



Illegal Tobacco in Wales: the problem



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Introduction

Tobacco use is, undeniably, the major Welsh public health concern. It is estimated that 5450¹ people die in Wales each year as a result of smoking. In addition to the health impact, smoking is strongly linked to socio-economic deprivation and increased health inequalities. The highest rates of smoking prevalence and smoking-attributable mortality can be found in the most deprived areas of Wales, including Rhondda Cynon Taf, Merthyr Tydfil and Blaenau Gwent².

What is illegal tobacco?

Although illegal tobacco can be given different names, sometimes changing according to the part of the UK in which it is sold, most health and enforcement professionals would use the following classifications:

Counterfeit – these are illegally produced and supplied products, which bear copies of registered trademarks and are replicas of well-known brands. Sometimes these are packaged with foreign labelling, including health warnings, to give the impression that they are the genuine product, but imported into the UK.

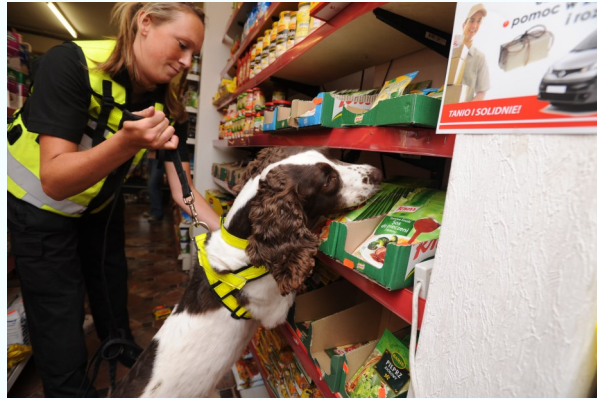


Non-Duty Paid – These are genuine products, manufactured legally for a local market. They can be UK or non-UK recognised brands. However, they have been smuggled into the UK for illegal supply, with no UK duty having been paid.

Cheap Whites/ Illegal Tobacco – these products have no legal market in the UK. They bear brand names which are not well recognised in the UK as they do not relate to any legitimate products. No UK duty will have been paid in relation to these products. The most common example currently in circulation is Jin Ling.

Why is illegal tobacco a problem?

Tobacco control measures are crucial in reducing smoking prevalence and the rates of smoking-attributable disease. Availability of illegal tobacco undermines a range of key measures including taxation, age restrictions on sales and point-of-sale display bans. Illegal tobacco is significantly cheaper than cigarettes from legal



sources and these lower prices undermine tobacco control interventions by providing an accessible lower-priced alternative source³.

Continued tobacco use harms health and the low prices, due to evasion of tax duty, make tobacco available to people who may not otherwise be able to afford it⁴, impacting particularly upon more deprived communities⁵. The impact of health warnings can be reduced due to a lack of graphic images, small print size or being written in a foreign language⁶. Illegal tobacco is also more readily available for purchase by children and young people⁵.

Tobacco smuggling is linked to other forms of criminal activity⁷ causes a loss of tax revenue⁸ and its presence in communities can also undermine legitimate local retail businesses⁹.

The scale of the problem in Wales

In 2014 ASH Wales led the first pan-Wales research project to assess the scale of the illegal tobacco market in Wales. ASH Wales commissioned the market research company NEMS to conduct 2,547 interviews across the 22 local authority areas of Wales. This survey was modelled on those conducted on behalf of the “Tackling Illicit Tobacco for Better Health” programme in the North and South West of England.



Key findings include:

- ★ The illegal tobacco market accounts for 15% of the overall tobacco market in Wales.
- ★ One-quarter of current smokers purchase illegal tobacco; this makes up 42% of their total tobacco consumption.
- ★ 45% of smokers have been offered illegal tobacco to buy
- ★ The most widely-used channel for purchase was at a private address (52%), followed by a pub/club (45%), shops (19%) and street sellers (16%);
- ★ 59% of those who buy illegal tobacco purchase it at least once a month;
- ★ The average price paid for a pack of 20 illegal cigarettes was around £4, compared with an average price just short of £8 for a legally purchased pack after the 2014 budget
- ★ Smokers tend to be comfortable, rather than uncomfortable, with the purchase of illegal tobacco
- ★ More than 70% of purchasers of illegal tobacco strongly agree that illegal tobacco makes it possible for them to smoke when they could not otherwise afford it

The availability of illegal tobacco is therefore a very real issue in communities across Wales.

45% of those surveyed see it as an important issue affecting the local community and 53% strongly agree that it brings crime into the local community. However, only 26% of those surveyed indicated that they were likely to report its sale. When asked where they would report its sale, most mentioned the police.



Conclusions

These findings mean Wales has one of the highest levels of illegal tobacco use and availability reported in 2014 when compared with any of the English regions. In order to effectively reduce smoking prevalence rates, further steps must be taken to tackle both the supply of, and demand for, illegal tobacco.

Recommendations

Now that Wales-specific data has been established for the first time, ASH Wales and its partners recommend the following steps to tackle the high prevalence of illegal tobacco purchase and use in our communities:

- ★ **Measures to tackle supply through the strengthening of partnership working between the relevant enforcement agencies to ensure that information and intelligence are shared and used effectively.**
- ★ **An awareness-raising campaign designed to reduce demand for illegal tobacco, with a particular focus on its ready availability to young people.**

82% of those surveyed by NEMS as part of this work felt that it was very important that children should not start smoking. A campaign of this kind has already been demonstrated to work successfully in three regions of England. Survey work in the North East of England, where the size of the illegal tobacco market was 15% of the overall tobacco market in 2009, the same as Wales in 2014, showed a drop to 9% in 2013, a marked decrease in purchasing of illegal tobacco¹⁰.

During the same period, smoking prevalence in the North East of England, which suffers similar socio-economic deprivation problems to large parts of Wales, also fell, from 23% in 2009 to 17% in 2013¹¹.

An evaluation of the campaign conducted in the North of England also demonstrated an increase in the number of calls reporting the sale of illegal tobacco¹².



References

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- ² *Ibid.*
- ³ L Joosens (November 2012): *Smuggling, the Tobacco Industry and Plain Packs*, p4. Available at: http://www.cancerresearchuk.org/prod_consump/groups/cr_common/@nre/@pol/documents/generalcontent/smuggling_fullreport.pdf; G C Mecredy et al (2013): "Association between use of contraband tobacco and smoking cessation outcomes: a population-based cohort study" *Canadian Medical Association Journal*, DOI: 10.1503/cmaj.111861.
- ⁴ R West et al (2008): "Why combatting tobacco smuggling is a priority", *BMJ*, Vol 337, pp1028-1029.
- ⁵ C Moodie et al (2010): "Adolescents awareness of, and involvement with, illicit tobacco in the UK", *Tobacco Control*; Vol 19 (6), pp521-522.
- ⁶ Wales Regional Illicit Tobacco Survey (2014), NEMS Market Research.
- ⁷ APPG Smoking and Health. 'Inquiry into the illicit trade in tobacco products'. March 2013. Available at: www.ash.org.uk/APPGillicit2013
- ⁸ HM Revenue & Customs. *Measuring Tax Gaps 2011*, Sep. 2011.
- ⁹ HM Revenue & Customs. *Tackling Tobacco Smuggling – building on our success*, April 2011.
- ¹⁰ Figures available at: <http://www.freshne.com/what-we-do/our-campaigns/keep-it-out/results>
- ¹¹ Figures available from: http://www.illegal-tobacco.co.uk/wp-content/uploads/2014/03/NE_Illicit_Tobacco_Report_key_findings.pdf, p1
- ¹² UK Centre for Tobacco Control Studies (January 2012): *Tackling Illicit Tobacco for Better Health. Final Evaluation Report Executive Summary*, p3. In the North East and North West of England, the number of calls to Crimestoppers reporting illegal tobacco increased from 100 in the period April 2009 – March 2010 to 328 for the year April 2010 – March 2011. During the same time period, the number of calls reported in Yorkshire and Humberside, where the campaign did not run, dropped from 33 to 19.

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