

Increasing Tobacco Prices Will Protect Indonesia's Youth and Economy

Statement from Sandra Mullin, Board Chair, STOP (Stopping Tobacco Organizations and Products)

Bangkok, Thailand (11 October, 2019) — STOP (Stopping Tobacco Organizations and Products), a global tobacco industry watchdog, released the following statement in support of the Indonesian Ministry of Finance's proposed 23 percent increase in tobacco taxes. Higher tobacco taxes would reduce the number of new smokers, especially among Indonesia's youth, decrease use among current smokers and provide much-needed revenue to fund health care across the country.

Sandra Mullin, Board Chair of STOP and Senior Vice President, Vital Strategies said:

"The tobacco industry works tirelessly <u>to delay and dilute policies</u> that reduce smoking, using tactics such as lobbying, front groups and misleading information. The <u>STOP Global Tobacco Industry Interference Index</u>, released today, shows the industry is succeeding in its efforts to meddle in public health. Indonesia ranks 5th worst among 33 countries in protecting government policy from tobacco interference. This was evident in 2018, when Indonesia's government was persuaded to revoke plans to increase tobacco prices, simplify tobacco taxes and strengthen tobacco tax policy.

The government should expect misleading research to exaggerate the impact of tax increases on employment, tobacco farming and illicit trade. Behind-the-scenes industry lobbying is likely to intensify as the government moves to finalize the new regulations this month. New <u>industry-friendly groups</u> may emerge to promote pro-tobacco positions, creating the illusion of broad support.

Indonesia's government should not be tricked. If government once again succumbs to the industry's tactics, the real price will be paid by Indonesia's youth and its economy. We support the government's plans to implement this price increase and urge it to put health before the tobacco industry's profits."

About Tobacco Taxes in Indonesia

Further annual tobacco price increases, implemented in conjunction with comprehensive national tobacco control laws, would help Indonesia slow and even reverse its deadly tobacco epidemic. Indonesia is one of the world's leading consumers of tobacco, with nearly 8 million children and over 60 million adults using tobacco products. Smoking is the country's leading cause of preventable death, claiming more than 227,000 lives a year, and the leading risk factor for non-communicable diseases, which could cost Indonesia's economy as much as US\$4.5 trillion from 2012 to 2030, according to the

World Economic Forum. Industry tactics to keep products cheap and attractive to youth are working. Studies indicate that Indonesian males are starting to use tobacco at a younger age – some as early as six years old. More than a third of 13-15 year-old boys in Indonesia smoke tobacco, increasing their risk of lifetime tobacco use, disease and premature death.

Please contact the <u>STOP press office</u> for more information or to speak to a STOP spokesperson.

About STOP (Stopping Tobacco Organizations and Products)

STOP is a global tobacco industry watchdog whose mission is to expose the tobacco industry strategies and tactics that undermine public health. STOP is funded by Bloomberg Philanthropies and is comprised of a partnership between The Tobacco Control Research Group at the <u>University of Bath</u>, <u>The Global Center for Good Governance in Tobacco Control (GGTC)</u>, <u>The Union and Vital Strategies</u>. Visit <u>exposetobacco.org</u> to learn more.