

# Tobacco Control in Thailand

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Thailand is constantly being held up as an example to which the whole Asian region can aspire. It has implemented all of WHO's recommendations and, as a result, has seen an 11% drop in smoking prevalence since 1986. At times Thailand has offered a stark contrast to the rest of the region which is being stalked by the tobacco industry and fettered by distracted governments. Yet as the Action on Smoking and Health Foundation of Thailand enters its second decade of work new threats are emerging and the successes of the past are under threat.

Ten years ago over 60% of Thai men and 4% of Thai women aged over fifteen, were smokers. Despite the fact that smoking was largely a pastime of the poor, cigarettes were perceived to be a luxury product, and smoking was associated with wealth and modernity. Thailand was pegged by the industry as a fertile ground for future sales due to its economic growth. It was for this reason that it was one of the countries targeted by the tobacco industry in its bid to open Asian tobacco markets using US Trade law, specifically Section 301.

The Section 301 case put Thailand's tobacco activists on the world stage and marked a significant turning point in the history of tobacco control in Thailand. Until then there had been no unified effort to combat tobacco use. Whilst a ban on the importation of tobacco together with the restraint shown by the Thai Tobacco Monopoly (TTM) had largely insulated Thais from the powerful marketing strategies of the Transnational Tobacco Companies (TTCs), smoking rates were still climbing and the ill health effects of tobacco use were becoming increasingly common.

When the US Trade Representative signaled that it would take up the US cigarette makers' complaint, tobacco became a hot issue in Thailand. Suddenly the tobacco debate was in the news every other day. Thais were enraged by the fact that US companies were trying to replace slipping US sales with greater Asian sales, despite the known risks associated with smoking and the enormous damage smoking had already caused. Since the Thai government defended its exclusion of foreign cigarette companies on health grounds, people began to see the trade dispute as a fight for their right to protect their own health. They began to see tobacco companies for what they are - organisations which profit from addiction and are indifferent to the dangers of tobacco use to humans. Technically the US tobacco industry won its fight at GATT. They were allowed to start selling cigarettes in Thailand from where they had once been banned. But the 301 case gave Thai tobacco control activists the momentum with which they were able to lobby for the passing of two key pieces of legislation - the 1992 Tobacco Products Control Act and the 1992 Protection of Non-Smokers Health Protection Act. It also saw the baptism by fire of the Action on Smoking and Health Foundation of Thailand, which was founded only a few years before.

Today Thailand still leads the way in efforts to control tobacco through legislation, taxation and community education, but the uproar has subsided and tobacco is

beginning to be shuffled to the sidelines as issues such as AIDS, and the so-called 'hard' drugs, take the spotlight away from smoking. This is despite the fact that smoking is one of the kingdom's leading causes of death. And the consequences of this are visible. There has been an increase in smoking prevalence amongst young Thais in the past three years. Young women are a particular worry. The upward trend was borne out in a 1997 study by Yuwalak Khanasa which showed that nearly 5% of female high school and vocational students were smokers. This is ten times more the national smoking rate of 0.6% for female teenagers. Fears that this may be associated with the entry and increased prominence of foreign brands, were attested to by the finding that nearly 70% of these young women indicated a preference for Marlboro.

The changing political climate in Thailand is not obvious. Thailand has just passed the ingredients disclosure amendment and new, stronger pack warnings, including the world's first warning that states that "smoking leads to impotence." But these movements do not disguise the fact that the Thai government has become increasingly indifferent to tobacco control. The tobacco control budget, always meager, has declined even further, government policy on tobacco is vague and shackled by often changing leadership. And a lack of enforcement of the legislations already passed, has become a major problem.

The non-government sector in Thailand plays an important role in tobacco control but it has to work within a severely limited budget. The Action on Smoking and Health Foundation, which is often held up as an example of successful tobacco-control, runs its entire operation on less than US\$100,000 per year. The economic crisis of the past year has put further strain on this tiny organisation. The funding restrictions shackle the organisation and inhibit its further growth. Many projects remain small scale despite their success.

As can be expected from an industry known for its survival instincts, the tobacco industry is taking full advantage of this lapse in concentration. This time they are not overseeing a marketing blitz or a high profile court case, instead they are shrewdly shifting their game plan to a more insidious type of promotion.

A lack of knowledge about restrictions on point of sale advertising by shop owners, in conjunction with a lack of enforcement by public health officers, has meant that the amount of advertising in shops is increasing. This has been done by providing cabinets which are emblazoned with distinctive brand colours (and sometimes graphics) and stickers. The cabinets are free and ensure a neat, eye-catching display for the cigarettes.

The amount of indirect marketing, particularly brand stretching, has been increasing markedly over the past 3 years. The most prominent example is Camel Trophy clothing. Camel Trophy clothes are sold in upmarket department stores and in separate Camel Trophy shops. The ubiquitous Camel Trophy sticker adorns almost every 4x4 sold in Thailand. The company's close connection with off-road activities extends to the promotion of Camel Trophy clothes through off-road magazines and ensuring a high profile at 4x4 events. So 'high' in fact that it is hard to believe that the relationship cannot be characterised as sponsorship. In this, the TTCs' are not only

taking advantage of lax enforcement but also of the legislative loopholes that do not forbid the use of minimally altered tobacco brand names and images.

Philip Morris has been a leader in using its company name to circumvent Thai restrictions on advertising and sponsorship. The running of the annual Philip Morris ASEAN arts competition is an annual frustration for tobacco control activists who were deemed excessive when they opposed the inaugural competition, held in Thailand.

Possibly one of the most significant tactics being employed by the TTCs is that of price cutting. The TTCs have cut their profits and introduced cheaper brands in order to gain a greater share of the market. L&M, London, More and John Player Special have a declared value of 31 Baht (Excise Department) but they retail for 27 Baht.

One of Thailand's recent successes was the introduction of the new health warnings. Due to the 'newsworthy' nature of the warning (ie smoking causes impotence) the issue was given considerable media and public attention. Yet the industry response was cunning if nothing else. By over-importing in the months leading up to the introduction of the new warnings, the industry ensured that, by the time its customers see the warning, the fanfare will have died down, and smokers will be as indifferent to knowing that their addiction causes impotence as they are to the fact that it causes lung cancer. Between September and October 1998 sixty million cigarettes were imported by Thailand compared to the average of thirteen million per month. The next month, imports dropped to a mere one million packs.

Thailand offers a timely reminder that tobacco control is only truly effective when it is able to effectively utilise every weapon at its disposal. It is not enough to pass legislation - one must enforce it, and it is not enough to merely have a grassroots campaign - one need to adequately resource it. And whilst national political support is indispensable, so too are international allies. Thai and international tobacco control advocates cannot allow admonition to restrict future progress. We need genuine, renewed government commitment to tobacco control and enough resources to allow government and non-government organisations to run effective campaigns.

## Summary of Action and Events on Tobacco Control in Thailand

1964	Seventh Day Adventists Hospital started running Smoking Cessation Clinic
1967	Health warnings requested by Medical Association
1974	Single health warning 'Smoking may be dangerous to health' printed on the packs
1976	Ban on smoking in cinemas in Bangkok and buses
1983	Public education – 1 <sup>st</sup> national seminar
1986	Banning smoking in public transport
1986	Thai Anti-Smoking Campaign project, a non-governmental organization, started, supported by 10 health-related NGOs.
1987	Nation wide petition campaign to call for tobacco control legislation
1988	World No Tobacco Day observed – ongoing annual event
1988	Press release "More than 2 million Thai children will eventually die from smoking cigarettes". (Prediction by Richard Peto. A leading epidemiologist, statistician, and Tobacco control researcher.)
1989	National Committee for Control of Tobacco Use established
1989 Feb	Total advertising ban by order of the Commission on Advertising of the Consumer Protection Board using Consumer Protection Act 1979
1989 April	USCEA petition filed to USTR to impose trade sanctions to open cigarette market.
1989 July	USTR initiated investigation
1989 Oct	USTR took Thai case to GATT
1990 Sep	Thai cabinet unilaterally announced market opening GATT Panel's report released, result: <ul style="list-style-type: none"> <li>◆ Import ban not justified</li> <li>◆ Taxes consistent with GATT</li> <li>◆ Thailand could indiscriminately: <ul style="list-style-type: none"> <li>- impose laws affecting sales, purchase, transportation, distribution or use of imported products</li> <li>- introduce labeling/ingredient disclosure</li> <li>- keep the ban on advertising</li> </ul> </li> </ul>
1990 November	USTR terminated investigation

1992	<p>Parliament passed the Tobacco Products Control Acts 1992</p> <ol style="list-style-type: none"> <li>1. Prohibition of sales to persons less than 18 years.</li> <li>2. Prohibition of sales of tobacco products by machine.</li> <li>3. prohibition of free sampling, exchanges, premiums or redemption, of the offer of the right to show, sports, etc.</li> <li>4. Prohibition of advertising in all media, except international magazines and live telecast.</li> <li>5. Prohibition of advertising of products with tobacco names.</li> <li>6. Prohibition of production, import, sale and advertising of products that imitate tobacco products and packages.</li> <li>7. Content of tobacco products shall be according to the Ministerial Regulations.</li> <li>8. Labeling shall be carried out according to the Ministerial Regulations.</li> </ol> <p>Health warnings on cigarette packages: 10 rotating warnings, 25% of area of both principal surfaces of cigarette packs and cartons, black letters on white background or vice versa, and designated print type. (Health warnings implemented in Sept 1993)</p>
1992	<p>Parliament passed the Non-smokers' Health Protection Act</p> <ol style="list-style-type: none"> <li>1. Totally smoke-free: public buses, taxies, air-conditioned trains, public boats, domestic air flights, passenger elevators, school buses, cinema halls.</li> <li>2. Totally smoke-free, except for private rooms: schools, museums and art halls, libraries, nurseries, air-conditioned passenger boats.</li> <li>3. Totally smoke-free except for private rooms and designated smoking areas: hospitals, university buildings, air-conditioned department stores and trade centres, air-conditioned trade exhibition halls, indoor sports arena, government offices (where people routinely contact the government officials), banks and financial establishments (where people routinely contact for service), cinema waiting hall, air-conditioned bus terminals' waiting areas and lounges.</li> <li>4. Smoke-free area at least 50%: passenger trains, restaurants.</li> </ol>
1992	Ban on smokeless tobacco products
1993 January	Sir Richard Doll of the United Kingdom and Dr. Chen Minzhang, Minister of Health of Chian, awarded the first annual Prince Mahidol Awards. The awards honour contributions to medical science and public health.
1993 December	Tax hike leads to 15% price increase of cigarettes.
1993	Sports Commission rejected a tobacco industry proposal to sponsor

	sport event
1994	<ul style="list-style-type: none"> <li>• Quitline established by ASH.</li> <li>• Thai Airways short-haul routes become smoke-free</li> <li>• Philip Morris sponsors first ASEAN ARTS AWARDS in Thailand, and invited Silpakorn University's Fine Art Faculty to co-host the award.</li> <li>• First significant increase in tobacco tax introduced raising it from 55% to 60%</li> </ul>
1996	TTM's plan to produce new cigarette brand targeting women is abandoned because of widespread criticism.
1998	Ministerial regulation requires all producers to reveal the ingredients of their cigarettes to MOH but not to the public.
1998	New health warnings on 33.33% of upper area of the packs introduced
1999	Tobacco tax increased from 60% to 71.5% of the retail price of cigarettes.
1999	Despite anti-smoking advocate requests for the release of tobacco product ingredients, the MOPH continues to withhold the information from the public domain due to industry pressure.
2000 October,	The Thai Health Promotion Bill, passed by the House of Representatives and enacted on March 28 <sup>th</sup> 2001, expected to bring unprecedented government funding to tobacco control.
2001 March	Excise tax on cigarettes rose from 71.5% to 75% on March 28 <sup>th</sup> 2001. The cost of cigarettes will rise by as much as Bt5 a pack.
2001 November	Thai Health Promotion Bill was passed by the Parliament: 2% of tobacco and alcohol taxes will be used to finance health promotion and tobacco control. (about \$38 million per year is expected).
2002 March	Ministry of Finance announced plans to privatize the country's Thai Tobacco Monopoly (TTM).

## Summary of Country profile

Thailand has a population of 62 million, with a current smoking rate of 39 percent among males and less than 2% among female teenagers (National Statistics Office, 1999). The Ministry of Finance (MOF) has been operating the Thai Tobacco Monopoly (TTM) since World War II and the legal import of foreign brands was not allowed until 1990. Between 1986 and 1999, the number of smokers remained between 10 and 11 million with the percentage of smokers dropping from 26 to 20.5 % for teenagers .(National Statistics Office,1986, 1999) In 1997, Thailand consumed 48 billion cigarettes with a drop to 39 billion in 1998 because of the economic crisis. The consumption dropped to 37 billion in 2001 after another 3.5 % increase in the excise tax (Ministry of Finance, 2001). Cigarette excise tax and TTM profit constitutes about 3 % of the National Budget annually. The per capita consumption was 1019, 1037, 1028, and 743 in 1991, 1993, 1996 and 1999 respectively(National Statistics Office, 1999; Ministry of Finance, 1999) The significant drop in per capita

consumption was a result of an economic downturn that coincided with cigarettes tax increases, resulting in a significant number of smokers switching to hand rolled cigarettes or quitting. It was estimated that in 1993, 42,000 Thais died of tobacco attributable diseases.

## **Tobacco Control Policies and legislation in Thailand**

Thailand has some of the most comprehensive tobacco control law in the world but inadequate enforcement compromises the effectiveness of some of the legislations.

### **1. Advertising Ban**

In 1989, tobacco advertising was banned under the Consumer Protection Act and the 1992 Tobacco Products Control Act more strictly prohibited advertising of tobacco products in all forms of media, except international magazines and live telecasts. This included direct and indirect advertising of tobacco products as well as indirect promotion of non-tobacco products. However, loopholes have allowed tobacco companies to circumvent the law by selling non-tobacco products, such as clothings, that bear tobacco company names, as well as sponsoring events using their company names. The Act also neglected to clearly define what constituted point of sale advertising, leading to elaborate point of sale advertising by the tobacco companies.

The Tobacco Products Control Act also included the prohibition of tobacco sales to persons under 18 year but this law is not enforced. Nongovernmental organizations have thus taken other measures, such as interactive youth campaigns, in attempts to prevent young Thais from adopting the smoking habit.

### **2. Health Warnings and Ingredient Disclosure**

A single, cigarette packet health warning was introduced initially in 1974, but was strengthened in 1997 by introducing 10 rotating health warnings that must occupy the upper 33.33% of the pack. These warnings include:

- (1) Smoking causes lung cancer
- (2) Smoking causes heart failure
- (3) Smoking causes Pulmonary emphysema
- (4) Smoking causes cerebrovascular diseases
- (5) Smoking leads to other narcotic additions
- (6) Smoking reduces sexual ability
- (7) Smoking causes premature aging
- (8) Smoking kills
- (9) Smoking is harmful to your family and friends
- (10) Smoking is harmful to fetuses

These new warnings included the world's first warning regulations that states "Smoking reduces sexual ability".

Thailand was only the second country in the world, after Canada, to demand ingredient disclosure from the tobacco companies. Effective in 1998, the Ingredients Disclosure Regulation, required all tobacco producers to reveal the ingredients of their

cigarettes to the Ministry of health, but not to the public. Although there are no legal barriers to the public release of this information, the Ministry of Public Health has been pressured to retain it by the tobacco companies, who claim that the ingredient lists are 'trade secrets'.

### **3. Smoke-free Places**

In accordance with the 1992 and 1997 Non-smokers' Health Protection Act, smoking is banned in almost all public buildings and transportation. Exceptions include private room and designated smoking sections. A partial ban is placed on smoking in the following areas; schools, museums and art halls, libraries, nurseries, air-conditioned passenger boats, hospitals, universities, department stores, trade centres and exhibition halls, indoor sports arenas, government offices, banks, cinema waiting halls, bus terminals, passenger trains and restaurants. Train stations and air-conditioned restaurants must be 75% smoke-free. Unfortunately, enforcement of this act has been extremely poor.

Surveys have shown that there is strong public support for tobacco control laws that are in place, such as smoke-free public places. Most employees working in air-conditioned offices would like for them to be 100% smoke-free and the public also supports a total ban of smoking in restaurants. Although there is no official legislation currently in place, 500 companies in Bangkok have declared their workplaces completely smoke-free.

### **4. Taxation**

It has been difficult to convince policy makers in Thailand to increase taxes on cigarettes, due to opposition from the Thai Tobacco Monopoly and transnational companies selling cigarettes in Thailand. However, after studies showed that cigarette price increase would decrease the number of Thai children starting to smoke, along with providing additional government revenue, a tax increase was finally instigated in 1993, increasing the price of cigarettes by 15%. Shortly after, in 1994, came a 5% increase in tobacco tax to 60% and in 1999, the tobacco tax became 71.5% of the retail price of cigarettes. Excise tax on cigarettes rose from 71.5% to 75% on March 28<sup>th</sup> 2001, a measure designed to "raise additional revenue, curb consumption of luxury products and tackle the current-account deficit". The cost of cigarettes will rise by as much as Bt5 a pack.

The Thai Health Promotion Bill, passed by the House of Representatives in October 2000 and enacted on March 28<sup>th</sup> 2001, is expected to bring unprecedented government funding to tobacco control. Under the aegis of the Thai Health Promotion Fund, 2% of tobacco and alcohol taxes (about \$US38 million in 2002) will be used to finance health promotion, with a proportion of this going to tobacco control.