

Mr. CJ De Beer

Parliament of the Republic of South Africa

Department: NCOP Selected Committee on Finance

Republic of South Africa

By email: carends@parliament.gov.za

**RE: SUBMISSION ON THE HEALTH PROMOTION LEVY FROM THE HEALTHY LIVING ALLIANCE**

**Date:** 24 November 2017

**Introduction**

We make this submission on the pending bill called the Health Promotion Levy as an alliance of 14 like-minded organizations in a mission to improve the health of an increasingly obese South Africa. We believe that access to clean drinking water and sufficient healthy food is a Basic Human Right.

Improving diet to reduce these NCDs in South Africa requires a sustained public health effort that addresses environmental factors and the conditions in which people live and make choices.

**Sugary drinks are bad for health**

South Africa is already ranked the most obese country in sub-Saharan Africa.

Excess sugar consumption is a major cause of obesity and its related diseases, as excessive sugar intake causes increased risk of diabetes, liver and kidney damage, heart disease, some cancers and dental caries. The World Health Organization (WHO) and the World Cancer Research Fund recommend that people should consume no more than 10% of total calories from sugar.

Sugary drinks are a significant source of sugar. Sugary drinks include carbonated and non-carbonated soft drinks, fruit drinks, energy and sports drinks, all sweetened milk and yoghurt drinks, and fruit juices. Many studies show that when we drink sugary drinks we do not eat less, so our total energy intake increases. Children, adolescents and adults are negatively affected by consuming sugary drinks.

Sugary drink consumption is also linked with under-nutrition. In many African countries, including South Africa, babies are given sugary drinks as a weaning food or even as a substitute for infant formula, which increases under-nutrition and stunting. Stunted infants have a much greater risk of becoming obese and diabetic.

**Taxes on sugary drinks work**

Recent evidence from Mexico, and Berkeley, California in the USA show that taxing sugary drinks lowers the consumption of these unhealthy beverages, increase the sales and consumption of healthier alternatives, and do not result in revenue losses for businesses or job losses.

**The sugary drink tax needs to be higher**

We still believe that a strong sugary drinks tax e.g. 20% tax, have more positive impact. 11% sugary drinks tax is commendable, but a higher level of 0.0344 Rand per gram will better enhance the chances of reaching the goal of slowing down and reversing the rising rates of obesity by 10% from the current obesity prevalence rate of 11% among men and 39% among women, as well as lower the current diabetes prevalence of 9%.

**Why tax sugary drinks?**

Sugary drinks taxes are a WIN-WIN for governments because they reduce sugary drinks consumption and reduce the prevelance of diseases and death caused by excessive sugar intake while increasing government revenue. It will also reduce the consumption of unhealthy beverages and increase consumption of healthier options such as water.

Sugary drinks taxes are particularly effective in reducing consumption and improving health amongst the lower income consumers, who are more responsive to price increases and suffer disproportionately from the ill effect of obesity.

Sugary drinks taxes will increase public awareness of harms of sugary drinks and incentivizes the beverage industry to reformulate their products and market healthier beverages.

**Conclusion**

The Standing Committee on Finance held four public hearings on the proposed Health Promotion Levy. They have catered to all the demands made by the beverage industry like referring the bill to NEDLAC and conducting socio-economic study.

On behalf of 76% of South Africans surveyed, support government efforts to cut down sugar. The people have spoken a strong sugary drinks tax has the power to improve the health of millions of South Africans.

We as HEALA urge you to choose health over profit and vote yes on the Health Promotion Levy.

Regards

Tracey Malawana

Coordinator

Healthy Living Alliance