

WHO'S "3 BY 35" INITIATIVE

NEWS: The **World Health Organization (WHO)** has launched the **"3 by 35" Initiative**, calling on countries globally to **increase taxes** on tobacco, alcohol, and sugary drinks.

- The initiative urges a minimum 50% real price increase on the **three targeted products by 2035**, achieved through higher excise or health taxes.

WHAT'S IN THE NEWS?

Global Burden of Non-Communicable Diseases (NCDs)

- **Magnitude of the Problem:**
 - NCDs such as **heart disease, cancer, diabetes**, and chronic respiratory illnesses now account for **over 75% of all global deaths**.
 - These diseases impose **long-term treatment costs**, productivity loss, and strain on healthcare systems.
- **Vulnerability of Low- and Middle-Income Countries:**
 - Shrinking **development aid** and rising **public debt** are weakening the capacity of health systems to tackle NCDs.
 - The burden of NCDs is shifting more towards **poorer countries**, where treatment options are limited.

The Potential of Fiscal Tools: Health Taxes

- **What is a Health Tax?**
 - A **health tax** is a **levy imposed on products harmful to health**—such as **tobacco, alcohol, and sugary beverages**.
 - The tax has a **dual purpose**:
 - **Discourage consumption** of unhealthy goods.
 - **Generate revenue** to fund public services like healthcare, education, and social protection.
- **Global Evidence of Effectiveness:**
 - From **2012 to 2022**, around **140 countries** raised tobacco taxes.
 - This led to a **real price increase of over 50%**, showing that large-scale taxation is **feasible and impactful**.

Objectives and Positive Outcomes of Health Taxes

- **1. Reduction in Consumption and NCDs:**
 - Higher prices reduce affordability and consumption.
 - In **Colombia**, a significant **cigarette tax hike** led to a **34% fall in smoking**.

- A **global 50% price hike** on health-harming products could **prevent 50 million premature deaths** over the next 50 years.
- **2. Revenue Generation:**
 - Health taxes can **mobilize over US\$ 1 trillion** in additional public revenue over the next **decade**.
 - This revenue can be **ring-fenced** for health, nutrition, and social welfare.
- **3. Strengthening Health Systems:**
 - Funds from health taxes can support:
 - **Universal Health Coverage (UHC)**
 - **Preventive services and NCD screening**
 - **Health infrastructure in rural and underserved areas**
- **4. Alignment with Global Goals (SDG 3):**
 - Directly contributes to **SDG Target 3.4** – to **reduce premature mortality from NCDs by one-third by 2030**.
 - Supports the **UN High-Level Meetings** on UHC and NCDs.

Challenges and Constraints

- **1. Industry Opposition:**
 - **Tobacco, alcohol, and sugary drink industries** exert **strong lobbying pressure**.
 - Tactics include **policy capture**, misinformation, and **funding front groups** to oppose tax increases.
- **2. Regressive Nature of Consumption Taxes:**
 - These taxes may **disproportionately affect low-income households**, who spend a higher share of income on consumables.
 - The regressivity concern can be mitigated through:
 - **Subsidies on healthy alternatives**
 - **Targeted use of revenue for social protection**
- **3. Revenue Volatility:**
 - As **consumption declines**, so may the **revenue base** from health taxes.
 - Policymakers must **diversify funding** and periodically adjust tax rates.
- **4. Long-Term Tax Exemptions:**
 - Some **international trade and investment agreements** include clauses that **limit future taxation**, eroding the state's fiscal flexibility.

The Way Forward: Strategic Approaches

- **1. Adopt the “3 by 35” Strategy:**
 - A global initiative that calls for **raising health taxes by 3% of GDP by 2035** to promote health and sustainability.
- **2. Design Broad-Based and Progressive Health Taxes:**
 - Structure taxes to cover **all harmful products** and **index rates to inflation**.
 - Apply a **tiered system** so the impact is **fair across income levels**.
- **3. Avoid Industry-Driven Tax Exemptions:**
 - Ensure **transparency in policymaking** to prevent **backdoor deals or lobbying-led exemptions**.
- **4. Ring-Fence Revenue for Development Goals:**
 - Allocate tax proceeds to **public health systems, education, social security, and nutritional programs** for vulnerable populations.
- **5. Cross-Sectoral Engagement:**
 - Engage **finance, health, education, and civil society** stakeholders.
 - Mobilize **public support** through awareness campaigns on the benefits of health taxes.

Conclusion

- Health taxes are not only a **public health measure**, but also a powerful **economic and developmental tool**.
- When well-designed, they:
 - **Prevent premature deaths**
 - **Generate sustainable financing**
 - **Promote equity and resilience in health systems**
- With political will and global cooperation, health taxes can play a transformative role in reducing NCDs and achieving the **2030 Sustainable Development Goals**.

Source: <https://www.who.int/news/item/02-07-2025-who-launches-bold-push-to-raise-health-taxes-and-save-millions-of-lives>