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## ՄՐՑԱԿՑՈՒԹՅՈՒՆ

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## RA TOBACCO MARKET AND ITS REGULATORY FEATURES IN THE CONTEXT OF COMPETITION PROTECTION

*This paper presents a comprehensive analysis of the tobacco industry within the Republic of Armenia, delving deep into its present state and the myriad of factors influencing its operations. We meticulously examine the legislative framework that oversees this sector, highlighting the pivotal role of specific policies and the intricacies of existing*

*regulations. These regulations, their history, and their implementation strategies are discussed in detail. Furthermore, we assess their effectiveness not only in maintaining public health standards but also in fostering a competitive economic environment. This assessment is particularly significant given the unique nuances associated with regulating tobacco products. For a well-rounded understanding, we utilized a multifaceted approach, monitoring various processes, indicators, and key performance metrics. These findings were then juxtaposed with data and trends from other countries, allowing for a holistic evaluation and facilitating more robust conclusions.*

*In our research, the complex interplay between public health considerations and economic interests within the tobacco industry becomes evident. The Republic of Armenia's experience serves as a lens through which we can understand the global challenges and intricacies of tobacco regulation. Additionally, by incorporating comparative analyses with other nations, we aim to shed light on the best practices and areas for potential improvement. The balance between promoting public health and ensuring economic vitality remains a challenge, and this paper seeks to provide insights into striking that balance effectively. It is crucial for policymakers and stakeholders to comprehend these dynamics to formulate more effective and sustainable strategies moving forward.*

**Keywords:** tobacco, tobacco product sector, tobacco market, state regulation, economic competition, volume of production, excise tax, restriction of advertising, research

JEL: L51, L66

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**Introduction:** Tobacco products belong to the category of goods consumed daily, and price fluctuations in various products within this sector directly impact consumers. Consequently, establishing a competitive environment, particularly in product markets characterized by extensive consumption, is of paramount concern for the state.

Despite the negative perception of tobacco products, global consumption remains substantial, with 5.2 trillion cigarettes consumed in 2020 alone<sup>1</sup>. An intriguing statistic is that 80% of the world's 1.3 billion smokers live in low- and middle-income countries. As of 2020, 22.3% of the global population used tobacco, with 36.7% of men and 7.8% of women being users<sup>2</sup>.

Simultaneously, developments in this field inevitably have an impact on other related sectors. The emergence of new product categories and the growth of new branches within the industry increase the potential for disruptions to the normal state of competition in various product markets associated with this sector. Therefore, ensuring a competitive environment in the distribution of tobacco products becomes increasingly important.

In the context mentioned earlier, it is essential to highlight the significance and influence of the legislative framework governing this sector, along with the various regulations stemming from it. At times, the legislation governing this sector can indirectly impact its competitive environment negatively. Specifically, the comprehensive regulations applied to tobacco products have dual effects. On one

<sup>1</sup> Source: <https://www.statista.com/statistics/279577/global-consumption-of-cigarettes-since-1880/>

<sup>2</sup> Source: WHO, <https://www.who.int/ru/news-room/fact-sheets/detail/tobacco>

hand, they contribute positively to aspects like public health and environmental protection. On the other hand, certain restrictions, such as the use of fiscal policy tools, advertising limitations, and various other regulations, can indirectly hinder the competitive environment, acting as barriers to entry for product markets within this sector. Therefore, it becomes imperative to delve more deeply into the legislative landscape governing this industry and the resulting regulations.

**Literature review:** While tobacco products are generally viewed negatively in various spheres, empirical evidence indicates dynamic growth in several aspects of the industry. Additionally, the market holds social significance, considering the unique characteristics of these products, such as the development of addiction, which leads consumers to use them at regular intervals, unlike many other products.

Hence, while acknowledging the adverse effects of tobacco products, providing objective assessments of various processes becomes quite challenging due to the sector's substantial economic and social significance. It is, therefore, unsurprising that academic publications focused on this field and its various processes continue to experience noticeable growth. Consequently, there exist numerous fundamental approaches and guiding concepts, some of which we believe deserve closer examination.

Generally, it is possible to delineate several primary areas related to the regulation of tobacco products: packaging and labeling, advertising restrictions, taxation, and other limitations on sales and consumption. In the following sections, we provide literature reviews on these topics.

**Package and labeling:** This area of regulation is covered in the relevant guidelines<sup>3</sup> by the World Health Organization, which sets international standards for simplified packaging and labeling of tobacco products. Noteworthy in this context is David Hammond's publication<sup>4</sup> as it explores the impact of health labels on tobacco product packaging. Co-authored with Kathleen Kotnowski, the noted author delves into the influence of different packaging formats on tobacco product usage<sup>5</sup>. Furthermore, in their research, Olalekan A. Ayo-Yusuf and Israel T. Agaku investigate the psychological perception of packaging and labeling among tobacco product smokers.

**Limitation of advertising:** In this context, the approaches advocated by the World Health Organization (WHO) are pivotal and are detailed in relevant reports<sup>6</sup>, addressing the influence of tobacco product advertising on consumption. Authors Rachel Grana, Neal Benowitz, and Stanton A. Glantz examine the challenges related to e-cigarette advertising in one of their articles<sup>7</sup>. In another article,

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<sup>3</sup> Source: World Health Organization (2021). "Tobacco plain packaging".

<sup>4</sup> Source: David Hammond (2011). Health warning messages on tobacco products: a review. *Tobacco Control*, 20(5), pp. 327-337.

<sup>5</sup> Source: Kathleen Kotnowski and David Hammond (2013). The impact of cigarette pack shape, size and opening: evidence from tobacco company documents. *Addiction*, 108(9), pp. 1658-1668.

<sup>6</sup> Source: World Health Organization (2023). "WHO report on the global tobacco epidemic".

<sup>7</sup> Source: Rachel Grana, Neal Benowitz, Stanton A. Glantz (2014). E-cigarettes: a scientific review. *Circulation*, 129(19), pp. 1972-1986.

different authors analyze the effects of tobacco product advertising on adolescent behavior<sup>8</sup>.

**Tax policy:** In their article, Frank J. Chaloupka, Kurt M. Ribisl, and Richard J. O'Connor explore the role of tax policy in tobacco control<sup>9</sup>. In another publication, authors examine the economic factors affecting the tobacco industry and the potential impact of tax policies on these factors<sup>10</sup>. Another intriguing article focuses on the formation of pricing and the effects of taxes<sup>11</sup>.

**Limitations on sales and consumption:** Authors Stanton A. Glantz, Eric Crosbie, and Heikki Hiilamo examine both successful and unsuccessful attempts at tobacco control, which encompass sales restrictions and use bans<sup>12</sup>.

In conclusion, it can be stated that for over a decade, the measures implemented for tobacco products have been the subject of extensive discussion, with numerous studies conducted in this field.

**Methodology:** The research aims to assess the current status of the tobacco product circulation sector in the Republic of Armenia. Specifically, it focuses on the regulations applied within this sector, their evaluation, a comparative analysis with other countries, and an examination of global development trends.

The research draws upon the works of both domestic and foreign researchers, scientific publications, working documents, and macroeconomic analyses related to tobacco products. Additionally, data from reports on the development of the tobacco products sector and materials from the statistical and research field of the Republic of Armenia were utilized. The study employed various methods, including scientific abstraction, financial-economic analysis, factor analysis, and expert analysis.

Within the scope of the analysis, methods and tools for localization through comparisons were applied. These included descriptive statistics and factorial coordination.

The research involved analytical and comparative approaches, examining and comparing various interpretations by different authors in professional literature. This process led to the formulation of qualitative conclusions.

<sup>8</sup> Source: Israel T. Agaku, Akinyele O. Adisa, Olalekan A. Akinyele, Olufemi G. Odukoya. (2014). Impact of tobacco advertising and promotion on increasing adolescent smoking behaviours: a review of the evidence. *Tobacco control*, 23(e2), e89-e97.

<sup>9</sup> Source: Frank J. Chaloupka, Kurt M. Ribisl, and Richard J. O'Connor. (2019). Association Between Electronic Cigarette Marketing Near Schools and E-cigarette Use Among Youth. *Journal of Adolescent Health*, 65(6), pp. 729-733.

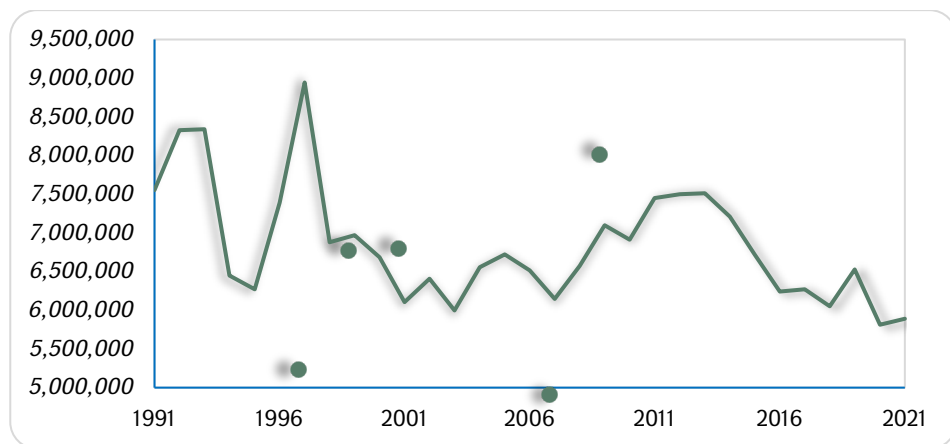
<sup>10</sup> Source: Guilherme Loureiro, Prabhat Jha, Frank J. Chaloupka. (2017). The Economics of Tobacco and Tobacco Taxation. In: Jha P., MacLennan M., Chaloupka F., Yurekli A., Ramasundarahettige C., Palipudi K., Zatonksi W., Asma S., Gupta P. (eds) *Tobacco Control in Developing Countries*. Advances in Health Economics and Health Services Research, vol 21. Emerald Group Publishing Limited.

<sup>11</sup> Source: Deliana Kostova, Frank J. Chaloupka, Hana Ross. (2015). Prices and cigarette demand: evidence from youth tobacco use in developing countries. *Nicotine & Tobacco Research*, 17(10), pp. 1273-1279.

<sup>12</sup> Source: Stanton A. Glantz, Eric Crosbie, and Heikki Hiilamo. (2018). Analysis of successful and failed tobacco control policy in Finland. *Finnish Medical Journal*, 73(6), pp. 384-392.

To ensure a comprehensive understanding of the sector, we delved into archival records and historical datasets related to the tobacco industry in Armenia. This allowed us to trace the evolution of regulations and contextualize them within the broader economic and public health landscape. By triangulating data from diverse sources and using iterative analyses, we ensured that our conclusions were grounded in evidence and reflective of the multifaceted nature of the tobacco product circulation sector in the Republic of Armenia.

**Discussion:** Over the past three decades, global tobacco production has experienced significant fluctuations. In 1991, production reached 7.56 million tons, but by 2021, it had decreased to 5.88 million tons. The most substantial fluctuations occurred between 1991 and 1998. Subsequently, global tobacco production volumes followed a relatively smoother trend, ranging from 5.8 to 7.6 million tons in different years<sup>13</sup>. However, a downward trend has been evident since 2013, influenced by various factors, including ongoing regulatory measures.



**Figure 1: Volumes of global tobacco production (tons) 1991-2021<sup>14</sup>**

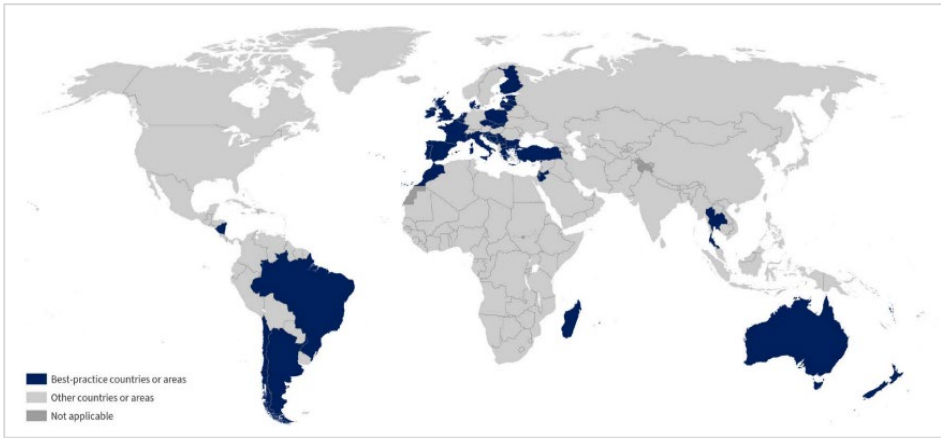
The impact of regulatory measures in the realm of tobacco products is evident and can be ascertained through various metrics. The measures instituted exhibit varied levels of impact based on the mean income bracket of the nations in question. In the span from 2007 to 2021, there has been a decline in the global average smoking prevalence from 22.8% to 17.0%. This constitutes a relative diminution of 25% across 14 years. A decline in smoking prevalence is observed across all economic classifications of nations (refer to Technical Note II). The relative decline in the average prevalence over this 14-year period was 24% in both high- and middle-income nations, whereas it stood at 28% for low-income nations. Given that 76% of the global smoking population resides in middle-income nations, the worldwide smoking prevalence is predominantly influenced by the smoking patterns in these regions, where the mean stands at 17%. In contrast, high-income nations, home to 20% of the global smoking populace, exhibit the highest average

<sup>13</sup> Source: FAOSTAT. Food and Agriculture Organization (FAO) of the United Nations.

<sup>14</sup> Chart compiled by the author based on data from the United Nations Food and Agriculture Organization (FAO).

prevalence at 21% of the adult population. A mere 4% of the global smokers are found in low-income nations, which also register the lowest average smoking prevalence at 10%<sup>15</sup>.

According to the World Health Organization (WHO), an effective tax rate for reducing tobacco consumption is recommended to be in the range of 70% to 75% of the wholesale price of cigarettes. Furthermore, the WHO has observed that nearly 18 nations, primarily those in the high-income bracket, have tax rates approaching 65%. Increasing this rate to 75% has the potential to impact an additional 660 million people by reducing their tobacco use. It is worth noting that only 5% of high-income nations do not impose any form of tax on cigarettes<sup>16</sup>.



**Figure 2: Raising taxes on tobacco, best-practice countries and territory, 2022**<sup>17</sup>

*Countries and territories with the highest level of achievement: Andorra, Argentina, Australia<sup>a</sup>, Belgium, Bosnia and Herzegovina, Brazil, Bulgaria, Chile, Croatia, Czechia, Denmark, Estonia, Finland, France, Greece, Ireland, Israel, Italy, Jordan, Latvia, Lithuania<sup>a</sup>, Madagascar, Malta, Mauritius, Montenegro, Morocco, Netherlands (Kingdom of the), New Zealand, Nicaragua<sup>a</sup>, North Macedonia, occupied Palestinian territory, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Thailand, Turkey, the United Kingdom, Vanuatu<sup>a</sup>.*

In 2008, on a global scale, 23 nations implemented tax rates equivalent to or exceeding 75% of the cost of a cigarette pack, covering approximately half a billion individuals, which accounts for 7% of the global population. Since then, an additional half a billion individuals across 24 nations have been brought under the optimal taxation thresholds. However, six nations have withdrawn from this select group.

There is a consistent inverse correlation observed between certain metrics. Specifically, the logical reasoning behind these measures suggests that the enforcement of such a taxation policy, along with the resulting increase in the average price of cigarettes, contributed to the decline in the smoking population.

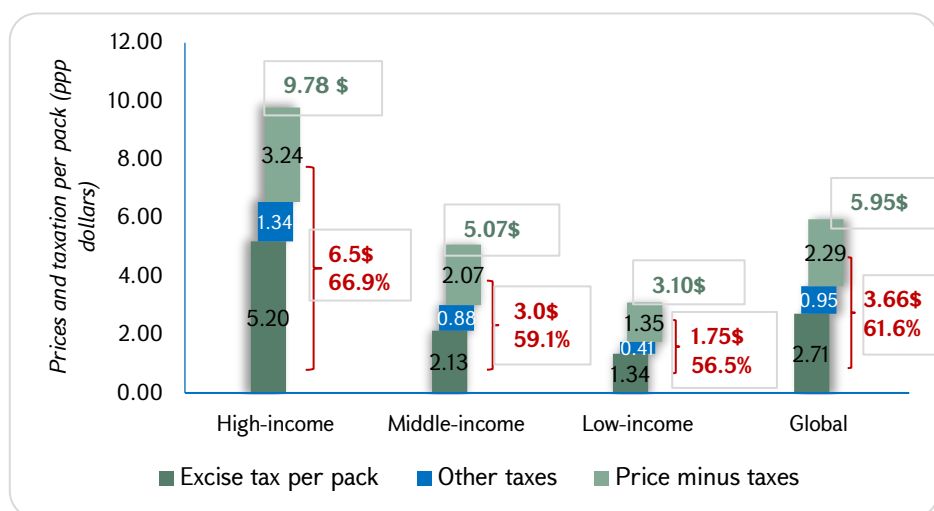
<sup>15</sup> Source: WHO report on the global tobacco epidemic, 2023, p. 48.

<sup>16</sup> Source: WHO report on the global tobacco epidemic, 2023, p. 84.

<sup>17</sup> Source: WHO report on the global tobacco epidemic, 2023, p. 82.

While this isn't the sole determinant of the observed trend, it undeniably stands as one of the key factors.

To better understand the scenario mentioned above, it is essential to examine the primary factors driving the movement in the average sales price. According to a 2019 report published by the World Health Organization (WHO)<sup>18</sup>, it is estimated that raising the average price of cigarettes by approximately 50%, achievable through tax increases, could potentially prevent around 27.2 million premature deaths over a 50-year period. Projections suggest that a 10% increase in the average selling price could lead to a 5% to 8% reduction in consumption in low- and middle-income countries and approximately 4% in high-income countries. This approach is considered highly cost-effective, meaning that the economic benefits of such intervention significantly outweigh the costs.



**Figure 3: 2022 weighted average retail price and taxation (excise tax and other taxes) for a pack of cigarettes, using the best-selling brand as an example<sup>19</sup>**

Note: Averages are weighted by WHO estimates of number of current cigarette smokers ages 15+ in each country in 2022. Prices are expressed in Purchasing Power Parity (PPP) adjusted dollars or international dollars to account for differences in the purchasing power across countries. Based on 55 high-income, 103 middle-income and 21 low-income countries with data on prices of the most sold brand, excise and other taxes, and PPP conversion factors.

As shown in Figure 3, high-income countries have the highest average selling price of cigarettes and taxation levels. In contrast, middle- and low-income countries have the lowest average selling price per pack, total taxes, and excise taxes for cigarettes. Consequently, the proportion of total taxes in the pricing structure of a pack of cigarettes is 56.5% in low-income countries, 59.1% in middle-income countries, and 66.9% in high-income countries.

It is interesting to note that even in the year 2000, approximately 22 countries, underestimating the effectiveness of using taxes as a tool to reduce smoking, did not impose any excise tax on cigarettes. However, over time, tax

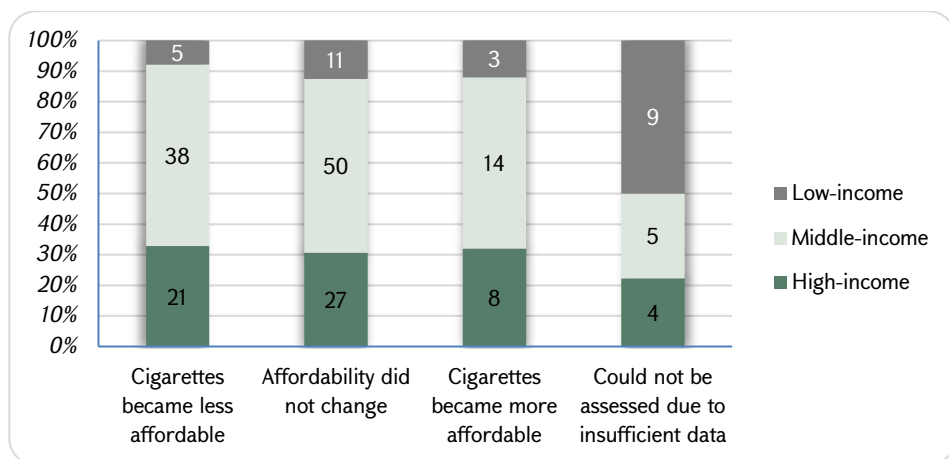
<sup>18</sup> See *ibid.*, p. 81.

<sup>19</sup> See *ibid.*, p. 84.

policy has proven to be an effective measure for public health, resulting in a nearly two-fold reduction in the number of countries not applying excise taxes by 2022. Notably, during this period, many countries transitioned from a value-added tax system to an excise tax or a mixed taxation system for cigarettes. In 2022, the number of countries applying value-added tax to tobacco was 34, compared to 54 in 2008. Over the same period, the number of countries applying excise tax on cigarettes increased from 56 to 70.

When discussing the application of different types of taxes on tobacco, it is important to acknowledge that the value-added tax (VAT) emerges as an effective tool for curbing tobacco usage due to its defined tax rate. Notably, its implementation remains consistent across various tobacco product categories. Consequently, higher-priced tobacco products have a notable impact on reducing the volume of tobacco purchases, particularly when consumers exhibit limited sensitivity to price fluctuations.

In contrast to the value-added tax, an excise tax levied on a specific unit of measurement for tobacco (pack or piece) serves the primary purpose of rendering all types of cigarettes costlier, thereby restricting their accessibility to the general public.



**Figure 4. The change in the availability of tobacco in 2012-2022 among countries with different income levels<sup>20</sup>**

The tax measures presented above and the resulting price increase are an effective way to reduce tobacco use among different population groups, especially among the youth.

The use of non-price measures, such as advertising restrictions and promotion bans, is a vital strategy in reducing tobacco consumption. This approach is underscored in the “Framework Convention on Tobacco Control”<sup>21</sup> adopted by the World Health Organization (WHO) in 2003. The convention stipulates that each party should, in accordance with its constitution and principles, enforce a

<sup>20</sup> See *ibid.*, p. 85, Fig. 41. Change in affordability of cigarettes, 2012–2022.

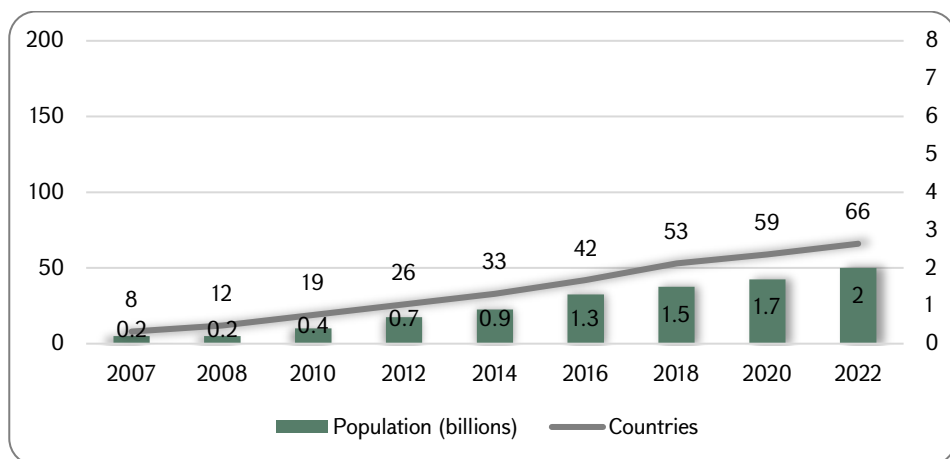
<sup>21</sup> Source: <https://fctc.who.int/publications/i/item/9241591013>, WHO Framework Convention on Tobacco Control (WHO FCTC).



comprehensive ban on tobacco product advertising, promotion, and sponsorship. Parties unable to implement an outright ban are encouraged to impose stringent restrictions.

Tobacco companies claim significant yearly investments in advertising to expand their market share. However, this expenditure not only attracts new consumers but also hinders existing smokers from quitting<sup>22</sup>.

As of 2022, tobacco advertising, sales promotion, and sponsorship were prohibited in 66 countries worldwide, encompassing approximately 2 billion people. Among these, 15 countries have a high-income level, 38 have an average income, and 13 have a low income. Notably, in 39 countries, regulations aimed at prohibiting these non-price measures were entirely absent, or if existed, were insufficient.



**Figure 5. Progress on bans on tobacco advertising, promotion and sponsorship 2007-2022: according to the number of countries involved and the population<sup>23</sup>**

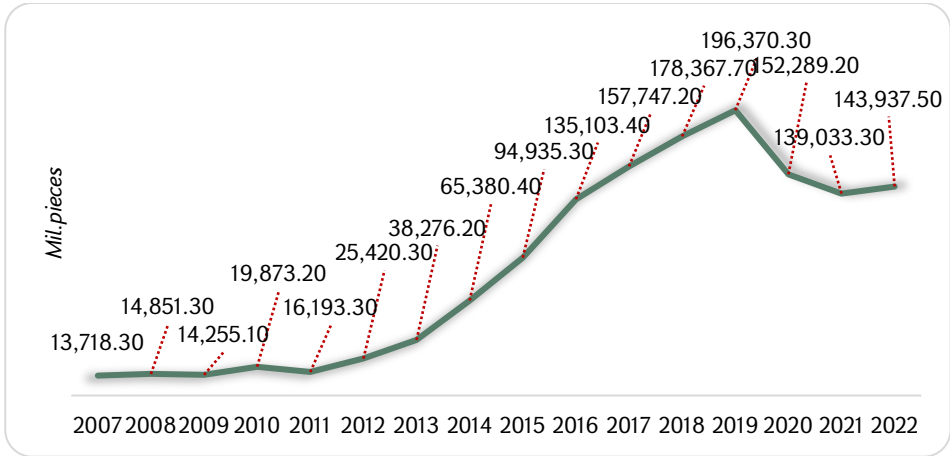
In 2007, only eight countries had implemented bans on tobacco advertising, promotion, and sponsorship, covering a mere 3% of the global population. By 2022, this policy had been adopted by 66 countries, affecting approximately 2 billion people.

In addition to these restrictions, various non-price measures have been widely employed in the fight against tobacco use, as outlined in the convention. These measures include the placement of prominent graphic warnings on cigarette packaging to depict adverse health effects, the prohibition of tobacco use in enclosed public spaces, standardized packaging for tobacco products, and the execution of media campaigns and counseling initiatives by healthcare professionals to encourage smoking cessation.

<sup>22</sup> Source: Evans N., Farkas A., Gilpin E., Berry C., Pierce JP (1995) Influence of tobacco marketing and exposure to smokers on adolescent susceptibility to smoking. J Natl Cancer Inst.87(20): 1538–45. doi: 10.1093/ jnci/87.20.1538.

<sup>23</sup> Source: WHO report on the global tobacco epidemic, 2023, page 77, Fig. 35. Progress in bans on tobacco advertising, promotion and sponsorship, 2007–2022.

The negative impact of tobacco and its global reach require extensive international cooperation, involving all countries in effective and comprehensive actions. Tobacco use remains a significant public health concern in the Republic of Armenia, and the production of tobacco products has shown substantial growth in recent years. According to data published on the official website of the Statistical Committee of the Republic of Armenia<sup>24</sup>, from 2002 to 2022, tobacco product production volume increased significantly, by approximately 4.6 times.



**Figure 6. Tobacco production volumes in Armenia 2007-2022<sup>25</sup>**

Until 2019, tobacco production showed dynamic growth, followed by a decline primarily due to the impact of the coronavirus pandemic.

It is important to note that a significant majority of cigarettes produced in Armenia in recent years, approximately 80-90%, were destined for export. However, starting in 2020, coinciding with the reduction in production volumes, a decrease in export volumes was also observed. In 2020, the overall customs value of exported tobacco products amounted to approximately \$256.3 million, marking a decrease of about \$34 million or 11.7% compared to 2019. Despite this decline, tobacco products continue to be one of the highest customs value commodities exported from Armenia.

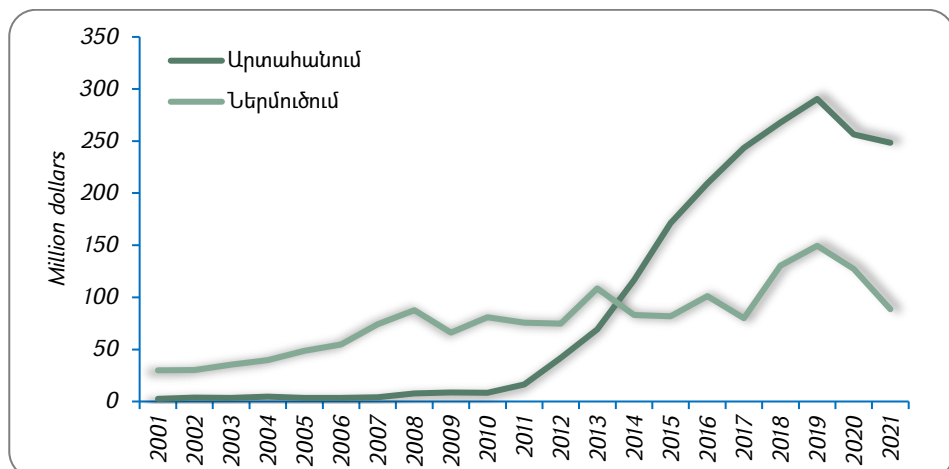
In recent years, a consistent trend has been observed in both exports and imports. Both activities experienced growth until 2019, followed by a subsequent decline. The total customs value of imports in 2021 amounted to \$88.7 million, showing a decrease of approximately \$38.6 million or 30% compared to 2020.

To regulate the legal relations arising in the field of sale, consumption, use and industry of tobacco, as well as to protect the population from the harmful effects of tobacco use and its smoke on human health, the Government of the Republic of Armenia constantly develops and implements state anti-tobacco programs. In this context, it should be noted that since 2004, the “Framework Convention on Tobacco Control” has also been ratified by the Republic of Armenia, therefore, the content of the national legislation and the current changes

<sup>24</sup> Source: Statistical Committee of RA, <https://armstat.am/am/?nid=82&id=2547>

<sup>25</sup> See *ibid.*, <https://armstat.am/am/?nid=82&id=2547>

implemented in it are brought into line with the logic of the measures aimed at reducing the use of tobacco laid down by that convention.



**Figure 7. Import and export volumes of tobacco in Armenia from 2001 to 2021<sup>26</sup>**

Thus, one of the pricing measures implemented in the Republic of Armenia to reduce tobacco consumption is the application of an excise tax on tobacco products. As of January 1, 2023, the excise tax rate for 1,000 cigarettes stands at AMD 14,640. It is worth noting that from 2019 to 2023, the threshold of the tobacco excise tax rate increased by 15% annually. Starting in 2024, this increase will be reduced to 10% per year, with the tax rate set at AMD 16,100 per 1,000 cigarettes<sup>27</sup>.

Cigarettes fall into the category of consumer goods with price-inelastic demand, which means that indirect taxes on cigarettes typically result in price increases rather than reductions in consumption. The rise in cigarette prices in Armenia is influenced by both market supply and demand dynamics and direct state intervention, primarily through adjustments in the excise tax rate.

As part of the strategy to combat tobacco use in the Republic of Armenia, it is essential to emphasize the importance of implementing appropriate non-price measures. On March 21, 2020, the RA law titled “On the Reduction and Prevention of Health Damage Caused by the Use of Tobacco Products and Their Substitutes” came into effect. This legislation prohibits smoking in all indoor public places from 2022, enforces a comprehensive ban on advertising, promotion, and sponsorship, and mandates standardized packaging for tobacco products starting in 2024<sup>28</sup>.

While all the above-mentioned measures and the corresponding legal regulations are of special importance in the fight against tobacco, they may pose certain challenges for businesses operating in this sector. Specifically, these measures can erect additional entry barriers for new economic entities seeking to enter the market, as they are no longer permitted to utilize advertising or other

<sup>26</sup> Source: Statistical Committee of RA,

<https://statbank.armstat.am/pxweb/hy/ArmStatBank/?rxid=9ba7b0d1-2ff8-40fa-a309-fae01ea885bb>

<sup>27</sup> Source: <https://www.arlis.am/DocumentView.aspx?docid=179802>

<sup>28</sup> Source: <http://www.arlis.am/DocumentView.aspx?DocID=160917>

forms of sales promotion. In such cases, well-established products with a history in the field and widespread recognition among the public and industry operators can maintain a competitive advantage over new entrants. High excise tax rates can hinder market share expansion, as they result in elevated product prices, rendering the purchase of these products less affordable and financially prudent for consumers. Furthermore, disparities in competitive conditions may arise between foreign and Armenian economic entities. Foreign entities have the ability to advertise and sell their products through foreign websites and other non-local means, accessible to local consumers, while Armenian economic entities do not possess this opportunity.

Consequently, a situation arises where, on the one hand, the rationale behind a policy extensively applied to tobacco products is clearly comprehensible within the context of public health. However, from another perspective, when solely guided by the effective evaluation of economic processes, the implementation of such a policy, including the use of such a blunt instrument, appears to conflict with the principles of individual free will inherent to the market economy format, potentially undermining the ideals of free economic competition.

The Competition Protection Commission also addressed the above issue in 2019 when providing feedback on the draft law titled “On the Reduction and Prevention of Health Damage Caused by the Use of Tobacco Products and Their Substitutes”. In its conclusion regarding the above-mentioned draft, the Commission acknowledged that the prohibition of product advertising and display may indeed place limitations on economic competition. Nevertheless, in accordance with Article 85, Part 1 of the RA Constitution, every individual possesses the right to healthcare as defined by the law. The Commission further asserted that regulations stipulating the prohibition of advertising and display for tobacco products, while potentially impacting economic competition, stem from the imperative of safeguarding public health. As such, they serve the broader public interest and cannot be viewed as provisions in contradiction to legislation concerning economic competition.<sup>29</sup>

**Conclusion:** According to the World Health Organization, tobacco use claims over 8 million lives annually, with more than 1.3 million being non-smokers exposed to secondhand smoke and 7 million being active smokers. Around 80% of the world's 1.3 billion smokers reside in low- and middle-income countries.

Tobacco use also exerts a substantial economic burden, manifesting in healthcare costs linked to tobacco-related illnesses and the loss of human capital due to morbidity and mortality. In Armenia, tobacco use incurs economic damage of 273 billion drams, hindering human development and contributing to non-communicable disease.<sup>30</sup>

To combat this, various price and non-price measures, including those in the Republic of Armenia, aim to reduce tobacco use, protect public health, and curb non-communicable diseases through legal regulations. However, it is

<sup>29</sup> Source: Competition Protection Commission Resolution N97-A of 2019 y.

<sup>30</sup> Source: <https://www.undp.org/sites/g/files/zskgke326/files/migration/am/ARMENIA-FCTC-INVESTMENT-CASE-ARMENIAN.pdf>

acknowledged that some of these anti-tobacco measures can impact economic competition and the tobacco industry, despite the sector's significant tax contributions to the budget (approximately 120 billion drams annually). Nevertheless, these regulations align with Armenia's anti-tobacco strategy and public health protection. Effective tobacco control necessitates comprehensive efforts, benefiting all sectors by ensuring a healthier and more productive workforce.

Tobacco control measures reduce the prevalence of tobacco use in the present and are likely to have continued effects in the future. In general, it should be concluded that the assessment of anti-tobacco measures should be considered in the framework of wider processes. While such a policy may appear to have negative economic effects initially, a more comprehensive assessment reveals a different picture. This perspective not only considers the social impact but also the economic aspects. In the longer term, the measures implemented contribute to economic growth, particularly by having a significant impact on human capital and its productivity, as well as reducing future costs.

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**ՀԱՅԿ ՍԱՐԳՍՅԱՆ**

ՀՊՏՀ մարքեթինգի ամբիոնի դասախոս,  
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**ՄԱՐԻԱՆԱ ԽՉԵՅԱՆ**

ՀՊՏՀ Կոնփենսամաթեմատիկական մեթոդների ամբիոնի դասախոս

**ԱՆԱՀԻՏ ԻՍՐԱՅԵԼՅԱՆ**

ՀՊՏՀ ֆինանսների ամբիոնի ուսանող

**ՀՀ ծխախոտային արտադրանքի շուկան և դրա կարգավորման առանձնահատկությունները մրցակցության պաշտպանության համապեքսությամբ.** Հոդվածում համապարփակ վերլուծության է ենթարկվել Հայաստանի Հանրապետության ծխախոտի արդյունաբերության ոլորտը, դիտարկվել են դրա ներկա վիճակի և գործունեության վրա ազդող բազմաթիվ գործոններ: Մանրակրկիտ ուսումնասիրվել է տվյալ ոլորտը վերահսկող օրենսդրական դաշտը՝ ընդգծելով իրականացվող քաղաքականության առանցքային դերը և առկա կարգավորումների բարդությունները: Քննարկվել են գործադրվող կանոնակարգերը, առաջարկվել է դրանց բարեփոխման ռազմավարություն: Գնահատվել է իրականացվող քաղաքականության արդյունավետությունը ոչ միայն հանրային առողջության չափանիշների պահպանման, այլ նաև մրցակցային տնտեսական միջավայրի խթանման տեսանկյունից: Տրված գնահատականը հատկապես կարևորվում է՝ հաշվի առնելով ծխախոտի արտադրանքի կարգավորման հետ կապված որոշակի նրբություններ: Համակողմանի հետազոտություն իրականացնելու նպատակով կիրառվել է բազմակողմ մոտեցում՝ դիտարկելով տարբեր գործընթացներ, կատարողական հիմնական ցուցանիշներ և գործոններ: Ուսումնասիրության արդյունքում ստացված տվյալները համադրվել են այլ երկրների համապատասխան ցուցանիշների և արձանագրված միտումների հետ, որն ավելի հիմնավոր եզրակացություններ անելու հնարավորություն է տվել:

Կատարված հետազոտությամբ բացահայտվել է ծխախոտի արդյունաբերության մեջ հանրային առողջության նկատառումների և տնտեսական շահերի բարդ փոխազդեցությունը: Հայաստանի Հանրապետության փորձը հնարավորություն է տվել ավելի խորությամբ ընկալելու ծխախոտի ոլորտի կարգավորման գլոբալ մարտահրավերներն ու բարդությունները: Բացի այդ, տվյալ բնագավառում այլ երկրների լավագույն փորձն ու ձեռքբերումներն օգնել են մշակել բարելավման որոշակի ծրագրեր: Այսօր հանրային առողջության խթանման և

տնտեսական կենսունակության ապահովման միջև հավասարակշռության ստեղծումը կարևոր մարտահրավեր է, որի դիմագրավման նպատակով անհրաժեշտ է ոլորտի քաղաքականություն մշակողների և շահագրգիռ կողմերի համագործակցությամբ արդյունավետ և կայուն ռազմավարության մշակում:

**Հիմնաբառեր.** *ծխախոտ, ծխախոտի արտադրանքի ոլորտ, ծխախոտի շուկա, պետական կարգավորում, տնտեսական մրցակցություն, արտադրության ծավալ, ակցիզային հարկ, գովազդի սահմանափակում, ուսումնասիրություն*

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#### **Табачный рынок РА и особенности его регулирования в контексте защиты конкуренции.**

В статье всесторонне проанализирован сектор табачной промышленности Республики Армения, рассмотрены факторы, влияющие на его современное состояние и деятельность. Тщательно изучена законодательная база, контролирующая данный сектор и выявлена ключевая роль реализуемой политики и сложности существующих правовых норм. Обсуждены реализованные нормативные акты, предложена стратегия их реформирования. Эффективность реализуемой политики оценивалась не только с точки зрения поддержания стандартов общественного здравоохранения, но и с точки зрения содействия созданию конкурентной экономической среды. Данная оценка особенно важна, учитывая некоторые нюансы, связанные с регулированием табачной продукции. Для проведения комплексного исследования был использован многогранный подход, рассматривающий различные процессы, ключевые факторы и показатели эффективности. Полученные в результате исследования данные были сопоставлены с соответствующими показателями и зафиксированными тенденциями других стран, что позволило сделать более весомые выводы.



Исследование выявило сложное взаимодействие между соображениями общественного здравоохранения и экономическими интересами табачной промышленности. Опыт Республики Армения позволил глубже понять глобальные проблемы и сложности регулирования табачной отрасли. Кроме того, передовой опыт и достижения других стран в этой области помогли разработать определенные программы усовершенствований. Сегодня достижение баланса между укреплением общественного здравоохранения и обеспечением экономической жизнеспособности является важнейшей задачей, которая требует разработки эффективной и устойчивой стратегии в сотрудничестве с органами разрабатывающими политику и заинтересованными сторонами в этом секторе.

**Ключевые слова:** табак, сектор табачных изделий, табачный рынок, государственное регулирование, экономическая конкуренция, объем производства, акциз, ограничение рекламы, исследование

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