



722 12TH STREET NW  
4TH FLOOR  
WASHINGTON, D.C. 20005  
[www.tholosfoundation.org](http://www.tholosfoundation.org)

August 23, 2022

To:  
Members of Colombia's Senate and House of Representatives

From:  
Tholos Foundation  
722 12<sup>th</sup> St NW  
Washington, D.C. 20005

Dear Members of the Colombian Senate and House of Representatives,

I write to you today regarding an initiative, presented by Congresswoman Carolina Giraldo, that would increase the tobacco tax and establish a tax on vaping products in Colombia.

Implementing a tax on vaping products will drive consumers away from these products, despite being [95% less harmful](#) than traditional cigarettes. It is in the best interests of Colombia's national security, economic stability, and public health aims that this initiative does not become law. I hope this letter proves useful to you as you consider this critical issue.

There is overwhelming scientific evidence in favor of e-cigarettes as being safer than smoking and more effective at helping smokers quit than traditional nicotine replacements like gum, patches, or oral spray. E-cigarette taxes make it less likely that Colombia's cigarette smokers will make the lifesaving switch to e- cigarettes. Each year, approximately 17,000 Colombian people are [killed](#) by tobacco and smoking-related illnesses.

E-cigarette taxation is a proven means of increasing these avoidable deaths. Researchers have [found](#) "consistent and robust evidence" that e-cigarette taxes increase smoking prevalence. A tax imposed on vapor products in the state of Minnesota [prevented](#) 32,000 adult smokers from making the lifesaving switch to e-cigarettes. It can be estimated that for every 10% increase in the e-cigarette tax rate, cigarette sales will rise by 11% and e-cigarette sales will decrease by 26%.

Vaping taxes often lead consumers to substitute combustible cigarettes for e-cigarettes, a choice that has devastating effects on their health. E-cigarettes are [shown](#) by the United Kingdom's Royal College of Physicians to be 95% less harmful than cigarettes. A separate,

comprehensive analysis of the harm of different nicotine products estimated that e-cigarettes contain just 4% of the harm of [cigarettes](#).

In agreement, [statements](#) in support of e-cigarettes have been released by over 100 public health organizations across the globe. This list includes the British Medical Association, New Zealand Ministry of Health, Royal College of Physicians, French National Academy of Medicine, the American Heart Association, and many more.

It is important to note that it is the combustion, not the nicotine, that causes disease and cancer among cigarette users. Nicotine is a relatively benign substance like caffeine that “does not result in [clinically significant](#) short- or long-term harms”. Nicotine replacement therapies, like gums or patches, have been available for decades but often fail in their mission of helping smokers quit. E-cigarettes mimic the habitual nature of smoking while creating vapor, rather than harmful smoke, to remove the deadly carcinogens in tobacco.

E-cigarettes are products with lifesaving capabilities. According to a [study](#) by the American Heart Association, switching from smoking to nicotine vaping lowers the risk of stroke by 84%. The same study found that the heart health biomarkers of e-cigarette users are similar to, or indistinguishable from, people who had never smoked a cigarette.

The United States National Academies of Sciences, Engineering, and Medicine [stated](#) “there is *conclusive evidence* that completely substituting e-cigarettes for combustible tobacco cigarettes reduces users’ exposure to numerous toxicants and carcinogens present in combustible cigarettes”.

According to a large-scale [analysis](#) from Georgetown University Medical Center, an estimated 6.6 million American lives would be saved if a majority of cigarette smokers made the switch to e-cigarettes. Extrapolating from this data, it can be estimated that legal access e-cigarettes in Colombia could save over 1,040,000 lives.

There is ample evidence to suggest that cigarette smokers will be willing to make the lifesaving switch to e-cigarettes. A recent [study](#) found that a smoker who attempts to quit with an e-cigarette has an estimated 323% higher chance of achieving complete cessation compared to someone using a traditional nicotine replacement therapy like patches, gum, or oral spray.

E-cigarettes have a demonstrated ability to reduce smoking. In the United States, the adult smoking rate was 21.6 when e-cigarettes entered the market in 2003. Due to increased access to vaping, the U.S. adult smoking [rate](#) has plummeted to 13.7% as of 2018. In the United Kingdom, a 2021 [analysis](#) from Public Health England demonstrated just how effective vaping is in helping people quit smoking, noting that in one year, over 50,000 British smokers, who would have continued smoking otherwise, quit smoking with vaping.

I would also like to point out that scientific [studies](#) have shown that e-cigarettes can “reduce health disparities”. The reason for this is smoking rates are historically highest among those with lower income and less education. This will “translate directly into lower medical costs” and would produce “an improved quality of life” for these disadvantaged populations.

A [study](#) from Dr. William Stephens of St. Andrews University, published in the British Medical Journal, showed that the risk of cancer from e-cigarettes, compared to that of smoking, is less than 0.5% percent. Increased access to e-cigarettes among people of lower incomes will come with decreased cigarette consumption. This will decrease cancer rates among these populations, many of whom would face financial or other obstacles to getting the medical care they need.

Additionally, there is scientific [evidence](#) that nicotine-containing e-cigarettes dramatically help people with mental health issues quit smoking, even when they have no desire to quit. For people who suffer from schizophrenia, vaping has a demonstrated ability to better their mood, make them feel more awake, less irritable, and have improved concentration. These communities smoke at rates three to four times higher than average. Efforts to increase smoking cessation among people with mental health issues must be a significant priority.

Implementing a vape tax in Colombia will make it harder for the underserved communities who benefit most from e-cigarette use to access these products. This will undoubtedly lead to disastrous consequences for public health in Colombia.

The initiative to implement taxes on e-cigarettes in Colombia would prevent hundreds of thousands of people from using the best available products to end their deadly habit of smoking. It will also be extremely disruptive for Colombia’s economy and threaten its national security.

Increased tax rates on e-cigarettes promote illicit markets for the products as consumers seek their preferred product at the best possible price. It is highly concerning that much of the tobacco and nicotine-product illicit market is run by organized, dangerous crime syndicates. These criminal groups engage in other nefarious activities like human trafficking and money laundering, all using their profits from tobacco smuggling. These networks are also shown to use smuggling profits to fund terrorism. In a report, the United States Department of State has [explicitly](#) labelled tobacco smuggling a “threat to national security”. The report also finds that tobacco smuggling “enables corruption” and “undermines good governance.”

Further, the State Department notes that tobacco smuggling undermines health policy objectives. The report clearly states that smuggling increases the use of tobacco products and deprives funds for anti-smoking campaigns and healthcare costs. Additionally, the report discusses the health risks of illicit-market tobacco, noting that smugglers “may

introduce products to consumers that do not meet the health regulations of the destination country” and may include “ingredients not fit for human consumption.”

The Department of State’s report shows quite clearly that cigarette smuggling is trafficked through the same routes as drugs and weapons. There have been many cases that show specific links between cigarette smuggling and terrorism, including in Ireland, Kurdistan, and Lebanon. One particularly disturbing example is that of former Al-Qaeda senior commander Mokhtar Belmokhtar who earned the moniker “Mr. Marlboro” for his tobacco smuggling exploits that raised funds for Al-Qaeda’s terrorist activities.

It was recently [reported](#) that, in Mexico, the highly dangerous and highly powerful Jalisco Cartel is taking control of illicit cigarette production and sale in Mexico. The cartel uses their immense influence to force vendors to sell only cartel-produced cigarettes. If they refuse to comply, they [risk](#) being threatened, tortured, and shot for their disobedience.

Because of this, the Department of State has explicitly labelled tobacco smuggling “a threat to national security”. More recently, the Australian Criminal Intelligence Commission (ACIC) issued a statement calling out organized crime cartels for using illicit tobacco as a “[platform](#)” for further illicit ventures. ACIC listed drug trafficking and terrorism as particularly concerning cartel activities that tobacco smuggling provides funding for.

Additionally, Australian Federal Police Commissioner Reece Kershaw has warned that these crime cartels are “infiltrated and assisted” by hostile foreign governments who help smuggle illegal drugs and launder money, all with the goal of weakening Australia. Moving forward with tobacco and vaping tax hike will not only encourage criminal smugglers to increase their activity in Colombia, but it may also offer foreign governments the opportunity to weaken Colombia’s national security and international standing.

Implementing a tax on vaping products will likely lead to decreased tax revenues, as consumers turn to cheaper, untaxed goods. This will provide the Colombian government with demonstrated increases in health costs as well as decreased tax revenue that will lead to less flexibility in regard to future fiscal decisions.

Of additional concern is initiative’s inclusion of a tobacco tax increase. Cigarette tax hikes are highly regressive, meaning they disproportionately impact lower-income communities. Poverty and tobacco use are a “highly [linked](#) global phenomenon”. Increasing taxes on products people are addicted to is extremely cruel, as they often will continue buying cigarettes to meet their cravings no matter the tax increase.

In the United States, economists have determined that cigarette tax increases do not lead to the smoking reductions that are promised by cigarette tax advocates. Tobacco tax increases are also highly beneficial for criminal groups who smuggle the products. The

harmful impact that a thriving black market would have on the economy and security of Colombia cannot be overstated.

For the reasons outlined above, in the interests of public health, protecting the Colombian economy, and preventing the spread of illicit cartels, we encourage you to consider the evidence presented in this letter as you approach this critical issue.

Policy related to public health must always be based entirely in fact and evidence. In this instance, extensive research indicates that tax hikes on cigarettes are ineffective means of reducing smoking will taxes on e-cigarettes drive consumers away from vaping products and towards more harmful alternatives.

Please do not hesitate to reach out with comments or questions. The Tholos Foundation thanks you for your consideration of this highly important issue and welcomes further dialogue with you and your office.

Sincerely,

Karl Abramson  
*Consumer Issues Fellow*  
Tholos Foundation