

| | Population (millions) | | | |
|----------------------|-----------------------|--------|---------|---------|
| | 1995 | 2000 | 2025 | 2050 |
| All adults, ages 15+ | 58.782 | 66.102 | 100.011 | 118.354 |
| Female adults | 30.090 | 33.893 | 51.558 | 61.394 |
| All youth, ages 0-14 | 32.356 | 32.770 | 30.183 | 28.298 |
| Female youth | 15.869 | 16.053 | 14.759 | 13.822 |

Source: United Nations Population Division, World Population Prospects 1950-2050 (2000 revision)

| Real GDP per capita (PPP), US Dollars | |
|---------------------------------------|------|
| 1975 | 6240 |
| 1980 | 7531 |
| 1985 | 7422 |
| 1990 | 7312 |
| 1995 | 7204 |
| 2000 | 8378 |

Source: World Health Report 2002

SMOKING PREVALENCE

| Adult (18-65 Year Olds), 1998 | | Youth, 2000 | | Health Professionals, 1997 | |
|-------------------------------|------|-------------|------|----------------------------|----|
| Males | 51.2 | Males | 26.7 | Physicians | 22 |
| Females | 18.4 | Females | 16.2 | Support staff | 24 |
| Overall | 32 | Overall | 21.7 | | |

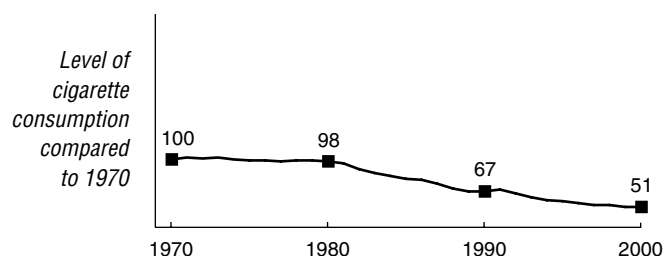
Adult: Current smoking for at least one month in urban areas, measured by the Instituto Nacional de Geografía, Estadística e Informática (INEGI); Secretaría de Salud, Dirección General de Epidemiología. (1998). *1998 National Addictions Survey*. Mexico City, Mexico.

Youth: (Males and Females) Currently use any tobacco product, 1st-3rd year in Monterrey; Global Youth Tobacco Survey Collaborative Group. (2002). *Mexico-Monterrey GYTS Fact Sheet*. Available at URL: http://www.cdc.gov/Tobacco/global/gyts/GYTS_factsheets.htm. (Overall) Currently use any tobacco product, students age 13-15 years old in Monterrey; Global Youth Tobacco Survey Collaborative Group. (2002). Special Report: Tobacco use among youth: a cross country comparison. *Tobacco Control* 11: 252-270.

Health professional: Current smoking (smoking now and having smoked 100+ cigarettes in his/her lifetime) among physicians and support staff (nurses, x-ray & lab technicians) in nine of ten National Institutes of Health and one General Hospital; Sansores, R.H., Villalba-Caloca, J., Herrera-Kiengelher, L., Soriano-Rodríguez, A. and Ramírez-Venegas, A. (1999). Prevalence of cigarette smoking among employees of the Mexican National Institutes of Health. *Salud Pública de México* 41(5): 381-388.

TOBACCO ECONOMY

Annual per capita Consumption, Three Year Moving Average, 1970 = 100



Annual Cigarette Consumption

| Year | Per capita Consumption (cigarette sticks) | Total Consumption (millions of cigarette sticks) |
|------|---|--|
| 1970 | 1501 | 40630 |
| 1980 | 1470 | 54504 |
| 1990 | 1068 | 54616 |
| 1995 | 856 | 50300 |
| 2000 | 712 | 47067 |

Annual Tobacco Trade and Agriculture Statistics

| | Unit of Measurement | 1970 | 1980 | 1990 | 1995 | 2000 |
|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| Cigarette imports | sticks in millions | - | - | 1 | 68 | 747 |
| Cigarette exports | sticks in millions | 3 | 16 | 765 | 6589 | 10063 |
| Tobacco leaf imports | metric tons | 627 | 438 | 12077 | 2378 | 12124 |
| Tobacco leaf exports (% of total exports) | metric tons (%) | 10764 (0.92%) | 24263 (0.31%) | 9687 (0.09%) | 7457 (0.03%) | 8817 (0.02%) |
| Cigarette production | sticks in millions | 40633 | 54520 | 55380 | 56821 | 56383 |
| Tobacco leaf production | metric tons | 68569 | 93941 | 33941 | 27401 | 45164 |
| Land devoted to tobacco growing (% of agricultural land) | hectares (%) | 43085 (0.04%) | 42104 (0.04%) | 21722 (0.02%) | 16630 (0.02%) | 22674 (0.02%) |
| Employment in tobacco manufacturing | people | 5990 | 5530 | 5240 | 5017 | - |

Retail Price of 20 Cigarettes with Tax

| Type | US \$ | Local |
|----------------|--------|-------|
| Domestic brand | \$1.50 | 15.00 |
| Foreign brand | \$1.70 | 17.00 |

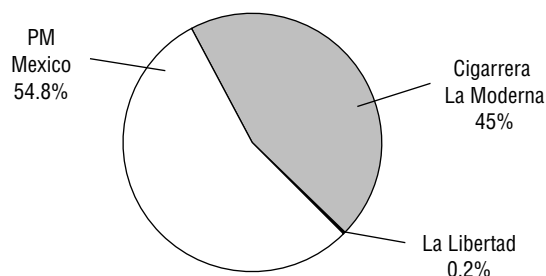
Source: EIU, September 2002

Cigarette Taxes and Duties

| | |
|-------------|--|
| Excise tax | 20.9%-dark, length<77mm; 100%-all others |
| Sales tax | 15% |
| Import duty | 67% (5% NAFTA countries) + 0.8% customs fee |
| Other taxes | 105% production tax on filtered cigs; 60% other cigs |

Source: ERC

Market Share by Cigarette Manufacturer, 2000



Source: ERC

SMOKING-RELATED DISEASE IMPACT

Mortality from Cancer, Respiratory and Circulatory Disease, 2000
Numbers of deaths/World age-standardized mortality rate per 100,000 population

| Disease | Male | | Female | | Ages | Disease | Male | | Female | | Ages |
|--------------------------------------|--------|-------|--------|------|------|--|--------|--------|--------|--------|------|
| | Number | Rate | Number | Rate | | | Number | Rate | Number | Rate | |
| Trachea, lung, and bronchus cancer | 4183 | 46.3 | 1967 | 18.1 | 35+ | Ischemic heart disease | 23537 | 280.6 | 19714 | 193.6 | 35+ |
| Lip, oral cavity, and pharynx cancer | 478 | 5.4 | 254 | 2.2 | 35+ | Stroke | 11879 | 146.0 | 13403 | 130.7 | 35+ |
| Respiratory disease | 9025 | 119.9 | 6637 | 66.3 | 35+ | Other diseases of the circulatory system | 5583 | 71.7 | 6980 | 69.7 | 35+ |
| | | | | | | All causes | 366940 | 4139.0 | 317046 | 3008.0 | 35+ |

Source: World Health Organization. (2003). *WHO Mortality Database*. Geneva: WHO.

INFRASTRUCTURE FOR TOBACCO CONTROL

National Tobacco Control Provisions

| Tobacco Bans and Restrictions | Not | | | | Tobacco Requirements and Regulations | Not | | | |
|---|--------|------------|-----------|---------|---|------------|-----------|----------------|---------|
| | Banned | Restricted | Regulated | Unknown | | Required | Regulated | Regulated | Unknown |
| Advertising in certain media | | X | | | Advertising health warnings/messages | X | | | |
| Advertising to certain audiences | X | | | | Age verification for sales | | | | X |
| Advertising in certain locations | | X | | | Manufacturing licensure | X | | | |
| Advertisement content or design | | X | | | Package health warning/message | X | | | |
| Sponsorship or promotion for certain audiences | | | X | | Label design on packaging | | X | | |
| Sponsorship advertising of events | | | | X | Ingredient/constituent information on package label | X | | | |
| Brand stretching | | | | X | Amount of tar | | X | | |
| Sales to minors | X | | | | Amount of nicotine | | X | | |
| Sales by minors | | | | X | Amount of other ingredients/constituents | | | | X |
| Place of sales | | X | | | Product constituents as confidential information | | | | X |
| Vending machines | | X | | | Product constituents as public information | | | | X |
| Free products | | X | | | Constituent disclosure by brand | | | | X |
| Single cigarette sales | | | X | | Constituent disclosure in the aggregate | | | | X |
| Misleading information on packaging | | | | X | | | | | |
| Smoking in government buildings (incl. worksites) | | X | | | Other Provisions | Yes | No | Unknown | |
| Smoking in private worksites | | X | | | National tobacco control committee | X | | | |
| Smoking in educational facilities | | X | | | Tobacco control education/promotion | X | | | |
| Smoking in health care facilities | | X | | | Anti-smuggling provisions | | | X | |
| Smoking on buses | | X | | | Litigation enabling provisions | | | X | |
| Smoking on trains | | X | | | | | | | |
| Smoking in taxis | | | | X | | | | | |
| Smoking on ferries | | | | X | | | | | |
| Smoking on domestic air flights | | X | | | | | | | |
| Smoking on international air flights | | | | X | | | | | |
| Smoking in restaurants | | | X | | | | | | |
| Smoking in nightclubs and bars | | | | X | | | | | |
| Smoking in other public places | | X | | | | | | | |

Refer to Appendix B for more information about national tobacco control provisions.