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The Future of Health Financing in Africa:

The Role of Health Taxes

Vital Strategies

Economics For Health
Healthier People. Stronger Economies.

REEP
Research Unit on the Economics of Excisable Products

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Acknowledgments

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Executive Summary

The African region faces multiple threats to public health: a rapidly growing toll of noncommunicable diseases (NCDs) alongside a persistent infectious disease burden; shrinking international aid; and tightening domestic finances, all in the context of urbanization and growing youth and older adult populations.[1,2] Governments are under increasing pressure to respond by securing sustainable health financing and strengthening health systems. Health taxes—targeted excise taxes on harmful products—represent a cost-effective yet underutilized tool available to policymakers to reduce consumption of unhealthy products that cause preventable morbidity and premature mortality and impose enormous economic costs.

Health taxes offer a triple-win solution:

- Saving lives and preventing disease by reducing the consumption of harmful products.
- Generating domestic revenue that can reduce reliance on declining donor aid.
- Reducing long-term health system costs.

This brief describes the context of health taxes in Africa. It focuses on three high-impact product categories: tobacco, alcohol, and sugary drinks. These are major contributors to the continent's NCD burden, and targeted taxes on these products can deliver outsized benefits. The brief explores the role of health taxes in domestic resource mobilization, providing country examples and policy design considerations.

The World Health Organization (WHO), Africa CDC, the Task Force on Fiscal Policy for Health, and other global and regional bodies strongly recommend that governments implement health taxes, on the basis of strong evidence of effectiveness and impact. However, despite the proven benefits and potential for generating substantial revenue, African governments have not widely implemented health taxes sufficiently to influence public health or generate significant revenues. There are notable exceptions, which demonstrate the potential for more widespread adoption.

Adoption of health taxes is often slowed by industry influence and interference in the policymaking process, including exaggeration and scaremongering about job losses or illicit trade.[3,4,5] These arguments rarely hold up to scrutiny: Overall employment effects are generally neutral or positive and illicit trade does not increase when enforcement is robust.

Most African countries have not implemented tobacco taxes at levels sufficient to reduce consumption and increase revenues. For example, the median tax component of the price of tobacco products in Africa is approximately 41%, well below the 75% minimum level recommended by WHO.[6] Of all African countries, only Mauritius has reached this minimum tax share.[7]

Similarly, most African countries impose excise taxes on alcoholic beverages; however, the rates and structures are often insufficient to reduce consumption and associated harms effectively.[8]

WHO reports that only 23% of countries with specific excise taxes on alcohol apply regular inflation adjustments, a key best practice recommendation that helps prevent the tax's impact from eroding over time.[8] WHO's Framework for Implementing the Global Alcohol Action Plan 2022–2030 in the African Region emphasizes the importance of strengthening alcohol taxation policies, including adjusting tax rates for inflation and basing them on alcohol content, to effectively reduce alcohol-related harms.[9]

Approximately 80% of countries in Africa have implemented taxes on sugar-sweetened beverages, but most maintain low rates and weak designs. Worldwide, the median excise tax share (expressed as a percentage of the retail price) for sugary drinks is minimal, at just 3.4%. Available evidence suggests that the taxes in most African countries are well below 20%, with tax rates generally insufficient to meaningfully reduce consumption.[10]

The brief provides additional detail on:

- **Consumption trends of these unhealthy products and their impact on public health and financing.** The brief describes how the use and consumption of tobacco, alcohol, and sugar-sweetened beverages across Africa contribute to disease and injury burden and increased pressure on health systems.
- **Examination of the role of health taxes in domestic resource mobilization and health system strengthening.** The brief describes that, when well designed (e.g., adjusted annually for inflation and real income growth), health taxes offer governments a stable revenue stream.
- **Examples of health tax implementation and policy outcomes from African countries.** Country examples—including from South Africa, Kenya, Botswana, and Ghana—illustrate how health taxes have been structured, what outcomes have been observed, and where opportunities remain for stronger policy alignment and impact.
- **Evidence-based rebuttals to misleading industry claims, such as that health taxes are regressive, harm jobs, or increase illicit trade.** Regional and global experience shows that well-designed taxes are progressive over time, generally employment-neutral, and do not promote illicit trade when supported with effective enforcement.

1. The Burden of Harmful Product Consumption in Africa: The Need for "Demand-Side" Policy

Tobacco Use

Tobacco use in the WHO Africa Region presents a substantial public health and development threat.[11] The World Health Organization estimates that there are approximately 60 million tobacco users over 15 years old in the region, and that the number is increasing. Furthermore, tobacco use is high among adolescents ages 13 to 15, representing an additional 7 million early users, including 3 million girls.[12] Approximately 200,000 deaths each year in Africa are attributable to tobacco use.[13]

National implementation of the WHO Framework Convention on Tobacco Control (WHO FCTC) in Africa is challenged by countries' youthful and growing populations, which the tobacco industry is strategically targeting.[14] Widespread and successful industry interference in public policymaking compounds the challenge. For example, tobacco companies operate with considerable influence across African markets, often using misleading and self-interested economic arguments to oppose policy reform, engaging in "corporate social responsibility" schemes to enhance their public image, and using litigation or threats of it to intimidate policymakers.[15]

Tobacco companies have increasingly tailored their strategies to appeal to youth, using flavored products that mask harshness, sleek packaging and slim formats, and influencer-driven social media to link tobacco to independence, success, and modern lifestyles.[16] These tactics shape pro-tobacco norms, particularly in urban settings with high digital exposure and weak regulation. An analysis of the Global Youth Tobacco Survey showed that adolescents exposed to tobacco marketing were 54% more likely to use tobacco than their unexposed peers, highlighting youth vulnerability to both peer and marketing influence.[17]

Policy and enforcement responses remain weak across the continent. Most countries have yet to reach even minimum levels of tobacco taxation. Other evidence-based policies and practices recommended in the WHO MPOWER technical package, such as smoke-free public places, health warnings, and public information campaigns, are frequently lacking.[7]

Alcohol Consumption

Although only about 30% of Africans consume alcohol, those who do are among the heaviest drinkers in the world. South Africa exemplifies this trend, where 59% of current drinkers report recent heavy episodic ("binge") drinking, defined by WHO as consuming five or more drinks on one occasion for men and four or more drinks for women in the past 30 days.[18] According to WHO, approximately 10% of all deaths among males and 3% of deaths among females in Africa are attributable to alcohol, representing more than 300,000 deaths annually. The health burden attributable to alcohol is driven by infectious diseases (tuberculosis, HIV/AIDS), injuries (road crashes, falls, interpersonal violence), and noncommunicable diseases (including liver disease, cardiovascular disease, and cancer, among others).[18]

Youth drinking is prevalent in many African countries and exceeds 20% of the age 15-19 population in countries including Angola, Benin, Cabo Verde, Cameroon, Republic of Congo, Liberia, and Mauritius. In several of these countries, among adolescent drinkers, more than 70% are estimated to binge drink.[18] Alcohol marketing often targets emerging markets, with flavored drinks, such as alcopops, and lifestyle branding aimed at young people and women. Social media is widely used to position alcohol as fun, empowering, and socially desirable. Campaigns often frame alcohol consumption as a symbol of confidence and belonging, especially for urban youth.[19] Together, these strategies normalize consumption early, increasing long-term health risks.

The WHO SAFER technical package recommends five proven, cost-effective strategies to reduce alcohol harms: (1) taxation (the most cost-effective approach); (2) regulation of availability; (3) restrictions on marketing; (4) drink-driving countermeasures; and (5) screening and treatment services.[20] Across Africa, implementation of the SAFER interventions remains weak.

Sugary Drinks Consumption

The increasing consumption of sugar-sweetened beverages across Africa, with concomitant effects on the burden of obesity, diabetes, cancer, and cardiovascular disease, presents a growing threat to public health and development.[21] Yet, national responses remain limited in scale, coverage, and enforcement.

For example, in Nigeria, the consumption of sugar-sweetened beverages has surged dramatically, with a 123% increase between 2008 and 2022.[22] According to a 2023 report commissioned by Corporate Accountability and Public Participation Africa, marketing strategies employed by multinational beverage corporations are contributing to rising sugary drinks consumption in Nigeria, particularly among youth. The study found that people aged 15–19 recorded the highest average intake of carbonated drinks, with males consistently consuming more than females across all age groups.[23] This escalating intake correlates with a growing prevalence of noncommunicable diseases. In addition to taxation, a comprehensive approach to reduce sugary drinks consumption should include: restrictions on marketing, particularly to children; limits on government procurement in public settings like schools; and strategic communication campaigns to shift consumer norms.[24] Introducing a robust policy package for sugary drinks could amplify the impact of fiscal measures and help address the continent's growing NCD burden more effectively.

2. Barriers to Equitable and Sustainable Health Financing in Africa

Africa stands at a pivotal juncture in its journey toward health sovereignty. Despite improvements in service delivery and emergency preparedness, health systems financing remains under immense strain due to the convergence of multiple crises: declining external support, fragile domestic investment, and surging climate and epidemic shocks. The frequency of public health emergencies has increased by 41% in just two years, rising from 152 outbreaks in 2022 to 213 in 2024, driven by disease resurgence, climate-related disasters, and armed conflicts. Yet, the continent's response capacity remains severely constrained; fewer than 30% of health systems are digitized, over 90% of medical commodities are imported, and health worker attrition is accelerating post-pandemic. Without intervention, Africa CDC warns that 2–4 million preventable deaths could occur annually, and 39 million people could be pushed into poverty by 2030 due to catastrophic health spending.[25]

The continent is grappling with a collapse in donor financing, including in the health sector. Official development assistance for health in Africa from the United States and other governments is projected to fall by 70%, from US$80 billion in 2021 to just US$24 billion by 2025, amid geopolitical realignments and economic austerity in donor countries. In countries where donor funding once accounted for 30% of total health spending, the impact has been severe: clinic closures, suspension of outbreak surveillance programs, and reduced HIV and nutrition services have become common across the continent.[25]

In response, Africa CDC is championing a new paradigm through its 2023–2027 Strategic Plan and the Lusaka Agenda. This agenda outlines a three-pillar strategy: increasing domestic health financing, mobilizing innovative sources such as solidarity levies, and fostering blended public-private investment.[26]

3. The Opportunity for Public Health Impact and Domestic Resource Mobilization via Health Taxes: Crisis to Control

Tobacco, alcohol, and sugary drinks, which drive many of Africa's leading preventable diseases, also provide powerful opportunities to generate domestic tax revenue, strengthen health systems, and improve population health. Health taxes—specifically, excise taxes levied on these products—are recognized globally as a strategic tool to restructure sovereign health financing and build fiscal resilience. WHO, the International Monetary Fund, and the World Bank recognize them as high-return policy tools for both health and economic development. The Task Force on Fiscal Policy for Health affirms this, stating that "large excise taxes on tobacco, alcohol, and sugary beverages are essential" to achieving the Sustainable Development Goals and alleviating today's health and fiscal crises. The Task Force's updated report finds that tax increases leading to a 50% price hike on these products could save 50 million lives and generate an estimated US$3.7 trillion globally over just five years, with over half that revenue in low- and middle-income countries.[27] Health taxes offer a "win-win-win" solution, delivering simultaneous benefits for public health, government revenue, and stronger health and social systems.

- **Premature Deaths Averted:** Health taxes are proven strategies to improve public health. Numerous studies in countries of all income levels have established that excise taxes are passed on to consumers by companies as increased prices, which in turn drive down consumption. Well-designed taxes on alcohol and sugar-sweetened beverages can also create incentives for producers to shift to products with lower levels of the harmful ingredient (ethanol and sugar). Less consumption means fewer illnesses, injuries, and deaths. In fact, according to the World Health Organization, health taxes are among the most high-impact and cost-effective strategies for preventing noncommunicable diseases, leading to their designation as "best buys."[28]
- **Domestic Revenue:** When structured effectively and aligned with public health objectives, health taxes—especially on tobacco and alcohol—generate substantial domestic revenue, even as consumption declines. These taxes provide stable and predictable funding streams, which can be allocated to strengthen health and public health systems, as well as other development priorities, such as education,

infrastructure, and social protection. As donor aid declines and budget pressures mount, these taxes are vital for domestic resource mobilization, supporting public health and long-term financial sustainability.[25]

- **Health Cost Savings:** Health taxes can ease pressure on over-stretched health systems by reducing the incidence of disease, injuries, and preventable deaths. These avoided expenditures serve as fiscal savings, allowing governments to redirect scarce resources toward other development priorities.[28]

The economic costs of harmful product consumption, from lost productivity to treatment costs, consistently far exceed the revenue that governments generate through the rates of prevailing taxation. Therefore, reducing consumption through tax-generated price increases is both a public health strategy and a fiscally responsible and justified investment in national development, in which the costs of consumption are more appropriately offset by revenues to governments. WHO emphasizes that health taxes are more inclusive and pro-growth than alternative sources of revenue.These taxes also typically benefit more the lower-income populations who not only often bear a disproportionately larger burden of ill health and premature death from this consumption but are also more likely to decrease their consumption from higher taxes/prices.[29]

A 50% price increase on tobacco, alcohol, and sugary beverages could raise $2.1 trillion in five years for low- and middle-income countries, revenue equal to 40% of their total health spending.[27]

Taxes on harmful products are "convenient revenue generators" since the products are relatively easy to tax, current sales are high, and, especially for tobacco and alcohol, there are few substitutes. Health taxes can provide a sustainable, predictable revenue stream in the short- to medium-term. Unlike more volatile aid or trade-linked taxes, health taxes offer a reliable income.[30] Products like alcohol and tobacco have relatively price-inelastic demand (meaning consumption falls proportionately less than prices rise), so revenue typically rises even as consumption declines. For example, Kenya's 2015 cigarette tax increase increased revenues despite falling consumption.[31] Furthermore, countries that link tax rates to inflation and real income growth help maintain real revenue over time.

Health taxes can directly support social spending. Some countries choose to direct health tax revenue toward specific goals, creating a virtuous cycle where funds from the sale of unhealthy products are reinvested in systems that promote well-being. For example, Gabon allocates 1% of tobacco taxes to tobacco control and uses telecom levies to finance a national health insurance program that now reaches 99% of its poorest citizens.[32] Ultimately, how revenues are used is a matter of domestic fiscal policy. Regardless of revenue uses, ideal health tax design optimizes both public health impact and domestic resource mobilization.

4. Health Taxes in African Countries

Tobacco

The median tax component of the price of tobacco products in Africa is approximately 41%, well below the minimum level of 75% recommended by WHO.[6] Of all African countries, only Mauritius has reached this benchmark.[7] Of the various elements of effective tobacco taxation (absolute price, change in affordability, tax share of price, and the overall excise tax structure), African countries rank among the lowest in the world.[6]

Alcohol

While most African countries levy some taxes on beer, wine, and spirits, most do not have best practice alcohol tax structures, which is to rely mainly on a specific tax on alcohol volume that is raised at least annually to stay ahead of both inflation and real income growth. For example, for the most commonly consumed alcohol type, beer, only three countries (South Africa, Equatorial Guinea, and Namibia) apply specific excise taxes based on alcohol content, and only approximately one in four countries adjust tax levels automatically for inflation. The average tax share of price of alcohol in African countries is extremely low: 33%. For beer, the most commonly sold product, the only country with a tax share reaching 50% is The Gambia.[8]

Sugary Beverages

Although most African countries have excise taxes on sugar-sweetened beverages, most of these rates are low and lack best-practice design and sugar content thresholds. In some cases, sugary drinks taxes are accompanied by taxes on water.[10,33]

Because sugary drinks are price elastic, with many possible substitutions, taxes alone are not likely to sufficiently curb sugar consumption unless paired with additional policy tools.[34]

Selected Country Examples

COUNTRY	TYPE	YEAR	POLICY DESCRIPTION
Botswana	Sugar-sweetened beverages	2021	Botswana introduced an sugar-sweetened beverages levy on April 1, 2021. The tax is **set at 2 thebe per gram of sugar** in beverages, for sugar content beyond 4 g per 100 ml (approximately US$0.04 per can of soda). This "sugar tax" was explicitly framed by the Finance Ministry as a revenue measure to help "restore fiscal stability" post-pandemic. Still, public health officials also promoted it as a tool to deter excessive sugar consumption and combat Botswana's growing NCD burden. In the 2023-24 fiscal year, the tax brought in about 100 million Botswana pula (~US$8 million).[35]
	Alcohol Tobacco	2008, 2014	Botswana is part of the Southern African Customs Union, which consists of Botswana, Eswatini, Lesotho, Namibia and South Africa. The union has a common excise tax policy for tobacco and alcohol. South Africa is the dominant member in the union and sets the excise taxes on behalf of the five member states. The revenue collected from these excise taxes is pooled and subdivided among the countries using an agreed-upon formula. In 2008 Botswana imposed an additional levy on alcohol, specifically to reduce alcohol misuse, and to use the additional revenue to fund strategies to reduce alcohol use. In 2014, the country imposed a similar levy on tobacco products. The result of these extra levies was to substantially increase the price of alcohol and tobacco. While there was an intention to earmark most of these revenues to support alcohol and tobacco reduction policies, there is limited evidence that this has happened.[36]
Cabo Verde	Tobacco	2019	In 2019, Cabo Verde imposed a specific component of 20 CVE per pack of cigarettes to the ad valorem tax of 50% of the product's reported value. In 2021 and in each of the subsequent years, the specific component was increased, and reached 120 CVE (about US$1.20) per pack in 2024. This rate for the specific tax is substantially higher than the minimum of US$0.40 per pack, as prescribed by the ECOWAS Directive (Cabo Verde is part of ECOWAS). The excise tax increases have substantially increased government revenues.[37]
Gabon	Alcohol Sugar-sweetened beverages	mid-2010s	Gabon levies a 5% excise tax on soft drinks and other beverages with less than 12% alcohol, and taxes ranging from 22% to 40% on beer, wine and beverages with more than 12% alcohol. The sugary drinks tax, one of the earliest in Africa, was adopted as part of excise duties in the mid-2010s to raise prices of sugary drinks and disincentivize their consumption. The 5% tax applies to both domestic production and imports of sugary beverages, effectively increasing retail prices by roughly that amount. Alcohol taxes are intended to fund the National Fund for the Development of Sport.[32]
Ghana	Tobacco Sugar-sweetened beverages	2023	Tobacco: After many years of taxing tobacco products on an ad valorem basis (where the reported imported value was so low that the tax amount was minimal), the government introduced a hybrid system in May 2023, where each pack of cigarettes is taxed with a specific tax of 5.60 cedis (~US$0.50), and an ad valorem tax of 50% of the reported imported value. This change in the tax structure has been recommended for years, but an ECOWAS Directive of 2017 was the trigger for this tax change. The tax share of the retail price rose from 23% in 2020 to 38% in 2024. Tobacco excise tax revenue more than doubled, from GHS 82 million (US$5.4 million) in 2021 to over GHS 187 million (US$12 million) in 2023.[7, 38] Sugar-sweetened beverages: In January 2014, Ghana implemented Excise Duty Act 2014 (ACT 878), which imposed a 17.5% ad valorem excise tax on bottled water and other non-alcoholic beverages. In May 2023, this tax rate increased to 20% via the Excise Duty Amendment Bill 2023 (ACT 1093), which also expanded the range of taxed products to include fruit and vegetable juices. Impact on consumption is not yet available. Bottled water is among the taxed products, which may incentivize decreased water consumption or substitution.[39]

Kenya	Alcohol	2013, 2017	While Kenya's alcohol excise tax rates are relatively low, the country has developed a rigorous track-and-trace system to reduce illicit trafficking of alcohol products and increase tax revenues. The Excisable Goods Management System, overseen by the Kenya Revenue Agency and other government agencies, entails a system of fiscal markings/tax stamps required to be applied by manufacturers and importers. Implementation of the system has resulted in increased collection of taxes and reduction in illicit imports and tax evasion.[40]
Mauritius	Tobacco Sugar-sweetened beverages	2013, 2016, 2020	Tobacco: Mauritius uses a specific excise tax structure, which is a WHO-recommended best practice. The tax share of price for cigarettes in Mauritius reached 77.9% in 2024, which was a doubling in real terms over the previous 14 years.[7] Sugar-sweetened beverages: Mauritius also imposes an excise tax on sugary drinks. The tax initially applied to sodas, syrups, and sugar-added fruit drinks (excluding 100% juice and milk), but since 2016, it covers all beverages with added sugar. The measure was introduced in the context of Mauritius's high obesity and diabetes rates (nearly 20% diabetes prevalence) to curb excessive sugar intake and diet-related NCDs. The sugary drinks tax has generated increasing revenue. Collections grew from MUR 345 million (~US$7.6 million) in 2016 to MUR 417 million (~$9.2 million) in 2019.[41]
Nigeria	Sugar-sweetened beverages	2022	The Finance Act 2021 imposed an excise duty of ₦10 (~US$0.007) per liter on all sugar-sweetened beverages to tackle obesity and raise funds. This was implemented as Nigeria's first "sugar tax" in 2022.[42]
South Africa	Sugar-sweetened beverages Alcohol	2018	Sugar-sweetened beverages: The Health Promotion Levy, an excise tax on sugar-sweetened beverages (~10%–11% of price) to reduce obesity and NCDs, was enacted in 2018. Mean volumes of taxable beverage purchases decreased from 519 to 443 mL per capita per day after implementation. An estimate of the change in taxable purchases, compared to the counterfactual in which the levy had not been applied, showed a ~29% reduction in taxed beverage purchases per person (with ~51% less sugar intake as the industry reformulated products). [43] The Health Promotion Levy raised ~R5.8 billion (~US$319 million) in the first two years (0.2% of government revenue).[44] Alcohol: South Africa's excise tax structure on alcohol has a number of salutary characteristics, though overall, tax rates are low, resulting in, for example, beer prices that are among the lowest on the continent and in high rates of consumption. Positive features include that for beer and spirits (though not wine), taxes are applied proportionally to alcohol content, meaning that higher-content products are taxed more. Also, alcohol excise taxes are adjusted to meet or exceed inflation, thereby maintaining or slightly increasing impact on affordability.[8]

5. Industry Myths About Health Taxes

Part of the reason health taxes are in limited use is that the policy discourse is influenced by misinformation propagated by the tobacco, alcohol, and sugary drinks industries. The following are commonly heard arguments against health taxes and the evidence that rebuts those contentions.

MYTH	REALITY (EVIDENCE FROM AFRICA)	RESOURCES
Health taxes are regressive and harm people with low incomes.	The notion that health taxes disproportionately harm people experiencing poverty is misleading and fails to account for long-term health and financial benefits associated with reducing consumption. While poorer households often spend a higher share of their income on these products (and carry a disproportionate share of the burden of related diseases), they are also more responsive to price increases—meaning they are more likely to reduce consumption or quit altogether when taxes rise. This behavioral change leads to substantial reductions in future medical expenses and an increase in years of productive life, which more than offset the short-term financial burden of the tax. In many low- and middle-income countries, excise taxes are found to be progressive over time, benefiting poorer households the most through improved health, lower health care costs, and enhanced economic stability by diverting funds to other uses. Unhealthy products draw down a higher proportion of household income among lower-income than higher-income families, so reductions on consumption in turn free up proportionally more income for other purposes. In addition, tax revenues can be allocated to other public health initiatives that benefit populations of lower socioeconomic status.	• Tobacco taxation fact sheet • Distributional Effects of Tobacco Taxation: A Comparative Analysis • Exposing and addressing tobacco industry conduct in low-income and middle-income countries • Alcohol Taxes Are a Public Health Win-Win
Raising taxes would have a negative impact on employment.	Claims that taxing tobacco, alcohol, and sugary drinks leads to widespread job losses are often exaggerated. In reality, research consistently shows that these taxes do not harm overall employment. When people spend less on harmful products, they typically redirect their money to other goods and services—keeping investments in the economy. Because these industries are more capital intensive and do not contribute greatly to overall employment, research finds that after price increases, spending typically is reallocated to more labor-intensive industries, which leads to a net increase in jobs. Some funds from the new excise tax revenues can be used to help workers from the affected industries transition to other sectors, which is what the Philippines did after its 2012-13 tax reform. At the same time, governments can use the new revenue to fund health and social programs, which can create new jobs in sectors like education and health care.	• The Excise Duty Amendment Act, 2023, And The Tobacco Industry Interference, Ghana • Macroeconomic Impacts of Tobacco Taxation in Serbia • Economic Implications of Cigarette Taxation in Pakistan: An Exploration through a CGE Model • A General Equilibrium Analysis of the Macroeconomic Impacts of Tobacco Taxation (Mexico) • Macroeconomic and Health Impact of Tobacco Tax Increases in Latin America and the Caribbean
Taxes lead to illicit trade.	The claim that tobacco taxes cause a surge in illicit trade is essentially an argument propagated by the tobacco industry to resist tax reforms. Countries such as the U.K., Kenya, Türkiye, and the Philippines have successfully raised tobacco taxes while keeping illicit trade in check by strengthening enforcement and introducing tools like track-and-trace systems. In fact, companies like British American Tobacco have themselves been linked to smuggling. A 2021 investigation by the Organized Crime and Corruption Reporting Project revealed how BAT exported cigarettes to Mali—a country with low smoking rates—knowing they would be trafficked across West Africa and into Europe. Finally, even when illicit trade is present, health taxes still lead to reduced tobacco use and increased government revenues, proving that better enforcement, not lower taxes, is the real solution.	• British American Tobacco in Africa: A History of Double Standards • Illicit Trade in Tobacco Products Need Not Hinder Tobacco Tax Policy Reforms and Increase • Turning a Blind Eye: BAT's Potential Complicity in Illicit Trade in Southern Africa • Track and Trace in Kenya

6. Conclusion

Most countries in Africa apply excise taxes to tobacco, alcohol, and sugar-sweetened beverages. However, these taxes are almost uniformly at levels too low to significantly affect affordability and thereby reduce consumption of these unhealthy products, nor are they designed in ways that sustain impact over time and protect against industry manipulation. WHO, Africa CDC, and other leading public health and economic authorities all make strong recommendations for governments to enact or adjust their health tax regimens to meet public health goals. Furthermore, such best-practice taxes will increase government revenues and reduce health care expenditures. To accomplish this, governments will undoubtedly have to overcome significant opposition from industries with vested interests in maintaining high consumption levels. Such work can be accomplished through strong leadership and support from broad coalitions of civil society partners, leveraging African and global experience and evidence.

Glossary

TERM	DEFINITION
Excise Tax	A tax levied on specific goods such as tobacco, alcohol, and sugary drinks, aimed at reducing consumption and generating revenue.
Health Tax	A targeted excise tax on products harmful to health, including tobacco, alcohol, and sugar-sweetened beverages.
NCDs	Noncommunicable diseases such as cardiovascular disease, diabetes, cancer, and chronic respiratory disease.
DALYs	Disability-adjusted life years measure overall disease burden expressed as the number of years lost due to ill-health, disability, or early death.
TAPS	Tobacco advertising, promotion, and sponsorship practices used by tobacco companies to market products, often targeting youth.
SAFER	A WHO technical package of five high-impact strategies to reduce alcohol-related harm: **S**trengthen restrictions, **A**dvance drink-driving measures, **F**acilitate access to treatment, **E**nforce bans on advertising, **R**aise prices through taxes.
Price Elasticity	The degree to which demand for a product change in response to changes in price. The demand for products like sugary drinks is highly price elastic.
Specific Tax	A fixed tax amount applied per unit of a good (e.g., per liter or per pack), regardless of price.
Ad Valorem Tax	A tax based on the value (price) of a good, calculated as a percentage of its value. In most African countries the value on which the excise tax is levied is the declared imported (CIF) value or the declared value at factory gate.
Tiered Tax System	A structure where products are taxed at different rates based on criteria such as price or some characteristic of the product, often leading to loopholes and inefficiencies.
Uniform Specific Tax	The same tax amount applied across all brands and product types within a category, simplifying administration and improving impact.
Illicit Trade	The illegal production, distribution, or sale of goods such as tobacco, often used as a specious counterargument to tax increases.
Earmarking	Allocating tax revenue for specific uses such as health care or education.
Heavy Episodic Drinking	Consumption of large quantities of alcohol in a single session; also known as “binge” drinking. This is typically defined as 5+ standard drinks for men or 4+ standard drinks for women; this measure is used as a risk indicator by WHO.

Appendix: Health Taxes by Country

Sources:
1) WHO report on the global tobacco epidemic, 2025
2) Tobacconomics cigarette tax scorecard (3rd ed.)
3) Global report on the use of alcohol taxes, 2023
4) Global report on the use of sugar-sweetened beverage taxes, 2023

Country	Cigarette excise taxes as % of price of most sold brand (2024)	Cigarette Tax Scorecard Scores (0-5 scale, 2022)					Beer excise taxes as % of price of most sold brand (2022)	Sugar-sweetened carbonated drinks excise taxes as % of price of the internationally comparable brand (2022)
		Tax structure	Tax share	Affordability change	Cigarette price	Overall score		
Algeria	18.4%	4	0.5	0	3	1.88	NR/NA	NR/NA
Angola	1.8%	2	0	0	1	0.75	NR/NA	NR/NA
Benin	11.4%	2	0	0	1	0.75	12.1%	5.9%
Botswana	41.6%	5	2	0	4	2.75	NR/NA	NR/NA
Burkina Faso	30.1%	2	0.5	0	1	0.88	17.0%	6.5%
Burundi	26.7%	4	0.5	0	1	1.38	11.9%	9.1%
Cote d'Ivoire	33.1%	4	0	0	2	1.50	14.1%	1.1%
Cabo Verde	12.5%	4	0.5	0	1	1.38	21.4%	16.8%
Cameroon	20.9%	3	0.5	0	1	1.13	10.2%	1.4%
Central African Republic	26.4%	4	1.5	0	0	1.38	NR/NA	NR/NA
Chad	62.3%	2	4	0	1	1.75	NR/NA	NR/NA
Comoros	19.1%	2	0	0	0	0.50	11.9%	0.0%
Congo	23.9%	2	0.5	0	1	0.88	10.5%	8.9%
Democratic Republic of the Congo	38.3%	2	1.5	0	0	0.88	16.7%	NR/NA
Equatorial Guinea	30.0%	2	0	0	0	0.50	6.8%	8.6%
Eritrea	NR/NA						40.6%	10.2%
Eswatini	38.2%	5	2	2	3	3.00	5.9%	0.0%
Ethiopia	32.9%	4	1.5	0	1	1.63	17.4%	13.8%
Gabon	15.6%	4	0.5	0	1	1.38	14.5%	3.4%
Gambia	25.0%	4	1.5	4	2	2.88	37.1%	14.1%
Ghana	27.5%	2	0	0	1	0.75	24.3%	10.7%
Guinea	3.9%						25.4%	0.0%
Guinea-Bissau	2.3%	2	0	0	0	0.50	10.1%	5.9%
Kenya	20.3%	1	0	5	4	2.50	22.3%	11.4%
Lesotho	35.1%	5	1.5	0	3	2.38	NR/NA	NR/NA
Liberia	27.8%	4	0.5	5	1	2.63	10.0%	1.7%
Madagascar	28.6%	3	5	0	1	2.25	11.1%	3.6%
Malawi	27.6%	4	1.5	0	1	1.63	21.5%	6.6%

Mali	8.0%	1	0	0	1	0.50	13.7%	7.7%
Mauritania	5.7%	2	0	0	1	0.75	*	NR/NA
Mauritius	64.8%	4	4.5	3	5	4.13	28.8%	6.6%
Mozambique	12.2%	5	0	5	1	2.75	21.4%	1.3%
Namibia	36.9%	5	1.5	0	3	2.38	12.4%	0.0%
Niger	17.5%	2	0.5	0	0	0.63	10.6%	10.8%
Nigeria	42.0%	3	1	0	1	1.25	NR/NA	NR/NA
Rwanda	44.7%	3	2.5	0	1	1.63	28.3%	20.8%
Sao Tome and Principe	25.0%	4	0	1	1	1.50	NR/NA	NR/NA
Senegal	33.4%	2	1.5	0	1	1.13	24.9%	3.4%
Seychelles	54.8%	4	3.5	0	5	3.13	21.5%	8.7%
Sierra Leone	17.5%						0.0%	0.0%
Somalia	NR/NA						17.4%	0.0%
South Africa	45.7%	4	2.5	0	2	2.13	27.6%	4.1%
South Sudan	15.5%	2	2	0			1.6%	0.4%
Togo	16.8%	2	0	0	1	0.75	11.1%	3.4%
Uganda	22.0%	1	0	3	1	1.25	17.3%	7.9%
United Republic of Tanzania	16.1%	1	0	0	2	0.75	10.2%	1.4%
Zambia	5.0%	1	0	0	1	0.50	21.6%	0.4%
Zimbabwe	25.4%	3	0	0	0	0.75	0.0%	0.0%

*sale of alcohol prohibited
NR/NA = not reported/not available

Note: The tax share proportions in this table are for excise taxes only and do not include other sorts of taxes, like sales taxes/VAT. Excise taxes are targeted to the specific product and are the most influential on consumer behavior, as compared to sales taxes, which are applied to all purchased products.

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