

Submission to Select Committee on Appropriations on the Division of Revenue Bill 2026

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To

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Standing Committee on Appropriations National Assembly

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The Burden of NCDs in South Africa

There has been an epidemiological shift from communicable diseases towards non-communicable diseases (NCDs) in South Africa, between 2015 and 2017 there was an increase in deaths due to cardiovascular disease from 17.8% to 18.4% whilst deaths due to infectious disease decreased from 19.5% to 17.6%.¹ In that same period, NCDs such as diabetes mellitus, cardiovascular diseases, cerebrovascular diseases and cancers accounted for the majority of deaths in the country.¹ According to the World Health Organisation's (WHO) NCD Progress Monitor 2025, 37% of deaths in the country were from NCDs and 23% of the population were at risk of premature death due to NCDs in 2021.² There's been a notable dietary shift which has occurred over the last few decades in South Africa. We have transitioned from eating traditional nutrition dense foods to ultra-processed foods (UPFs) which are high in fat, high in sugar, high in salt and are heavily marketed.³ These diets, which also include sugar-sweetened beverages (SSBs), have become more common in developing countries and play a critical role in the development of NCDs.⁴

The HPL was implemented in 2018 in response to the rising number of people living with non-communicable diseases in the country. Currently, more than 4 million people are living with diabetes, and more than half of the adult population are overweight with 1 in 3 women, 1 in 5 men and 1 in 8 children being obese or overweight.⁵ In 2019, approximately 5.6 million people were living with diabetes, and this number is estimated to reach 8.75 million by 2040.⁶ NCDs are crippling the country's economy with 0.7% of the country's GDP and 15% of the National Department of Health's budget being spent on healthcare costs associated with NCDs.⁷ It is estimated that type-two diabetes will cost the country R 35.1 billion by 2030.⁸

Impact of the HPL

Globally and in South Africa, SSBs consumption has increased because of their availability, affordability, acceptability and heavy marketing.⁹ Their consumption is a major contributor to obesity, as they provide no nutritional value; they don't provide any feeling of fullness, vitamins and fibre etc. which foods like fruit and vegetables provide.⁹ Research shows that health policies such as the HPL are successful in reducing the risk of developing NCDs by reducing the consumption of unhealthy foods such as SSBs. A 2019 study which took place amongst adults aged 18-39 years in Langa, a township in the Western Cape, showed a reduction of 31.4% sugar intake, 32.5% energy intake and

37.1% volume intake of SSBs since the implementation of the HPL.¹⁰ Similarly, a 4-year longitudinal study amongst school children aged 5-9 years in the North-West, showed a decreased frequency of SSBs consumption, from 4.1 to 3.1 times weekly, amongst the learners since the implementation of the HPL. Although the HPL's main goal is to reduce the risk of developing NCDs, another benefit to the HPL is revenue generation. It is estimated that the HPL has generated R13 billion to date.¹¹

Since its implementation from 1 April 2018 to 31 March 2021, the HPL generated R7.9 billion in cumulative revenue for the country with R3.2 billion, R2.5 billion, and R2.1 billion collected over the 2018/19, 2019/20, and 2020/21 fiscal years, respectively.¹¹ Had the HPL been implemented at a rate of 20% and included 100% fruit juices then the revenue generated and healthcare cost savings would be much higher. It is estimated that 156 640 incident cases of type-2 diabetes and 10 800 deaths due to diabetes would be averted over 20 years had 100% fruit juices been included in the HPL when it was implemented, which would reduce healthcare expenditure by R7.5 billion and save the country R300 million in diabetes related costs over the same period.¹²

The Need for a Strengthened HPL

NCDs don't only cause a burden on people's health and the health system, but they pose an economic burden to individuals, families and businesses too.¹ This burden is due to lowered productivity, increased absenteeism, early retirement due to morbidities such as amputations and mortalities which may arise in families.¹ The populations from low socioeconomic backgrounds are at higher risk of being exposed to NCD risk factors and developing NCDs; these populations also have increased morbidity and mortality because of limited access to healthcare services.^{1,13} A cross-sectional retrospective study, reviewed theatre records for diabetic-related amputations in central and tertiary hospitals across the Gauteng province between January 2017 and June 2019.¹³ A staggering 98% of the patients, whose records were reviewed, came from poor socioeconomic backgrounds with annual incomes of between R 0.00 – 70 000.00.¹³ This study,¹³ also notes that the most of the amputations were as a result of type 2 diabetes and that hypertension and high cholesterol were the most common co-morbidities. A costing study, which took place at the Greys Hospital in KwaZulu-Natal (KZN) between 2013 and 2017, showed that diabetes mellitus-related lower limb amputations (DMLLA) including medical care cost the hospital R213 million during the five-year period for 660 patients.¹⁴ In 2014, 1 231 DMLLA took place across KZN and this cost the provincial department of health R398 million.¹⁴ Another important aspect which was observed in this study is the personal, family and socio-economic costs for the DMLLA patients which was estimated as more than R5 million per person.¹⁴ Research shows that increasing the HPL to 20% could prevent 619 000 new diabetes cases, which would save approximately 72 000 lives, prevent 85 000 strokes and save South Africa R23.9 billion in healthcare costs over 25 years.¹²

The increase of UPFs consumption doesn't only result in overweight and obesity (overnutrition) but in stunting and wasting too, which is termed the 'double burden' of undernutrition.¹ Rates of food insecurity and poverty are on the rise in South Africa. More than 50% of the South African population facing food insecurity and more than 1 in 4 children (26%) are stunted.¹⁵ President Cyril Ramaphosa in his address at the 7th Social Justice Summit in October 2025 said that, "One household that suffers from the tyranny of hunger is one too many."¹⁶ He further stated that, all efforts need to be galvanised to ensure that no one goes to bed hungry. There's great need for policies which help economic growth and revenue generation to mitigate poverty and hunger such as the HPL.^{17,18}

Economic growth and revenue generation are essential to support poverty alleviation measures such as the National School Nutrition Programme (NSNP), the Child Support Grant (CSG), and Universal Basic Income Grant which can mitigate food insecurity. The food poverty line is currently R855 and it is currently estimated that more than 10 million people in the country live below the food poverty line.¹⁹ At R370 the Social Relief of Distress (SRD) grant is at 44% of the food poverty line and the CSG at 65% with at an amount of R560. These amounts are not sufficient for preventing hunger in households and stunting in children, more needs to be done to achieve this. In his State of the Nation Address, President Ramaphosa highlighted the importance of addressing stunting in children

and the aim to end stunting by 2030. To achieve this, we will need an increase in social support measures which exist and an implementation of the Maternal Support Grant which needs greater revenue generation that a strengthened HPL can provide. Strengthening it would also mean fewer amputations, less burden on our health system due to NCDs, less loss of life prematurely and more homes with food on their table.

The HPL is a public health instrument designed to save lives, as such it needs to be protected and strengthened.

HEALA demands that National Treasury:

- Increase the rate of the HPL to at least 20%.
- Include an annual inflation increase to the HPL to increase the policy's effectiveness.
- Urgently release the position paper regarding the expansion of the HPL to include 100% fruit juices and a reduction in the threshold.



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