



No.40/18, Park Road, Colombo 5, Sri Lanka.  
Tel: +94 11 2584416, +94 11 2592515, Fax: +94 11 2508484  
E-mail: [info@adicsrilanka.org](mailto:info@adicsrilanka.org), [adicc@sltnet.lk](mailto:adicc@sltnet.lk)  
Web Site: <http://www.adicsrilanka.org>

## Media Contact:

Sampath De Seram, ADIC  
[sampath@adicsrilanka.org](mailto:sampath@adicsrilanka.org); +9471 435 3248

Nidarshana Selladurai, ADIC  
[nidarshanaselladurai@gmail.com](mailto:nidarshanaselladurai@gmail.com); +9471 192 1300

## **The Opinion of the Citizens of Sri Lanka Regarding Alcohol Issues, Taxation and Pricing Policies; An Insight into the Importance of Alcohol Taxation as a Crucial Alcohol Policy Measurement**

The Alcohol and Drug Information Centre (ADIC), Sri Lanka, conducted a public opinion poll during the period June 14-22, 2023, to assess the knowledge and opinions of the public regarding alcohol harm, taxation and pricing policies, and their level of support in implementing tax initiatives on alcohol products. The survey was conducted with support from, [RESET Alcohol](#): A new global initiative to reduce alcohol-related health harms led by [Vital Strategies](#). It was executed in five districts of Sri Lanka, namely, Colombo, Hambanthota, Matale, Badulla and Jaffna, with a total sample size of 997 adult men and women aged 18 years and above.

In addition, a study conducted by the World Health Organization (WHO), Sri Lanka, the National Authority on Tobacco and Alcohol (NATA) and the Ministry of Health revealed that the total economic and social costs of alcohol in Sri Lanka in 2015 amounted to 119,660 million LKR. At the same time, according to the data from the Central Bank Report, 2015 and WHO Global Health Observatory Data Repository, the annual revenue received from alcohol excise duty in 2015 was 105,234 million LKR (approximately 805.71 million USD). The study demonstrates that the gap between the excise duty and the loss incurred on the government due to health, economic and other consequences resulting from alcohol use needs to be addressed through a scientific, rational tax policy for alcohol products, adjusting the alcohol excise duty in line with the inflation. The consequences of alcohol use amplify the prevailing fiscal issues in the country that require immediate discourse.

The opinion poll presented several important findings that require careful consideration when implementing effective alcohol control policies within the country as a measure of addressing alcohol harm and related consequences. Key highlights include the following:

- From the total study population, the majority (70.9%) haven't consumed any alcohol within the past 12 months, while 29.1% have consumed alcohol within the past 12 months, out of which 43.3% were males and 2.8% were females.
  - The most common reason stated by the study participants for reduced alcohol consumption was increased alcohol prices; **“The alcohol use among men is significantly high, yet mostly women face the consequences of the alcohol consumption of men in their families. The government should take steps to reduce alcohol consumption further and gain revenue by increasing prices of alcohol products rather than increasing the prices of essential goods.”**

- Participants were most concerned about the link between alcohol consumption and domestic violence (54%) (Figure 2). This was followed by the misuse of household income for alcohol before other necessities (40%) and harm to others (general) (36%).
- Of the adults surveyed, 97% said that alcohol consumption is a problem in the country, and 79% consider it a major problem. People who do not consume alcohol were more likely to consider alcohol to be a major problem than people who consume alcohol (86% versus 61%), and women were more likely than men to consider it a major problem (84% versus 76%). This suggests a widespread need and public mandate for addressing alcohol in Sri Lanka.
- The majority of Sri Lankan adults favor smart pricing policies: 73% favor measures that raise alcohol prices and 75% endorse alcohol taxation.
- Despite alcohol causing more than 4,000 deaths per 100,000 people in Sri Lanka each year due to noncommunicable diseases and injuries, only a minority worried about its role in causing accidents (16%), with even fewer noting its connection to cancer (15%), heart/kidney issues (13%), premature death (5%) and fatal falls (5%).
- Sri Lankans need stronger alcohol policies: 64% of surveyed adults believe that the current laws do not provide sufficient protection against alcohol-related harms. Even though direct alcohol advertising is banned in Sri Lanka, 39% reported being exposed to alcohol advertising.
  - Several study participants mentioned that **“the government does not take required action to implement alcohol policies to reduce alcohol harm within the country.”**
- Sri Lankan adults want the government to take action against alcohol. An overwhelming 93% deem governmental involvement crucial in tackling alcohol-related challenges. However, 60% perceive the alcohol industry as an obstacle to getting adequate alcohol laws passed.

According to the WHO, alcohol taxation and pricing policies are among the scientifically proven most effective and cost-effective alcohol control measures. An increase in excise taxes on alcoholic beverages is a proven measure to reduce alcohol use while reducing initiations and providing government revenue to offset the economic costs of alcohol use.

Additionally, the International Monetary Fund (IMF) requires the implementation of tax reforms as revenue generation measures under several criteria, including the following.

- Increase excise taxes on alcohol and tobacco products by 20% (The first increase was implemented on January 3, 2023, for alcohol. The second increase is required in early July 2023).
- Introduce automatic indexation of excises to inflation by January 2024. “

The Alcohol and Drug Information Centre (ADIC) and REST Alcohol request all professionals, academics, religious leaders, journalists and citizens to provide their fullest cooperation in encouraging responsible individuals and authorities to implement a scientific, rational tax policy for alcohol products. “This collective effort would aid in bringing satisfactory revenue to the government from alcohol excise duty, thereby working to overcome the prevailing economic issues, leading to a better tomorrow for our nation. “

**Alcohol & Drug Information Centre (ADIC)**

### **About RESET Alcohol**

RESET Alcohol brings together national governments, civil society and global leaders to advance policies from the World Health Organization's SAFER package for reducing the health, social and economic harms of alcohol. RESET Alcohol activities include financial and technical support to governments, civil society organizations and technical policy institutions. The initiative is led by Vital Strategies in collaboration with Movendi International; The Tobacconomics Team, based at the University of Illinois Chicago; Global Alcohol Policy Alliance (GAPA); The NCD Alliance; and World Health Organization (WHO).

### **About Vital Strategies**

Vital Strategies believes every person should be protected by an equitable and effective public health system. We partner with governments, communities, and organizations around the world to reimagine public health so that health is supported in all the places we live, work and play. The result is millions of people living longer, healthier lives. To learn more visit [www.vitalstrategies.org](http://www.vitalstrategies.org) or follow us [@VitalStrat](https://twitter.com/VitalStrat).