

4. Ministries of labour and employment can take important first steps to advance tobacco control and accelerate progress towards the SDGs.

Upholding the right to health is a fundamental responsibility of the entire governments, not just ministries of health. Ministries of labour and employment can help fulfill this responsibility by working with employers and other stakeholders to implement the WHO FCTC. In the first instance, ministries of labour and employment should:

- Participate in a whole-of-government approach to tobacco control;
- Convene its key stakeholders^{vi} – to discuss the negative impacts of tobacco, the benefits of tobacco control and how to collectively strengthen the response;
- Use national FCTC investment case findings to build political and public consensus for stronger tobacco control. If no such case exists, consider developing one^{vii};
- Consider the promotion and support of economically viable alternatives for tobacco workers, growers and, as the case may be, individual sellers as called for by WHO FCTC Articles 17 and 18; and
- Work with other parts of government to protect public health policies with respect to tobacco control from tobacco industry interference, in line with WHO FCTC Article 5.3 and its guidelines for implementation.



vi This could include chambers of commerce, employees, employers, government, unions, employers' organizations, and investors.

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In line with the Convention Secretariat's [Global Strategy to Accelerate Tobacco Control 2025](#) and [UNDP's Strategic Plan 2022-2025](#) and [HIV, Health and Development Strategy \(2022-2025\)](#), these briefs emphasise the importance of a coordinated, multisectoral whole-of-government approach to tobacco control, empowering Parties to work across sectors to achieve policy coherence.

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Tobacco Control

What Ministries of Labour and Employment Need to Know

Key Points

- 1 Tobacco control strengthens the labour force, increases productivity and drives economic growth.
- 2 Tobacco control makes economic sense.
- 3 Tackling tobacco can support businesses and jobs.
- 4 Ministries of labour and employment can take important first steps to advance tobacco control and accelerate progress towards the Sustainable Development Goals (SDGs).

Sustainable Development Goal 3 (SDG 3) aims 'to ensure healthy lives and promote well-being for all at all ages'.¹ One of the means of achieving this goal is to strengthen implementation of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) in all countries, as appropriate (Target 3.a).

The WHO FCTC is a legally binding treaty that reaffirms the right to health.² It was developed in response to the tobacco epidemic and currently has 183 Parties, covering more than 90 percent of the global population.³

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1. Tobacco control strengthens the labour force, increases productivity and drives economic growth.

Tobacco use negatively impacts and depletes the workforce, reducing productive employment and economic growth. Enormous economic losses accrue from premature deaths amongst the workforce, employees who must take sick leave, and unwell workers who remain on the job with reduced performance. The economic burden of smoking alone is equivalent to 1.8 percent of the global annual gross domestic product (GDP), with almost 40 percent of the burden occurring in low- and middle-income countries (LMICs).⁴ Analysis of the 24 low- and middle-income countries that are part of phase 1 and 2 of the FCTC 2030 project^{i, ii} found that tobacco use is costing over 2 percent of their annual gross domestic product (GDP) on average.ⁱⁱⁱ

The economic benefits of tobacco control are significant. Investing in stronger tobacco control in 24 LMICs would avert US\$64 billion in economic losses over the next 15 years – a combination of averted health-care costs and avoided economic productivity losses.^{5,6}

Tobacco-related diseases mean increased health-care costs and insurance premiums. These higher costs are paid by the employer through increased health insurance premiums, or by the public through increased taxes or out-of-pocket expenses. Annual health-care expenditures on smoking-attributable diseases are around US\$422 billion globally.⁷

Early death and disease from tobacco use prevents LMICs from reaping the full socioeconomic benefits of their demographic transition. Tobacco-related non-communicable diseases (NCDs) negatively impact long-term labour supplies in sectors that require experienced, skilled personnel. They hinder

labour market participation for women and girls, who often drop out of school, quit work, or abstain from entering the workforce because they must care for a sick relative.

Multinational tobacco conglomerates siphon profits abroad, out of the national economy, leaving countries to deal with the enormous costs of tobacco use. In Jordan in 2015 the tobacco industry generated 889 million Jordanian dinar (JOD) (US\$1.2 billion), which included government tax revenue, employee wages and payments by the industry to the government for goods and services. However, total economic losses to the country due to tobacco use were far higher at JOD 1.6 billion (US\$2.2 billion).

Tobacco growing is a social, economic and environmental detriment.⁸ Tobacco growing is linked with food insecurity, malnutrition, sickness for farmers, child labour, poverty and debt. Cigarette manufacturers and leaf buying companies often exploit tobacco farmers, including through low-paid and bonded adult labour as well as unpaid child labour.⁹ Tobacco farmers also face a plethora of health risks, including nicotine poisoning from harvesting the tobacco leaves.¹⁰



i Analysis based on 24 FCTC 2030 countries from Phase I and Phase II.
ii See WHO Framework Convention on Tobacco Control. FCTC 2030. Available at: <https://fctc.who.int/who-fctc/development-assistance/fctc-2030>.
iii Based on national FCTC investment cases conducted through the FCTC 2030 project.

THE DEADLY CONSEQUENCES OF TOBACCO AND WHY GOVERNMENT SECTORS MUST WORK TOGETHER TO IMPLEMENT THE WHO FCTC

The social, economic and environmental impacts of tobacco consumption and production are staggering. Without adequate investment in tobacco control it is estimated that up to 1 billion people could die from tobacco-related disease during this century alone.¹¹

Smoking-attributable diseases cost the global economy over a trillion US dollars annually, due to medical expenses and lost productivity.¹² The environmental impacts, due to plastic pollution, deforestation and soil degradation from tobacco growing, as well as water and soil pollution from pesticide use and cigarette littering, are of growing concern. Levels of tobacco consumption and production in society are determined largely by policies beyond the health sector. This means that the development consequences of tobacco are largely avoidable through better policy coherence and common strategies that deliver shared gains for all sectors involved, accelerating progress against multiple SDGs.

2. Tobacco control makes economic sense.

Strengthening tobacco control in line with the WHO FCTC is very low cost compared to its burden and would provide substantial returns to health and productivity. Across the 24 LMICs analyzed, tobacco control intervention packages deliver an average return on investment (ROI) of 41:1 over five years and 101:1 over 15 years.¹³ Raised cigarette taxation typically delivers the largest ROI; for example, raising cigarette taxes in Jordan in line with WHO recommendations would deliver a ROI of 647:1 over five years and 1,547:1 over 15 years.¹⁴

Tobacco control also delivers economic benefits at the household and community levels, including for local businesses. Tobacco users spend a significant portion of their budget on tobacco products,¹⁵ diverting spending away from essential purchases such as food, education and healthcare.¹⁶ Additionally, out-of-pocket medical expenditures to treat tobacco-related diseases can be financially catastrophic, driving families into poverty or trapping them

there, exacerbating inequalities and escalating government social protection costs. Out-of-pocket health-care expenditures in response to tobacco-related disease average US\$61.6 million per country across those 24 LMICs.¹⁷

3. Tackling tobacco can support businesses and jobs.

Tobacco companies – and their front groups^{iv, v} – seek to influence governments with false arguments against transitioning from tobacco production, as well as any other cost-effective measure such as banning smoking in indoor public spaces, increasing tobacco taxes or banning tobacco advertisements. A common claim is that such measures will hurt businesses and result in job losses. Numerous country experiences have proved otherwise.

Innovative approaches have been taken to addressing tobacco production:

- In 2018, Zambia jointly with the Secretariat of the WHO FCTC, UNDP, other UN agencies and the American Cancer Society developed a proposal for the first-ever tobacco control social bond (T-SIB). A feasibility study for the T-SIB in Zambia indicated that a US\$8 million investment would deliver more than US\$12 million in benefits over five years, in increased farmer profits and carbon sequestered (by protecting 17,000 hectares of forest from deforestation). Once piloted, the T-SIB could be scaled through a financing facility to serve many more tobacco farmers regionally and globally. The T-SIB initiative is now collaborating with BNP Paribas and Tobacco Free Portfolios to identify donors and investors.
- Kenya was the first country to participate in a joint effort of the World Food Programme (WFP), Food and Agriculture Organization of the United Nations (FAO) and World Health Organization (WHO) to more profitable, easier to grow and nutritious crops like high-iron beans. By January 2023, growers had sold more than 550 tonnes of beans to the World Food Programme, school programmes and the open market. The experience is now going to be extended to a second tobacco-growing country in the region.¹⁸

iv The tobacco industry has frequently used tobacco growers' associations to represent their interests, such as the tobacco industry-supported 'International Tobacco Growers' Association', which subverts local growers' groups to promote industry goals. The labour sector must carefully examine the nature of organizations that claim to represent the interests of growers.

v The industry also uses organizations to advance its Corporate Social Responsibility strategy. This includes the Eliminating Child Labour in Tobacco Growing (ECLT) Foundation, which is funded and governed by the tobacco industry. Available at: <https://tobaccotactics.org/wiki/eclt/>.