1. Promoting healthy diets through taxation

Obesity is a public health problem in the Western Pacific Region with one in three adults overweight and prevalence of obesity above 20% in most countries. Overweight and obesity prevalence among children under 5 years old is also rising. Consumption of sugary drinks is a major contributor to the obesity epidemic. Fiscal policies such as taxing sugar-sweetened beverages (SSBs) are a cost-effective strategy to reduce consumption and tackle obesity. WHO has been providing technical support on the design and implementation of SSB taxation. These efforts have contributed to achievements and advancement in several countries.

Brunei Darussalam passed amendments to the customs and import and excise duties imposing a tax of US$ 3 per 10 litres of high-sugar drinks and a 3% excise tax on sugar, confectionery and cocoa products in 2017. The aim is to raise general revenue and decrease demand and consumption of SSBs. A preliminary assessment showed 90% of consumers agreed that the tax is a good initiative to tackle NCDs, and the taxed SSB price jumped by 11% six months after it was introduced.

The Philippines passed the Tax Reform for Acceleration and Inclusion Act with provisions to tax SSBs up to US$ 0.12 per litre of sweetened beverages depending on the type of sweeteners used. As a result, three major beverage firms have been recently reformulating soft drink mixes. This achievement was a result of a close collaboration between legislators and health advocates.

This fiscal measure is expected to decrease consumption of SSBs, thereby improving population health, reducing health-care costs and generating revenue for the government.