Background

Tax policies that reduce the affordability and use of unhealthy or harmful products are effective at promoting public health. Taxes on alcohol, tobacco and food products, which are high in salt, sugars and fat, discourage their consumption, hence, reducing their associated health burden, particularly NCDs. Furthermore, they are able to correct market failures by raising significant tax revenues for governments to offset some of the costs to the society from the use of these unhealthy or harmful products, as well as potentially funding other development needs.

Implementation of fiscal policies are typically under the authority of the Ministries of Finance (MOFs) and aims to generate revenues for government. However, Ministry of Health officials need to work closely with finance officials in the development of comprehensive tax policies for those unhealthy or harmful products so that their public health impact is accounted for.

Increased taxation on unhealthy or harmful products are politically challenging and will often meet considerable resistance from vested interest groups, including the industry. Planned changes in tax policies will benefit from a clear strategy and road map for technical support to MOFs, as also how to tackle such resistance, including the knowledge sharing and awareness building measures.

Objectives

To share evidence of tax policies as a tool for reducing the burden of NCDs, share country successes and challenges and inform National NCD Programme Directors and Managers about WHO’s ongoing work in this area, and the support which WHO can provide to countries in implementing tax policies.

Seminar overview

This lunchtime seminar will start with a presentation about the evidence of effectiveness of tax policies to reduce the demand of unhealthy or harmful products, and will introduce the available tools and support that WHO can provide to countries in this area of work. This will be followed by an interactive discussion among participant countries about their experience and lessons learned.
Key messages

- Evidence shows that taxes on unhealthy or harmful products that make them less affordable are effective at reducing consumption of those products and improving health.
- Countries’ experiences also show that tax increases on those products will also increase governments’ tax revenues, generating additional funding for health and other programmes of national priority.
- National NCD Programme Directors and Managers have an important role in promoting stronger tax policies on unhealthy or harmful products among their peers in the Ministry of Finance.
- Opposition to taxation can be overcome by well-planned advocacy and mobilization of support within the government.

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