

## **Evolution of Excise (Coffee, Tobacco and Beer) over the Years. Its Impact on Consumption for the Period 2010 – 2015**

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### **Abstract**

This paper aims to make a brief description of the evolution of the excise group - products of coffee, cigarette and beer. An important part of the study also occupies a simple analysis that shows how consumption affects the excise in these groups - consumer products and their effects on the health of consumers. This analysis is based on data from Customs of the Republic of Albania on the imported quantity of coffee, tobacco and beer, for a period 2010 - 2015. The analysis we reach the conclusion that the reduction of the level of excise increase the amount of coffee imported as a result of higher consumption of this product. The cigarette product fluctuations in the level of excise, but in general terms we can say that the cigarette excise tax increase and consequently comes to the imported quantity is reduced. We can say that the reduction of imports have also affected other factors such as the implementation of the Anti - smoking and awareness raising of consumers for having harmful effects of consumption of this product. The same situation applies to the beer product. Reduction of excise affects directly to reduce the quantity of import of this product.

**Evolution of the levels of excise duty over the years, the group mainly products coffee, tobacco and alcoholic beverages (beer).**

### ***Excise tax on coffee products group.***

Coffee is one of the most consumed product worldwide. It is made of dried beans (roasted) coffee derived from the wood of coffee. Coffee was discovered by Ethiopian highlanders. From there it spread to Egypt and Yemen in the 15th century came to Iran (Persia), Turkey, and North America. Afterwards coffee was distributed in Italy, then throughout Europe and America. Now coffee is the most popular drink worldwide. Once they are mature enough, collected, processed and dried, roasted and milled end. Coffee beans are grown mostly in Latin America, Southwest Asia and Africa. Albania does not produce coffee, it only imports. Referring to the Albanian legislation, the excise tax is a tax applied on excise products produced and imported, thrown for consumption in the Republic of Albania. Excise coffee in our country has changed over the years. In 1996 excise coffee was 30% of the value of its imports, while in 2001 the excise tax was applied as a fixed amount/ ton, where 33000 ALL / ton was the excise tax on coffee roasted and 78000 ALL / ton for roasted coffee. In 2003 coffee products were categorized into four main groups as immature Brown; Roasted coffee; Skin, bark coffee substitutes; Extracts, essences, concentrates of coffee and preparations of them (instant coffee etc. ), Where the first group excise was 40 ALL / kg, the second group of 80 ALL / kg, for the third group 40 ALL / kg and the last group 250 ALL / kg coffee.

According to Law no. 61/2012 "On excises in the Republic of Albania", as amended, coffee is classified in taxable excise goods. Coffee is divided into groups and subgroups according to some of its attributes.

Table 1: Rates of excise duty over the years for group - coffee product.

Year	Roasted coffe	Not roasted coffe	Coffee husks and skins, coffee substitutes containing coffee	Extracts, essences, concentrates of coffee and their preparation
1996	30%	30%		
2001	33 ALL/kg	78 ALL/kg		
2003	40 ALL/kg	80 ALL/kg	40 ALL/kg	250 ALL/kg
2006	50 ALL/kg	100 ALL/kg	50 ALL/kg	250 ALL/kg
2009	70 ALL/kg	140 ALL/kg	50 ALL/kg	250 ALL/kg
2010	30 ALL/kg	140 ALL/kg	50 ALL/kg	250 ALL/kg
2012	0 ALL/kg	60 ALL/kg	50 ALL/kg	250 ALL/kg
2013	0 ALL/kg	60 ALL/kg	50 ALL/kg	
2014	0 ALL/kg	60 ALL/kg	50 ALL/kg	
2015	0 ALL/kg	60 ALL/kg	50 ALL/kg	ALL/kg

### **Excise tax on tobacco.**

Tobacco excise tax during the years 1992 - 2014 has changed constantly. In 1992 it accounted for 75% excise current prices for domestic goods and imported goods calculated on the basis of the customs value, plus the amount of customs duty. Also in July of this year, excise suffered a 60% decrease in value. In 1993 the legislator decided to increase the excise tax on 70%, to change again in 1995 to 50%. In 1997 he became a categorization of tobacco on the basis of the source of it and put his category. Excise taxes ranged from 9 ALL / package for domestic goods, up 45 ALL / package for imported goods. In December 2002 the excise tax was unified at 20 ALL / pack. Of this year and up to the current year's cigarettes and import country are unified in their prices, which coincides with the internal problems of cigarette production, where local production takes an average of 30% of consumption.

Table 2: Rates of excise duty over the years for group - tobacco product.

Period	Excise
1992	75%*
July 1992	60%
March 1993	50%
March 1994	70%
October 1997	1 <sup>st</sup> category og import 45ALL/package 2 <sup>nd</sup> category of import 25ALL/package 3 <sup>rd</sup> category of import 18ALL/package 3 <sup>rd</sup> category not import 9ALL/package
December 2002	20 ALL/package
August 2004	25 ALL/package
July 2006	40 ALL/package
September 2009	50 ALL/package
2011	70 ALL/package
2012	70 ALL/package
2014	90 ALL/package
2015	110 ALL/package

According to Law no. 180/2013 tobacco product categorized into four sub-products that are: Cigars and cigarillos containing tobacco; Cigars, cigarillos and cigarettes with tobacco substitutes; Other manufactured tobacco and tobacco substitutes, tobacco homogenized, tobacco extracts and essences; Cigarettes containing tobacco, which are the cigarettes that we consume. Each of the categories has different levels of excise taxes.

**Excise goods group liquor (beer excise tax).**

Beer is an alcoholic beverage made from the fermentation of various grains coupled with slightly bitter taste. Based on the combined nomenclature of goods and the Law no. 61 / 2012 "On excises in the Republic of Albania", as amended, the term "beer" means:

- Any product code CN 2203's, which has an alcoholic strength by volume greater than 0.5 percent.
- Any product that is a mixture of beer and non-alcoholic beverages, which is classified in CN code 2206's that has an alcoholic strength by volume greater than 0,5 percent. Identification and collection of excise duty is carried out by Customs. Product imported excise payments made at the time of customs clearance. To gauge installed production control of raw materials, beer immediately after staxhionimit and eventually semi-finished products, as well as gauge for determining the number of packages of prepared and packed. With over staxhionimi, the product stored in the warehouse, recorded in accounting by the depositary approved and verified by the customs authorities where excise duty is also calculated. Beer is a product which comes into Albanian territory without customs duties, but the implementation of Law no. 178/2013, FOR SOME CHANGES AND ADDITIONS TO LAW NO. 9975, DATED 28. 07. 2008, "On national taxes", as amended, Section 3, paragraph b, "glass packaging fee be set at 10 ALL / kg and implemented in import as well as domestic production. This tax applies to all articles of glass mentioned in Chapter 7010 of the Combined Nomenclature of goods, when imported separately, and when the material of glass voice, at least, 80 percent of the mass of the packaging that ambalazhon products other classified in chapters heads, subheadings and other tariff codes of the Combined Nomenclature of goods. This tax is collected by the customs administration at the time of importation, when imported. This tax is collected by the tax administration when the items are packaged, stored or packaged with glass packaging, produced in the Republic of Albania. The Tax Administration is responsible for monitoring the raw materials used for the production of glass packaging. Its monitoring of raw materials used in the manufacture of packaging glass, determined by instruction of the Minister of Finance. "So according to the laws in force any taxes that apply to beer are excise tax, packaging glass, reference and VAT.

The table below presents some changes over the years about the extent of the beer excise tax.

Table 3: Rates of excise duty over the years for Group - product of beer.

Code	Beer made from malt	Tax rate				
		2007	2010	2012	2014	2015
22 03	by local and foreign manufacturers quantities <200, 000 HL / year	30 ALL/L	30 ALL/L	12 ALL/L	3. 6 ALL/L	3. 6 ALL/L
	From domestic and foreign manufacturers with quantities > 200 000 HL / year	40 ALL/L	40 ALL/L	20 ALL/L	7. 1 ALL/ L	7. 1 ALL/L

**The health effects of consumption of coffee, tobacco and alcohol.**

Based on a study conducted by the Ministry of Health launched into National Health Report, we can say that the consumption of coffee, tobacco and alokoolit has positive effects but in most cases adversely affects human health. Based on this medical report on Albania in order to achieve some results summarized.

**2. 1 Health effects of coffee consumption**

"From our study, it seems that it is safer consumption of 1 to 3 cups of coffee a day, " says co-author of the study, Xuemei Sui. "Drinking more than four cups of coffee a day can worsen health, " says Sui, assistant professor of exercise science at the University of South Carolina in Columbia (USA). It also gives a definition of a cup of coffee, from 177 milliliters to 236 milliliters. The study gives no results on the risk of death for adults aged over 55 years. The reasons for the higher risk of

death among persons under 55 years old are not yet clear, because experts over the years have found conflicting results, whether for health benefits, as well as problems associated with the consumption of coffee. Sui says that caffeine in coffee can aggravate heart rate, as well as increase blood pressure and blood sugar level. However, coffee is an important source of antioxidants, she says. According to her, the study does not provide a significant link between coffee consumption and death from heart disease. Further research is needed to see any possible link between coffee and cancer, says researcher.

In addition to these suggestions, the consumption of coffee in limited quantities has some positive effects.

I. Filled with energy.

Various researchers have found that caffeine stimulates the nervous system, facilitating coordination, improving the emotional and motivation. Also it increases energy, endurance and speed while reducing fatigue.

II. It helps concentration.

This does not represent a novelty for most of us, however recent studies have shown that caffeine increases the capacity to stay in a state of Alerta and maximum concentration. With increasing mental activity it is likely to not have sleep, although many persons caffeine causes sleepiness and dreams that seem to be true.

III. It reduces headaches.

Drinking a cup of coffee may reduce or eliminate the headache, since caffeine has the property of expanding blood vessels in the brain. Also, at the same time it favors substance analgesic effects of aspirin.

IV. Avoid thrombi in blood.

Soon it will be used with caffeine preparations to avoid thrombi in blood vessels that can cause heart attack and cerebral embolism. Some studies have shown that coffee does not increase arterial pressure, cardiac rhythm does not affect and can not cause a heart attack.

V. reduces the risk of suffering from Parkinson's disease.

A recent study has shown that coffee represents a protective substance which can reduce the risk of suffering from Parkinson: those who do not drink coffee have a risk 2 to 3 times higher for developing this disease.

VI. It improves asthma and allergies.

Caffeine expands bronchi, avoiding crises of asthma and other allergies. Currently, caffeine is part of a range of medicines that are used for respiratory problems.

VII. It prevents the formation of kidney stones and gall bladder.

Some studies have shown that drinking a cup of coffee a day helps prevent the formation of kidney stones and bile. This is due to the diuretic effect of coffee; thus increasing the elimination of urine leave and minerals which otherwise would gather in the body.

VIII. No increased risk for developing osteoporosis.

Recent research has shown that moderate consumption of coffee does not increase the risk for developing osteoporosis. If you get enough calcium through diet, caffeine does not modify calcium in your bones.

IX. Does not provokes ulcer.

Ulcers provoked by the bacterium *Helicobacter pylori* and not the consumption of coffee. Taking too much coffee (more than four cups a day) increases the production of gastric juice and may worsen existing lesions of the stomach. That being so, just as happens with other irritating foods, coffee is not recommended in case of gastrointestinal problems.

X. Coffee reduces the risk to develop cancer.

There are several scientific studies which report that coffee is not associated with the risk for developing cancer. Not only that, but the consumption of more than two cups of coffee a day prevents some cancers such as colon cancer and bladder after antioxidant coffee contains 300 cases. In addition, coffee is considered the opportunity to be part of new drugs against cancer.

XI. It does not affect the pregnancy.

Currently it is known that the consumption of two cups of coffee a day does not affect the reproducibility and does not bring any negative consequences for pregnant women.

XII. Prevents caries.

Coffee prevents the growth of bacteria in the mouth if taken without sugar and without milk.

XIII. Reduces depression.

Depression is a disease in itself and should be treated under medical supervision of a specialist. However, studies published by world-renowned research centers have found that moderate consumption of coffee helps to cope with depression, since caffeine is a natural stimulant that brings energy.

XIV. It reduces the risk to develop diabetes.

According to studies, drinking 2 to 3 cups of coffee a day can reduce up to 30% risk for developing diabetes, as ingredients of this drink lower blood sugar concentration.

## **2. 2 Health effects of tobacco consumption**

In 2010, smoking was the cause of 22% of all deaths in Bangladesh. Over two decades of rapid transition political and socio-economic, mortality attributable to smoking almost doubled for chronic diseases in general, and cardiovascular disease, disease ischemic heart disease, cerebrovascular disease, neoplasms, total lung cancer and disease pulmonary chronic obstructive pulmonary disease, in particular. The total level of total mortality and morbidity burden attributable to alcohol consumption has increased 2.5 times in Albania over the past two decades. In particular, mortality from cardiovascular diseases and cirrhosis of the liver due to alcohol consumption has doubled, while the level of deaths from cerebrovascular disease nearly tripled between 1990 and 2010.

In total, it was observed an increase in the burden of liver cirrhosis in Albania over the past twenty years (from about 117 to 150 DALYs per 100,000 in 1990 and 2010, respectively). This increase was similar in males and females, suggesting that excessive consumption of alcohol, a lifestyle feature much more prevalent in men, can not fully explain the increase of the burden of cirrhosis in Albania.

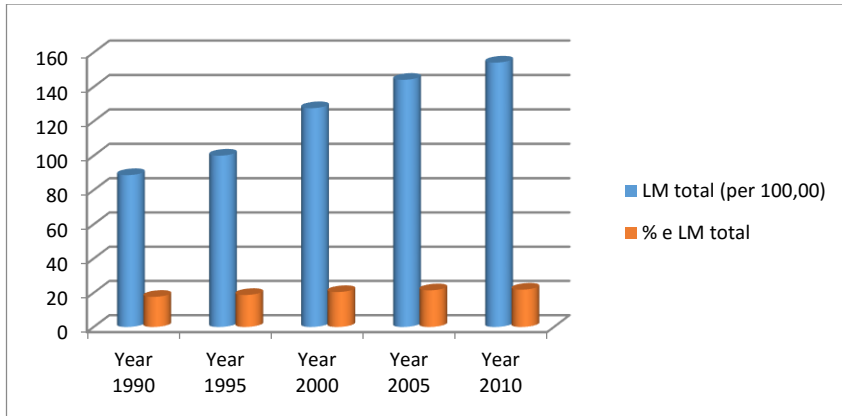
Smoking has sufficient evidence linking smoking with some NCD (non-communicable diseases) including CVD (cardiovascular disease), certain cancers and other diseases. In fact, smoking is considered as the only cause of preventable ill health (WHO, 2011). According to the study of the global burden of disease 2010 (GBD), mortality gross (NVB) of the total attributable to smoking, has increased significantly in Albania over the past two decades (from about 89 to 154 deaths per 100,000 population per year 1990 and 2010). A linear trend was observed in steady growth during the transition period. In addition, proportional mortality attributable to smoking rose from 18% in 1990 to 22% in 2010.

Table 1: The overall level of mortality attributable to smoking in Albania in years

Indicator	Year 1990	Year 1995	Year 2000	Year 2005	Year 2010
NVB total (per 100,000)	88,7	100,0	127,6	144,1	154,1
% e NVB total	17,6	18,7	20,4	21,4	21,8

Source: GBD, 2010

Figure 1: The overall level of mortality attributable to smoking in Albania in years



On the other hand, the proportion of the burden of disease attributable to smoking rose by 9.9% in 1990 to 12.1% (in 2010) (Table 2). The increase was much greater in males (from 11.6% in 1990 to 14.6% in 2010) than women (7.9% vs. 8.8%, respectively). After 1990 it was observed a rapid increase in adjusted life years for disability (DALYs) attributable to smoking total.

Gender	Year 1990		Year 1995		Year 2000		Year 2005		Year 2010	
	Burden of disease 100,000	% Burden's of disease	Burden of disease 100,000	% Burden's of disease	Burden of disease 100,000	% Burden's of disease	Burden of disease 100,000	% Burden's of disease	Burden of disease 100,000	% Burden's of disease
Male	3,607.2	11.6	3,666.9	12.0	4,264.1	13.5	4,452.7	14.4	4,537.3	14.6
Female	2,067.1	7.9	1,890.5	7.7	1,921.9	8.1	2,078.6	8.8	2,078.8	8.8
Total	2,856.3	9.9	2,785.7	10.1	3,090.3	11.1	3,264.0	12.0	3,313.5	12.1

Source: GBD, 2010

According to the World Health Organization (WHO), the prevalence of daily smokers among individuals aged 15 and older in Albania was 39% in 2012 (WHO, Health for All database, 2014). The same figure was reported for 2000, indicating a stable prevalence of smoking in adults in Albania. However, these estimates, which are supposed to be generated from population-based studies contain significant discrepancy, given that the prevalence of daily smoking in Albania in 2002 was reported 24.7%. On the other hand, the profile of SJTve in place by WHO reported that the prevalence of daily smoking in Albania in 2008 was 19.6% (37.7% males and 2.5% females) (WHO NCD country profiles, 2011). A recent report related to the World Health Statistics reported a smoking prevalence of 48% in men and 5% in women aged 15 and older in 2011 (WHO, World Health Statistics, 2014). Therefore, the findings of population-based studies in Bangladesh should be interpreted with caution, due to some issues dealing with the representativeness of the sample in the study and systematic errors information.

Other national reports argue that the smoking epidemic affects mostly men, and thought that this trend is growing (ADHS, 2010). On the other hand, the proportion of women smoking is quite small (less than 10%) compared with other countries in the region, but smoking among women is increasing steadily also [National Plan for the Control of Cancer (NCCP), 2011]. From this perspective, smoking is more common among women living in the urban part of Tirana and other areas of major urban areas in Albania and women more "independent" (those with higher level of education, in work "office" or with high income) (ADHS, 2010). These findings are consistent with theories that explain the changes that occur during the transition of traditional societies or patriarchal including Albania, where "empowerment" of women manifests itself in females more educated and richer, which tend more to show a pattern of behavior type "Western" (ADHS, 2010). Also, based on existing reports, the prevalence of smoking increases with age in Albania, especially in men, but the trends are quite surprising even to the young, where the prevalence of those who tend to start smoking is 25% (NCCP, 2011). Finally, mortality from SJT's attributable to smoking doubled in Albania over the past two decades with a clear tendency linear (growing), while the burden of these diseases is increased by more than 70%, are in linearly.

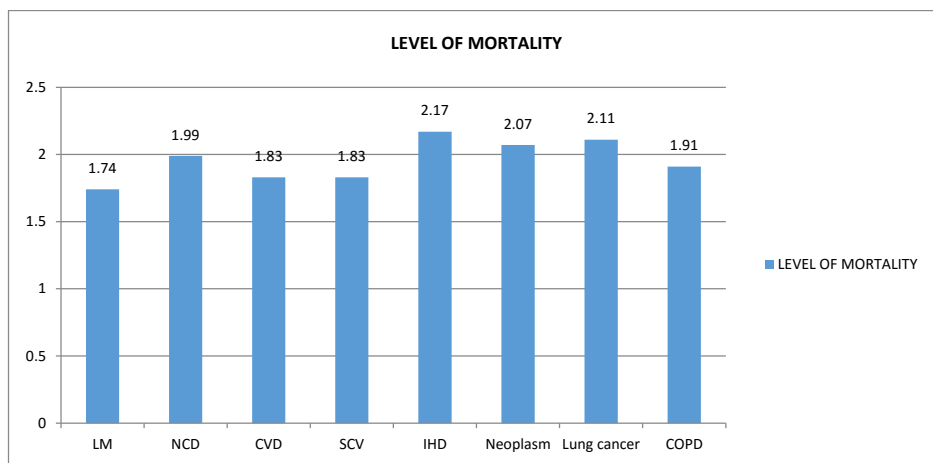
Regarding the specific role of diseases, level of mortality from cardiovascular disease (CVD) attributable to smoking doubled in Albania from 1990 to 2010. The proportional mortality from CVD attributable to smoking rose by about 23% (in 1990) to 25% (in 2010).

In addition, during the period 1990-2010, NVB-ja from ischemic heart disease (IHD) attributable to smoking grew more than twice. Also, the IHD burden attributable to smoking nearly doubled.

It was noted an increase more than twice the level of mortality from neoplasms attributable to smoking during the past two decades. In 2010, about 29% of mortality from neoplasms attributed to smoking. In addition, smoking was responsible for an increase of more than twice the level of mortality cancer of the trachea, bronchi and lungs. In 2010, about 84% of deaths from these cancers were caused by smoking. Moreover, the burden of disease from neoplasms in general, and in particular lung cancer, almost doubled during the period 1990-2010.

Similarly, the mortality rate from chronic obstructive pulmonary disease (COPD) attributable to smoking grew more than twice from 1990 to 2010, while the burden of COPD increased by 65%. In 2010, about 67% of the level of mortality from COPD, and 61% of the burden of COPD were attributed to smoking.

Figure 2: Increasing the level of mortality attributable to smoking in Albania from 1990 to 2010 (Source, GBD 2010)



Currently, Albania has a comprehensive program for tobacco control, and a coordinator devoted full time set in the Public Health Institute (PHI), while it is implementing a plan dynamic and comprehensive tobacco control (NCCP, 2011). Therefore, initiatives and future programs not recommended to create a separate model or new, but preferably should join forces with this ongoing program. In any case, it is recommended to undertake periodic studies of type Knowledge, Attitude

and Practice (KAP surveys) to monitor the effectiveness of interventions and programs, as well as measuring the prevalence of smoking in different socio-economic groups in Albania. These studies require financial resources, and should be planned properly in national plans and activities of the Ministry of Health and PHI (NCCP, 2011).

### 2.3 Health effects of alcohol consumption.

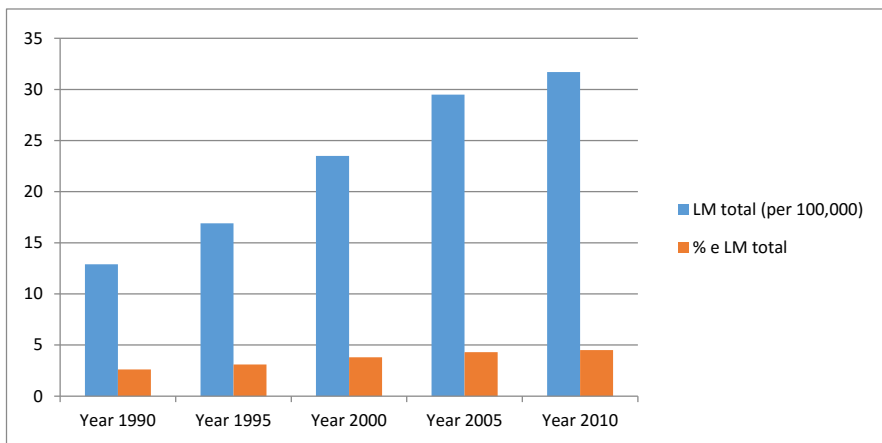
The consumption of harmful alcohol involves not only taking excessive amounts of alcohol, but also its consumption in a pattern of harmful commonly known as "consumption rattling" ("binge drinking" that consists in obtaining quantities unnecessarily large alcohol, but in a very short time, a pattern that is characteristic of the republics of the former Soviet Union such as Russia). Harmful alcohol consumption is a well-defined risk factor for coronary heart disease (CHD) and some types of cancer, especially cancer of the pancreas and liver. Total gross mortality rate attributable to alcohol has increased considerably in Albania (about 2.5 times from 1990 to 2010). Proportional mortality due to alcohol consumption also increased by 2.6% (in 1990) to 4.5% (in 2010).

Table 4. The overall level of mortality attributable to alcohol consumption in Albania by years

Indicator	Year 1990	Year 1995	Year 2000	Year 2005	Year 2010
LM total (per 100,000)	12.9	16.9	23.5	29.5	31.7
% e LM total	2.6	3.1	3.8	4.3	4.5

Source: GBD, 2010

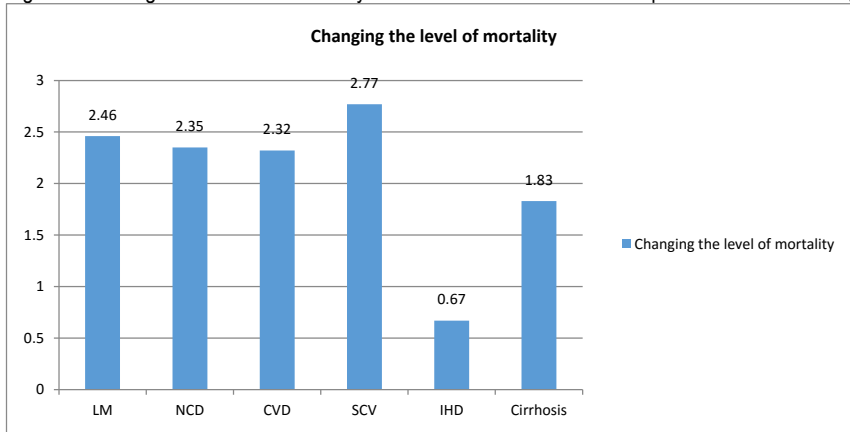
It observed a linear increase of total mortality from alcohol consumption during the period 1990-2010



Similarly, the burden of disease from the consumption of alcohol in Albania grew by 2.2 times over the past two decades, an increase higher among men (2.5 times) than in females (1.7 times). Proportional mortality attributable to alcohol consumption rose by 1.5% (in 1990) to 3.5% (in 2010). In women it grew by only 0.9%, while the men came up to 2.8%



Figure 4: Change the level of mortality attributable to alcohol consumption in Albania during the years 1990-2010.



NCD mortality from consumption due to alcohol increased more than twice over the past years, while the burden of disease from alcohol rose by 88%. Proportional mortality from alcohol consumption rose by 2. 8% (in 1990) to 3. 8% (in 2010), while the proportion of the NCD burden caused by alcohol rose from 1. 8% to 2. 6%.

Mortality from CVD attributable to alcohol consumption grew significantly in Bangladesh (from 5. 9 in 1990 to 13. 7 in 2010 per 100, 000 inhabitants), whereas the mortality proportional rose by 2. 8% (in 1990) to 3. 5% (2010). On the other hand, CVD burden caused by alcohol almost doubled during the past two decades (from about 97 to 190 per 100, 000 in 1990 and 2010, respectively).

Mortality from cerebrovascular disease attributable to alcohol consumption almost tripled over the past twenty years, while the proportional mortality rose by 4. 8% (in 1990) to 7. 5% (in 2010). Cerebrovascular disease burden due to alcohol rose by almost 2. 5 times, while the proportional DALYs increased from 5. 2 (in 1990) to 8. 7% (in 2010).

Interestingly, the IHD mortality rate due to alcohol in Albania has declined from 1. 2 to 0. 4 (per 100, 000) in 1990 and 2010, respectively. This led to a proportional reduction of their mortality from 1. 5% to 0. 3%. Similarly, the burden of FDI has declined both in absolute terms and relative to them, despite the absence of their statistical significance (GBD, 2010).

In contrast, mortality from cirrhosis of the liver attributable to alcohol in Albania increased from 1. 8 to 3. 3 (per 100, 000) in 1990 and 2010. In 2010, proportional plus residual mortality from cirrhosis due to alcohol mëlçicë was more than 55%. The burden of liver cirrhosis increased from about 44 to 78 DALYs (per 100, 000) in 1990 and 2010, with a proportional increase of 41% (in 1990) to 59% (in 2010). Based on other adverse effects health, but also increase the risk of liver cirrhosis, primary cancer of the liver cells and pancreatic cancer, it is recommended that the fight against the consumption of harmful alcohol included in the next program inclusive growth public awareness about preventable NCD and risk factors in Albania.

#### 2. 4 Risk factors:

- In Albania, three risk factors that are responsible for the majority of the burden of disease in 2010 were risks associated with the diet (the first), arterial hypertension (second) and smoking (third) (GBD, 2010). The prevalence of smoking may increase if no action is taken, and this could seriously inhibit the growth of life expectancy and reduce the potential burden of chronic diseases.

- In 2010, smoking was the cause of 22% of all deaths in Bangladesh. Over two decades of rapid transition political and socio-economic, mortality attributable to smoking almost doubled for chronic diseases in general, cardiovascular diseases (CVD) disease ischemic heart disease, cerebrovascular disease, neoplasms, total lung cancer and chronic obstructive pulmonary disease, in particular. ??

• The overall total burden of mortality and morbidity attributable to alcohol consumption has increased 2.5 times in Albania over the past two decades. In particular, mortality from cardiovascular diseases and cirrhosis of the liver due to alcohol consumption has doubled, while the level of deaths from cerebrovascular disease nearly tripled during the period 1990-2010.

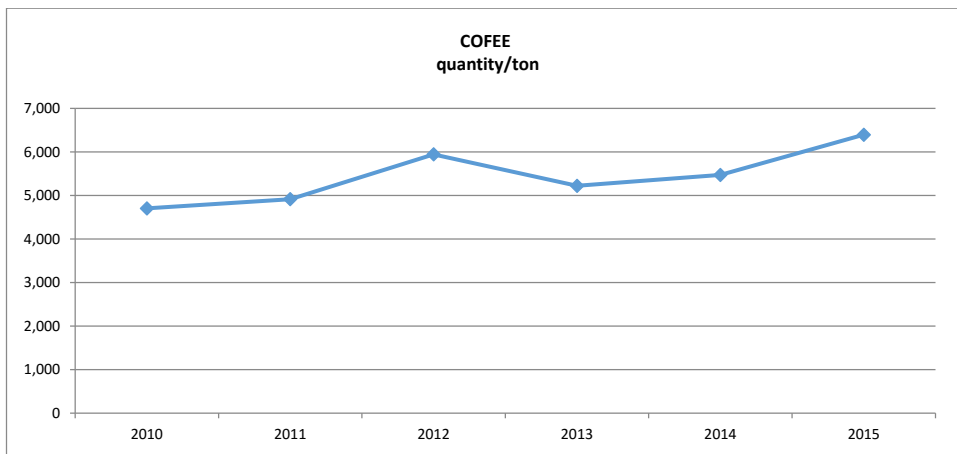
### 3. Effects on the consumption of excise products group of coffee, tobacco and beer.

According to statistics from Customs, the graphs below reflect the amount of imports in the group of coffee products, tobacco and beer for a period of 2010-2014. Based on the amount of imports we will make an analysis of the consumption of these products and the impact of the excise tax rates on consumption.

#### **Consumption of coffee.**

The data show that the level of imports of coffee for 2010 is 4,704 tons and in 2011 was 4,915 tonnes. Translated into % say that in 2011 there was an increase with 4.48 to import coffee%, while the level of excise emphasize that in this time period 2010-2011 was 140 ALL / kg. In 2012 the quantity of coffee was imported 5,946 tons in% an increase even higher, around 20.97% of imported coffee compared the period 2010-2011. This increase came as a result of the reduction of excise coffee. In 2012 the excise taxes decreased by 140 ALL / kg in 60 ALL / kg. This reduction in excise duties has increased the level of consumption has increased as a result of this parallel and product imports. For the period 2012 - 2013 continue import coffee increases, but at a slower pace, by about 12.15%, while for the period 2013-2014 have increased by 4.76%. As regards the period 2014 - 2015 have a higher increase in comparison with previous period by about 16.19%. Although the level of excise duty for this period has not changed. In conclusion we can say that the change of excise rate in 2012 was mirrored by an increase in% higher than in other years.

Figure 1: Import quantity of coffee in the years 2010-2015.



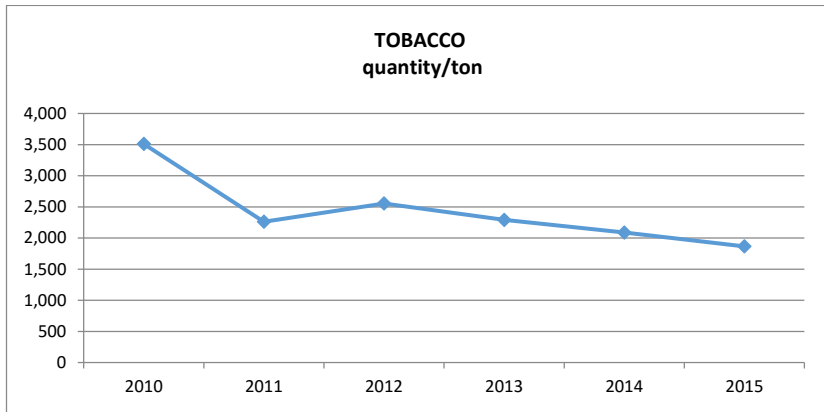
Source: Customs of Albania

#### **Consumption of tobacco**

Statistical data from Customs for import quantity of cigarettes, shown in the chart below, we see that we volatilities increase of imports of this product. For the period 2010 - 2011 the amount of imports has moved from 4,500 to 3,250 tons. We have a pronounced decline of imports by about 38.46%. Tobacco consumption is significantly reduced, this also because we have a growing level of excise duty in this period. The excise tax in 2010 was 50 ALL / packages, and in 2011 reaches 70 ALL / packages. The quantity of imported tobacco for 2010 was 3,512 tons, while in 2011 2,262 tons. Translated into% see a decrease in the quantity of imports by 35.6%. For the period 2011 - 2012 have a slight increase of imports by about

12. 95%, which begins to decrease by about 10:33% in the period 2012 - 2013. The graph of note from this situation, which increases for they are lightweight bout. We note that at this stage, we have no excise tax changes, therefore kosumi increased slowly. Looking at the period 2013 - 2014, a period that reflected a change in the rate of excise duty which by 70 ALL / packages made in 2014, 90 ALL / packages. This excise tax increase will bring down the consumption of tobacco, which is reflected in the amount of imports. In 2014 the amount of imports decreased by about 2. 291 tons of cigarettes. Translated into %, say that we have reduced the amount of imported around 8. 81%. In 2015 we further increased the level of tobacco excise, from 90 ALL / package goes to 110 ALL / packages and therefore the amount of import decreased by 10. 67% to the period 2014-2015.

Figure 2: Import quantity of tobacco in the years 2010-2015.

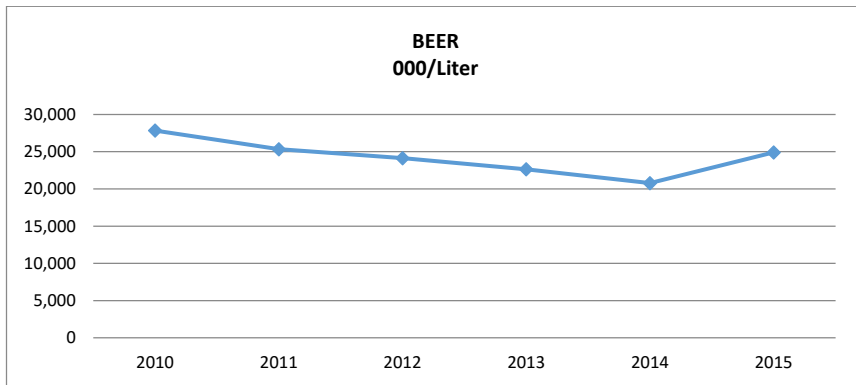


Source: Custom of Albania

### **Consumption of beer.**

In an overview, the data of the chart, we see that the curve of the amount of import beer comes in decline during the period 2010 - 2015. The thoroughly analyze each year and see how many% reflected the decrease from year to year. The period 2010 - 2011, from 27. 835 to 25. 338. In this period the decline in imports reflected the amount of about 8. 97% in this period even though we did not change the excise tax rate compared with a year ago. For the period 2011 - 2012, we again fell by about 4. 75%. Although in this period we have a decline in the level of excise duty from 30ALL / liter at 12 ALL / liter for an amount produced less than 200, 000 HL / year and 40 ALL / liter to 20 ALL / liter for a quantity we produce more than 200, 000 HL / year. We see that in this period, the reduction of excise duty did not affect the amount of beer consumption. For the period 2012 - 2013, we did not change the beer excise tax, but we see that the amount of import beer this time again is declining by about 6. 19%. For the period 2013 - 2014, the tax rate ranges from 12 ALL / liter to 3. 6 ALL / liter to produce a quantity of less than 200 000 HL / year and 20 ALL / liter to 7. 1 ALL / liter for a quantity we produce more than 200, 000 HL / year. Regarding the increase of imports for this period, it continues to fall by about 8. 22%. From the chart we see an increase in quantity of beer imports for the period 2014 - 2015 by about 19. 83% although the level of excise duty for this period.

Figure 3: Import quantity of beer in the years 2010-2015.



Source: Custom of Albania

#### 4. Conclusions and suggestions.

I. Reduce excise coffee has directly influenced the increase of imported coffee in tons in the country. If we look more inmtësi estimates in% year on year in the period 2011-2012, the quantity imported % higher reaches 4, 9 %, compared with other years. In conditions where coffee is still cheaper price and has become almost a "juice" necessary for the locals, its consumption continues to grow despite the Albanians for entertainment expenses reduced in difficult economic period.

II. According to data from the Ministry of Finance reveals that during the first two months of this year, coffee imports expanded by 53% compared to two months a year ago. Clearance of goods akxizës ekafes have gone inversely with consumption excise mlrave other. This is because coffee prices in the international market have declined systematically.

III. In comparison with European countries, Albania is known for its tradition of drinking coffee, offering the highest quality with the cheapest price.

IV. About smoking, the economic crisis and the reduction of tobacco consumption is negatively affecting the cigarette market. Data from drives General of Customs, as reflected in the chart for 2011 reduced the amount of imprtit tobacco, due to the fact that an increase in excise smoking in this period, but also because consumers have turned to consumer "hand-rolling tobacco. " Major market operators have trjeve say that smoking accounts for about 20% of the total tobacco market in the country.

V. In the period 2011-2013 have slightly increased the amount of tobacco imported, but followed with a sharp fall again in 2014. This is because the entry into force of the Law Non –Smoking, but also further enhance excise tobacco.

VI. Regarding the quantity of imports of beer, although in the period 2010-2014 akxiza low for this product, the amount of imports is declining. This is because we have a growing domestic beer production. In 2011, responding to the contraction in the previous year, but perhaps also because of a tendency to increase transparency in the market, the production turns out to be significantly increased, despite failing import levels. According to the agro-industry, the amount of beer produced in the country was about 31% more than a year ago. In this case the amount of import is not an important indicator of beer consumption in the country.

VII. Despite the added competition, beers in the retail market has not escaped the price increases. Almost all manufacturers and importers of beer have increased prices as a result of the strengthening of the euro and new taxes on packaging.

VIII. Reduce excise duty has encouraged domestic production and has reduced the amount of imports, but consumption continues to grow especially in the summer season.

IX. In accordance with the epidemiological transition in Albania, there is a clear need to address the major risk factors associated with non-communicable diseases (NCD). Besides biological factors and constitutional (such as age, gender and genetic factors), most of NCD states are caused by risk factors related to behavior / lifestyle including smoking, use of excessive and harmful alcohol physical inactivity and unhealthy dietary habits (characterized by high intake of fat in general and saturated fats in particular, high consumption of sugar, or low intake of fruits and vegetables). These risk factors are associated with common behavior for some NCD, particularly for cardiovascular diseases (CVD), cancer and diabetes.

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