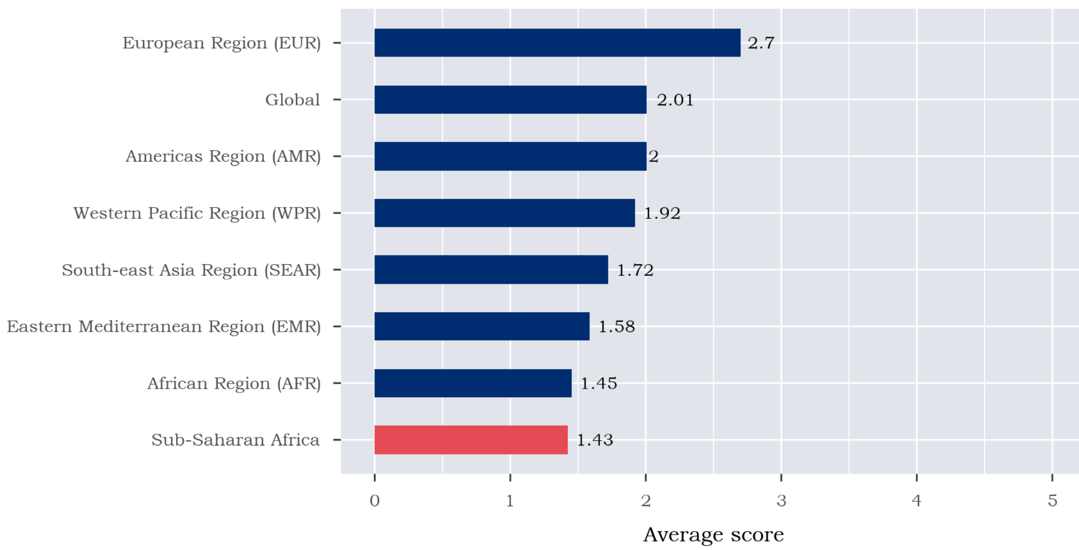
Cigarette Tax Scorecard: Spotlight on Sub-Saharan Africa

Figure 1: Average overall scores by regions (2024)



Data source: EfH Cigarette Tax Scorecard 4th Edition

Key Messages

1. In the fourth edition of the Economics for Health Cigarette Tax Scorecard, the average overall score in 2024 in Sub-Saharan Africa is 1.43 out of 5 points, which is lower than any of the regions — thus, there is plenty of room for improvement.
2. Among the four components used to calculate the overall score in the Scorecard, Sub-Saharan African countries performed best on tax structure, with an average score of 2.96 points. This suggests that tax structures in the region are somewhat effective, though there remains room for improvement in many countries.
3. Higher excise tax rates would help to reduce the affordability of cigarettes— the average score in the affordability change component is only 0.37 points out of 5. Cigarette prices have not increased at the same pace as income and inflation. This underscores the importance of introducing real income and inflation adjustments to make sure affordability is reduced.
4. Out of the countries in the region, Lesotho is the highest performer, with an overall score of 3.5 points, while Somalia lags the regional average with zero points out of 5.

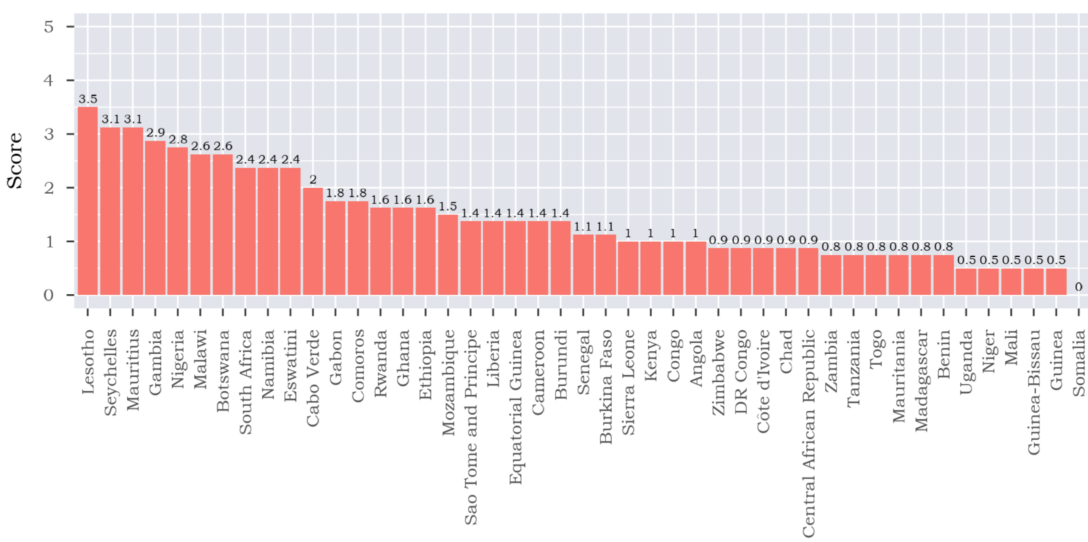
Introduction

The Economics for Health Cigarette Tax Scorecard evaluates countries' cigarette tax systems based on a five-point rating system that incorporates international guidance and best practices in tobacco taxation. The five-point index uses data from the World Health Organization and other sources to score countries on the following four components: cigarette price, changes in the affordability of cigarettes over time, the share of taxes in retail cigarette prices, and the structure of cigarette taxes. The total score reflects an average of the four component scores.

On average, the Sub-Saharan Africa region scored barely over 1 out of 5 in 2024. Improving cigarette tax policies would decrease smoking prevalence, especially among young people, while raising additional tax revenues for governments.

There is significant variation across the region for overall scores in 2024. Lesotho scored the highest with 3.5 points out of 5, followed by Seychelles and Mauritius, which scored 3.1 points. Somalia had the lowest score of zero, and several countries (Uganda, Niger, Mali, Guinea-Bissau and Guinea) followed with a score of 0.5. Most countries in the region received less than half of the possible points. These findings suggest that there is significant room for improvement in tobacco taxation policies throughout the region.

Overall scores by countries in Sub-Saharan Africa (2024)



Note: Insufficient data to calculate overall average score in Djibouti, Eritrea and Sudan.
Data source: EfH Cigarette Tax Scorecard 4th Edition

Key Component Findings

Cigarette Price

Price is a key determinant of cigarette use— as the price increases, demand decreases. Prices are mostly low. In 2024, the average score in Sub-Saharan Africa in this component is 1.39 out of 5 points. The Seychelles performs the best in this component, scoring 5 points. In contrast, 11 out of 49 countries in the region scored 0 points. Such price variation across the region can threaten the effectiveness of high prices in countries.

Change in Cigarette Affordability

To reduce demand, cigarettes must become less affordable. As cigarettes become less affordable, consumers buy fewer and many will stop smoking. As part of this effort, at a minimum, cigarette prices must outpace inflation and real income growth.

This component requires the most improvement in Sub-Saharan Africa. The regional average score is only 0.37 points out of 5. Apart from Gambia (4 pts), Lesotho (3), Nigeria (2), and Malawi (2), all countries score zero points for this component in 2024.

Tax Share

High tax share of price is essential to raise government tax revenues from cigarettes and is typically a good indicator of tax performance.

The average for this component of the score in Sub-Saharan Africa is 0.94 points with large variation among countries. Mauritius has a high tax share, receiving 4.5 points out of 5, followed by Comoros with 4.0 points and Seychelles with 3.5 points. On the other end spectrum, seventeen countries in the region receive zero points, indicating that these governments could be reaping significantly more revenues from cigarette taxes.

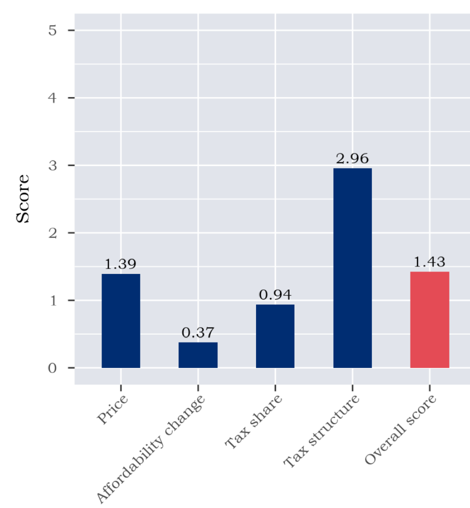
Note that if prices are low, tax shares can still be high. So, it is best to view these two component scores together.

Tax Structure

Tax structures vary in their effectiveness when it comes to reducing tobacco use and collecting tax revenue. Uniform specific excise tax systems that are adjusted upward regularly are generally the most effective and easiest to administer.

The average score in Sub-Saharan Africa for this component is 2.96 out of 5 in 2024. Botswana, Eswatini, Lesotho, Mozambique, Namibia and South Africa receive all 5 points in this component. Somalia scores the lowest in the region, with a score of zero out of 5.

Figure 3: Average component and overall scores of Sub-Saharan Africa (2024)



Data source: EfH Cigarette Tax Scorecard 4th Edition

Score Over Time

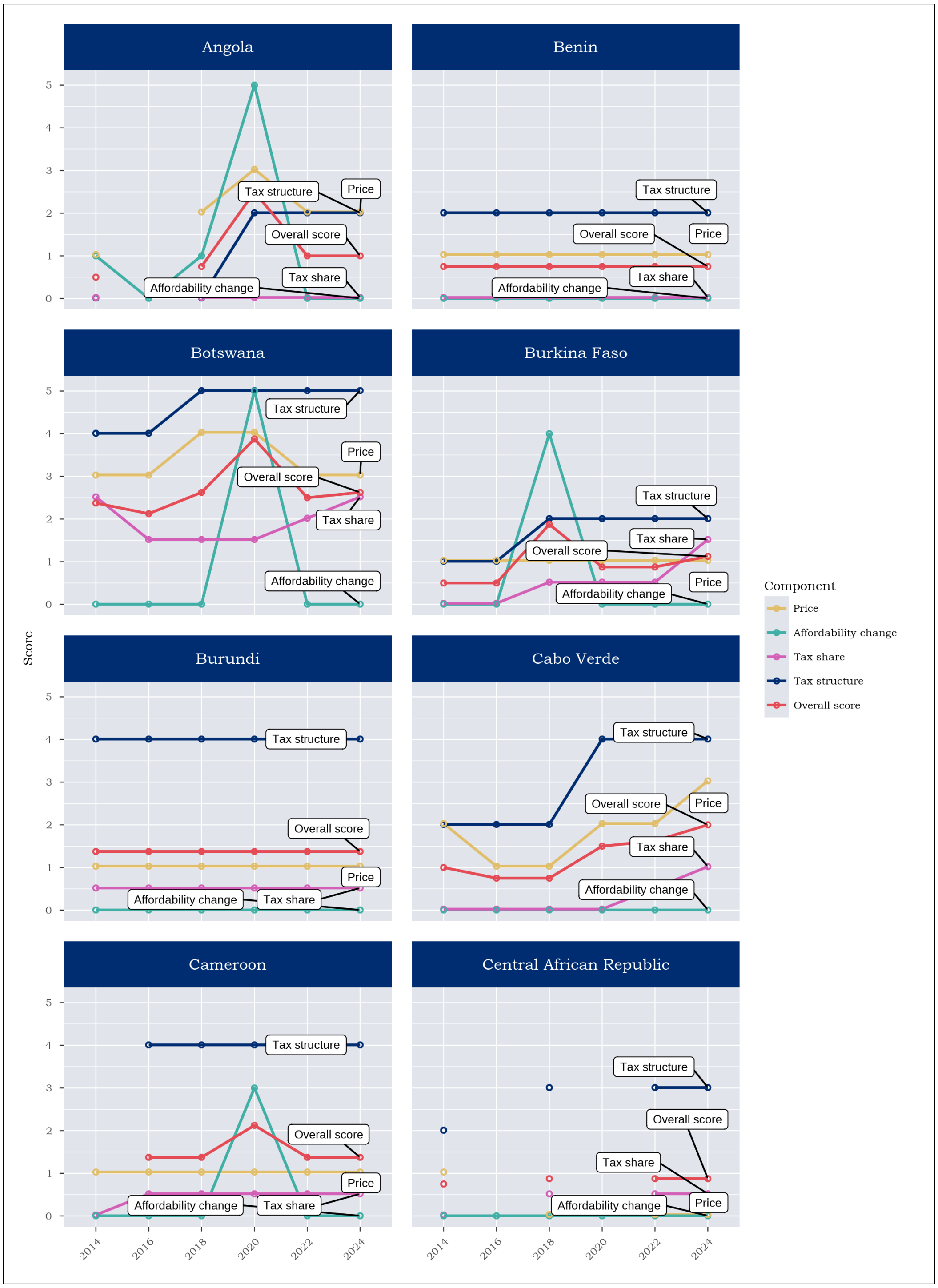
There is significant variation in progress on cigarette tax policies in the Sub-Saharan African region. Since 2020, the regional average has steadily declined from 1.57 to 1.43 points in 2024. Between 2022 and 2024, 19 countries improved their overall scores while nine countries experienced a decline. Among countries that improved, Nigeria recorded the largest improvement with a 1.5-point increase, followed by Lesotho with a 1.25-point increase. On the other hand, Liberia, Mozambique, and Kenya saw the most regressions, declining by 1.50, 1.25 and 1.25 points, respectively.

Each country in Sub-Saharan Africa should seize the opportunity to improve their cigarette tax policies going forward. Not only will this improve the population's health, but governments will reap significant fiscal benefits as well in higher tax revenues that can be reallocated to education, health, and other prosperity-enhancing policies.

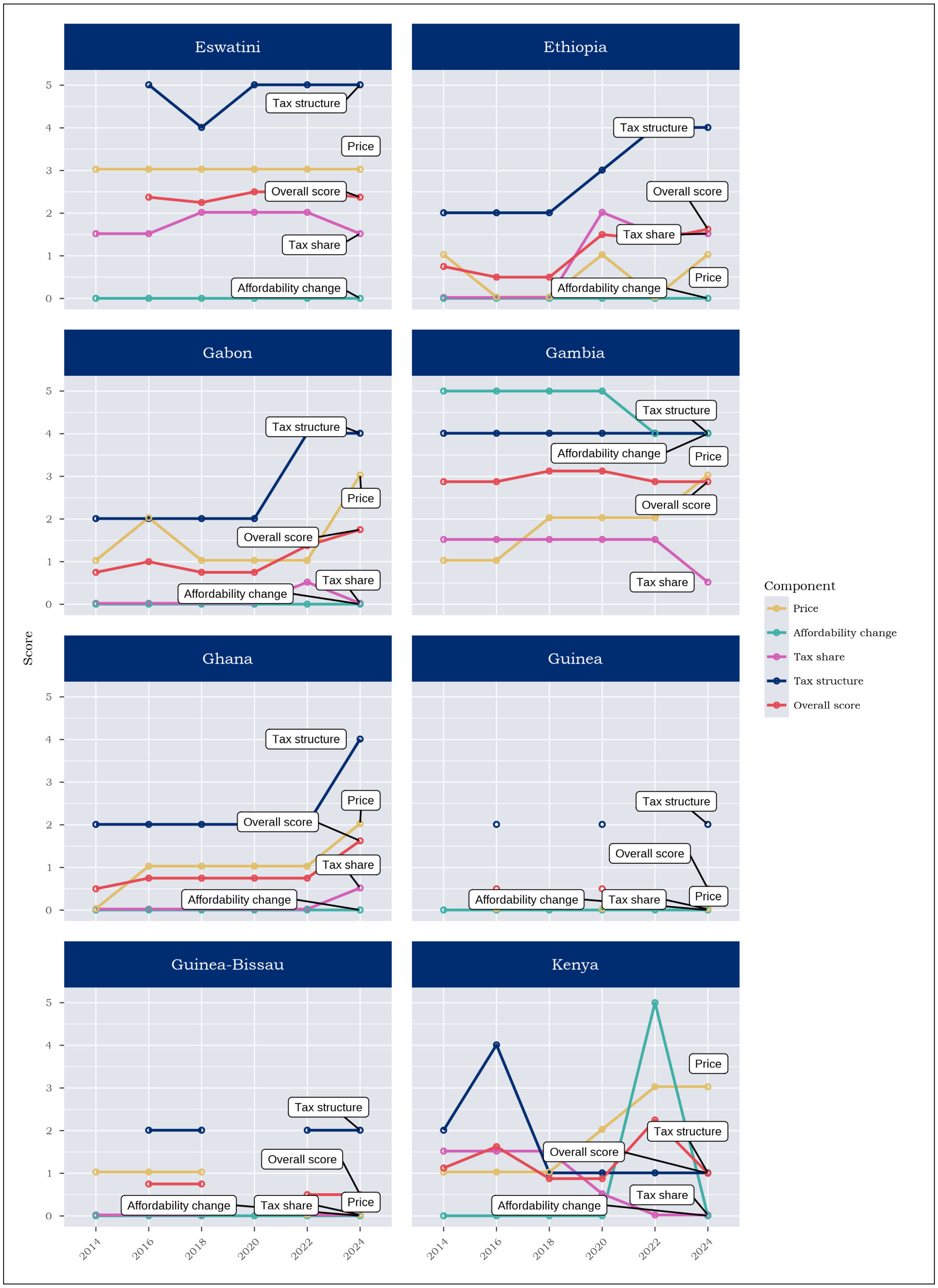
Table 1: Trend of average component and overall scores in Sub-Saharan Africa, 2014-2024

Component	2014	2016	2018	2020	2022	2024
Price	1.36	1.26	1.30	1.36	1.40	1.39
Affordability change	0.32	0.24	0.48	1.02	0.54	0.37
Tax share	0.75	0.80	0.97	0.96	1.06	0.94
Tax structure	2.32	2.39	2.51	2.86	3.02	2.96
Overall score	1.20	1.19	1.31	1.57	1.51	1.43

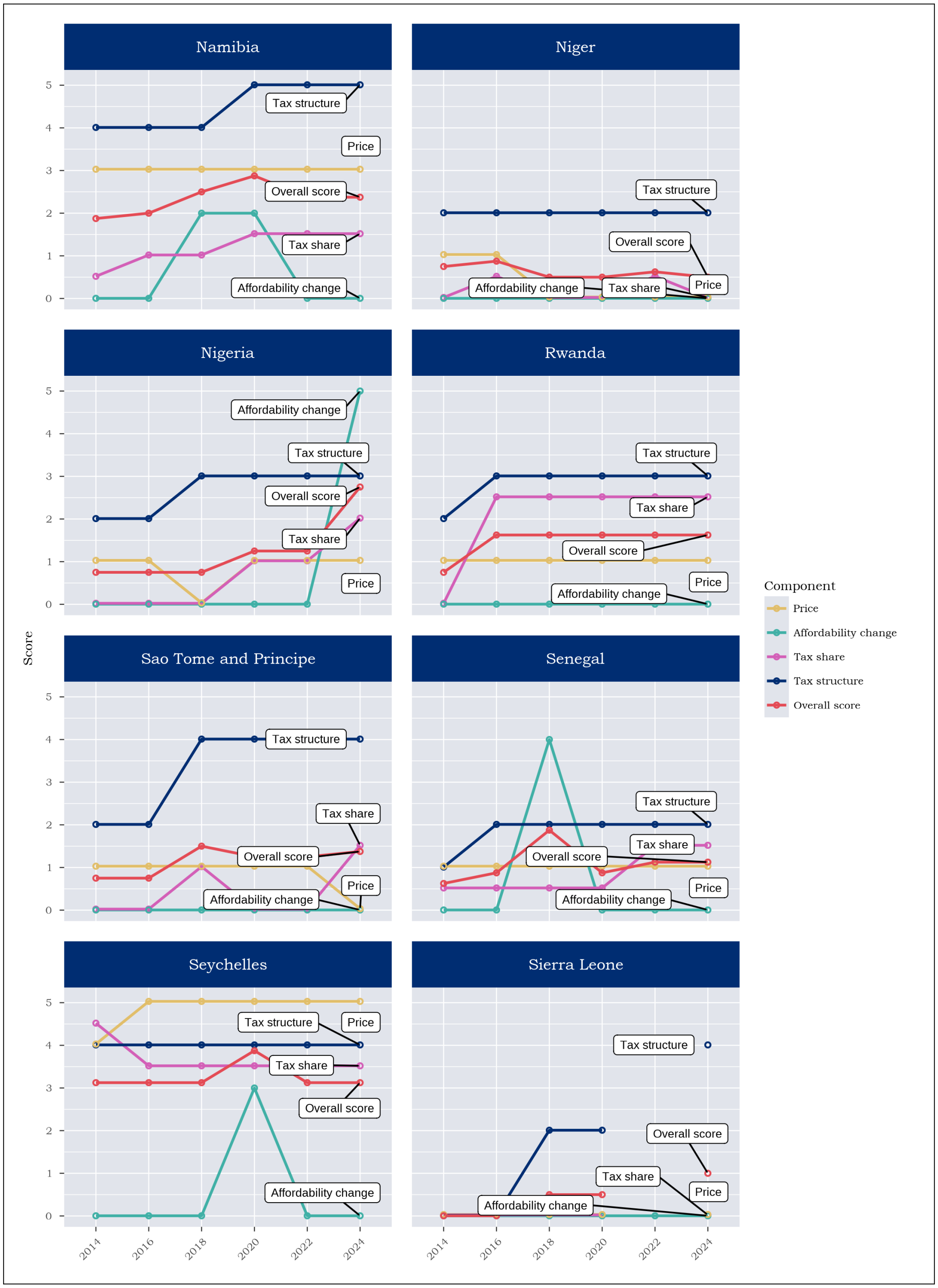
Annex 1: Trends of component and overall scores by countries in Sub-Saharan Africa (2014-2024)




Chad
Comoros
Congo
Côte d'Ivoire
Djibouti
DR Congo
Equatorial Guinea
Eritrea
Score
Tax structure
Overall score
Tax share
Affordability change
Price
Component
Price
Affordability change
Tax share
Tax structure
Overall score
2014
2016
2018
2020
2022
2024


Eswatini
Ethiopia
Gabon
Gambia
Ghana
Guinea
Guinea-Bissau
Kenya
Score
Tax structure
Price
Overall score
Tax share
Affordability change
Component
Price
Affordability change
Tax share
Tax structure
Overall score
2014
2016
2018
2020
2022
2024


Lesotho
Liberia
Madagascar
Malawi
Mali
Mauritania
Mauritius
Mozambique
Score
Tax structure
Price
Overall score
Affordability change
Tax share
Component
Price
Affordability change
Tax share
Tax structure
Overall score
2014
2016
2018
2020
2022
2024


Namibia
Niger
Nigeria
Rwanda
Sao Tome and Principe
Senegal
Seychelles
Sierra Leone
Score
Tax structure
Price
Overall score
Tax share
Affordability change
Component
Price
Affordability change
Tax share
Tax structure
Overall score
2014
2016
2018
2020
2022
2024


Somalia
South Africa
Sudan
Tanzania
Togo
Uganda
Zambia
Zimbabwe
Score
Component
Price
Affordability change
Tax share
Tax structure
Overall score
2014
2016
2018
2020
2022
2024