

Markets of Smokeless Tobacco Products: Challenges and Way Forward

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The philosopher and world famous traveler Ibn Battuta wrote his book "The Traveler of Ibn Battuta" regarding using betel leaf traditionally in the subcontinent. But he not indicates to use tobacco with the betel leaf on his book. However, once upon a time the use of *Jorda, Gul, Sadapapat, Khaini*, was as part of the social ritual, but last few decades its indicate that this is a harmful products and now to working for controlling this item.

According to Global Adult Tobacco Survey (GATS), 2017, in Bangladesh 20.6% of adult men (22 million) use smokeless tobacco, of which 16.2% are male and 24.8% female. 18.7% of adult men (20 million) use jorda, of which 14.3% are male and 23% female, and 3.6% of adult man (3.9 million) use gul, of which 3.1% are male and 4.1% women. In addition, a study was conducted Global Youth Tobacco Survey (GYTS) 2013 among 3245 high school students (class nine) from 50 schools across the country. The study was found that 4.5% students use smokeless tobacco among these 5.9% are male adolescents and 2.0% are female adolescents. Despite the use of tobacco, proper steps have not yet been taken to control this product.

"Smokeless tobacco product manufactories are difficult to find, but the market for these products is well organized and precise, so it is possible to impose tax evasion and implement Graphic Health Warnings only if monitoring is strengthened on the market system."

Laws and Policies for the Control of Smokeless Tobacco

Smokeless tobacco has been defined in the Smoking and Tobacco Use (Control) Act 2005 (Amendment 2013). It is possible to implement graphic warnings and to issuance not to sale to minor through this Act. Recently, the National Tobacco Control Cell created a strategy paper on smokeless tobacco control. Besides, tax on smokeless tobacco products is imposed through the Finance Act and VAT Act. However, due to the lack of sufficient information about smokeless tobacco producing companies, it is not possible to take necessary measures.

Revenue Receiving from Smokeless Tobacco

Total 486.5 million BDT revenue was received from smokeless tobacco products during the last 2017-2018 fiscal years. Of this, the revenue came from *Jarda*, was 470.1 million BDT and the revenue from *Gul* was 16.4 million BDT. If all smokeless tobacco companies are properly taxed, the revenue will increase several hundred times. But in Bangladesh there are hundreds of jorda and gul producing companies, which are still outside the tax base.

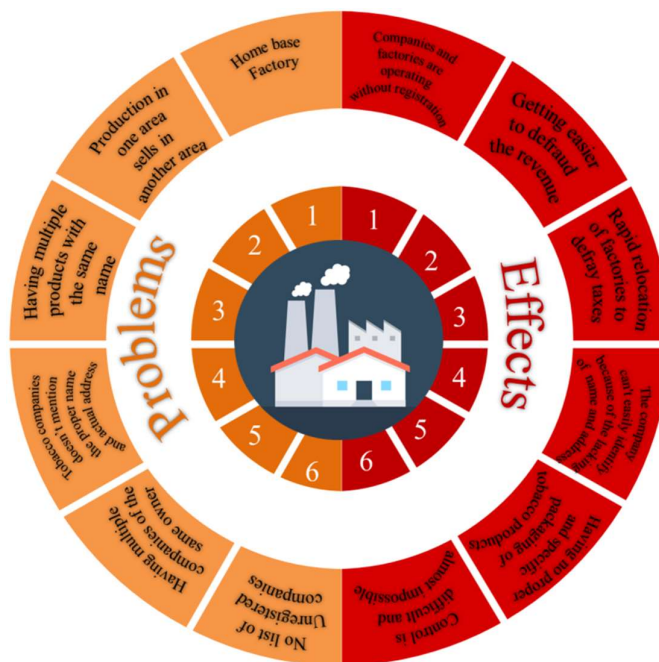
Smokeless Tobacco has a organize marketing system: TCRC Report

Smokeless tobacco factories are small and unorganized and do not has a registration. As usual, it is difficult to find these factories. Factory owners do a variety of tasks to defraud revenue and laws. These include setting up factories in the house, not registering companies and factories, produce in one area and selling another part of the country, transferring the factory to tax evasion, not having the proper name and address of the tobacco company, having multiple products in the same name, having multiple companies of the same owner, wrong addresses, wrong VAT registration, trademark and use of BSTI logos.

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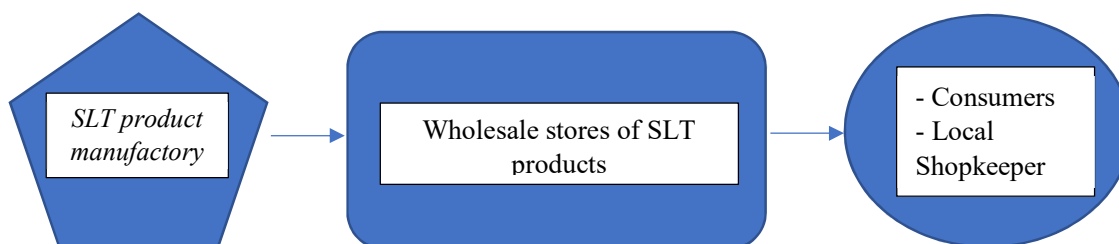
However, no strong steps have been taken, so far to bring the companies under control. The government of Bangladesh has made it mandatory to provide graphic health warnings on all tobacco products from the 2016. Tobacco Control and Research Cell (TCRC) of Dhaka International University adopted a number of activities aimed at implementing the law in order to ensure the graphic health warnings under the auspices of Bloomberg Initiative with the technical assistance of the Union.



Under this program, TCRC monitored from 2017 to 2019 for implement the graphic health warnings on 265 wholesale markets of smokeless tobacco from all 64 districts and one sub-districts of each districts of Bangladesh. Through a mobile app, trained researchers conduct this research across the country.

SLT monitoring system centred to the factory or production

According to the TCRC study, smokeless tobacco manufacturers are largely dependent on specific wholesale shops in various markets of the country for the sale of their products. Mainly through these particular shops they deliver their products to the buyers. Monitoring arrangements can be strengthened in all these shops so that tax evasion of smokeless tobacco products can be stop.



Smokeless Tobacco Brands, Companies and Research in Bangladesh:

Jarda and Gul are the two types of smokeless tobacco used mainly in Bangladesh. The research cell of Dhaka International University, Tobacco Control and Research Cell (TCRC), conducted a study from March 2016 to July 2019. Total 788 brands of SLT were collected from 265 wholesale markets of smokeless tobacco from all 64 districts and one sub-district of each districts of Bangladesh among these 730 brands of Jorda and 58 brands were of Gul.

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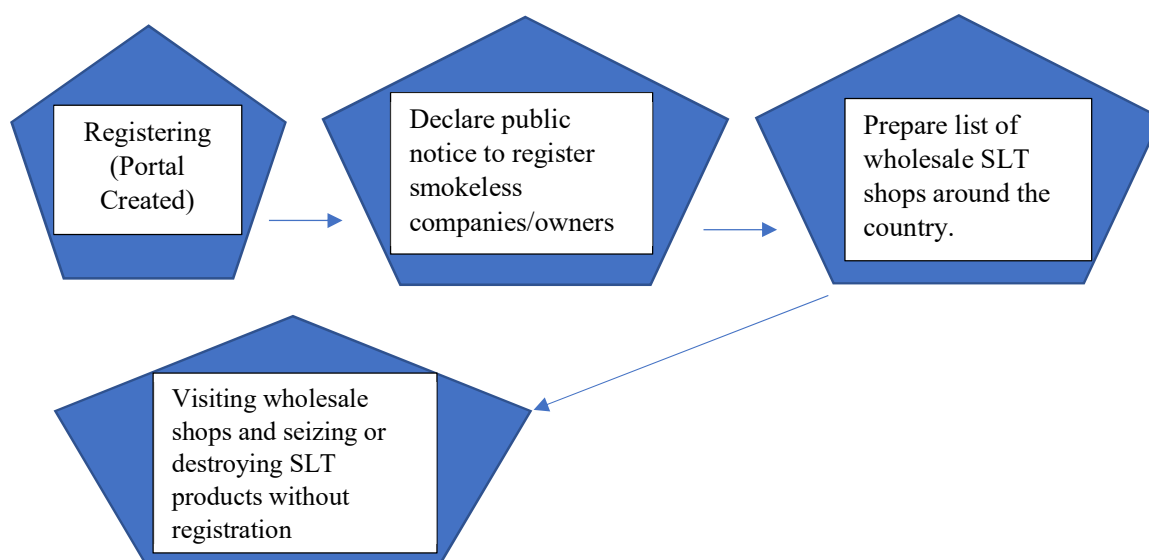
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Total 347 Jorda companies and 40 Gul companies have found through this study. Of these, 676 brands of Jorda and 48 brands of Gul have been found the name of the company on their packets. On the other hand 36 brands of Jorda and 10 brands of Gul have no name and address on the packets. Apart from this, there are 18 brands of Jorda found in the markets, which are originally from India. Here some of the notable brands of Jorda found in the country, which are made entirely of foreign wraps, look exactly like some of the Indian Jorda. Some of the SLT users in the country so much interested to use Indian Jorda that's the causes to packets like Indian Jorda and also easy to tax evasion by the company. According to the findings of the TCRC study, the list of Jorda and Gul companies in Bangladesh is given in Table-1.

Table – 1: Companies and brands of Jorda and Gul according to research conducted by TCRC

Type	Jorda	Gul	Total
Total tobacco companies	347	40	387
Number of brands of tobacco products with company name	676	48	724
Number of unnamed tobacco product brands	36	10	46
Number of foreign tobacco brand	18	0	18
Number of brands of total tobacco products	730	58	788

A proposed framework for monitoring the smokeless tobacco market and preventing tax evasion.



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Recommendations

1. To create a registration portal for tobacco producing companies.
2. To make registration of all tobacco producing companies compulsory.
3. Registration of owner's name, voter law, company name, address, logo, trademark, VAT number in the field of registration.
4. Coordination with the local government to create a list of wholesale shops on registered tobacco products.
5. To make standard packet of chewable tobacco in coordination with the National Tobacco Control Cell.
6. Improve tax band roll system including barcodes.
7. Visiting wholesale tobacco products after the specified time of registration and destroying and confiscating all non-registered tobacco products.