



PRESS STATEMENT I [1st August 2025]  
*For Immediate Release*

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**SERI Calls for Immediate Action on Tobacco Tax to Safeguard  
Public Health and Strengthen Fiscal Resilience**

**Kuala Lumpur, Malaysia** – Social and Economic Research Initiative (SERI) strongly supports the announcement by Prime Minister YAB Dato' Seri Anwar Ibrahim today on the expansion of Malaysia's pro-health tax regime to include tobacco, vape, and alcohol products under the 13th Malaysia Plan (13MP).

This move recognises the urgent need to address the rising burden of non-communicable diseases (NCDs), which are responsible for more than two-thirds of deaths in Malaysia and place a growing strain on our healthcare system and national productivity.

"We welcome the Prime Minister's leadership in linking fiscal tools with public health outcomes," said Dr Helmy Haja Mydin, Chairman of SERI.

"Tobacco taxation is the single most effective measure to reduce smoking prevalence. It protects our children from addiction, reduces healthcare costs, and generates much-needed revenue. Malaysia cannot afford to wait any longer."

Cigarettes have become increasingly affordable, with no tax increase since 2016. This affordability contributes to continued high smoking rates, particularly among youth and low-income groups.

A RM5 per pack increase could generate an additional RM1.2 billion in annual revenue, based on the Cost Recovery and Revenue Estimator by The Tobacco Atlas

"This isn't just a health intervention—it's smart economics," said Muhammad Daniel Kittu, Health Economist at SERI.

“The RM1.2 billion generated annually from a RM5/pack tax hike could cover major expenditures like toll subsidies or cash aid without burdening the broader population. It’s a win-win for fiscal sustainability and population health.”

**SERI urges the government to:**

1. Prioritise a meaningful increase in tobacco taxation, with a minimum of RM5 per pack.
2. Earmark a portion of the revenue for public health programmes and social protection.
3. Strengthen enforcement to address illicit trade, ensuring that industry lobbying does not derail health-driven reforms.

“We now have the data, the public mandate, and a clear political window,” added Dr Helmy.

“This is an opportunity to protect millions of lives, uphold economic justice, and reinforce Malaysia’s leadership in evidence-based policymaking.”

*SERI is a non-partisan think-tank dedicated to the promotion of evidence-based policies that address issues of inequality. For more information, please visit [www.seri.my](http://www.seri.my) or email us at [hello@seri.my](mailto:hello@seri.my).*