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Sales of sugar sweetened beverages decline with 'sugar tax,' shows study

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A study by PRICELESS-SA and partners shows that SA's 2018 "sugar tax" led to a reduction in purchases of these beverages.

This could mean that purchasers are consuming less excess sugar and calories, and less obesity.

The findings are consistent with evaluations in other countries with sugar-sweetened beverages taxes, where taxing sugary drinks is an effective public health strategy to reduce the burden of health conditions linked to overconsumption of sugar.

This is the first study to evaluate the impact of South Africa's tax on sugar and caloric intake.

Led by a South African team at the South African Medical Research Council Centre for Health Economics and Decision Science (PRICELESS-SA) in the School of Public Health at Wits and the University of the Western Cape, in partnership with the University of North Carolina, U.S., the study was published on 8 April in *The Lancet Planetary Health*.

South Africa faces an increasing burden of non-communicable diseases (NCDs) such as diabetes, hypertension, cardiovascular disease and cancers—diseases that can be linked to increased consumption of sugar, particularly from beverages.

Many countries, including Mexico, have used policies such as taxation to successfully curb consumption of sugary beverages.

South Africa's 2018 Health Promotion Levy, placed a tax on sugary beverages, with the tax amount related to the amount of sugar in the drink and the first teaspoon untaxed.

Less sugar, calories and SSB purchases

In the study, titled Changes in beverage purchases following the

announcement and implementation of South Africa's Health Promotion Levy: an observational study, researchers examined the nutritional data of over 3,000 households' purchases before and after the tax to assess any changes in daily sugar, calories, and volume of taxed and non-taxed beverages.

Mr Nicholas Stacey, first author and Senior Researcher at PRICELESS-SA and the team found a 51% reduction in sugar, a 52% reduction in calories, and a 29% reduction in volume of beverages purchased per person per day following implementation of the tax.

"We also found that the relative reduction in the sugar content of taxable beverages was larger than that for volume, showing that industry reformulated products," says Stacey.

Changing consumer behavior beneficial

The researchers also analyzed differences in purchasing behavior by household socioeconomic status, finding that households with lower socioeconomic status had purchased more taxable beverages prior to the announcement of the tax than higher socioeconomic status households, but experienced larger reductions after the announcement and implementation of the tax.

"These results back up the impact we've seen from similar policies in other countries—that beverage taxes based on sugar content can help reduce excessive sugar and energy intake," says Professor Karen Hofman, Director of PRICELESS-SA. "Importantly, this shows that the lower income households that experience the greater burden of obesity, diabetes, hypertension, and other nutrition-related non-communicable diseases, benefit greatly from this Health Promotion Levy."

More information: Nicholas Stacey et al. Changes in beverage

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purchases following the announcement and implementation of South Africa's Health Promotion Levy: an observational study, *The Lancet Planetary Health* (2021). DOI: 10.1016/S2542-5196(20)30304-1

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