



10 November 2017

International Council of Beverages Associations Asia Pacific Regional Group

Industry Statement

Today the International Council of Beverages Associations' Asia Pacific Group (ICBA APAC) released the following statement in response to the announcement by the Sri Lanka Minister of Finance to apply a tax on soft drinks:

“It is disappointing that the Minister of Finance, Mangala Samaraweera, has included the tax on sugar-sweetened beverages in the 2018 Budget announcement under the guise of addressing obesity and diabetes, given there is no evidence from anywhere in the world that these types of taxes have any discernible impact on public health” said ICBA APAC’s Executive Director, Mr Geoff Parker.

“The World Health Organisation recently concluded that taxes on soft drinks are not a cost-effective option to address overweight and obesity and therefore are a poor option to reduce the prevalence of diseases associated with diabetes.

“The Food Agriculture Organisation of the United Nations (FAO) has recently cited data reporting between 2001 and 2011 the average Sri Lankan consumed an additional 136 kilojoules (kj) per day. This increase was largely driven by rice (+150kj/day) and coconut (+34kj/day). These increases were partially offset by declines in consumption of sugar (-32kj/day) and coconut oil (-20kj/day)

“A recent analysis by the McKinsey Global Institute of 74 interventions to address obesity around the world found that the highest-impact intervention areas are portion control and product reformulation, while taxation delivers among the lowest impact.

“Taxes like this are discriminatory and regressive and will have no impact on public health. They ignore all other sources of calories in the diet and will hit the poorest households the hardest. The last thing struggling families in Sri Lanka need is another tax.

“The beverage industry in Sri Lanka will continue to offer consumers choice by providing a range of beverages both with and without calories, that come in a range of pack and portion sizes.

“The industry urges the Minister to reconsider this discriminatory tax that will hit poorest households the hardest and not make any impact on obesity or diabetes. A more holistic approach to this complex problem facing the nation is needed” concluded Mr Parker.

#

The ICBA Asia Pacific Regional Group is a forum for the dynamic and diverse non-alcoholic beverages industry in the Asia Pacific region. The members of the Group include national and regional beverages associations as well as international and regional beverages companies that produce, distribute and sell a variety of non-alcoholic beverages, including soft drinks, sports drinks, energy drinks, bottled waters, flavored and/or enhanced waters, ready-to-drink teas and coffees, 100% fruit or vegetable juices, nectars and juice drinks, and dairy-based beverages.

Media contact: ICBA APAC Executive Director +61 407 646 195 or Geoff@icba-net.org.