

# Impact highlights: WHO's health taxes work

## Background

In 2019 an estimated 41 million people worldwide died of preventable noncommunicable diseases (NCDs) such as diabetes, obesity, and cancer. Often, these diseases are associated with the consumption of products deemed major risk factors for NCDs, such as alcohol, tobacco, and sugar-sweetened beverages.

Reducing consumption of these products would improve health and save lives – and taxing these could also generate additional revenue.

An increasingly highlighted approach to prevent NCDs is through health taxes, which are designed to reduce the consumption of products with a negative public health impact. Increasing excise taxes on tobacco, alcohol and sugar-sweetened beverage products have been identified as cost-effective interventions among the menu of policy-options in the WHO Global Action Plan for the Prevention and Control of Noncommunicable Diseases 2013-2030.

Despite their demonstrated benefits, health taxes remain underutilized globally. Thus, WHO has stepped up its leadership and advocacy role by raising global awareness of health taxes, engaging with a wide range of stakeholders, leading inter-agency collaboration and collecting accurate and reliable data which are made available to the public.

## Highlights



### Country support

- Supporting over 47 countries in any of tobacco, SBB and/or alcohol taxation assistance modes in 2022
- Ghana increases health taxes
- Ethiopia assesses impact of 2020 increases
- Timor Leste introduces landmark health tax reform
- Engagement with parliaments of Ethiopia, Ghana, Nepal, Viet Nam



### Knowledge products

- [WHO health taxes book](#)
- [WHO-Inter Parliamentary union brief on health taxes-](#)
- [WHO Tobacco Tax Manual](#)
- [WHO SSB tax manual](#)
- WHO alcohol tax manual (ongoing)
- WHO- Inter Parliamentary Union e-course on health taxes (ongoing)
- Inter-agency taxes website



### Inter-agency collaboration

- Leads a coalition of 14 agencies committed to supporting health taxes



### Data collection and simulation tools

- Collection of global price and tax data for tobacco since 2008 (biennial)
- Collection of new global price and tax data of alcohol and sugar-sweetened beverages (2022)
- Upgraded tobacco tax simulation (TaXSiM) tool

### Country support

Health taxes work in WHO builds from its tobacco taxation work led by the Tobacco Control Economics team (now known as the Fiscal Policies for Health under the Health Promotion Department), where it provided technical guidance to more than 70 countries over a period of 15 years. In 2019, work expanded to include broader fiscal policies for health work with a particular focus on the excise taxation of tobacco, alcohol and sugar-sweetened beverages. Work could potentially expand to the taxation of a wider spectrum of harmful/unhealthy products as well as subsidies to support healthy behaviours.

In 2022, WHO provided technical support to Ministry of Finance authorities of 43 countries on tobacco taxation, 19 countries on SSB taxation and 14 countries on alcohol taxation. This support included direct engagement, development of tax policy briefs, tax modeling, review of tax policies with recommendations based on best-practices or the delivery of multi-country trainings on health taxes.

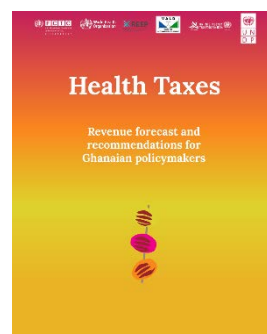
Highlighted below are some of the countries WHO worked on health taxes in 2022 with funding support from the Government of Norway:

**Ghana announces increases in health taxes-** For years, despite strong support from WHO (tobacco tax) and the World Bank (alcohol tax) and having a strong champion as Commissioner of the Ghana Revenue Authority, health tax reforms were never enacted into law.

This changed in 2022 when Ghana announced that they were implementing health taxes reform in 2023.

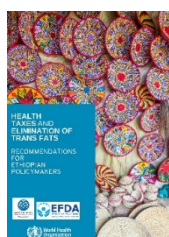
WHO provided swift responses to government's requests for support. WHO, together with UNDP and WHO FCTC Secretariat, prepared a policy note which was disseminated to parliamentarians, MOH, MOF and GRA.

Armed with the technical guidance from WHO, UNDP, and FCTC Secretariat, the government of Ghana made the following commitments with respect to health tax reform:



Excise tax reform will include revision to **the taxation of cigarettes and tobacco products to align with ECOWAS** protocols. The reform will also target **increase in the excise rate for spirits** above that of beers. There will **be taxation of products such as electronic smoking devices** and liquids which are not currently taxed ([see all budget highlights on MOF Ghana website](#)).

WHO and its partners continue to engage with Ghanaian officials from MOH, MOF, GRA and FDA to discuss the structure and design of the tax. In April, WHO and the inter-agency working group will organize a workshop with Parliamentarians to support their oversight work in health tax policy and implementation as well as help forestall any industry efforts aimed at opposing the reforms.



[Ethiopia's health sector pushes for better health taxes](#)- This year, WHO supported the EFDA, EPHI and other health agencies in assessing the health and revenue impacts of increases on tobacco, alcohol and SSBs. The findings are explained in a policy note which will be distributed to key stakeholders.

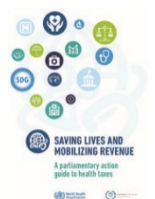
[Timor Leste introduces landmark health tax reform](#)- WHO's technical support was also crucial in supporting Timor Leste's landmark health tax increases. WHO engaged with all key stakeholders including ministry of finance and parliament. The Minister of Finance, Rui Gomes, explains the reforms in this [video](#)

[Engagement with parliaments of Ethiopia, Ghana, Nepal, VietNam](#) - With the support of the Inter-Parliamentary Union, WHO initiated engagement with the parliaments of Ethiopia, Ghana, Nepal, and VietNam. At one of WHO's online learning events, the Rt Honorable Ganesh Prashad Timilsina noted the need to raise health taxes in Nepal, and his country's commitment to addressing NCDs ([link to online event recording here](#)).

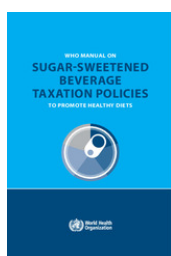
## Knowledge products



[WHO health taxes book](#)- This book is the first to provide a comprehensive treatment of taxes on tobacco, alcohol and sugar-sweetened beverages, exploring various aspects of these measures,



[WHO-Inter Parliamentary Union brief on health taxes](#)- This brief targets legislators and provides a call to action to champion health taxes in plenary, committee or when interacting with citizens.



[WHO manual on sugar-sweetened beverage taxation policies to promote healthy diets](#)- This tax manual is a practical guide for policy-makers and others involved in SSB tax policy development to promote healthy diets and populations.



[WHO technical manual on tobacco tax policy and administration](#)- This manual will guide readers through the necessary steps to create and implement the strongest tobacco taxation policies for their specific countries, including practical pointers on how to navigate through the political process and ensuring the right support for tax policy change.

[WHO alcohol tax manual \(ongoing\)](#)- This manual offers practical guidance in developing and designing alcohol tax policy.

[WHO and Inter Parliamentary Union e-course on health taxes- \(ongoing\)](#)- This online resource will provide MPs and parliamentary staff with the vocabulary, tools, concepts and knowledge necessary to become champions for health taxes in and outside of parliament. The course will be initially delivered via the WHO Academy platform, but will be linked to IPU's own learning platform which is still under development.

[IAWG health taxes website \(ongoing\)](#)- This online portal will help accelerate action on health taxes by providing quick and easy access to structured information, data, tools, guidance to the public.

[Policy analysis for health taxes](#) - The Alliance for Health Policy and Systems Research has established a research program to provide health policy analysis in eight low- and middle-income countries. Case studies are about to be finalized that examines how political economy factors influence and frame the design, adoption and implementation of health taxes. Locally generated evidence and policy analysis is important to enable a deeper understanding of the political economy factors, along with contextual processes and power dynamics that influence adoption, implementation, and design health tax policies.

**Inter-agency collaboration** - WHO leads the health taxes inter-agency working group (IAWG), a coalition of 14 agencies bound together by a common goal of advancing the health taxes agenda. Each partner brings to the table their respective core competencies and comparative advantages. The group aims at strengthening collaboration among the various global partners working in the area of health taxes by:

1. Raising the profile and awareness of health taxes as an effective health and domestic resource mobilization intervention, particularly among policy makers in low- and middle-income countries
2. Helping ensure that knowledge products which partners produce are aligned in terms of substantive and advocacy content
3. Providing a platform to coordinate and support technical assistance to countries

## Members of the IAWG



**Data collection and simulation tools-** WHO has been collecting tobacco tax and price data for more than a decade and has established itself as the authoritative source for accurate information on tobacco taxes. Learning from this success, WHO has just completed the collection of price and tax data of alcohol and sugar-sweetened beverages globally. Estimates have been compiled for more than 120 countries. WHO is also currently upgrading the Tobacco TaXSiM tool, which allows users to model the impact of tax changes on the retail price of cigarettes, cigarette consumption, excise and total tax revenues.