

Cuba doubles cigarette prices



A bar of H. Upmann now officially costs 500 pesos (source: [Granma](#))

For the first time in years, socialist Cuba has increased the price of tobacco products. As the Communist party's newspaper "Granma" [reports](#), the new prices for domestic cigarette brands came into force on April 12. The reason given is that the previous prices no longer covered costs. Finance Minister Vladimir Regueiro Ale cited counter-financing the high budget deficit as a further reason for the drastic increases.

Filterless cigarettes of the brands Criollo, Titanes, and Popular now cost 30 instead of 10 pesos per packet (each containing 20 cigarettes). A pack of the rare Aroma brand with lighter tobacco costs the same. The price of a cigar from the rationbook "bodega" shops, which previously cost 5 pesos, has doubled to 10 pesos. The popular filter cigarettes of the H. Upmann brand are now priced at 50 instead of 25 pesos. A pack of Popular Auténtico costs 60 instead of 25 pesos. Both brands are produced by the Cuban-Brazilian joint venture Brascuba, which built a new factory in the special economic zone of Mariel a few years ago.

With the new prices, a pack of the cheapest cigarette brands in Cuba now costs the equivalent of 25 USD cents at the official exchange rate of 120:1 and 8 cents according to the informal exchange rate, which currently stands at 350 pesos per USD. Filter cigarettes cost 40 or 14 cents per pack. For comparison: before the 2021 currency reform, filterless cigarettes cost around 20 cents and filter cigarettes around 60 cents per pack.

The price increases only affect state retail prices in pesos; prices for cigars and other tobacco products in foreign currency stores remain unchanged.

The new prices met with a mixed response. On the pages of the state news portal "Cubadebate", the announcement quickly became the most commented on of the week. Some commentators called the new prices "abusive" and criticized them as "fuel for

inflation", while others argued that supply could improve again with the new prices. Due to poor availability, Cuban smokers have for years been forced to buy their cigarettes on the black market or at a hefty mark-up in private stores. There, a pack of filter cigarettes currently costs around 200 to 300 pesos, i.e. between 60 and 80 cents. Cigarettes are hardly ever available at the officially set prices. As Granma points out, the new prices are cheaper than those on the informal market.

The price increase is part of a "macroeconomic stabilization programme" announced by Cuba's government in December 2023. The aim of the measures is to eliminate exchange rate and currency distortions and boost the economy. Most recently, fuel prices were increased on March 1 as part of the package.

Although Cuba's Ministry of Health has been campaigning against smoking for many years, smoking prevalence on the island is slightly above the Latin American average at 17.9 percent of the population. In 2005, the country introduced a strict non-smoker protection law, although this is hardly applied in practice. Smoking in buildings and on public transport is widespread in Cuba, despite laws to the contrary. ([Cubaheute](#))