



LAO PDR

TOBACCO CONTROL INVESTMENT CASE



Economic loss

2.3% of GDP

Tobacco costs Lao PDR **LAK 3.6 trillion** annually, equivalent to **2.3%** of GDP.

Total of **LAK 239.7 billion** in healthcare expenditures:

- Out-of-pocket
- Government
- Private insurance

Total of **LAK 3.3 trillion** in productivity losses:

- Premature mortality
- Presenteeism
- Smoking breaks
- Absenteeism



Tobacco-related deaths

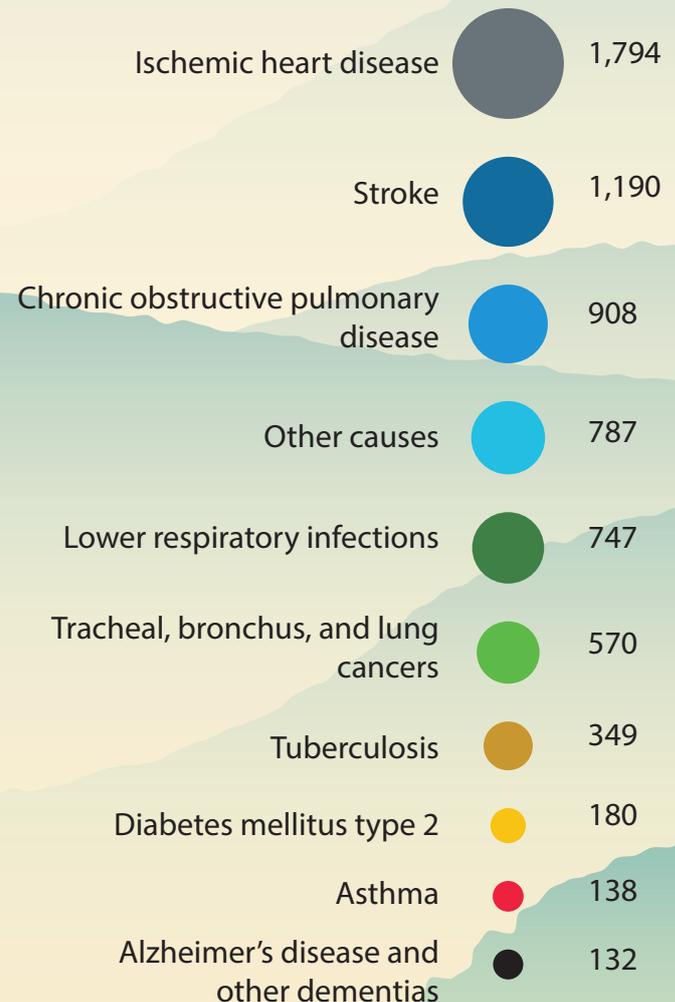
More than

6,700 Laotians

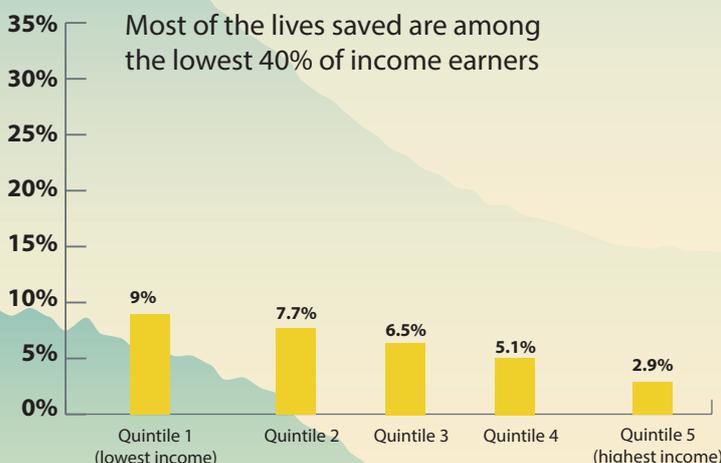
die every year due to tobacco-related illness, accounting for nearly **15%** of all deaths in the country.

Tobacco use is associated with a wide range of diseases and conditions.

Estimated tobacco-attributable deaths per year in Lao PDR by disease or condition:



Relative reduction in smoking prevalence resulting from tax increase





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Investing now in seven tobacco control measures will save...



25,000 lives

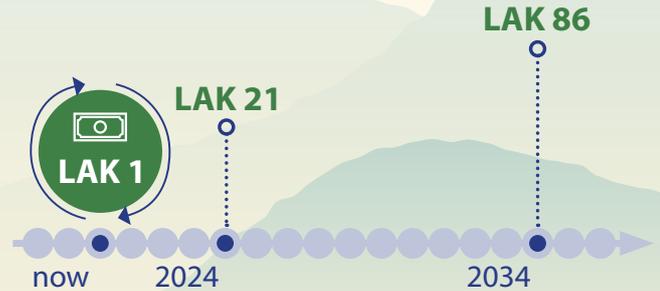
and

LAK 10 trillion



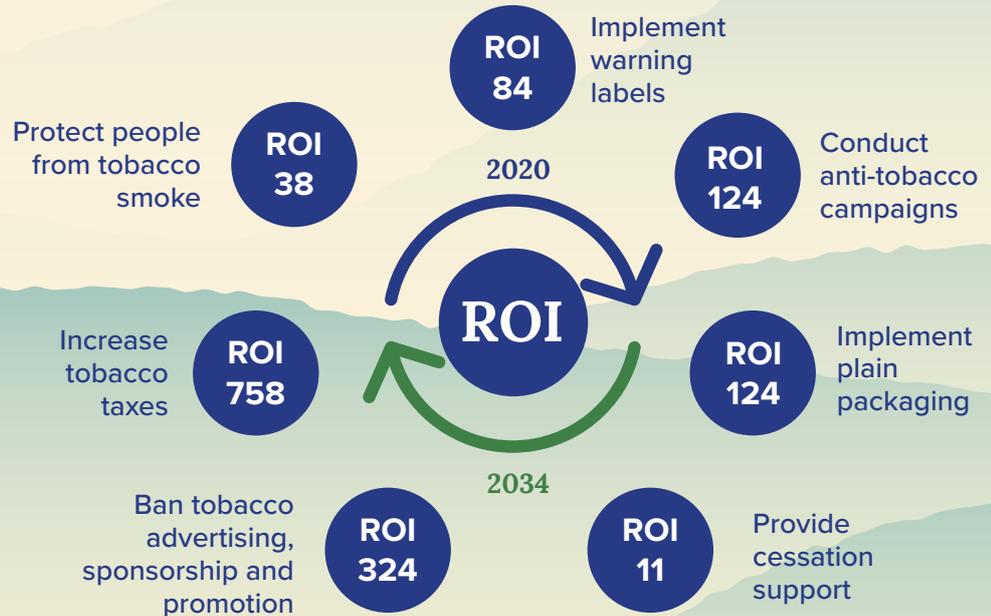
in health costs and economic losses by 2034.

For every Lao kip invested, Lao PDR receives **LAK 21** by 2024 and **LAK 86** by 2034.



Return on investment (ROI)

Each of the priority WHO FCTC measures results in positive returns on investment over 15 years, ranging from LAK 11 – 758 per LAK 1 invested now.



Recommendations

- 1 Ensure that the Investment License Agreement (ILA) with the tobacco industry is reconsidered (but not/never to be extended beyond the current term), so that taxes can be raised.
- 2 Ensure that the amendment of the 2009 Law on Tobacco Control is advocated for and approved.
- 3 Ensure that the government has mechanisms in place to be in full control, and is well-coordinated to protect public interest and implement tobacco control effectively and transparently.
- 4 Take action to shield policy making from industry interference.