



EXECUTIVE DIRECTOR

**Press Release(17)51
(English only)**

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Various sugar related articles

The Executive Director would like to draw your attention to the articles below all of which are relevant to the sugar sector.

Sugaronline Ebriefing - 01/12/2017

PHILIPPINES: 300,000 call for sugar tax to be dropped

The Senate has approved the third and final reading of a landmark bill that aims to restructure the country's tax system, according to the Philippines' The Rappler.

The reforms, which cover amendments in key areas such as income, consumer goods, fuel, and real estate, aim to make taxes "simpler, fairer, and lower" for Filipinos.

Before it gets signed into law, the Senate has to convene a bicameral conference committee with the House of Representatives, due to discrepancies in their respective approved versions.

However, the Philippine Association of Stores and Carinderia Owners (PASCO) continues to oppose one portion of the bill - the so-called sugar tax, which will increase the price of sugar-sweetened commodities such as soft drinks, energy drinks, and iced tea.

PASCO recently gathered 300,000 signatures to oppose this additional tax. Although the group supports the overall tax reform, they are against the provisions on sugary drinks, which they have dubbed as "anti-poor."

According to the group's computations, 40% of the average sari-sari store owner's daily income come from sales of sweetened drinks. PASCO adds that the proposal will make these products more expensive and therefore less appealing to ordinary consumers.

"Paano na lamang po ang kabuhayan namin kapag naisabatas na ang dagdag buwis na ito? Nangangamba kami na tuluyan nang mawawala ang aming maliliit na negosyo," PASCO said in a statement. (What will happen to our livelihood once the additional tax gets passed into law? We fear that our small businesses will die.)

In the past, netizens have also expressed concerns regarding statements that the tax will help curb sugar consumption among Filipinos.

Consumer groups such as CitizenWatch and BK3 (Bantay Konsumer, Kalsada, Kuryente) have rallied behind the store owners, and called on the government to amend the proposed taxes.

So far, it seems like the Senate has listened.

In the Senate-approved version of the bill, in the first two years of the reform, drinks with caloric and non-caloric sweeteners will be taxed at PHP4.50 (US\$0.09) per litre, while those with high-fructose corn syrup (HFCS) will be taxed at PHP9 per litre. 3-in-1 coffee and milk products have also been added to the list items exempt from this additional tax.

This actually differs from the original version of the bill approved by the House of Representatives, which imposes a tax of PHP10 per litre for beverages using purely local sugar, and PHP20 per litre for beverages using HFCS.

The groups also urged the government to focus on other revenue-generation initiatives such as going into public-private-partnerships for infrastructure, fighting corruption, and cracking down on smuggling and other illicit trade activities.

What's your take on the issue? Do you think that sugary drinks should still be included in the tax reform package? Share your opinions below.

FoodNavigator.com - 01/12/2017
Kellogg's to reduce sugar in three popular cereals
01-Dec-2017 By Jenny Eagle

Kellogg's has announced it will reduce the amount of sugar in three popular cereals; Coco Pops, Rice Krispies and Rice Krispies Multi-Grain Shapes, by up to 40% next year.

<https://www.foodnavigator.com/article/2017/12/01/kellogg-s-to-reduce-sugar-in-three-popular-cereals>

FoodNavigator-usa.com - 01/12/2017
Cook County Sweetened Beverage Tax officially expires
04-Dec-2017 By Mary Ellen Shoup

The sweetened beverage tax in Cook County, Illinois, expired on Friday after four months of "overwhelming and relentless opposition" from retailers, consumers and policy makers.

<https://www.foodnavigator-usa.com/article/2017/12/04/cook-county-sweetened-beverage-tax-officially-expires>

FoodNavigator.com - 05/12/2017
Monk fruit-stevia blends are still best for natural sugar reduction, says Layn
05-Dec-2017 By Niamh Michail

Monk fruit has overcome the scalability issues to be a solid contender for stevia's natural sweetener crown. But the fruit's higher price tag and stevia's taste problem still means monk fruit-stevia blends are best, says Layn.

<https://www.foodnavigator.com/article/2017/12/05/monk-fruit-stevia-blends-are-still-best-for-natural-sugar-reduction-says-layn>

Sugaronline Ebriefing - 05/12/2017

UK: New WHO study shows manufacturers may have more reasons to use sugar

A new study from the World Health Organisation and City, University of London has found that producers of food with high sugar content have many more incentives to maintain sugar levels than cut them, reports **Sugaronline**.

Professor Corinna Hawkes, who led the research, concluded that governments and consumers must take action to make sugary products less appealing to food manufacturers.

"This unique study shows that the incentives food manufacturers have to add sugars to their food products far outweigh the disincentives," said Professor Hawkes, Director of the Centre for Food Policy at City.

"Governments and consumers can act to rebalance these incentives so the sugar supply system becomes more aligned with recommendations to reduce how much sugar we eat."

The World Health Organisation (WHO) produced the report in response to the growing issue of consumption of excess sugars throughout the WHO European region. Consuming excess "free sugars" (added sugar, and that in honey, syrup and fruit juice) is associated with weight gain for adults and children.

The study investigated why manufacturers and other supply chain actors use sugar in foods and why they use it in such large amounts. It concluded that a comprehensive approach encompassing the entire food system is necessary in order to reduce sugar intake.

According to WHO recommendations, intake of free sugars should be less than 10% of total daily energy intake for both adults and children, and ideally should be less than 5%.

Professor Hawkes added: "Most of us like sweet foods, but the data shows we eat too much sugar. To reduce how much sugar we eat, it's crucial for governments and parents to take action to protect very young children from so much exposure to sugary foods.

"This will help children develop a taste for a wide range of foods and so create future demand for foods with less sugar. Industry must stop exposing young kids to such sugary foods in the first place."

The primary source of data was information gained from 34 interviews. These were with informants with experience and expertise across the sugar supply chain.

They included eight interviews with people involved in sugar production, trade and processing; 15 interviews with those involved in manufacture of food and drink; nine interviews with informants involved in retail; and two with academic experts.

Professor Hawkes and her team also conducted an analysis of the supply chain and reviewed relevant literature to inform, complement and validate the interviews.

The new report reveals that producers and retailers of food with high sugar content currently have many more incentives to continue using sugar than to limit its use or substitute it completely.

These incentives include:

- the perception that sugar is the gold standard for sweetness;

- sugar's availability as a relatively cheap and abundant ingredient from multiple sources;
- manufacturers' and retailers' focus on maintaining competitiveness;
- manufacturers' and retailers' desire to maintain "choice" for consumers who still want to buy sugary foods;
- sugar's provision of essential functional qualities for manufactured foods; and
- consumer concern about the use of artificial sweeteners.

Currently, there are relatively few incentives for producers to reduce sugar in manufactured food. These include:

- growing consumer awareness of the health effects of sugar;
- government policies and actions to reduce consumer demand for sugar; and
- availability of a greater range of non-caloric sweeteners.

The report explores a wide range of policy tools that governments can use to create healthier food environments by shifting the incentive structure for manufacturers and retailers towards reducing sugar in foods, and by helping people to develop healthy dietary preferences.

The tools are consistent with the policy options set out in the WHO European Food and Nutrition Action Plan 2015-2020.

In particular, the report considers the following approaches to improving the nutritional quality of diets:

- restrictions on the marketing of foods to children;
- consumer-friendly labelling;
- pricing policies;
- school food standards; and
- ambitious strategies to reformulate the composition of food.

Professor Hawkes' study will contribute to the ongoing implementation of the WHO guidelines on free sugar intake. It also provides a strong case for further research and policy discussions on the most effective ways to transform modern food systems for health.

Professor Hawkes presented the analysis to WHO member states for consultation at the joint Food and Agriculture Organization of the United Nations (FAO)/WHO International Symposium on Sustainable Food Systems for Healthy Diets and Improved Nutrition, held in Budapest, Hungary, on 4th and 5th December 2017.

Commenting on the study, Dr João Breda, Head of the WHO European Office for the Prevention and Control of Noncommunicable Diseases, said: "It is evident that, from a health perspective, decisive action is needed to bring down the levels of sugar in manufactured foods in Europe."