

WHO says time to hike alcohol, sugary drinks tax

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Countries need to increase their taxes on alcohol and sugar-sweetened beverages, the World Health Organization said Tuesday, saying too few states were using tax to incentivize healthier behaviors.



After studying taxation rates, the WHO said the average global tax rate on such "unhealthy products" was low, and hiking taxes could result in healthier populations.

"WHO recommends that excise tax should apply to all <u>sugar-sweetened</u> <u>beverages</u> (SSBs) and alcoholic beverages," the UN health agency said in a statement.

Excise taxes target particular goods and services.

The WHO said 2.6 million people a year die from drinking <u>alcohol</u>, while more than eight million die from having an unhealthy diet.

"Implementing tax on alcohol and SSBs will reduce these deaths," it said.

It would not only help cut down use of these products but also give companies an incentive to make healthier products, it added.

The WHO said that although 108 countries do impose some taxation on SSBs, globally, excise taxes on average represent just 6.6 percent of the price of a soda.

Half of those countries also tax water, the WHO noted—something not recommended by the UN agency.

"Taxing unhealthy products creates healthier populations. It has a positive ripple effect across society—less disease and debilitation and revenue for governments to provide public services," said Rudiger Krech, the WHO's health promotion director.

"In the case of alcohol, taxes also help prevent violence and road traffic injuries."



The Geneva-based WHO on Tuesday released a manual on alcohol tax policy and administration for its 194 member states.

It said minimum pricing, combined with taxation, could curb consumption of cheap booze and reduce drink-related hospitalizations, deaths, traffic violations and crimes.

"A significant body of research has demonstrated that people who engage in heavy episodic drinking tend to drink the cheapest available alcoholic beverages," it said.

Some 148 countries apply national excise taxes on <u>alcoholic drinks</u>.

"However, wine is exempted from excise taxes in at least 22 <u>countries</u>, most of which are in the European region," the WHO said.

Globally, on average, the excise tax in the price of the most sold brand of beer is 17.2 percent, while for the most sold brand of the most sold type of spirits, it is 26.5 percent, the organization claimed.

"A pressing concern is that <u>alcoholic beverages</u> have, over time, consistently become more affordable," said WHO assistant directorgeneral Ailan Li.

"But increasing affordability can be curbed using well-designed alcohol tax and pricing policies."

The manual said the drinks industry often argues that alcohol taxes hit the poorest hardest—but said this ignores the "disproportionate harm per litre for alcohol consumers in lower socioeconomic groups".

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