



*Submission on the proposed tax
on the production and importation of
sugar-sweetened drinks (SSD).*

December 2016

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INTRODUCTION

The Association for Health Promotion Ireland (AHPI) was established in 1997. AHPI is the only professional association in Ireland specifically for people working in the fields of Health Promotion practice, research and education. AHPI members currently work in statutory bodies, the non-statutory/voluntary sector, and academia.

AHPI aims to:

1. To advance good practice in health promotion;
2. To promote health promotion activities that are in the best interests of the general public;
3. To promote the expansion and development of health promotion;
4. To provide and promote professional development for members;
5. To gather and represent the views of members:

The proposed tax on the production and importation of SSD.

- SSDs are inexpensive, readily available and high in calories. They are strongly associated with weight gain and are heavily marketed, especially to children. National policy (the 2016 Programme for Government and the 2016 *Obesity Policy and Action Plan*) supports the introduction of an SSD tax.
- Along with the many health organisations in Ireland and internationally that support this tax (*), the measure also has the support of the Irish public - an Ipsos MRBI poll for the Irish Heart Foundation in 2015 found almost six out of ten polled supported the introduction of the tax to reduce childhood obesity. If the

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revenue raised was spent on initiatives to fund healthy diets among children, support increased to 76%.

*(WHO; the Department of Health; Irish Heart Foundation; Royal College of Physicians of Ireland; Institute of Public Health; safefood; Office of the US Surgeon General; and the Australian National Preventative Health Agency)

- The AHPI welcomes and supports the proposal for an SSD tax, as part of a range of initiatives which will be required to reduce obesity in Ireland. The use of taxation policies in health promotion is one effective measure to improve public health, and it is a measure which the Irish Government has used effectively for tobacco and alcohol.

- The SSD tax should be a volumetric levy, imposed at a particular amount per hectolitre. The Tax Strategy Group (July 2016**) recognised that this *'is the tax structure most likely to deliver on the PfPG goals of raising revenues while tackling obesity. A volumetric tax is easier to impose and administer, and has a greater price impact on multipacks, large volume SSD bottles and cheaper 'own-brand' SSD products than more expensive branded products'*.

**TSG 16/02 General Excises Paper – Tobacco Products Tax, Alcohol Products Tax and Tax on Sugar-Sweetened Drinks'. Department of Finance

- **The AHPI proposes that the tax should be set at a rate to achieve a 20% increase in price.** Such an increase in price is necessary to ensure behaviour change by consumers, away from high sugar drinks.

- The UK Government is committed to using the revenue from its SSD tax for PE and sport in schools, as well as children's hospitals. **AHPI proposes that a portion of the Irish SSD tax should be reinvested in programmes to address**



childhood obesity and food poverty, supporting all to have access to healthy, nutritious food. The AHPI supports the proposal from the Irish Heart Foundation to establish a Children’s Future Health Fund using a portion of the income generated by the SSD tax. The main aim of this fund would be to promote a healthier future for all Irish children and particularly those from disadvantaged areas who are disproportionately affected by obesity and food poverty. This move would also assist in meeting targets in the Obesity Policy and Action Plan (2016), the cross-government public health framework *Healthy Ireland 2013-25* and the 2014 national policy for children and young people *Better Outcomes, Brighter Futures*.

Responses to specific questions within the Consultation document:

Q.1 The SSD tax should have two rates (per 5g & per 8g per 100ml) to ensure that proportionally higher sugar products are more costly and to promote industry reformulation across their portfolio of drinks. This would also align with the UK proposals.

Q.3 AHPI agrees that the liability for the levy should fall at the earliest point in the distribution process, reducing tax administration and compliance costs.

Q.7 Dairy products which are 90% milk and have less than 5% added sugar content should not be subject to the tax.

Q.11 Reflecting healthy eating guidelines the following products should be defined as SSDs and included in the tax: water-based SSDs; squashes, sprays, dilutable cordials and iced drinks.

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The SSD tax is one in a suite of measures which will be required to reduce obesity in Ireland. The government should continue to introduce supportive measures such as regulating the advertisement of foods high in fat, sugar and salt to children.

*Paula Campbell,
AHPI Chairperson*

December 19th 2016

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