

# WHA78 delegates, we need to talk about tax and debt

Many governments, especially in low- and middle-income countries, are struggling to fund public health systems. Meanwhile, **about 4.5 billion people lack access to essential health services, and 1.3 billion are pushed (further) into poverty due to out-of-pocket health expenses**. People living in poverty and rural areas are often excluded from essential care, and drastic reductions in Official Development Assistance have disrupted health services in many places. At the same time, tax abuse and debt servicing continue to limit countries' ability to mobilize domestic resources for health.

Health financing is prominently on the agenda at this World Health Assembly – in the resolution 'Strengthening health financing globally' and in many of this week's side events. The adoption of the resolution will be an important step towards strengthening health financing systems, but there is more to do.

It is essential to support global financing reforms to help governments mobilize more domestic resources for key essential services, such as health and education.

**We need international cooperation for economic justice so that governments can tackle tax abuse and illicit financial flows, and address unsustainable debt. And this is a crucial moment to make this happen!**

## Tax abuse

**492 billion USD**

are lost globally each year due to offshoring of wealth by individuals and profit shifting to tax havens by multinationals.



In African countries, tax losses due to tax avoidance practices are equivalent to about 13% of governments' spending on health.

## Unsustainable debt



Interest payments on debt exceed now 10% of government revenue in 54 developing countries - twice as many as 10 years ago.



48 developing countries spend more on interest payments than on either health or education.

At least 40 countries spend two times more on debt repayment than on health.

## What's on the table now?

The WHO resolution '**Strengthening health financing globally**', to be tabled at this WHA78, includes crucial steps toward strengthened mobilization, pooling and spending of resources for health. If the resolution would also include the need for better global rules on tax and debt, it could give a push to two important reforms that are happening at the United Nations (UN) and that can greatly enhance domestic resource mobilization:

### UN Framework Convention on International Tax Cooperation

This legally binding instrument has the potential to realize an international tax system that ends cross-border tax avoidance and ensures fair allocation of taxing rights to countries, which would greatly benefit public revenue raising in low- and middle-income countries. It requires constructive engagement of all countries in the negotiations that started off this year, guided by solid Terms of Reference which were adopted by majority vote in the UN General Assembly in 2024.

### UN Sovereign Debt Workout Mechanism

In the run-up to the Fourth International Financing for Development Conference (FfD4), the Africa Group has proposed a sovereign debt workout mechanism under the UN auspices. This proposal resonates with the FfD civil society mechanism's call to establish a UN multilateral legal framework that would address unsustainable and illegitimate debt. Debt justice is also the main call of the Jubilee 2025 '*Turn Debt into Hope*' campaign, to cancel and remedy unjust and unsustainable debts and prevent a new debt crisis through global financial reforms.

## The way forward

Now is the time to step up and commit to global financial reforms that can truly benefit the health and lives of people all across the world. We ask delegates to:



Amend the resolution 'Strengthening health financing globally' to include the need for fair global tax rules and debt resolution, and support its adoption and implementation.



Ahead of the FfD4, call upon Ministers of Finance, Ministers of Foreign Affairs and Prime Ministers to:

- Commit to international tax cooperation at the UN, and endorse the Terms of Reference of the UN Framework Convention on International Tax Cooperation in the FfD4 outcome document.
- Support the proposal to move towards a comprehensive debt architecture reform through a UN Sovereign Debt Workout Mechanism.

#### Sources:

WHO, 2023. [Universal Health Coverage Global Monitoring Report 2023](#)  
Tax Justice Network, 2024. [The State of Tax Justice 2024](#)  
UNCTAD, 2024. [A world of debt: Report 2024](#)

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