

British American Tobacco fears profits will go up in smoke as illegal trade devours the market

By Georgina Crouth 28 Feb 2023

Non-smokers (and ex-smokers) might not have been fazed by South Africa's ban on cigarette smoking in the first pandemic year. They might not give a thought to the legal tobacco industry being wiped out by illicit traders, who were enabled during the Covid prohibition and have now snatched between 54% and 70% of the legal market.



Source: Pexels

And they might even agree with the proposed tobacco and vaping bill, which will punish smoking or vaping in the presence of a non-smoker or a child, or imprison those failing to comply with prescribed product standards.

The tobacco industry has a different take, arguing that the illegal trade deprives the South African Revenue Service (Sars) of billions in excise duty, which could be utilised to alleviate some of the country's immediate problems; put farmers out of business, and costs hundreds of jobs.

Read the full article on **Daily Maverick**.

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