



EPIC publishes Paper on Eradicating Smoking Prevalence in Europe

The European Policy Innovation Council (EPIC) just published a new report titled *The End of Smoking? How Europe Can Save Millions of Lives while Boosting Economic Growth*. The paper claims that for the first time in history, Europe can phase out smoking completely—not through bans, but by accelerating the transition to harm reduction alternatives.

Read the full report [here](#).

See the infographic [here](#).

The debate and regulation of tobacco have traditionally been poisoned by ideology and extreme approaches. On one side, prohibitionists push for an outright ban on tobacco. On the other, libertarians and the industry argue about free choice and individual rights.

Starting from the assumption that tobacco and nicotine users will not simply vanish, no matter how stringent the regulations become, with this paper, EPIC aims to contribute to this often-controversial topic, outlining the vast economic impact of the tobacco value chain at both European and national levels, offering a pragmatic viewpoint towards regulations that could mitigate the harm caused by smoking.

According to the author, Dr Antonios Nestoras, by encouraging the adoption of safer tobacco and nicotine alternatives, Europe could achieve a threefold result: preserve the net contribution to the economy of a fully Made in Europe industry; positively impact individual and public health through a regulatory framework that balances the harm reduction principle with the need to phase out the most harmful tobacco products, such as cigarettes; prevent the market from being flooded with illicit and low safety-standards products, particularly from China.

This is a bold yet feasible proposal for eradicating smoking prevalence in Europe.

The Draghi Report recommends **reinforcing competitive advantages** in strong sectors, supporting industries that generate trade surpluses, attract investment, and sustain high-value jobs. The Made in Europe tobacco industry is one of these. The economic footprint of the tobacco industry in the EU contributes **€223.7 billion** annually to the GDP of the EU-27, which is **1.3% of the total EU GDP**. If it were a country, it would be the 17th-largest economy in the EU, between Greece and Hungary.

The total tobacco tax revenue per year stands at **€112.9 billion**. This equals 55.4% of the total current EU defense spending. Taxes from tobacco are almost equal to the entirety of waste management (€56.9 billion), fire protection services (€37.8 billion), and prison costs (€24.6 billion) combined. The industry employs, directly and indirectly, over 2.1 million people, with €60.7 billion in wages.

Finally, **illegal products account for 8.3%** of total cigarette consumption in the EU. Currently, €11.6 billion are lost to the illicit cigarette market every year. This amount could increase state-funded healthcare R&D in all EU member states by 52.5%. The European Commission is now in the process of reviewing the Tobacco Product Directive (TPD) and the Tobacco Taxation Directive (2011/64/EU). For both directives, data analysis suggests that draconian interventions would lead to heavy economic losses in the EU.

All data show that, if applied, the harm reduction principle could instead incentivize the private sector's investment in alternatives (via regulation and fiscal forward guidance) able to deliver better health outcomes to society, while protecting the whole European value chain and jobs.

Failing to act pragmatically will not only erode the Union's fiscal and industrial strength but also hand over market dominance to global competitors like China – worsening at the same time the overall economic and health wellbeing of the Union.

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About EPIC

EPIC is a thinking movement that combines the research capacity of traditional think tanks with the community engagement and mobilisation of political movements. By blending classic initiatives such as policy papers and conferences with innovative digital formats and on-site tours, EPIC is building a large community of policymakers, industry leaders, experts, activists, and influencers in Europe. Together, we aim to become Europe's first public policy influencer, shaping the future of competitiveness, sustainability, and democratic resilience.

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