

## Item #14

### Email providing input to Submission on Appendix 3 of the Global Noncommunicable Diseases Action Plan 2013 – 2020

Email providing input related to sugar taxes into Ministry of Health's submission on  
Appendix 3 of the Global Noncommunicable Diseases Action Plan 2013 – 2020, 31 August  
2016

Sent By: [REDACTED] on 31/08/2016 4:50:20 p.m.  
To: John Doyle/MOH  
Copy To: Bronwyn Croxson/MOH, Natasha Murray/MOH  
Subject: Sugar tax input to Submission on Appendix 3 of the Global NCD Action Plan 2013 - 2020

Hi John,

Thanks for getting back to me today and giving us an opportunity to have some input into the submission. I have outlined our concerns below. Of course, I would be more than happy to talk about this if anything requires clarification.

#### Sugar tax input to Submission on Appendix 3 of the Global NCD Action Plan 2013 - 2020

Taxation of sugar-sweetened beverages is included (U9, page 9) as an intervention to address unhealthy diets.

The criteria for inclusion of interventions in the Updated Appendix 3 of the WHO Global NCD Action Plan include that an intervention must have a demonstrated and quantifiable effect size, from at least one published study in a peer reviewed journal (Technical Annex Section 1). This criterion is problematic for taxation of sugar-sweetened beverages (SSBs) because: It does not specify what the desired effect is that must be demonstrated and quantified; It does not require a significant effect size; It does not require any positive or desirable effect to be sufficient to justify the cost of the tax or any negative effects associated with the tax; It does not require that the effect is sustained over any length of time; And, it says nothing about the quality of the published study and how the effect has been measured or attributed to the tax.

In the context of taxation of SSBs, there are specific and significant weaknesses in the published evidence that are overlooked as a result of the weaknesses of the criterion described above.

Firstly, much of the evidence for a tax on SSBs is based on the Mexican experience. While there have been published studies that have concluded that in-home consumption of SSBs decreases as a result of the Mexican tax, none of these studies has shown a demonstrated and quantifiable effect size with regards to total SSB consumption, total sugar consumption, total caloric intake, BMI, obesity or NCDs. Because they fail to demonstrate an effect on the variables on which a tax on SSBs is intended to have an impact, it is not clear that these studies do, in fact, meet the criteria.

Secondly, even if the effects demonstrated by the existing studies are accepted, it is not clear that the effects have occurred for the right individuals since the best evidence is based on household purchases, not individual consumption.

Thirdly, studies showing a reduction in in-home purchases of SSBs in Mexico have not considered other impacts such as the administrative cost of the tax or the effect on household budgets and expenditure on other goods and services. Only one, recent and as yet unpublished study has looked at the effect on consumption of fat -and this study has concluded that fat consumption has increased due to substitution of fatty foods for sugary foods.

Fourthly, the evidence from Mexico is only just beginning to emerge. Even if the Mexican SSB tax is considered to have had a demonstrated and quantifiable effect size, it is unclear whether this effect will persist beyond the first year or two. If it does not, then in terms of the impact on obesity or NCDs, the effect size will be tiny or non-existent even if the effect in the first year was large.

Fifthly, the studies that have concluded that the Mexican tax has reduced consumption of SSBs have failed to control for other major changes that occurred around the same time: Mexico invested heavily in improving the availability of safe drinking water, including in schools, and also in a major public awareness campaign. Because these have not been controlled for, the effect that has been associated with the tax may, in fact, be miscredited to the tax. For this reason, it could be argued that the studies have failed to show that the tax has a demonstrated effect.

Finally, the studies measure and report on household purchases at specific points in time which are well known to differ from household consumption due to variations in purchases, such as stockpiling, in response to price promotions and other impacts on household expenditure. Because the studies measure purchases at specific points in time rather than consumption over time, it is not clear that they have shown the tax has a demonstrated and quantifiable effect on consumption.

Kind regards,

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