline in tobacco consumption in Member States that have adopted comprehensive smoking control policies;

(c) recent information demonstrating the effectiveness of tobacco control strategies, and in particular:

- legislation or other measures to provide protection from involuntary exposure to tobacco smoke in workplaces, public places and public transport;

- policies to achieve progressive increases in the real price of tobacco;

- comprehensive bans and other legislative restrictive measures to control effectively direct and indirect advertising, promotion and sponsorship concerning tobacco;

Deeply concerned by increasing evidence of the dangers to health of passive smoking and by a new WHO estimate that, unless current smoking rates decrease, there will be 3 million tobacco-related deaths per year during the 1990s, and that this figure will rise sharply to 10 million deaths per year by the 2020s;

Believing that millions of future premature deaths can be avoided if current smoking rates are quickly and substantially reduced;

1. URGES all Member States:

(1) to implement multisectoral comprehensive tobacco control strategies which, at a minimum, contain the nine elements outlined in resolution WHA39.14;

(2) to consider including in their tobacco control strategies plans for legislation or other effective measures at the appropriate government level providing for:

(a) effective protection from involuntary exposure to tobacco smoke in indoor workplaces, enclosed public places and public transport, with special attention to risk groups such as pregnant women and children;

(b) progressive financial measures aimed at discouraging the use of tobacco;

(c) progressive restrictions and concerted action to eliminate eventually all direct and indirect advertising, promotion and sponsorship concerning tobacco;

2. NOTES that, in countries where more than one level of government exists, national authorities may not have complete jurisdiction over these issues;

3. REQUESTS the Director-General:

(1) to intensify support for the 1988-1995 plan of action for the WHO programme on tobacco or health;

(2) to ensure the provision of sufficient budgetary resources to assist Member States in implementing comprehensive tobacco control programmes;

(3) to ensure that the report requested in resolution WHA42.19 is presented to the forty-fourth World Health Assembly;

(4) to monitor and report biennially to the Health Assembly on the progress and effectiveness of Member States' comprehensive tobacco control programmes;

(5) to report to the Forty-fourth World Health Assembly on the progress made in assistance to countries that depend on tobacco production as a major source of financial resources for health and development, with emphasis on measurement of efficacy of such assistance.

Appendix III

WORLD HEALTH ASSEMBLY RESOLUTION 45.20

Multisectoral collaboration on WHO's programme on "tobacco or health"

The Forty-fifth World Health Assembly,

Having considered the Director-General's report on collaboration within the United Nations system and noting the relevance of that collaboration in approaching issues such as "tobacco or health";

Recalling resolutions WHA42.19 and WHA43.16 regarding the socio-economic and development implications of tobacco in the countries that depend on tobacco production as a major source of income;

Reaffirming the need for multisectoral strategies, including the involvement of other organizations of the United Nations system, in dealing with the complexities and difficulties of the subject of "tobacco or health";

Recalling the Executive Board's decision at its eighty-ninth session (EB89(16)) on the action taken by the Director-General in reporting to the Economic and Social Council of the United Nations and the reaffirmation of the orientation given to WHO's programme on "tobacco or health";

Concerned about the lack of appropriate follow-up activities to the Director-General's report to the session of the Economic and Social Council in July 1991 on the need for multisectoral collaboration within the United Nations system on the problem of "tobacco or health";

Concerned about the economic effects of reduced production in the tobacco-producing countries which are still unable to develop a viable economic alternative to tobacco,

1. THANKS the Director-General for his report, and for bringing to the attention of the Economic and Social Council the need for collaboration within the United Nations system on the complex issue of "tobacco or health";

2. REQUESTS the Economic and Social Council to put the subject of "tobacco or health" on the agenda of its next session so that the subject is officially discussed with an appropriate follow-up in the United Nations General Assembly and in organizations of the United Nations system;

3. REQUESTS the Director-General:

(1) to continue to seek and to facilitate multisectoral collaboration on WHO's "tobacco or health" programme within the United Nations system;

(2) to bring to the attention of the Economic and Social Council WHO's concern over socio-economic problems of tobacco production and difficulties associated with assistance to the countries dependent on tobacco production, as reflected in the report on the implementation of resolutions WHA42.19 and WHA43.16.
