

SA sugar tax debate rages

The WHO argues for the taxing of sugary drinks with the beverage industry pointing to economic deficits



EARLIER this year the South African Minister of Finance noted in his budget speech that a 20% sugar tax will be introduced during 2017. This has since raised considerable debate with proponents welcoming the announcement as a measure to counter obesity-related diseases, while the beverage industry responded that it would come at significant costs to the South African economy.

In light of such diverse views, it is useful to reflect on key questions that have emerged.

In the first instance, is higher sugar intake indeed linked to greater disease onset? Before tackling this crucial question, it is important to note that most sugar intake is currently consumed in added form in a range of food-stuffs, an example of this would be sugared cereals, yoghurt and sugar-sweetened beverages (sodas, fruit juices, energy drinks and sweetened milk drinks). Studies show that sugar-sweetened beverages provide the bulk of added sugars and have therefore become a primary target.

The intake of added sugars and sugar-sweetened beverages has substantially increased over the last few decades – globally and in South Africa. This forms part of the so-called nutrition transition in especially developing countries where distinct changes in dietary patterns and nutrient intake occur with economic development and urbanisation. Of concern is that such dietary changes are particularly pronounced in young people thus leading to alarming future projections for obesity, diabetes and heart diseases onset within the South African population. This in turn will come at the expense of a general lack of health and well-being together with attenuated economic productivity and prosperity.

The World Health Organisation (WHO) recently released a statement (October 2016) that taxing sugary drinks can lower consumption and decrease the onset of obesity and diabetes. Several studies show that higher consumption of sugar-sweetened beverages is linked to metabolic perturbations mainly in organs such as the liver. The fructose component of sugar-sweetened beverages elicits the most significant direct effects on liver function. For example, there is strong evidence that sugar-sweetened beverages are linked to fatty livers, increased levels of circulating triglycerides and cholesterol, and hypertension. Together this constitutes a much higher risk



A SPOONFUL OF SUGAR: Debate rages on as to whether a sugar tax would decrease sugar consumption and what the economic impacts of such a tax would be. PICTURE:AFP

for the onset of obesity, diabetes and heart diseases with regular sugar-sweetened beverages consumption. When such studies are corrected for body mass and dietary intake, the risk for disease onset remains thereby demonstrating that such effects are directly triggered by higher sugar consumption.

Moreover, indirect effects include excess caloric intake and body weight gain that increase the risk for diabetes and cardiovascular diseases. Thus higher sugar-sweetened beverage consumption constitutes a “double whammy” leading to both direct and indirect effects that eventually compromise health and well-being of high frequency consumers. There is also evidence that the consumption of liquid calories results in a lack of satiety and hence no corresponding decrease in overall caloric intake occurs.

Will the sugar tax actually decrease consumption and improve overall health? It remains unclear whether the proposed sugar tax will focus on sugar-sweetened beverages or more broadly apply to include other foodstuffs that also contain a relatively high

sugar content. However, if similar ventures are assessed in other countries then it is likely that sugar-sweetened beverages will be the target of the proposed tax. There has been mixed success so far in terms of such a tax actually decreasing consumption, although the Mexican experience would be a useful analogy to the South African context. Here a 20% tax was recently introduced to help curb the relatively high prevalence of overweight, obesity and diabetes.

Subsequently, a recent observational study conducted in Mexico reported a decrease in purchases of taxed sugar-sweetened beverages and that this was highest in households from lower socioeconomic backgrounds. This corroborates studies showing that taxation of sugar-sweetened beverages will indeed lead to an increased selling price and that lower socioeconomic groups would be most responsive to such price changes. However, additional longer-term studies are required to assess the impact of such interventions in terms of obesity, diabetes and heart disease onset in South Africa.

Would the sugar tax harm the South African economy? The Beverage Society of South Africa projects that the introduction of a sugar tax will lead to the loss of around 60 000 jobs in the beverage industry and also cut their contribution to the South African GDP by approximately R14bn. Whether such estimates are indeed accurate need to be independently verified and also measured against the savings that should accrue due to improved health. For example, early projections show that health benefits as a result of the sugar tax should save the Mexican economy billions of dollars in the short-term. The picture is also further complicated by some beverage industries supporting several health organisations in the US whose mandate is indeed to combat obesity and diabetes.

In addition, some have also successfully lobbied against public health bills attempting to reduce sugar-sweetened beverage intake and to enhance overall nutrition. Thus it is likely that a similar scenario will unfold in South Africa. As the country is undergoing a nutrition transition, it is likely that the benefits of lowering sugar-sweetened beverage consumption and associated diseases should easily outweigh short-term economic losses due to lower sales. In support, projections show that a 20% tax would indeed reduce sugar-sweetened beverage consumption in South Africa and decrease the number of obese adults by more than 200 000.

What can be done by individuals and families in this regard? The WHO advocates limiting free sugar intake to below 10% of total energy needs, while the American Heart Association recommends curbing the amount of added sugars to no more than nine teaspoons (36 grams) and six teaspoons (24 grams) for men and women, respectively. Thus the public should display a greater awareness when considering various foodstuffs with “hidden sugars”. A tall frappuccino contains around 11 teaspoons of added sugars, while a small 330ml can of sugar-sweetened beverage typically amounts to nine teaspoons of sugar. Parents can also petition school tuck-shops to restrict the sales of sugar-sweetened beverages. There should be greater lobbying for improved labelling to indicate the actual amount of added sugars in foodstuffs and such information be displayed in an easy way to understand the associated risks. Sugar tax should not be viewed as a panacea but a multi-pronged strategy to tackle the growing burden of obesity, diabetes and heart diseases. *Prof Faadiel Essop is full professor in the physiological sciences at Stellenbosch University.*