April 30, 2019

Under the World Bank Group’s Global Tobacco Control Program technical and operational assistance is provided to countries in designing tobacco tax policy reforms and increasing tobacco tax rates to: (i) achieve public health goals by hiking prices, reducing smoking, and preventing initiation among youth, (ii) raise domestic resources for investments that benefit the entire population, and (iii) enhance equity by reducing health risks associated with tobacco-attributable diseases and the risk of impoverishment due to high out-of-pocket expenditures among the lowest income population groups.

Specialists from the health, governance, and macro-economics and financial management, poverty and equity, agriculture, and trade Global Practices comprise the Bank team engaged in this program. The team works in coordination with international partners such as the World Health Organization (WHO), Bloomberg Philanthropies, Bill & Melinda Gates Foundation, FCTC Secretariat, CTFK, and other organizations.

Notably, within the WBG, the Global Tobacco Control Program was selected as one of the FY18 recipients of the Human Development Vice Presidency’s Team Awards.
1. Operational Work in Countries

With the support of the multi-sectoral WBG Tobacco Control Program team, several fiscal Development Policy Operations (DPOs) have prepared and approved over the 2015-2019 period, which include tobacco taxation policy reforms as prior actions, including:

**Armenia** (US$50 million Fiscal DPO in 2017)

**Colombia** (US$600 million Fiscal DPO in 2017)

**Gabon** (US$200 million Fiscal DPO in 2017)

**Moldova** (US$30 million Fiscal DPO approved in July 2018)

**Mongolia** (US$120 million Fiscal DPO in 2017)

**Montenegro** (US$85 million Fiscal DPO in 2017)

In addition, technical assistant and inputs were provided for the tobacco taxation policy reforms that were adopted in:

Uzbekistan (2019)

Lesotho (2019)

Kazakhstan (introduced taxes on e-cigarettes beginning 2020)

Azerbaijan (2018, 2019)

Belarus (2018)


Moldova (2017, 2018, 2019)

Nigeria (2018)

Senegal (2018)

Sierra Leone (2017)

Ukraine (2017, 2018, 2019)

Tonga (2016)

Technical assessments also were delivered as input for policy reform discussion and action to Governments in **Afghanistan, Bosnia & Herzegovina, Ethiopia,**
Organization of Eastern Caribbean States, El Salvador, Philippines, Republic of Northern Macedonia, Russia, Trinidad and Tobago, Tuvalu, and Vietnam.


The operational work is complemented by the analytical work that underpins policy dialogue and technical support to Governments, as follows:

- WBG President Remarks on "Tobacco tax programs are a win-win both for public health and domestic revenue generation", at Opening Session of Global UHC Forum in Tokyo, Japan, December 13, 2018, with Japan Prime Minister Abe and UN Secretary General and WHO Director General: see video: http://webtv.un.org/watch/jimyong-kim-world-bank-at-universal-health-coverage-forum-2017/5680424133001/


- WBG President Blog: “Health and the Wealth of Nations”[2018], WBG President highlights “Strengthening tobacco tax programs, which are a win-win both for public health and domestic revenue generation” : https://www.linkedin.com/pulse/health-wealth-nations-jim-kim/


  - BMJ "The health, poverty, and financial consequences of a cigarette price increase among 500 million male smokers in 13 middle income countries: compartmental model study" by Global Tobacco Economics Consortium, including World Bank Group team: BMJ 2018; 361 doi: https://doi.org/10.1136/bmj.k1162
• The Lancet Commentary: “Sugar, tobacco, and alcohol taxes to achieve the SDGs” (2018): https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(18)31219-4/fulltext


REPORTS:

• “How to Improve the Use of Fiscal Policy to Address NCD Crisis: Lesson Learned from Tonga” (upcoming report, July 2019)


• "Tobacco Taxation: At the Crossroads of Health and Development" (2017):
  Main Report:

• Executive Summary in English, French, Spanish, Portuguese, Chinese, Russian, Japanese, Arabic, Azeri and posted at the WBG Global Tobacco Control Program site:

• Economics of Tobacco Taxation Toolkit (2018):
  ∙ English version:
  ∙ Spanish version: "Manual Sobre Los Aspectos Económicos de la Aplicación de Impuestos al Tabaco”:
  ∙ French version: "Boîte à outils de l’économie de la fiscalité du tabac”:

User Manual for new computer-based tool developed by the WBG team:
TOBACco and TAXes (TOBACTAX) Stata package. Tool provides user-friendly alternative to estimate impact of tobacco tax reforms on social welfare. It would assist national teams and teams from other partner organizations to generate evidence to demonstrate that tobacco taxes and progressive: To install the tool TOBACTAX in Stata:

  set more off
  net from http://dasp.ecn.ulaval.ca/tobactax/Installer
  net install tobactax, force
  additmenu profile.do _tobactax_menu

• Options for Tobacco Taxation in Afghanistan (2019):

• Knowledge Brief: Options for Tobacco Taxation in Afghanistan:

• Time to Quit: The Tobacco Tax Increase and Household Welfare in Bosnia and Herzegovina (2019):


• Tobacco Taxation Incidence: Evidence From Russia” (2018):
  - “Cigarette Affordability in the Russian Federation” (2018):
  - “Reducing Tobacco Use Through Taxation; The Experience of the Republic of Korea (2018):
  - Moldova – Why is Tobacco Taxation Important?
  - “Distributional Effects of Tobacco Taxation: Evidence from White and Clove Cigarettes in Indonesia” (2018):
  - “Economics of Tobacco Farming in Indonesia” (2017):
- “Economics of Clove Farming in Indonesia” (2017):

- “The Economics of Kretek Rolling in Indonesia” (2017):

- “The Economics of Tobacco Taxation and Employment in Indonesia” (2018):

- “Advancing Tobacco Tax Harmonization in the OECS countries” (2018):

- “The Distributional Impacts of Tobacco Taxation in Bangladesh” (2018):

- “Trinidad and Tobago: Tobacco Taxation and Impact of Policy Reforms” (2018):
  Trinidad-and-Tobago-Tobacco-taxation-and-impact-of-policy-reforms

- “Reducing Tobacco Use Through Taxation in Trinidad and Tobago: Modelling the Long Term Health and Economic Impact” (2018):

- “Trinidad and Tobago: Public Expenditure Review” (2018), with a section on tobacco taxation reform (2018):

  Senegal-Impact-on-tobacco-use-and-tax-revenues
· “An extended cost-effectiveness analysis of tobacco price increases in the Kyrgyz Republic” (2018): 

· Moldova: Tobacco Price Elasticity and Tax Progressivity (2018): 

· South Africa: Long-Run Impacts of Increasing Tobacco Taxes (2018): 

· “Progressive or Regressive: The Impact of Tobacco Taxation in Ukraine” (2017): 

· “The Distributional Consequences of Increasing Tobacco Taxes on Colombia’s Health and Finances” (2017): 

· “The political economy of the 2016 tobacco and proposed sugar-sweetened beverage tax increases in Colombia” (2017): 

· “Strengthening Domestic Resource Mobilization: Moving from Theory to Practice in Low- and Middle-Income Countries (includes tobacco taxation as source of revenue)”(2017): 
  https://openknowledge.worldbank.org/handle/10986/27265

· “Cigarette Affordability in China: 2001-2016” (2017): 

· “Tobacco Taxation in Turkey: An Overview of Policy Measures and Results” (2017): 
  Tobacco-taxation-in-the-European-Union-an-overview

- “Estimating the Distributional Impact of Increasing Taxes on Tobacco in
  Armenia” (2017):
  Estimating-the-distributional-impact-of-increasing-taxes-on-tobacco-
  products-in-Armenia-results-from-an-extended-cost-effectiveness-
  analysis

- “Modeling the Long-Term Health and Cost Impacts of Reducing Smoking
  Prevalence Through Tobacco Taxation in Ukraine“ (2017):
  Modeling-the-long-term-health-and-cost-impacts-of-reducing-smoking-
  prevalence-through-tobacco-taxation-in-Ukraine

- “Ukraine: Public Finance Review (2017): includes tobacco tax reform as part
  of comprehensive fiscal reform and broadening tax base effort“:
  Ukraine-Public-finance-review

- Summary of Event Proceedings (PDF) at Tobacco Taxation Win-Win for
  Public Health and Domestic Resources Mobilization Conference, held on
  April 18-19, 2017 as part of the 2017 World Bank Group-IMF Spring Meetings:
  http://pubdocs.worldbank.org/en/611361499975674045/SUMMARY-OF-
  THE-PROCEEDINGS-OF-THE-TOBACCO-TAX-CONFERENCE-April-2017-
  final-versions-July-10-2017.pdf

- “Expanding the Global Tax Base: Taxing to Promote Public Goods: Tobacco
  Taxes“ (2016):
  Summary-report

- “Sin Tax Reform in the Philippines: Transforming Public Finance, Health, and
  Governance for More Inclusive Development” (2016):
  https://openknowledge.worldbank.org/handle/10986/24617

- “Are Tobacco Taxes Really Regressive? Evidence from Chile” (2016):
  http://documents.worldbank.org/curated/en/389891484567069411/Are-
  tobacco-taxes-really-regressive-evidence-from-Chile
“Indonesia - Health financing system assessment: spend more, right, and better (2016)”, includes a tobacco taxation section:
https://openknowledge.worldbank.org/handle/10986/25363

Botswana Health and HIV/AIDS Public Expenditure Review (2016), includes a section on tobacco taxation:
https://www.researchgate.net/publication/304748652_Botswana_Health_and_HIVAIDS_Public_Expenditure_Review

Infographics on Global Tobacco Taxation (2017) in English, Spanish, French, Chinese, Portuguese, Arabic, Russian, Ukrainian, Azeri:

Presentations of Tobacco Taxation Win-Win for Public Health and Domestic Resources Mobilization Conference April 18-19, 2017

Background Policy Briefs for Country Teams on Tobacco Use and Tobacco Taxation in Argentina, Azerbaijan, Bangladesh, Brazil, Costa Rica, Côte d’Ivoire, Ecuador, Ethiopia, El Salvador, Gabon, Guatemala, Jordan, Kazakhstan, Macedonia, Mexico, Mozambique, Myanmar, Nicaragua, Pakistan, Papua New Guinea, Serbia, Sri Lanka, Tajikistan, Uruguay, Uzbekistan

Philippines Department of Health Budget Execution and Public Financial Management Study (2017): This policy note was prepared in response to a direct request by the DOH in light of concerns about weak budget execution rates and the risk that this might pose to the utilization of the substantial sin tax revenues that are earmarked for the use of the DOH. It assesses the quality of the public financial management (PFM) processes in DOH which impact budget execution.
3. VIDEOS

- South Africa Broadcast Corporation (SABC) News Interview on World Bank Group Position on Tobacco Control: 
  https://youtu.be/nswLM-eaofQ

  https://www.dropbox.com/s/607w24b86vc4057/Master-Trypto-Sep17.mp4?dl=0

- https://www.dropbox.com/s/iy3wcq3mh3e8oox/MasterSub-Trypto-Sep17.mp4?dl=0

- “Story of success: tobacco taxation in Ukraine” (2018): 
  https://www.youtube.com/watch?v=V8o_mBzudQE


- “Tobacco Taxes in Ukraine: Multiple Gains for Society” (2017): 

  https://www.youtube.com/watch?v=iKPG-vX3H5Y

4. Blogs and Oped Series

- “El Salvador: small country, giant steps to control tobacco use” (2019): 

- “Confronting tobacco illicit trade: a global review of country experiences” (2019): 
• “Ethiopia’s new tobacco control law: a step forward that needs to be complemented by higher taxes!” (2019):

• “Quit smoking – not only good for your health, but also for your wallet!” (2019):
https://blogs.worldbank.org/europeandcentralasia/quit-smoking-not-only-good-your-health-also-your-wallet

• “Saving lives by Taxing tobacco” in Izvestia on August 29, 2018
https://iz.ru/newspaper


• “WBG Global Tobacco Control Program: Some Perspectives from Across the World” (2018):

• “How Russia can further improve its tobacco taxation efforts to boost health and life expectancy”

• “What countries can learn from Moldova’s successful tobacco taxation efforts”

• “On World No-Tobacco Day, calling attention to the dangers of smoking for the heart”:

• “Global Tobacco Control: Inching Forward but no End Game Yet”:
• “Taxes for Better Health: Making the Case at the Joint Learning Network”:  

• “Regulating and taxing e-cigarettes is the right thing to do”:  

• “Tobacco Tax Reform: At the Crossroads of Health and Development”:  

• “Taxation: Most effective but still the least-used tobacco control measure”:  

• “World No Tobacco Day 2017: Why Does It Matter?”:  

• “The World’s Most Profitable Slow-Motion Disaster: Tobacco”:  
  https://www.cgdev.org/blog/worlds-most-profitable-slow-motion-disaster-tobacco

• “Tobacco Taxes Need to Be a Much Bigger Part of the Fiscal Policy Discussion”:  
  https://www.cgdev.org/blog/tobacco-taxes-need-be-much-bigger-part-fiscal-policy-discussion

• “Re-energizing tobacco control with evidence-based findings”:  

• “Recent Gains on Global Tobacco Taxation”:  

• “Tobacco control: saving lives and driving development”:  

• “Campaign Art: What’s the real cost of smoking?”:  
• “Tripling tobacco taxes: Key for achieving the UN Sustainable Development Goals by 2030”:

• “Healthy women are the cornerstone of healthy societies”:
  https://blogs.worldbank.org/health/healthy-women-are-cornerstone-healthy-societies

• “Do the right thing: tax tobacco!”:

• “China’s 2015 tobacco tax adjustment: a step in the right direction”:

• “Uruguay: A giant leap to prevent tobacco-assisted suicide”:

• “Healthy living for healthy societies and stronger economies”:

• “The global state of smoking in 5 charts”:

• “Plain packaging & tobacco taxes: an antidote for manipulation and deception”:

• “Taxing tobacco and the new vision for financing development”:

• “Economic slowdown and financial shocks: Can tobacco tax increases help?”:

• “Time to put “health” into universal health coverage”:
• "Op-Ed: Raise tobacco tax to save lives in China":

• "Running away from "Tobacco Road" :

• "Op-Ed: Taxing Tobacco":

• "Making the Public Health Case for Tobacco Taxation":

• “World No Tobacco Day 2015: On illicit trade and taxes”:  

• “The seven salvos of sin (taxes)”:  

• “Good News from the Global War on Tobacco Use”:  

• “The Tobacco Dilemma: Corporate Profits or Customers’ Health?":  
  http://blogs.worldbank.org/health/tobacco-dilemma-corporate-profits-or-customers-health

• “Back from the Cold: Russia Confronts Tobacco”:

• “Tobacco Kills: So what to do in Africa?“:  

• “The cat is out of the bag: UN summit on NCDs":  
5. Knowledge Management Events

GLOBAL/REGIONAL EVENTS, 2016-2018:


• 2017 “Global Conference on Tobacco Taxation at the WBG-IMF Spring Meetings”, Washington D.C., April 18-19, 2017

• 2017 “High-level Special Session on Tobacco Taxation with WBG President and Mayor Michael Bloomberg, and more than 20 Ministers of Finance and other high level delegates at the WBG-IMF Annual Meetings”, Washington, D.C., October 11, 2017

• 2018 “Fiscal Policies for Health Workshop”, at Joint Learning Network event in Nairobi, Kenya, February 2018

• 2018 Fiscal Policies for Health session organized at WBG-IMF-OECD-UN Global Conference on Taxation and SDGs organized at UN, New York, February 2018

• 2018 Several sessions at 2018 Global Conference on Tobacco or Health, Cape Town, March 2018

• 2018 Tobacco Taxation Session as part of the workshop on “Taxation and Growth”, organized jointly by WBG-Korea Development Institute, Seoul, 28-29, March 2018

• 2018 Tobacco Taxation Session organized as part of UHC Forum, 2018 WBG-IMF Spring Meetings on April 18, 2018

• 2018 Presentation via video on tobacco taxation at APACT plenary session in Bali, Indonesia. September 2018


GLOBAL/REGIONAL EVENTS, 2015-2017:

• Global Tobacco or Health Conference, Abu Dhabi, March 2015
• East Asia and the Pacific Tobacco Control Conference, Beijing, Sept. 2015
• Eastern Europe Economic Cooperation Meeting, Geneva, Oct. 2015
• FCTC COP, New Delhi, Nov. 2016
• Global Health Promotion Conference, Shanghai, Nov. 2016
• Global Tobacco Day Conference at European Commission, Brussels, May 2017
• European Regional NCDs Conference, Moscow, July 2017
• Global NCD Conference, Montevideo, Oct. 2017
• Global UHC Forum in Tokyo, Japan, Dec. 2017

• 2 Modules at Global Training Platforms:
  • Joint Learning Network Global Event, Kuala Lumpur, July 2016
  • Global Flagship Program on Universal Health Coverage, Washington, D.C., October 2017

6. Upcoming Reports in 2019


• “Gabon: Assessment of Impact of Tobacco Tax Increase on Prices, Consumption, and Revenue”.

• “Ethiopia Public Expenditures Review”, with a section on tobacco taxation.
INCREASING TOBACCO TAXES

A "WIN-WIN" FOR HEALTH AND THE ECONOMY

Higher taxes on tobacco products reduce tobacco consumption and improve public health, while also increasing government revenues that can be used to fund priority investments and programs that benefit the entire population.