

SOFT DRINKS INDUSTRY LEVY

OBESITY ACTION SCOTLAND

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Soft Drinks Industry Levy (SDIL) is a vital part of a wider package of measures needed to tackle obesity through the price, promotion and reformulation of food and drink. This will help us create food environments where the healthy option is the easy and affordable option.

What is the SDIL?

- The Soft Drinks Industry Levy (SDIL), also known as the 'sugar tax', was proposed in 2016 and implemented in 2018¹
- Soft-drink manufacturers must now pay a fee of 24p/L if a drink contains more than 8g of sugar per 100ml, or 18p/L if it contains 5-8g per 100 ml²

Recommended Sugar Intakes

Updated in March 2016, the Scottish Dietary Goals recommend reducing intake of free sugars to less than 5% of daily energy intake for anyone older than 2 years.

What does 'less than 5%' mean?

- **30g (7 tea spoons) per day for an adult**
- **24g (6 tsp) per day for children aged 7 to 10**
- **19g (5 tsp) per day for children aged 4 to 6**
- **Only 2% of children aged 4-10 and 5% of children aged 11-18 achieve this goal;**³

>95% of children consume more sugar than recommended

Sugar Consumption

- Sugar contributed to 14.3% of daily energy intake in Scotland in 2013-15.⁴ This was around three times the Scottish Dietary Goal of less than 5% of daily energy intake
- Improvements are slow. Consumption of free sugar in the UK overall has decreased significantly over the last 9 years, by 2.7%, 2.4% and 3.5% in children aged 1.5-3, 4-10 and 11-18, respectively, as a percentage of total energy.⁵

- Intake by adults has also decreased over time, but by smaller amounts than children.
- Although this trend is promising, all age groups are still substantially exceeding the 5% free sugar recommendation.⁵

Sugar Sweetened Beverages (SSBs)

- In 2015 people in Scotland drank over 170 million litres of SSBs⁴
- SSBs are the largest contributors to free sugar consumption amongst discretionary foods in the Scottish diet, making up 21% of free sugar intake⁶
- SSBs are the highest contributors to sugar purchases in Scotland after fruit and table sugar⁷
- Prior to the introduction of the SDIL in 2016, the sugar content of typical SSBs in UK supermarkets ranged from 1g per 100ml to over 15g per 100ml.⁸ Standard cola had around 10g of sugar per 100ml, so a typical 330ml can contained 35g of sugar. This alone exceeded the daily recommended intake for children and adults. Following the introduction of the levy, we have seen a sugar reduction of 11% per 100ml for own-brand and manufacturer-branded soft drinks,⁹ with over 50% of manufacturers reducing the sugar content of their soft drinks,² and one leading supermarket halving sugar content in its own-brand drinks.¹⁰



Health Impacts^{11,12}

Sugar

- Adults who consume more sugar also consume more calories
- Sugar increases health risks through increased body weight
- Obesity is a risk factor for many diseases, including cardiovascular disease, many types of cancer and type 2 diabetes
- Sugar causes tooth decay; children in Scotland have substantially more decay than other EU children – particularly in deprived areas
- Tooth decay is the most common reason for children aged 5-9 being admitted to hospital

Sugar sweetened beverages

The effects SSBs have on health are stronger than of sugar itself because:

- SSBs have a direct effect on type 2 diabetes (increased risk)
- It is very easy to consume too many calories when drinking SSBs; this is because SSBs do not blunt our appetites
- Excess consumption of SSBs for children and adolescents results in weight gain and associated diseases

Is the SDIL working?

- Manufacturers reformulated over 50% of all their drinks to contain less sugar, thus avoiding the levy²
- Public Health England's (PHE) 1-year report⁹ on sugar reduction and reformulation showed an 11% reduction in sugar levels per 100ml for both own-brand and manufacturer-branded drinks covered by the SDIL. Calorie content of these drinks expected to be consumed on a single occasion has fallen by 6%
- Some 45,000 tonnes of sugar has been removed from SSBs¹³ since the introduction of the levy in 2016, (UK Government Green Paper, Advancing our health: prevention in the 2020s, published in July 2019)

There has also been a clear shift towards the purchase of diet options and non-SDIL drinks containing less than 5g of sugar per 100g.⁹ This effect was also observed in Mexico, after an excise tax on non-dairy and non-alcoholic beverages with added sugar came into effect in 2014 - SSB purchase was on average 6% lower in the first year and 7% lower in the second year. Furthermore, the purchase of untaxed beverages - mainly bottled plain water – increased by 4%¹⁴

Next Steps - Children deserve better protection from sugar

- Juice and milk-based drinks are currently exempt from the levy, despite providing around 10% of the daily free sugar intake for children aged 4-18¹⁵
- Plain milk is a good source of calcium, which is particularly important in the diets of young children for bone health. However, many flavoured milks and milk-based drinks contain lots of added sugars¹⁶
- PHE has challenged the drinks industry to reduce sugar in juice by 5% and in milk drinks by 20% by 2021. Sugar reduction in milk-based drinks will be reviewed in 2020, with an interim target of 10% sugar reduction by mid-2019.¹⁷
- The Scottish Government's Diet & Healthy Weight Delivery Plan¹⁸ urges the UK Government to extend the SDIL to include sugary milk-based drinks, including dissolvable powders containing less than 95% milk, (if, as expected, these drinks fail to meet the 20% PHE sugar reduction target by 2020).

Key Actions

We strongly support the SDIL and warmly welcome the extensive reformulation that has ensued. However, more now needs to be done to protect our children. We would therefore urge consideration of the following steps:

- **Review products subject to the levy** to ensure the inclusion of all milk drinks with added sugar, dissolvable powders, liquid drink flavourings and candy sprays
- **Create a scaled levy** to cover all concentrations of free sugars in soft drinks encouraging producers to reduce sugar content as far as possible

Definitions

Sugar-sweetened beverages (SSBs) are “beverages that contain added, naturally derived caloric sweeteners such as sucrose (table sugar), high-fructose corn syrup, or fruit juice concentrates, all of which have similar metabolic effects”.¹⁹ The consultation on SDIL uses ‘added sugar soft drinks’ term.

Total sugar (as defined in the EU regulation No 1169/2011) - All sugar (monosaccharides and disaccharides, excluding polyols) present in food/drinks; the regulation specified reference intake (RI) for sugar at 90 grams per day.²⁰ Total sugars include naturally occurring sugars and free sugars.

Free sugar (as defined by WHO and SACN)¹¹ - All monosaccharides and disaccharides added to foods by the manufacturer, cook or consumer, plus sugars naturally present in honey, syrups and unsweetened fruit juices. Under this definition lactose (the sugar in milk) when naturally present in milk and milk products and the sugars contained within the cellular structure of foods (particularly fruits and vegetables) are excluded.

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