



Healthy Food Initiative Under Threat

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RUMOURS of an imminent “sugar tax” (tax on high-sugar content foodstuffs) have for some time dogged the food and non-alcoholic beverage industries. Whether or not the rumours are true, the Department of Health’s concerns about obesity among South Africans appear to be justified. Various scientific publications have named SA “the third-fattest nation in the world”.

Obesity among young South African children is also 35% higher than the global child obesity occurrence, which adds significantly to the country’s noncommunicable disease burden. It is ostensibly for this reason that the department pegged SA’s target for the 2020 Millennium Development Goals at a 10% reduction in obesity rates, while other nations eschewed specific targets.

Industry stakeholders met department officials in February 2014 to obtain clarity on the matter. It was agreed to shift the emphasis from "sugar taxation" to a more comprehensive focus on healthier food options. Various engagements followed where self-regulation, existing industry initiatives and challenges were deliberated.

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Three focus areas were identified: revising the 2009 marketing to children code as a suggested replacement for the department’s very strict guideline; a consumer awareness campaign aimed at promoting healthy foodstuff options as part of a healthy lifestyle; and product reformulation to introduce more healthy options to the market.

It also became evident that a single tailored solution would not suffice, as the industries involved varied significantly. It was therefore agreed to rather follow a sector-based approach. Six sectors were identified: quick-service restaurants, snacks, treats and baked goods, grains and cereals, nonalcoholic beverages, wholesale and retail, and dairy products. Action plans from each of the sectors would contain specific goals and respective deadlines that would feed into one large industry strategy, to be presented to the department for approval.

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Despite challenges that still have to be ironed out, this industry initiative is under way to ensure more accessible, affordable, healthier foodstuff choices to consumers.

The good news is that the visibility thereof should become apparent by June. This will include better choices offered by vending machines, healthier retail checkout aisles and toyless fast-food kids' meals. Quick-service restaurants will also showcase the energy content of meals on display, while food labels will contain more detailed information on the nutritional content of products.

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Narrowly focused taxes have very mixed results when it comes to changing behaviour and often act as a drag on economic growth.

Unintended consequences include job losses, illicit cross-border trade, bureaucratic challenges for producers and outlets, uncertainty in terms of law

enforcement, lack of scientific credibility, stigmatisation of those who are overweight, and discrimination against consumers' right of choice.

It would be prudent for the food and non-alcoholic beverage industry to do what they can to expedite healthy food options into the market, and to draw their customers' attention to it adequately. Precedence tells us that once regulatory proposals such as those around sugar tax are put forward by international authorities like the WHO, economic quick sand of the nature we are currently experiencing, can keep revenue hungry governments' positions moving targets, rather than settled in the way that industry may do. Therefore, regardless of whether the mooted tax gets a mention in the National Budget of 2016 or not, it would also be wise for industry to get their ducks in a row with mapping out stakeholders at quite a granular level as well as to monitor their concerns and positions and anticipate necessary steps on an ongoing basis.

An edited version of this article first appeared in the Business Day of 22 February 2016 and is available at:

<http://www.bdlive.co.za/opinion/2016/02/22/healthy-food-initiative-under-threat>

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