

56th ISO MECAS Meeting

Survey of Sugar Taxes and Recent Developments

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ISO Summer Series

Agenda

- 1 Economics*
- 2 Manufactures*
- 3 Consumers*
- 4 Conclusion / Q&A*



Survey of Sugar Taxes

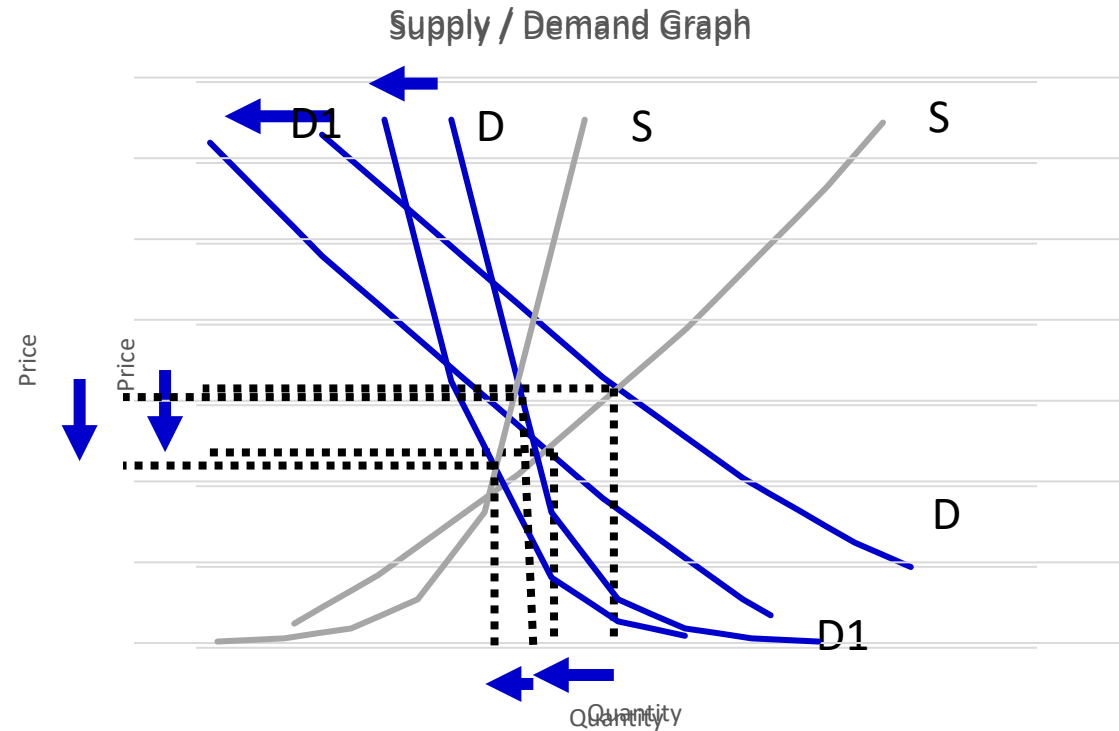
Date	Number of countries
Pre – 2000	4
2001 – 2010	4
2010 – 2016	15
2017 - 2021	26

Three types of intervention:

Sugar excise duty

Soft drink levy

Import levy

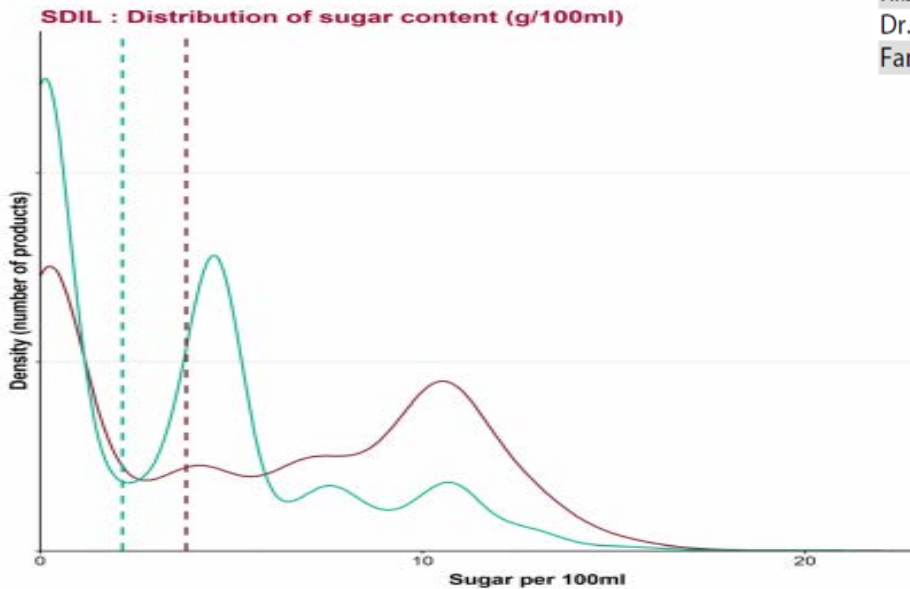


Soft Drinks

UK Soft Drink Inclusion Levy:

Move towards pivotal 5g/100ml

Higher zero sugar option



	Sugar content		Sweeteners in formulation					
	Pre-reformulation	Post-reformulation	Sugar	SBS	Sucralose	Acesulfame K	Aspartame	Steviol Glycosides
Pepsi	10.6%	10.6%	✓					
Coca-Cola	10.2%	10.2%	✓					
Capri-Sun	10.0%	4.3%	✓					✓
Irn-Bru	9.9%	4.5%	✓			✓	✓	
Tesco Cola	9.3%	4.8%	✓	✓	✓	✓		
San Pellegrino Lemonade	8.6%	4.9%	✓					✓
Lucozade Original	8.4%	4.3%		✓		✓	✓	
Ribena	6.9%	4.4%	✓		✓	✓		
Dr. Pepper	6.7%	4.7%	✓			✓	✓	
Fanta Orange	5.8%	4.4%	✓		✓	✓		

UK Soft Drink Inclusion Levy:

No change in brand-leaders

No change in sweetener profile

Speciality products

Reversal in approach

Broader Challenge

Manufacturers remain sales and margin focussed

Product marketing needs to remain in main isle

Expanding product offer is cheaper and more viable

- Flavours
- Combinations
- Packaging sizes
- Claiming to be healthier
- Special sugars - Allulose, Nucane, DouxMatok

Food versus drinks

Engage with consumer !



Recent Developments

Reduced-sugar products

Voluntary industry schemes

5% reduction in sweetened juices

10/20% reduction in milk-based drinks

Breakfast cereals

Rising ultra-processed consumption



Soft Drink Analysis

Regression results

Tax years

Linear relationship

Longevity of impact

UK report

Cambridge University = 3 teaspoons per day
= 624 grammes or 2%

Financial saving of just EUR0.30 per year

Human behaviour

Country	T Statistic	Tax volume	2020/21	Tax years
South Africa	-6.40	590	2,191	4
Saudi Arabia	-5.12	59	1,323	3
Brunei	-5.00	3	14	5
Nicaragua	-3.45	27	291	3
Bangladesh	-3.09	54	2,433	3
Algeria	-2.95	121	1,854	11
Portugal	-2.85	37	340	5
Sri Lanka	-2.65	11	702	5
Tanzania, U	-2.47	103	669	4
Morocco	-2.36	70	1,271	3
Panama	-1.88	2	148	3
Ireland	-1.75	14	199	4
Thailand	-1.75	159	3,147	5
Estonia	-1.72	6	87	4
Brazil	-1.69	1,005	11,404	3
UK	-1.67	172	2,394	4
Ecuador	-1.56	43	564	6
Poland	-1.53	138	1,774	1
India	-1.41	1,222	27,551	5
USA	-1.39	225	10,665	5
Cambodia	-1.36	8	313	5
Uganda	-1.31	20	403	4
Belgium-Lu	-1.24	42	679	6
Chile	-0.84	24	814	8
Malaysia	-0.81	26	1,893	3
Fiji	-0.70	4	38	15

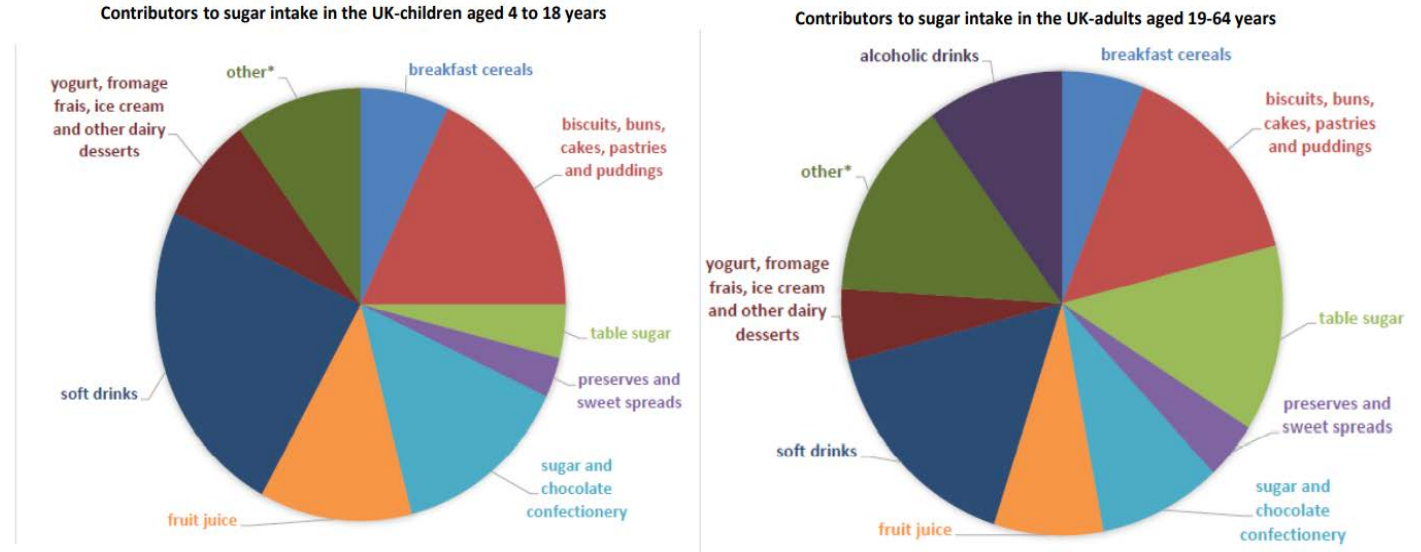
Other Products

Sugar as a functional ingredient

USDA analysis of consumption

Changing patterns under COVID-19

Hard-wired to indulge



Adapted from Public health England website: The evidence for action (2015)

<https://www.bing.com/videos/search?q=bbc+van+tulleken&view=detail&mmscn=vwll&mid=98CDE48013FF1846316A98CDE48013FF1846316A&FORM=VRRTP>

	2007/8		2013-16		Split		DE48013FF1846316A98CDE48013FF1846316A		
	At Home	Out of Home	At Home	Out of Home	Restaurant	Fast Food	School	Others	Informal/out
Food energy	29.3	69.2	30.8	8.1	15.5	1.9	5.3	67.5%	
Vegetables	63.5	36.6	64.1	35.9	11.6	18	1.8	4.5	62.7%
Meat, poultry and Fish	61.1	38.9	62	38	13.2	17.6	1.8	5.3	60.3%
Fats and Oils	60.5	39.5	61.7	38.3	10.3	19.7	1.8	6.4	68.1%
Grains	69.6	30.4	68.5	31.5	8.4	16.3	1.9	4.9	67.3%
Sweeteners	71.5	28.5	70.5	29.5	5.5	15.3	1.5	7.2	76.3%
Nuts	90	10	88.8	11.2	1.9	4	0.3	5.1	81.3%

Conclusion

- Sugar taxes have become a part of national food policy
- Sugar taxes are focused on soft drinks
- Impact is marginal for health but significant for market
- Food manufacturing is more challenging to address
- Complex consumer behaviour towards taxes and broader food consumption
- Public health challenge continues to evolve, sugar reduction is not the answer



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Thank you

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