

Health Taxes for School Meals

Unlocking Fiscal Space for School Health and Nutrition in Africa

A briefing paper for spending ministries responsible for school meals

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Why Health Taxes for School Meals Matters

Across Africa, health taxes – that is, excise duties on tobacco, alcohol, and sugar-sweetened beverages (SSBs) – represent one of the most underutilised but promising domestic revenue sources available to African governments. Governments in the region collect only a fraction of what they could from these taxes. Channelling even a portion of this untapped revenue toward school meals and complementary school health and nutrition programmes, including WASH in schools (WinS), could help close the coverage gaps and deliver progressive benefits for the most vulnerable children.

The Challenge: A Financing Gap that Demands Innovation

School meal programmes are one of Africa’s most powerful levers for advancing the objectives of Agenda 2063 and the SDGs, as they enable access to quality education, improve nutrition, expand social protection and catalyse food systems transformation. African governments have made remarkable strides in expanding school meal programmes. Between 2022 and 2024, African Union member states expanded coverage by an additional 21 million children, reflecting strong political commitment and growing national investment.¹ Yet despite this progress, approximately 136 million school-age children (about 61 percent of the continent’s total) still lack access to a school meal.

Beyond school meal provision, Sub-Saharan Africa (SSA) faces acute deficits in basic WinS infrastructure needed to support healthy school physical environments. In SSA, fewer than half of schools (45%) have access to basic drinking water service, half have access to a basic sanitation and only two in five schools (40%) meet basic hygiene standards.² Moreover, the picture for adolescent

girls is especially concerning, with roughly one in eight schools in SSA being able to provide free menstrual materials and one in ten having bins for menstrual waste in girls toilets.³ Taken together, the benefits of school meals are undermined without complementary WinS investments.

Traditional approaches to financing school meals and complementary programmes such (e.g. domestic budgetary allocations or external aid) are grossly insufficient to close the gaps alone or in tandem. Across the continent, many countries’ public finances are under increased pressure due to the “polycrisis” of recent global shocks, which have increased demands on public spending, while rising prices, borrowing costs, slow growth and aid cuts have limited the fiscal space for spending on critical public services.

Alongside more traditional and innovative financing approaches, health taxes offer a viable, proven, and largely untapped contribution to help close funding gaps.

Health Taxes: A Triple Benefit for African Governments

Health taxes can provide triple benefits for governments.

1. Improve Health	2. Raise Revenue	3. Progressive Outcomes
Reduce consumption of harmful products, lowering NCDs	Generate predictable domestic revenue for public services, particularly in a low-aid environment	Channel revenues for school meals and complementary school health programs leading to progressive outcomes, especially for children from low-income households.

The Task Force for Fiscal Policy for Health notes that increasing excise tax rates by 50% for tobacco, alcohol, and SSBs across low-to-middle-income countries (LMICs) could mobilise an additional US\$ 2.1 trillion while also saving 50 million lives over 50 years.⁴

Across Africa, tobacco kills 200,000 people annually, alcohol is attributable to over 300,000 deaths per year, and SSB consumption across the continent is surging contributing to increasing non-communicable disease burden.⁵

1 African Union Commission. African Union Biennial Report on School Meals Programme (2023-2024). Addis Ababa: African Union, March 2025.
 2 United Nations Children’s Fund (UNICEF) and World Health Organization (WHO). Progress on Drinking Water, Sanitation and Hygiene in Schools 2015–2023: Special Focus on Menstrual Health. New York: UNICEF and WHO, 2024.
 3 Ibid.
 4 Task Force on Fiscal Policy for Health. *Health Taxes: A Compelling Policy for the Crises of Today*. New York: Bloomberg Philanthropies, 2024. <https://assets.bbhub.io/dotorg/sites/64/2024/09/Health-Taxes-A-Compelling-Policy-for-the-Crises-of-Today.pdf>
 5 Dao, Son, Ugonna Ofonagoro, Jeffrey Dope, Corné van Walbeek, Jacqui Drope, Sandra Mullin, Adam Karpati, and Mary-Ann Etiebet. *The Future of Health Financing in Africa: The Role of Health Taxes*. New York: Vital Strategies, July 2025.

Untapped Revenue Potential

A CGD study analysing 97 countries reveals how much revenue African Governments are leaving on the table.⁶ Globally, governments are collecting **far below their potential** across all health tax products.

In particular, about two-thirds of SSA countries (34 out of 49) collect less than 15% of GDP, a low share by international standards.⁷ This leaves limited fiscal space for critical development spending, including scaling up high-impact programmes such as school meals that provide multiple benefits across sectors.

Product	Current Effort	Feasible Capacity	Untapped Gap
Tobacco	0.4% of GDP	1.5% of GDP	1.1% of GDP
Beer	35% of feasible excise rate	100% of feasible excise rate	65% unrealised
Spirits	25% of feasible excise rate	100% of feasible excise rate	75% unrealised
SSBs	15% of feasible excise rate	100% of feasible excise rate	85% unrealised

Source: Gupta, Sanjeev, João Tovar Jalles, and Ainhoa Petri-Hidalgo. 2025. *Estimating Health Tax Capacity, Effort, and Potential: Evidence from a Global Panel*. Center for Global Development.

The Potential for Health Taxes for School Meals in Africa

Health tax simulations in Africa: A Look at what health taxes can do for school meals:

Case studies from Burundi, Kenya and Uganda taken from the forthcoming Health Tax for School Meals Toolkit simulates how health tax reform could both improve health outcomes and generate revenue for school meals. The below country simulations are exploratory analyses to highlight the potential based on fiscal and administrative data, regional benchmarking, and in-country consultations with government institutions, technical partners and stakeholders.

Country	Simulation - Reform Options	Revenue Potential	School Meals Impact
Burundi	Three-phase simulation: rate increases on cigarettes, beer, spirits, SSBs (Phase 1), structural reform with EAC alignment, base broadening and digital stamps	Significant incremental revenue across three reform phases (around 1% of GDP)	~1.1 million additional children (76% of coverage gap)
Kenya	Three-phase simulation: "sin goods" – SSBs and confectionery with sugar, sodium, or fat beyond the set threshold (Phase 1); Expand to processed staples – cereals, processed meats and processed fruits (Phase 2); Expand to processed staples and complex formulations (Phase 3)	Potential to mobilize ~1.7% of GDP across all three reform phases.	Only 17% of revenue (KES 46 bn or US\$360 mn) estimated to fully fund school meals by 2030
Uganda	Two reform simulations plus a combined option: Option 1 raises existing excise rates on beer, spirits, cigarettes, sugar, and SSBs to align with EAC/WHO benchmarks; Option 2 broadens the tax base to confectionery and salty snacks with smaller rate increases; Option 3 combines both	Option 1: 0.41% GDP; Option 2: 0.22% GDP; Option 3: 0.5–0.6% GDP	Option 1: ~2m learners (poorest 20%); Option 2: ~1m learners; Option 3: ~2–2.5m children,

Source: SFI-ODI Global Health Tax for School Meals Toolkit Country Case Studies (forthcoming).

6 Gupta, Sanjeev, João Tovar Jalles, and Ainhoa Petri-Hidalgo. "Estimating Health Tax Capacity, Effort, and Potential: Evidence from a Global Panel." CGD Working Paper 727. Washington, DC: Center for Global Development, 2025.

7 Gupta, Sanjeev, João Tovar Jalles, and Ainhoa Petri-Hidalgo. "The Untapped Power of Health Taxes in Sub-Saharan Africa." Center for Global Development (blog). December 2, 2025. <https://www.cgdev.org/blog/untapped-power-health-taxes-sub-saharan-africa>

Looking Ahead: The Health Tax for School Meals Toolkit and what spending ministries can do

The SFI-ODI Global Health Tax for School Meals Toolkit, launching in Q2 of 2026, will provide African governments with a comprehensive, practical resource to inform health tax design in the context of channeling those revenues toward school meal programmes.

The toolkit does not advocate for any particular approach, as the appropriateness and feasibility of reforms will depend on a host of country-specific factors. Rather, it provides evidence and insights that ministries, departments and agencies can draw on to inform their own reform priorities. In particular, spending ministries responsible for school meals can utilise the insights and evidence captured in the Health Tax Toolkit to:

- **Build the evidence base for reform:** Quantify the coverage gap and work with partners to estimate the health tax reform revenue and health impact, giving a stronger joint voice on health tax reform.
- **Engage proactively with Ministries of Finance:** Advocate for health taxes to finance school meals, highlighting that untapped potential of health taxes for revenue mobilization.
- **Champion the triple benefit narrative:** Position health taxes as improving public health, raising revenue, and delivering progressive social outcomes through school meals and other complementary programmes.

- **Advocate for earmarking or revenue commitment mechanisms:** Options range from hard earmarking (legally binding revenue to school meals, as in São Tomé and Príncipe) to soft earmarking (signalling commitment through budget processes), direct commitment (funding through regular budget allocations without linking to a specific tax) and complementary commitment (aligning tax goals with school meals investments without formal linkage). The most appropriate or viable mechanism depends on institutional capacity and political context.
- **Build cross-sectoral coalitions:** Align with education, health, agriculture, and finance ministries – and civil society – to build political support and counter industry opposition.