PUBLIC HEARING: TAX ON SUGARY BEVERAGES

NATIONAL DEPARTMENT OF HEALTH

31 JANUARY 2017

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

INTRODUCTION

The National Department of Health is fully committed to realizing the goals and objectives of the Sustainable Development Goals (SDGs) and National Development Plan (NDP).

SDG Goal 3: Health and well being- ensure healthy lives and promote wellbeing for all ages.

- **Specifically goal 3.4:** by 2030 reduce **by one-third pre-mature mortality** from non-communicable diseases (NCDs) through **prevention** and treatment, and promote mental health and wellbeing
- The NDP 2030 vision: Reduce prevalence of NCD's by 28%

These essential documents both realize that:-

- *Health is critical to development and that development is decisive for good health. (A healthy population is critical for the countries workforce and Development*)

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

2

GLOBAL NCD SITUATION

KEY FACTS

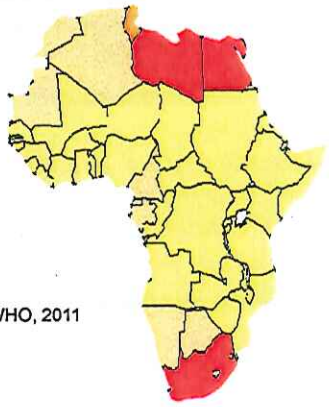
- Non-communicable diseases (NCDs) kill 38 million people each year.
- Almost three quarters of NCD deaths - 28 million - occur in **low- and middle-income countries.**
- Sixteen million NCD deaths occur before the age of 70;
- 82% of these "premature" deaths occurred in low- and middle-income countries.
- **Cardiovascular diseases** account for most NCD deaths,
- Tobacco use, physical inactivity, the harmful use of alcohol and unhealthy diets all increase the risk of dying from an NCD.

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

3

THE GLOBAL OBESITY SITUATION

- Between 1980 and 2014, the worldwide prevalence of obesity nearly doubled, with 11% of men and 15% of women – i.e. more than **half a billion** adults – being classified as obese.
- In 2013, an estimated **42 million children aged under 5 years (6.3%)** were overweight, an increase from around 5% in 2000 to 6% in 2010 and 6.3% in 2013,with the highest rates of increase being observed in Africa and Asia.
- SA is the **most obese** country in sub-Saharan Africa



WHO, 2011

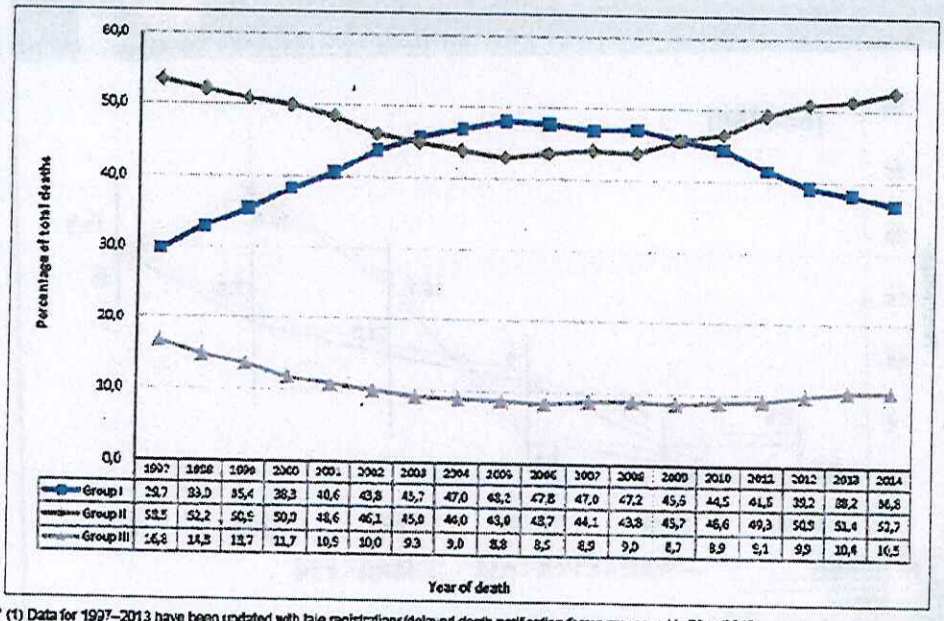
health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Burden of NCDs in South Africa

- It is estimated that premature mortality from NCDs is 27%.
- South Africa has the highest number of deaths (in the African continent) due to NCDs within the 15-69 age group. Over a third of all deaths from NCDs in South Africa occur below the age of 60.
- SA's high HIV and AIDS burden also contributes to the NCD burden, e.g. PLHIVs at higher risk of developing Type II diabetes and diabetes complications

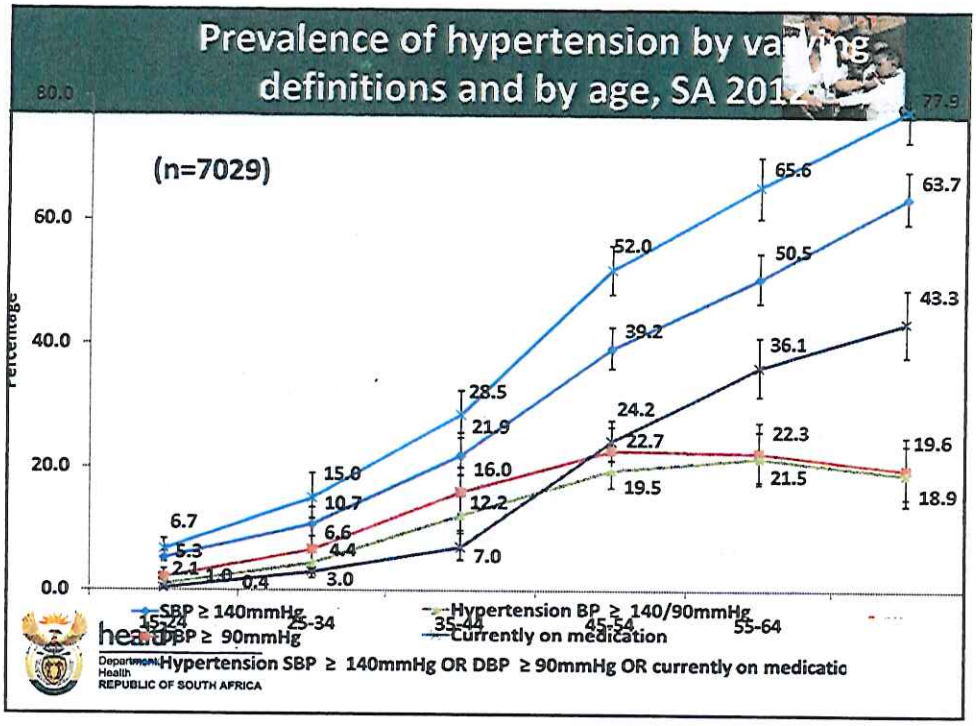
health
Department:
Health
REPUBLIC OF SOUTH AFRICA

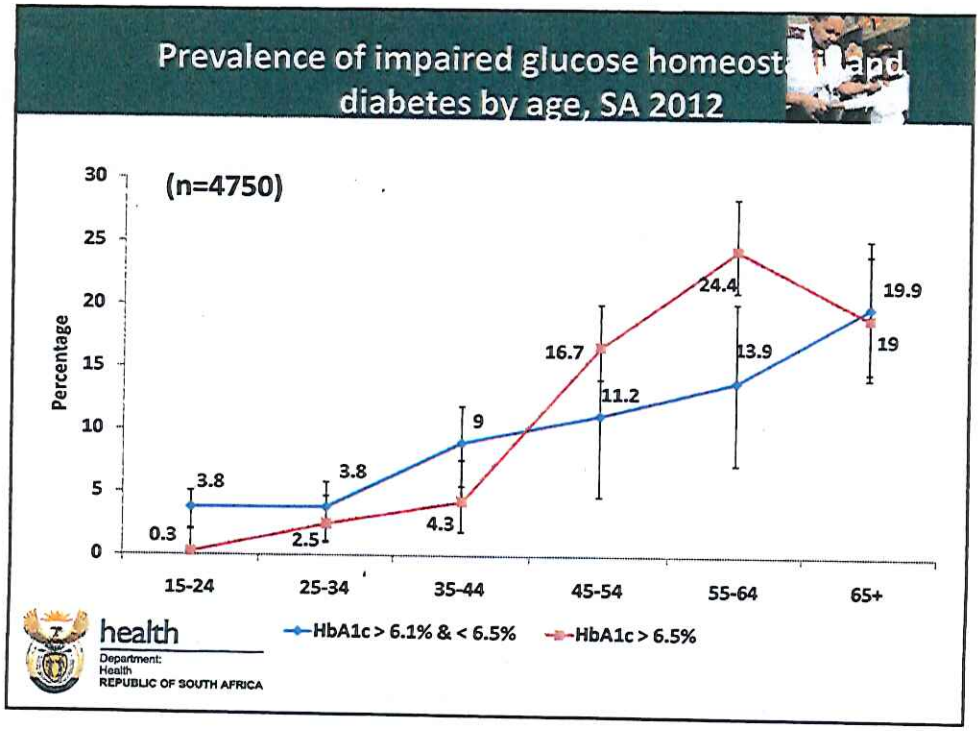
Figure 4.4: Percentage of deaths due to communicable diseases (Group I), non-communicable diseases (Group II) and injuries (Group III) by year of death, 1997–2014*



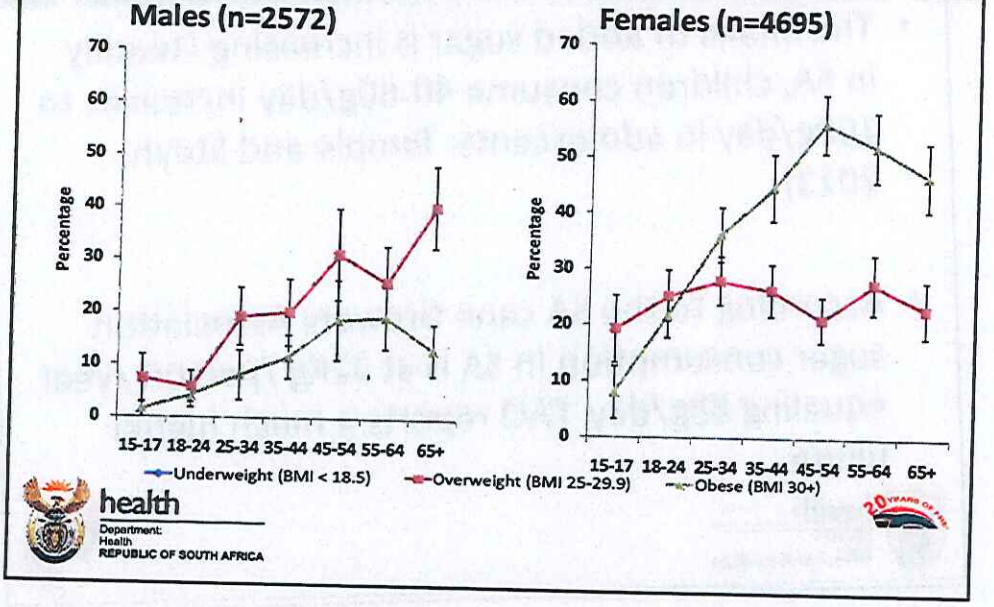
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Group I	29,7	33,0	35,4	38,3	40,6	43,8	45,7	47,0	48,2	47,8	47,0	47,2	45,6	44,5	41,5	39,2	38,2	36,8
Group II	53,5	52,2	50,5	50,0	48,6	46,1	45,0	46,0	43,0	43,7	44,1	43,8	45,7	46,6	49,3	50,9	51,4	52,7
Group III	16,8	14,8	13,7	11,7	10,9	10,0	9,3	9,0	8,8	8,5	8,9	9,0	8,7	8,9	9,1	9,9	10,4	10,5

* (1) Data for 1997–2013 have been updated with late registrations/delayed death notification forms processed in 2014/2015
(2) Redistributed unknown age and ill-defined diseases *R00-R99* proportionately to causes in Group I and Group II.

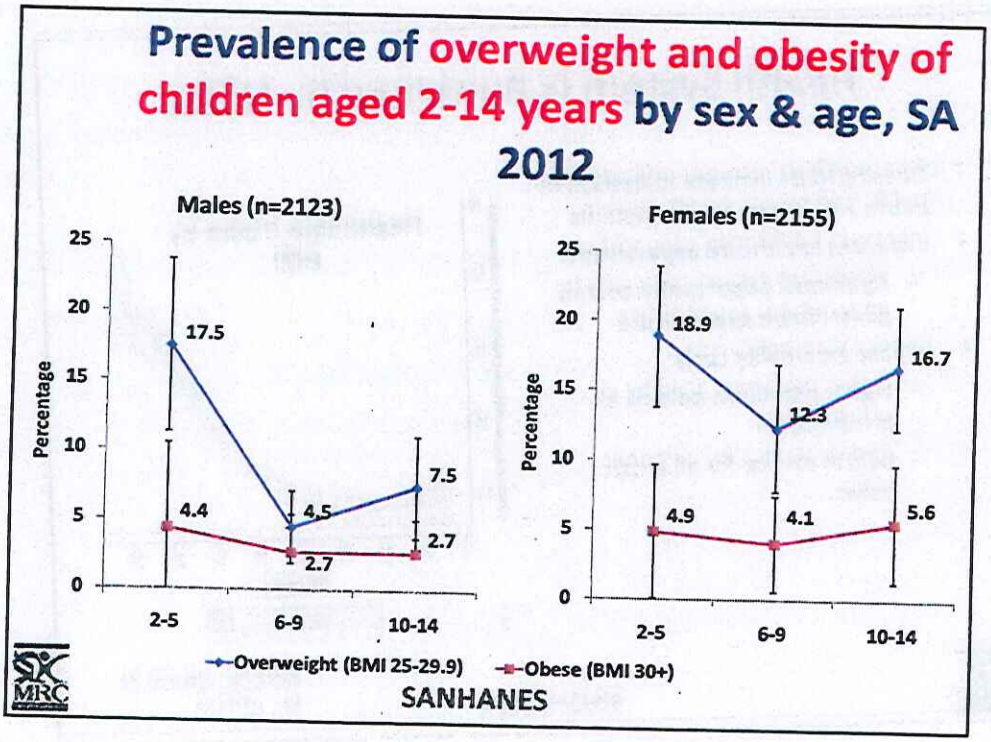

Prevalence of hypertension by varying definitions and by age, SA 2012
(n=7029)
Percentage
80.0
60.0
40.0
20.0
0.0
6.7
5.3
2.1
1.0
0.4
15.0
10.7
6.6
4.4
3.0
28.5
21.9
16.0
12.2
7.0
52.0
39.2
24.2
22.7
19.5
65.6
50.5
22.3
21.5
77.9
63.7
43.3
36.1
19.6
18.9
15-24
25-34
35-44
45-54
55-64
SBP ≥ 140mmHg
DBP ≥ 90mmHg
Hypertension BP ≥ 140/90mmHg
Currently on medication
Hypertension SBP ≥ 140mmHg OR DBP ≥ 90mmHg OR currently on medicatio
health
Department:
Health
REPUBLIC OF SOUTH AFRICA


Prevalence of impaired glucose homeost and diabetes by age, SA 2012
(n=4750)
Percentage
30
25
20
15
10
5
0
3.8
3.8
0.3
2.5
9
4.3
16.7
11.2
24.4
13.9
19.9
19
15-24
25-34
35-44
45-54
55-64
65+
HbA1c > 6.1% & < 6.5%
HbA1c > 6.5%
health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Prevalence of overweight and obesity by sex and age, SA 2012



Prevalence of overweight and obesity of children aged 2-14 years by sex & age, SA 2012



SUGAR CONSUMPTION IN S

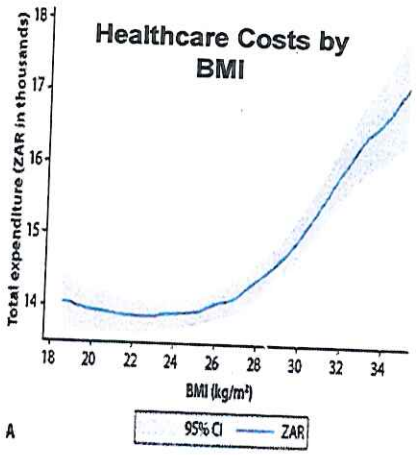
- The intake of added sugar is increasing steadily in SA, children consume 40-60g/day increases to 100g/day in adolescents. Temple and Steyn, 2013)

- According to the SA cane Growers Association sugar consumption in SA is at 32Kg /person /year equaling 88g/day. FAO reports a much higher figure.

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Health System is Burdened by NCDs

- Obesity/NCDs increase utilization of public and private health systems
- **Increases healthcare expenditure**
  - **significant opportunity cost to government expenditure**
- Impose externality costs:
  - higher premiums paid by all private users
  - poorer service for all public users

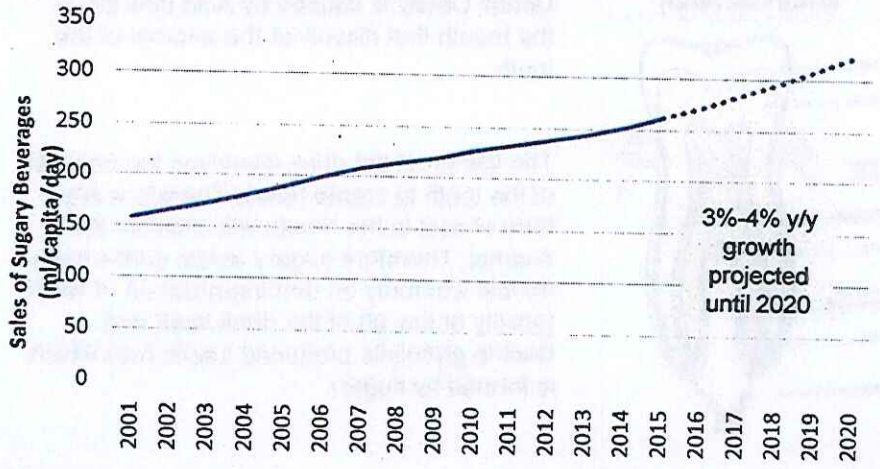


A

SANHANES

Source: Sturm et al., (2013)

SA Sugary Beverage Sales Rising 1 serving /person per day

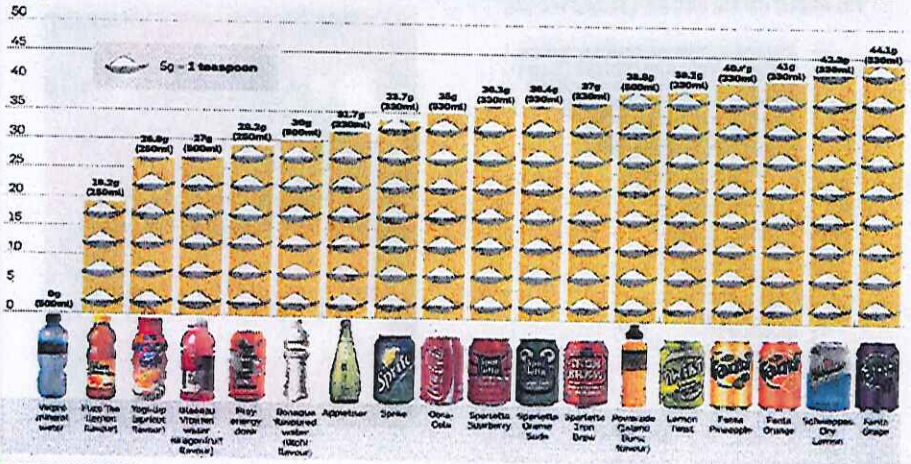


health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Source: Euromonitor International (2016)

SUGAR IN BEVERAGES

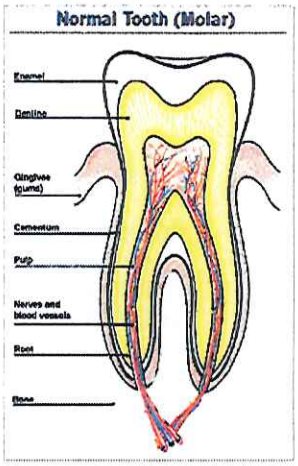
We gathered a few popular drinks from our canteen's refrigerator to check how much sugar each one contains. The results were surprising. Even 'healthier' drinks, such as flavoured mineral water and drinking yogurt, contain a large amount of sugar



health
Department:
Health
REPUBLIC OF SOUTH AFRICA

14

RISK FACTORS FOR DENTAL CARIES cont..



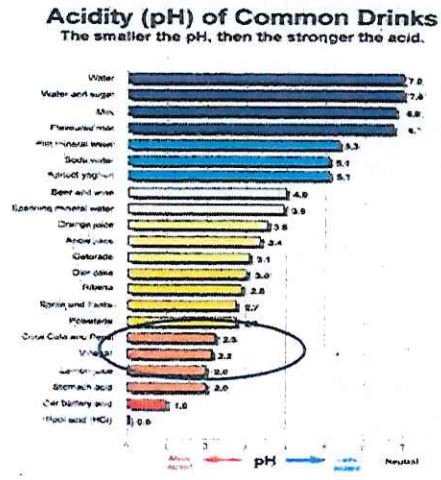
Dental Decay is caused by Acid (iow ph) in the mouth that dissolves the enamel of the tooth.

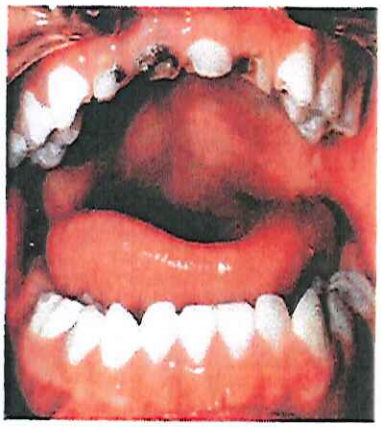
The low ph of the drink dissolves the enamel of the tooth to create holes. Therefore any form of acid in the mouth will dissolve the enamel. Therefore sugary acidic drinks have double whammy on demineralization of teeth (acidity or low ph of the drink itself and Bactria glycolytic produced Lactic Acid which is formed by sugar).

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

15

RISK FACTORS FOR DENTAL CAR





Department:
Health
REPUBLIC OF SOUTH AFRICA

16

RISK FACTORS FOR DENTAL CAR

- Dental caries are the most preventable chronic diseases and very expensive to treat.
- During the Financial year 2015/16 2 691 197 teeth were extracted just in PHC public facilities.
- In the 1st two Quarters on the 2016/17 financial year, of the school children screened 69033 were referred to oral health services .
- Report on the National Children's Oral health survey indicates that caries prevalence in 4-5 year olds is 50.6% and in 6 year and in 6 year olds is 60.3%.
- The Burden of untreated was reported to be 46.6% in the 4-5 year olds and 55.1 % in the 6 year olds

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

17

RISK FACTORS AND CONSEQUENCES FOR NCD'S

Obesity is one of the major risk factors for NCDs. Overweight/obesity increases risk by 4-8 times for NCDs such as diabetes, cardiovascular disease (hypertension, heart attacks and stroke), and cancer.

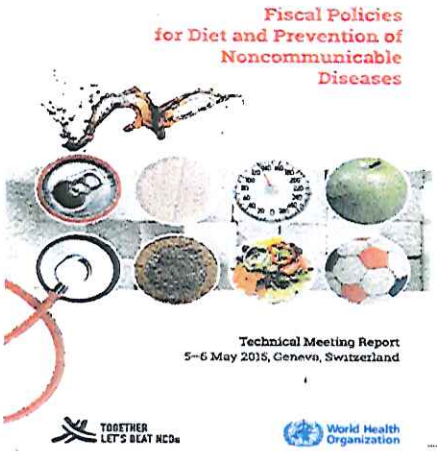
Moderate obesity is associated with an 11% increase in healthcare costs and severe obesity with a 23% increase in health costs. Productivity is also compromised.

According to the American Chamber of Commerce 6.8% of South Africa's GDP is spent on Absenteeism, Presenteeism and Early Retirement. Much of this is due to NCDs.

In children increased school absenteeism is mainly due to tooth related problems

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

WHO REVIEW



A meta-analysis of 11 systematic reviews on the effectiveness of fiscal policy interventions for improving diets and preventing NCDs showed that the evidence was strongest and most consistent for the effectiveness of SSB taxes in the range of 20-50%

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

The most cost-effective interventions to address diet, p[illegible] activity and obesity (Cecchini, M., Sassi, F., Lauer J.A., Lee, Y.Y., Guajardo-Barron, V., & Ch[illegible]

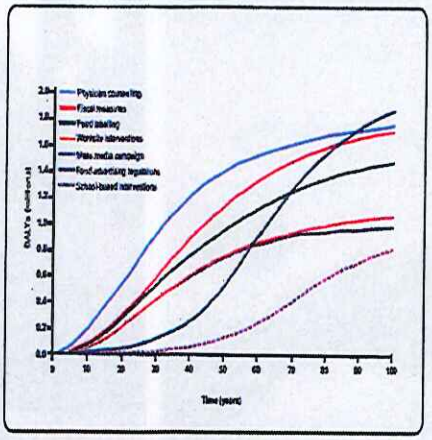
RISK FACTOR/ DISEASES	INTERVENTIONS/ ACTIONS	COST OF IMPLEMENTATION (Low = < LS1 per capita, High = > LS2 per capita)	COST EFFECTIVENESS ($1 per DALY averted) (Very = <GDP per capita, Quite = 1–3 GDP per capita)
HEALTHY DIET AND PHYSICAL INACTIVITY	Reduce salt intake	Low	Very
	Food taxes	Low	Very
	Physician counseling	High	Quite High

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

The most cost-effective interventions to address obesity

Intervention	Cost in Rand per Head (2010)
Fiscal measures (e.g., taxes)	R0.20
Food advertising regulation	R0.90
Food labelling	R2.50
Worksite interventions	R4.50
Mass media campaigns	R7.50
School-based interventions	R11.10
Physician counselling	R11.80

Cumulative disability-adjusted life-years (DALYs) gained over time



SANHANES 21

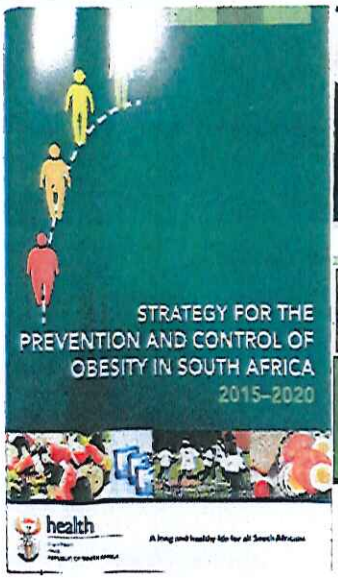
GOVERNMENTS RESPONSIBILITY

- WHO recommends that National governments develop policies that create equitable, safe healthy and sustainable environments to prevent and control obesity and diet related NCDs.
- Experts bodies recommend that government engage all societal sectors to successfully reduce NCD's and that diverse stakeholders should **share responsibility** to implement , monitor and evaluate policies without compromising the integrity of efforts to address obesity.

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

22

Addressing NCDs and Obesity in SA



The Strategic plan for the Prevention and Control of Non-Communicable diseases 2013-17 sets the following targets:-

•Reduce by at least 25% the relative premature mortality (under 60 years of age) from NCDs by 2020

•Reduce by 10%the prevalence of people who are obese and/or overweight by 2020. Further the strategy for the prevention and control of Obesity has broken down the target

- ✓ By 2016 No increase
- ✓ By 2017: 3% decrease in all age groups
- ✓ By 2020: 10% decrease (NCD Strategy)

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Strategy for the prevention and control of obesity in SA

This strategy recognizes the need for *a multi-disciplinary approach*

Goal1: Create an institutional framework to support inter-sectoral engagement

Goal 2: Create an enabling environment that support availability and accessibility to healthy food choices in various settings

Goal 3: Increase percentage of the population engaging in physical activity (PA)

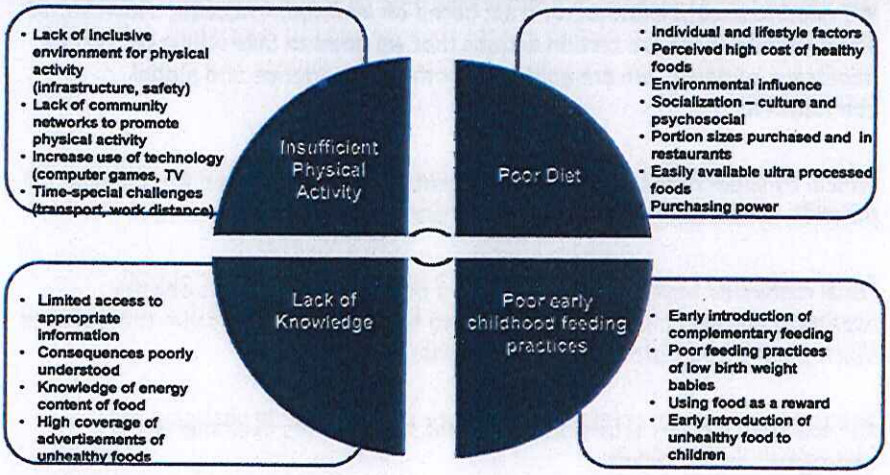
Goal 4: Support obesity prevention in early childhood (0-12 years)

Goal 5: Communicate with, educate and mobilize communities

Goal 6: Establish a surveillance system and strengthen monitoring, evaluation and research

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

DRIVERS OF OVERWEIGHT AND OBESITY



health
Department:
Health
REPUBLIC OF SOUTH AFRICA

THE NEED FOR MALTISECTORAL APPROACH

The DOH is fully aware that taxation is not a "silver bullet" and our STRATEGY FOR THE PREVENTION AND CONTROL OF OBESITY IN SOUTH AFRICA 2015-2020 as well as our Strategy for Prevention and Control of NCDs outline a range of interventions needed.

A number of interventions to reduce obesity and NCDs cannot be done by the DOH and we rely on our partners to work with us to achieve many of these goals.

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

IN CONCLUSION

- We need to accept evidence and act based on available evidence. However as governments there are certain actions that we need to take whilst collect the necessary evidence, we are guided by both local evidence and global commitment.
- Ethical considerations deserve more attention, there is a need for dialogue on possible ethical dilemmas towards addressing NCD's
- Fiscal measures have great potential as a policy tool to combat obesity especially among childhood , and need to be combined with other measures to reach the desired outcome on obesity rates.
- The food value chain actors are important stakeholders in changing the obesogenic environment.

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

28

Thank you

www.doh.gov.za

health
Department:
Health
REPUBLIC OF SOUTH AFRICA