



## Southeast Asia Tobacco Control Alliance

### Press Release

#### UN conference urges governments to tax tobacco to finance social development

**Manila, 17 July 2015** – Governments worldwide should consider using tobacco taxation as a tool to finance sustainable development and save lives, says the declaration of a major conference being held in Addis Ababa, Ethiopia this week.

“Price and tax measures on tobacco can be an effective and important means to reduce tobacco consumption and health care costs, and represent a revenue stream for financing for development in many countries,” says the declaration, which was adopted at the Third International Conference on Financing for Development (FfD) on Wednesday.

In practice, this means that governments should routinely look at the role that their tobacco tax policy can play when they consider how to finance plans to reach their development objectives.

The Addis Ababa declaration was released roughly two months before world leaders are expected to adopt the Sustainable Development Goals (SDGs) at the United Nations General Assembly in September. It provides initial guidance on how to mobilize resources for the post-2015 sustainable development agenda. The SDGs will replace the Millennium Development Goals (MDGs) as the blueprint for global development for the next 15 years.

One of the targets of the SDGs health goal is to accelerate implementation of the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC). The convention has 180 Parties, representing nearly 90 percent of the world’s population.

The FfD Declaration says Parties should strengthen implementation of the FCTC and support mechanisms to raise awareness and mobilize resources for the convention.

In a report released on 7 July, WHO stressed that tobacco taxation, as outlined in guidelines to FCTC Article 6, is the most effective and cost-effective measure to reduce tobacco consumption. A 2014 study found that tripling tobacco taxes around the world could reduce the number of smokers by 433 million people and prevent 200 million premature deaths from lung cancer and other smoking related diseases.

The Southeast Asia Tobacco Control Alliance (SEATCA) urges all governments in the ASEAN region to follow the recommendation of the Addis Ababa declaration and analyze their excise tax policies to determine the role that tobacco taxes could play in financing their development goals.

Recognizing the importance of health and education in social development, Thailand levies a surcharge on tobacco and alcohol products to finance its Thai Health Promotion Foundation and Thai Public Broadcasting Service. In the Philippines, sin tax revenues are earmarked for universal health care and other government health programmes, while Vietnam and Lao PDR also have established Tobacco Control Funds financed by tobacco tax surcharges.

“High tobacco taxes are a win-win for everyone,” says Dr. Ulysses Dorotheo, FCTC Program Director of SEATCA. “While discouraging tobacco use and reducing tobacco-related health and social inequities, high tobacco taxes can generate significant government revenues that are needed to finance public health, education, and other social development programmes, especially in low- and middle-income countries.”

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