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If South Africa doubled its sugary beverage levy, it could raise billions to help fund the fight against Covid-19.

In 2018, South Africa introduced a health promotion levy of about 11% on sugary beverages to help curb the country's sugar consumption, which is fuelling a rise in non-communicable diseases, such as diabetes, high blood pressure and obesity.

Currently, beverages are taxed about 2.21 cents per gram of sugar for anything over a 4-gram threshold. [The current levy adds about 46 cents to the price of an average can of original taste Coca-Cola, for instance.](#) The levy does not apply to natural fruit juices or sweetened dairy products.

Within its first two years, the health promotion levy has generated R5.4 billion for government.

This would have been enough to finance South Africa's down payment for Covid-19 vaccines from the Covax facility almost 20 times over despite the health promotion levy's relatively small contribution to government's overall budget.

If the National Treasury doubled the health promotion levy now, it could net the government around R2 billion to help fund the fight against Covid-19 in the short term, head of the [Healthy Living Alliance \(HEALA\)](#) Lawrence Mbalati says. This estimate is based on current consumption levels and the revenue raised by the levy already.

If Treasury doubled the levy and raised R2 billion, that would be enough to pay for several thousand new nurses and doctors, as well as tens of thousands of community healthcare workers based on average salary ranges.

"This is a watershed moment for the country," Mbalati explains. "Government revenues are under immense pressure and funding the fight against Covid-19, including vaccines, remains critical."

"Policymakers, and in particular the National Treasury, have an opportunity now to decide to increase the health promotion levy to 20% to raise additional revenue in the short-term," he says. "In the long-term, we know that a health promotion levy of 20% will reduce the amount of sugar people eat, decreasing their chance of

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developing conditions such as diabetes, obesity and high blood pressure that also put people at a higher risk of dying from Covid-19."

[Globally, being obese has been shown to increase a person's risk of dying from Covid-19 by almost 50% and more than doubles the risk of being hospitalised,](#) according to a recent analysis published in the journal *Obesity Reviews*.

South Africa's health promotion levy has already led some beverage makers to reduce the amount of sugar in their drinks. [One study by PRICELESS SA found that the levy also reduced sugary beverage consumption by 60% among people in Soweto who consumed a lot of sugar.](#)

Meanwhile, there is no evidence to date that the levy has led to job losses in the sugar or beverage industry, contrary to industry claims.

A health promotion levy of 20% in the long-term could reduce sugar consumption, saving lives both from non-communicable diseases but also Covid-19 as many scientists expect the virus to remain with us in the foreseeable future.

HEALA is therefore calling on the National Treasury to act now.

"Raising the health promotion levy to 20% is absolutely critical to not only funding the Covid-19 fight but also to saving lives now and in the future."

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Read more:

[What you need to know about South Africa's health promotion levy](#)

Watch:

[Healthy Living Alliance Media Briefing: Increase the HPL to 20%](#)

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