

We are what we drink: WHO tax policy resources aim to lower consumption of alcohol and sugary drinks

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Alcohol and sugary drinks are two major drivers of NCDs, and raising taxes on these products is proven effective for lowering consumption. New World Health Organization resources provide a potent tool for governments who want to protect their people from these harmful substances.

Alcohol use is one of the leading risk factors for death and disability around the world. An estimated [3 million people](#) [1] die every year globally because of alcohol consumption, or one person every 10 seconds. The majority of these deaths - 1.7 million - are from noncommunicable diseases (NCDs), like strokes, cancer, and heart and liver ailments. The social harms of alcohol consumption are also extensive; these include domestic violence, child abuse and neglect, suicides and road traffic accidents. Alcohol use and its consequences are higher in lower-income populations, thereby perpetuating existing health inequalities.

In short, alcohol is a toxic, psychoactive, carcinogenic, and dependence-producing substance capable of causing severe damage to health and society. Alcohol is not an ordinary good - and it requires government regulation.

One of the most effective means of reducing alcohol consumption is to impose taxes on alcoholic beverages. Higher prices mean that many people reduce their consumption, making societies healthier and more resilient, while generating public revenue. Alcohol taxation can also help reduce inequalities, including health-related, as social disadvantage and alcohol use are often mutually reinforcing.

The World Health Organization (WHO) [Technical manual on alcohol tax policy and administration](#) [2] was [recently launched](#) [3] with the aim to support policy-makers and others involved in alcohol tax policy in developing alcohol tax systems and pricing policies that take into account the unique market structure, tax administration and political economy of each country. It clearly provides all the information that is needed to design and implement effective tax policies.

Supported by summaries and case studies of evidence on alcohol tax globally, the manual also addresses government concerns relating to industry opposition to tax and pricing policies, the main barrier to the effective implementation of taxation and other policies intended to reduce consumption of health harming goods like alcohol. It identifies and

debunks several arguments the industry tends to use to dissuade governments from implementing these effective and cost-effective policies.

The technical manual has been presented together with a [Global report on the use of alcohol taxes 2023](#) [4], which provides a worldwide assessment of taxes applied to alcoholic beverages, with at least 148 countries applying excise taxes on alcohol at the national level. The report qualitatively compares their design and provides for the first time global standardized metrics to compare tax levels between countries. This assessment can inform policy decisions on alcohol taxation and support further research.

Using the same method to target a different health-harming beverage, the Global report on the use of sugar-sweetened beverage taxes 2023 has also been presented this week, to accompany [the Manual on sugar-sweetened beverage taxation policies](#) [5] to promote healthy diets from December 2022. Sugar-sweetened beverages, or SSBs, have been singled out by many experts as a key driver of the obesity and diabetes epidemics, also contributing to many other health conditions including cardiovascular disease, dental caries, and osteoporosis. As with alcohol, consumption of SSBs is higher among lower-income populations, thereby perpetuating the cycle of poverty and poor health. However, the report shows that the average excise tax share in the price of an internationally comparable brand of SSBs is 6.6%, which indicates excise taxes on SSBs are often implemented at low rates given that many studies have shown that [20% is the most effective SSB tax rate](#) [6] to reduce consumption.

The tax manuals for alcohol and SSBs follow [the 2021 Technical manual on tobacco tax policy and administration](#) [7]. The success of tobacco taxes to reduce consumption and raise public revenue makes the taxation of alcohol and SSBs even more appealing to governments. These 'health taxes' are often described as a win-win-win strategy: a win for health because of reduced consumption; a win for government due to increased revenue; and a win for society because of reduced health inequity. Countries can also allocate some or all of the government revenue generated to public health programmes; for instance, [as the Philippines has done to help fund Universal Health Coverage](#) [8] in the country.

However, the global report on alcohol shows that out of the 148 countries that apply excise taxes to alcoholic beverages covered in this analysis, only 21 earmark such revenue for health programmes. For SSBs, nine countries out of 108 earmarked this revenue for health programmes. These findings show that the governments have only begun to reap the benefits of taxation on health financing. These benefits are even greater when taxation is implemented as part of a package of health-promoting policies. For instance, alcohol taxation can accompany monitoring of alcohol consumption among a population, making free programmes available to help people to stop drinking alcohol or reduce their alcohol consumption, and regulating the sales and marketing of alcohol.

Comprehensive policy approaches like this have been implemented more widely for SSBs and other foods and beverages that are high in fats, sugar and salt, especially [in Mexico and other South American and Caribbean countries](#) [9]. The same can be said for tobacco, with many countries implementing taxation policies together with [mandatory warning labels](#) [10] on tobacco products and [strict regulations on marketing](#) [11]. Yet, despite its destructive effects on health and society, alcohol lags behind other harmful goods when it comes to regulation. The new WHO technical manual serves not only as a guide but also as a call to action for governments to push hard against the alcohol industry and protect their populations from this toxic substance.

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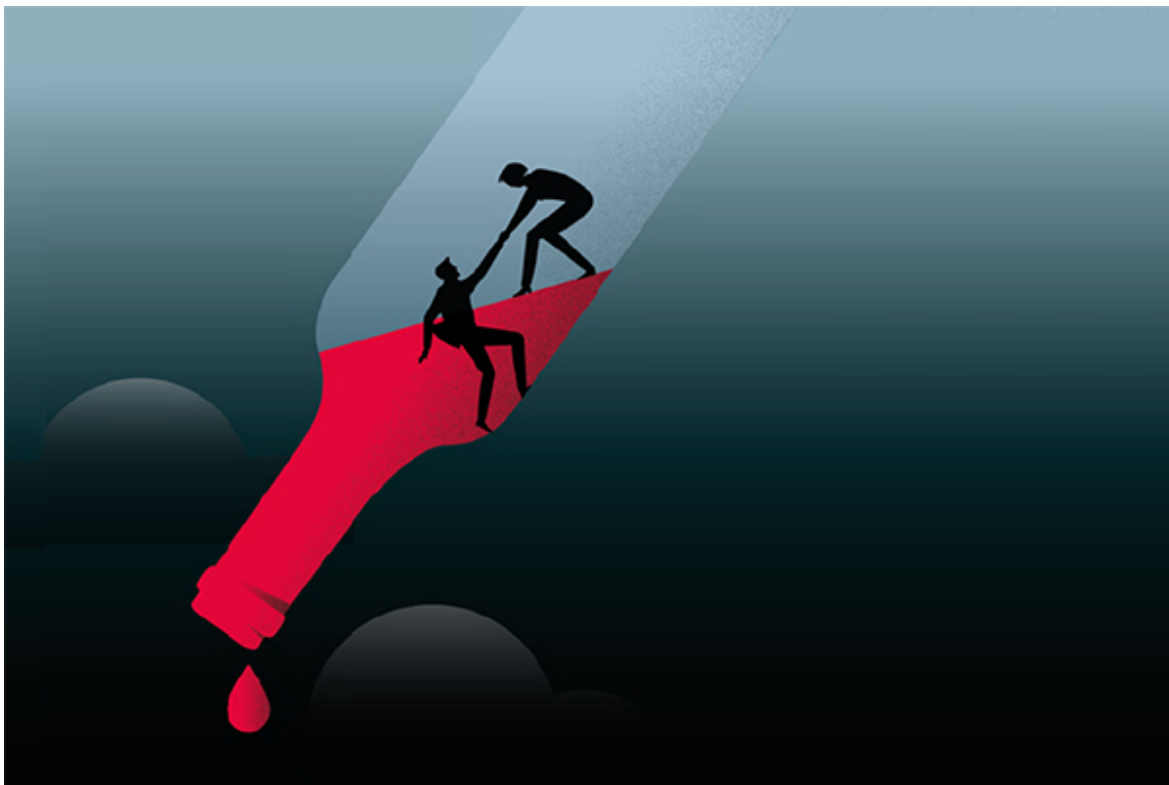
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Links

- [1] <https://ncdalliance.org/why-ncds/risk-factors-prevention/alcohol-use>
 - [2] <https://www.who.int/publications/i/item/9789240082793>
 - [3] <https://www.who.int/news-room/events/detail/2023/12/05/default-calendar/new-who-resources-to-address-the-burdens-of-alcohol-consumption-through-taxation>
 - [4] <https://www.who.int/publications/i/item/9789240086104>
 - [5] <https://www.who.int/publications/i/item/9789240056299>
 - [6] <https://www.wcrf.org/wp-content/uploads/2021/04/PPA-Building-Momentum-Report-WEB.pdf>
 - [7] <https://www.who.int/publications/i/item/9789240019188>
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[8] https://ncdalliance.org/sites/default/files/resource_files/UHC_Case_study_Philippines_ENG_0.pdf

[9] <https://ncdalliance.org/news-events/blog/turning-the-table-fighting-back-against-the-junk-food-industry>

[10] <https://ncdalliance.org/resources/warning-against-harm-lessons-and-recommendations-to-advance-labelling-policy-across-risk-factors-for-noncommunicable-diseases>

[11] <https://ncdalliance.org/why-ncds/video-stories-of-change/harmful-marketing-selling-a-sick-future-to-children-and-teens>

[12] <https://old.ncdalliance.org/taxonomy/term/186>

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[14] <https://old.ncdalliance.org/taxonomy/term/1017>

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