

The Collaborative on Domestic Resource Mobilization
Under the Joint Learning Network's Revisiting Health Financing Technical Initiative

SUGGESTED MATERIALS FOR BACKGROUND READING

Reports and Journal Articles (in alphabetical order)

- ❖ **Cashin, C., Sparkes, S., and D. Bloom. 2017. Earmarking revenues for health: in theory and in practice. Geneva: World Health Organization.**
<https://www.who.int/tobacco/publications/economics/earmarked-tobacco-taxes-lesson-nine-countries/en/>

This publication looks at the experience of nine countries that have an experience in earmarking tobacco tax revenues for health purposes. It describes the challenges, setbacks and achievements of those countries in this field. The studies of the nine countries indicate that there is no single formula for establishing an earmarked fund but that that some advocacy strategies are more likely to result in the desired policy changes and longer-term outcomes.

- ❖ **Fuchs, A., González, Icaza, F., and D. Paz. 2019. Distributional Effects of Tobacco Taxation: A Comparative Analysis. Policy Research Working Paper No. 8805. World Bank, Washington, DC.** <https://openknowledge.worldbank.org/handle/10986/31534>

This study compares the simulated distributional effects of tobacco tax increases in eight low- and middle-income countries. It applies a standardized extended cost-benefit analysis methodology and relies on comparable data sources across countries. The comparative results do not support the claim that tobacco taxes are necessarily regressive.

- ❖ **Fuchs, A., Del Carmen, G., and A.K. Mukong. 2018. Long-Run Impacts of Increasing Tobacco Taxes: Evidence from South Africa. Policy Research Working Paper No. 8369. Washington, DC.** <https://openknowledge.worldbank.org/handle/10986/29497>

This paper uses an extended cost-benefit analysis to estimate the distributional effect of tobacco taxes on household welfare in South Africa. The results indicate that a rise in tobacco prices initially generates negative income variations across all groups in the population.

- ❖ **Fuchs, A., Mandeville, K., and A.C. Alonso-Soria. 2020. Poverty and Equity Notes. Health and Distributional Effects of Taxing Sugar-Sweetened Beverages: the case of**

Kazakhstan. June 2020. Number 24. Washington, D.C.: World Bank.

<https://openknowledge.worldbank.org/handle/10986/33859>

This note contributes to the literature on the effect of taxes on unhealthy products. The extended cost-benefit analysis (ECBA) methodology is applied to assess distributional effects of an increase of SSB taxes on household expenditures, out-of-pocket (OOP) medical expenses, and productivity in Kazakhstan. Results suggest that the long-term net income effect of an increase in SSB taxes is progressive: lower-income deciles benefit relatively more than higher-income deciles.

- ❖ **Hattersley, L., Thiebaud, A., Silver, L., and K. Mandeville. 2020. Taxes on Sugar-Sweetened Beverages: Summary of International Evidence and Experiences. Washington D.C.: World Bank Group.**

<https://openknowledge.worldbank.org/handle/10986/33969>

This evidence review is designed to support policy makers seeking to implement a tax on sugar-sweetened beverages (SSB). It synthesizes the latest global evidence of effectiveness of SSB taxes and summarizes international experiences with SSB taxation to-date.

- ❖ **High-Performance Health Financing for Universal Health Coverage (Vol. 2): Driving Sustainable, Inclusive Growth in the 21st Century (English). Washington, D.C.: World Bank Group.**

<https://www.worldbank.org/en/topic/universalhealthcoverage/publication/high-performance-health-financing-for-universal-health-coverage-driving-sustainable-inclusive-growth-in-the-21st-century>

This report, launched to inform the first-ever G20 Finance and Health Ministers session in Osaka, Japan in June 2019, lays out an action agenda for countries and development partners to bridge the UHC financing gap, and makes a strong case for a focus on innovation in health financing over the next decade.

- ❖ **Junquera-Varela, RF., Verhoeven, M., Shukla, GP, Haven, B, Awasthi, R., and B. Moreno-Dodson. 2017. Strengthening Domestic Resource Mobilization : Moving from Theory to Practice in Low- and Middle-Income Countries. Directions in Development—Public Sector Governance. Washington, DC: World Bank.**

<https://openknowledge.worldbank.org/handle/10986/27265>

This book analyzes revenues, policy, and administration of Domestic Resource Mobilization (DRM) in developing countries. It provides a broad landscape of practical examples, drawing from lessons learned in World Bank operations across Global Practices over the past several decades. It should be thought of as a starting point for a more

comprehensive research agenda rather than a complete inventory itself. This book reviews the trends in tax revenue collection in developing countries. It provides an overview of efforts to close the revenue gap, many of which have been supported by World Bank operations. The book reviews the special challenges facing low income countries, which have traditionally relied on indirect revenues in the context of limited formalization of their economies. An overview of tax policy and administration reform programs is presented, with an overview of outstanding issues that will shape the policy agenda in years ahead.

- ❖ **Laxminarayan, R. and I. Parry. 2017. Health in a Time of Austerity. Finance and Development. Vol. 54, No. 3. Washington D.C.: International Monetary Fund.**
<https://www.imf.org/external/pubs/ft/fandd/2017/09/laxminarayan.htm>

This article elaborates on how targeted taxes and subsidies can help improve a population's well-being when growth in public budgets is not possible. The creative reform of taxes and subsidies can foster better health outcomes without big increases in spending on formal health programs.

- ❖ **OECD. 2015. "Budgeting practices for health in OECD countries", in *Fiscal Sustainability of Health Systems: Bridging Health and Finance Perspectives*, Paris: OECD Publishing.**
<https://doi.org/10.1787/9789264233386-7-en>.

Prepared by both public finance and health experts, this report provides a unique detailed overview of institutional frameworks for financing health care in OECD countries. One of the main features of this book is a comprehensive mapping of budgeting practices and governance structure in health across OECD countries.

- ❖ **Petit, P. and J. Nagy (2016). How to Design and Enforce Tobacco Excises? How-To Notes, Fiscal Affairs Department, Washington, D.C: IMF.**
<https://www.imf.org/external/pubs/ft/howtonotes/2016/howtonote1603.pdf>

The report discusses the design and enforcement of tobacco taxes and draws on country case studies.

- ❖ **Sugar, Tobacco, and Alcohol Taxes (STAX) Group. Sugar, tobacco, and alcohol taxes to achieve the SDGs. *Lancet*. 2018;391(10138):2400-2401. doi:10.1016/S0140-6736(18)31219-4. <https://pubmed.ncbi.nlm.nih.gov/29858115/>**

The report discusses compelling evidence that raising tobacco prices substantially through taxation is the single most effective way to reduce tobacco use and save lives. As part of a broader public health approach to promote a life-course approach to prevention and to address commercial determinants of health, the report considers arguments for

governments to adopt sugar, tobacco, and alcohol taxes (STAX) and draws on examples from South Africa, Mexico, and Finland.

- ❖ **Tandon, A and C. Cashin. 2010. Assessing Public Expenditure on Health from a Fiscal Space Perspective. Health, Nutrition and Population (HNP) discussion paper. Washington, D.C.: World Bank.**
<https://openknowledge.worldbank.org/handle/10986/13613>

This document delineates a simple conceptual framework for assessing fiscal space for health and provides an illustrative roadmap for guiding such assessments. The roadmap draws on lessons learned from analyses of seven fiscal space case studies conducted over the past two years in Cambodia, India, Indonesia, Rwanda, Tonga, Uganda, and Ukraine. The document also includes a summary of the fiscal space assessments from these seven case studies.

- ❖ **Tandon, A., Fleisher, L., Li, R., and W.A. Yap. 2014. Reprioritizing Government Spending on Health: Pushing an Elephant Up the Stairs? Health, Nutrition, and Population (HNP) discussion paper. Washington, D.C.: World Bank.**
<https://openknowledge.worldbank.org/handle/10986/17824>

This paper provides a global overview of health's share of government spending and summarizes key theoretical and empirical perspectives on allocation of public resources to health vis-a-vis other sectors from the perspective of reprioritization, one of the modalities for realizing fiscal space for health. Evidence from case studies suggests that country-specific political economy considerations are key, and that results-focused reform efforts, in particular efforts to explicitly expand the breadth and depth of health coverage as opposed to efforts focused only on government budgetary targets, are more likely to result in sustained and politically-feasible prioritization of health from a fiscal space perspective.

- ❖ **Taxes on Sugar-Sweetened Beverages - Summary of International Evidence and Experiences (Vol. 2): Frequently Asked Questions (English). Washington, D.C.: World Bank Group.**
<http://documents.worldbank.org/curated/en/823151593026259926/Frequently-Asked-Questions>

This evidence review is designed to support policy makers seeking to implement a tax on sugar-sweetened beverages (SSB). It synthesizes the latest global evidence of effectiveness of SSB taxes and summarizes international experiences with SSB taxation to-date. From a public health perspective, taxation of SSBs is internationally recommended as a priority component of a comprehensive approach to preventing and controlling obesity and diet related NCDs.

- ❖ **The Task Force on Fiscal Policy and Health. 2019. Health Taxes to Save Lives: Employing Effective Excise Taxes on Tobacco, Alcohol, and Sugary Beverages. New York: Bloomberg Hub. <https://www.bbhub.io/dotorg/sites/2/2019/04/Health-Taxes-to-Save-Lives-Report.pdf>**

This report reviews evidence on the impact of tobacco, alcohol, and sugary beverage excise tax policy on consumption, health, and revenue outcomes, and also analyzes the potential impact of significant excise tax increases on these products. The report ends with recommendations on the implementation of excise tax policies to improve health.

- ❖ **Wagstaff, A., Eozenou, P., and M. Smits. 2019. Out-of-Pocket Expenditures on Health: A Global Stocktake. Policy Research Working Paper No. 8808. Washington, D.C.: World Bank. <https://openknowledge.worldbank.org/handle/10986/31537>**

This paper provides an overview of research on out-of-pocket health expenditures, reviewing the various summary measures and the results of multi-country studies using these measures. The paper presents estimates for 146 countries from all World Bank income groups for all summary measures, along with correlations between the summary measures and macroeconomic and health system indicators. Large differences emerge across countries in per capita out-of-pocket expenditures in 2011 international dollars, driven in large part by differences in per capita income and the share of gross domestic product spent on health.

- ❖ **Wagstaff, A., et al. 2019. "Introducing the World Bank's 2018 Health Equity and Financial Protection Indicators database." *The Lancet Global Health* 7(1): e22-e23. [https://www.thelancet.com/journals/langlo/article/PIIS2214-109X\(18\)30437-6/fulltext#seccestitle10](https://www.thelancet.com/journals/langlo/article/PIIS2214-109X(18)30437-6/fulltext#seccestitle10)**

The World Bank's 2018 Health Equity and Financial Protection Indicators (HEFPI) database is a new global resource for tracking progress on equity and financial protection, which are integral to the Sustainable Development Goals (SDGs). It is the fourth in the series of such databases.

- ❖ **Wagstaff, A. and S. Neelsen. 2020. "A comprehensive assessment of universal health coverage in 111 countries: a retrospective observational study." *The Lancet Global Health* 8(1): e39-e49. <https://www.thelancet.com/journals/langlo/article/PIIS2214-109X1930463-2/fulltext>**

The authors measure service coverage by a weighted geometric average of four prevention indicators (antenatal care, full immunisation, and screening for breast and cervical cancers) and four treatment indicators (skilled birth attendance, inpatient

admission, and treatment for acute respiratory infection and diarrhoea), financial protection by the incidence of catastrophic health expenditures (those exceeding 10% of household consumption or income), and a country's UHC performance as a geometric average of the service coverage index and the complement of the incidence of catastrophic expenditures. The bulk of data used in this study were from the World Bank's Health Equity and Financial Protection Indicators database (2019 version), comprising data from household surveys.

- ❖ **Hattersley, L., Thiebaud, A., Silver, L., and K. Mandeville. 2020. Countering Common Arguments Against Taxes on Sugary Drinks. Health, Nutrition and Population Knowledge Brief. Washington, D.C.: World Bank.**
<https://openknowledge.worldbank.org/handle/10986/34361>

The evidence brief outlines common arguments against SSB taxes and provides evidence that can be used to counter each proposition. Arguments against SSB taxes tend to closely mirror those used against tobacco taxes, including that these taxes are not effective, are regressive (place a disproportionate burden on lower income groups), negatively affect employment and economic growth, and violate international, regional, or national law. Around the world, these arguments have been used very effectively by opponents to impede and undermine public and political support for SSB taxes, both proposed and existing.

- ❖ **World Bank Global Tobacco Control and Health Taxes. Various online resources.**
<https://www.worldbank.org/en/topic/tobacco>

Includes links to resources, press releases, events, videos and reports, including country-specific World Bank publications from various low and middle income countries and reports from World Bank partners.

- ❖ **World Bank. 2020. Evidence Brief: Countering Common Arguments against Sugar-Sweetened Beverage Taxes. Washington, D.C.: World Bank.**
<https://openknowledge.worldbank.org/handle/10986/33968>

Common arguments against SSB taxes are outlined along with the evidence that can be used to counter each proposition.

- ❖ **World Health Organization. 2019. "Health Taxes: A Primer (a WHO Policy Brief)". Geneva: The World Health Organization.**
<https://www.who.int/publications/i/item/health-taxes-a-primer>

This document summarizes the evidence on the health and economic impact of health taxes (those imposed on products with a negative public health impact like tobacco,

alcohol, sugar-sweetened beverages and fossil fuels). These taxes result in healthier populations and generate revenues for the budget even in the presence of illicit trade/evasion.

- ❖ **World Health Organization, UNICEF, UNFPA, OECD, and the World Bank Group. 2019. "Primary Health Care on the Road to Universal Health Coverage. Conference Proceedings". Geneva: The World Health Organization.**
https://www.who.int/healthinfo/universal_health_coverage/report/uhc_report_2019.pdf

The 2019 Universal Health Coverage Global Monitoring Report is an important document that will help countries around the world achieve Sustainable Development Goal 3: ensuring healthy lives and ensuring well-being for all. The report documents global progress in expanding access to essential health services and reveals that more people are incurring significant financial hardship to pay for essential health services. For the first time, the report focuses on gender issues, shedding light on how gender norms and power influence access to health services. The report issues a clear call to action for governments in all countries to invest an additional 1% of their gross domestic product for primary health care, which can be achieved through additional investments or through efficiency and equity gains. Resources for health should be pooled, prepaid and managed efficiently.

- ❖ **World Health Organization and World Bank. 2020. "Global monitoring report on financial protection in health 2019." Geneva: The World Health Organization.**
<https://apps.who.int/iris/bitstream/handle/10665/331748/9789240003958-eng.pdf>

This joint WHO and World Bank report on financial protection establishes global and regional 2015 baselines for a Sustainable Development Goal (SDG) indicator of catastrophic health spending and SDG related indicators of impoverishment and infers from previous trends the challenges to come in protecting people from the financial consequences of paying out of pocket for the health services they need.

- ❖ **Yurekli, A.A. 2018. *Economics of Tobacco Taxation Toolkit (English)*. WBG Global Tobacco Control Program. Washington, D.C.: World Bank Group.**
<http://documents.worldbank.org/curated/en/238861522243274209/Economics-of-Tobacco-Taxation-Toolkit>

This tobacco taxation toolkit is geared towards helping economists, public health specialists, researchers, and others to analyze the economic and public health issues surrounding tobacco taxation in order that they can provide direct information and recommendations to policy makers, especially in developing countries.

Country-specific Reports (in alphabetical order)

- ❖ **Dutta, S., Gonima, A., Marquez, P., and M. Haacker. 2016. Botswana Health and HIV/AIDS Public Expenditure Review.**

https://www.researchgate.net/publication/304748652_Botswana_Health_and_HIVAIDS_Public_Expenditure_Review

The Health and HIV/AIDS Public Expenditure Review (PER) evaluates the performance of Botswana's health system (with respect to achieving its objectives of improving health outcomes, financial protection, and consumer responsiveness in an equitable, efficient and sustainable manner), in support of the government's overall goal of achieving universal health coverage. This review also assesses performance in terms of time-series comparisons of inputs, outcomes, and health financing features; global comparisons holding income and health spending constant; assessing financial protection and equity by income class; and analyzing sustainability through a fiscal space analysis of the most recent macroeconomic and health expenditure information.

- ❖ **Kaiser, K., Bredenkamp, C., and R. Iglesias. 2016. Sin Tax Reform in the Philippines: Transforming Public Finance, Health, and Governance for More Inclusive Development. Directions in Development--Countries and Regions. Washington, D.C.: World Bank.** <https://openknowledge.worldbank.org/handle/10986/24617>

This book describes the design of the Philippines sin tax reform, documents the technical and political processes by which it came about, and assesses the impact that the reform has had after three years of implementation.

- ❖ **Reducing tobacco use through taxation: the experience of the Republic of Korea (English). WBG Global Tobacco Control Program Washington, D.C.: World Bank Group.** <http://documents.worldbank.org/curated/en/150681529071812689/Reducing-tobacco-use-through-taxation-the-experience-of-the-Republic-of-Korea>

This study examines these developments, including how Korean tobacco tax policies have evolved over time; how they have affected cigarette consumption and smoking prevalence among different age and income groups; and how they have affected tax revenues.

- ❖ **World Bank Group. 2016. Indonesia Health Financing System Assessment: Spend More, Right and Better. Washington, D.C.: World Bank.** <https://openknowledge.worldbank.org/handle/10986/25363>

This report assesses Indonesia's health financing system. As an intrinsic and necessary element of universal health coverage (UHC), health financing is not only about assessing

the sufficiency of resources, but also about how equitably and efficiently resources are raised, pooled, and allocated to make progress towards UHC.

Blogposts

❖ **WBG President Blog: “Health and the Wealth of Nations”.**

2018. <https://www.linkedin.com/pulse/health-wealth-nations-jim-kim/>

A post by former WBG President, Jim Kim, highlighting the findings of the [2017 Tracking Universal Health Coverage: Global Monitoring Report on Health](#) and the importance of health for building human capital. The post highlights that strengthening tobacco tax programs is a win-win both for public health and domestic revenue generation.

❖ **Junquera-Varela, R.F., and B. Haven. 2018. “Getting to 15 percent: addressing the largest tax gaps”. Governance for Development, The World Bank.**

<https://blogs.worldbank.org/governance/getting-15-percent-addressing-largest-tax-gaps>

Literature shows that tax revenues that are above 15% of a country’s GDP are found to contribute to economic growth and poverty reduction. The blogpost considers domestic resource mobilization for countries that have tax revenues below 15% of their GDP and concludes that since each country faces a unique set of circumstances, there is no universal policy prescription for taxation.

Conference Proceedings

❖ **Presentations, videos, and reports from the World Bank April 2017 Tobacco Taxation Win-Win for Public Health and Domestic Resources Mobilization Conference, organized by the World Bank Group Global Tobacco Control Program, a multisectoral initiative funded with the support of the Bill & Melinda Gates Foundation and the Bloomberg Philanthropies.**

<https://www.worldbank.org/en/events/2017/04/18/tobacco-taxation-win-win-for-public-health-domestic-resources-mobilization-conference>

At the 2017 Spring Meetings of the World Bank Group and the International Monetary Fund, the WBG, in collaboration with the WHO organized a high-level event to bring country experience on the public health and fiscal impact of tobacco taxation to the center of the global development agenda. Presentations highlight how countries across regions combine public health, macroeconomics, tax policy, and tax administration expertise, as well as know-how on reforming the customs systems, to assist in the design and implementation of tobacco tax policy and administration reforms.