

# Summary

Too much sugar is still being consumed in the UK, with multiple diet-related diseases suffered as a result. The UK's Scientific Advisory Committee on Nutrition proposed in 2015 that sugar intake should account for no more than 5% of dietary calories. This has been accepted by the Government as the official dietary recommendation. We estimate that achieving this target requires a two-thirds reduction in average sugar consumption.

Two important policies have already been introduced by the Government to this end: the Soft Drinks Industry Levy and a voluntary Sugar Reduction programme for reformulating nine categories of sweetened food. Both are having an impact, but reformulation will be a long process, uneven between categories, and still insufficient. Additional policies are being considered, including tighter controls on advertising and promotional sales as proposed in the updated Childhood Obesity Plan. However, none of these address the supply of sugar in the UK food system. Supply-side policies that reduce the total availability of sugar and raise its price to the food industry have the potential to widen and strengthen the sugar reduction agenda, helping to create a healthier food environment for all.

Since joining the European Economic Community in 1973, the supply of sugar in the UK has been governed by European regulations. These were initially designed to provide secure supplies of sugar for consumers and high crop prices for sugar beet farmers, but they led to systematic over-production. By the 1980s this surplus sugar could only be removed from the domestic market through egregious levels of export subsidies. Triggered by an international trade dispute in the mid-2000s, sugar policy was overhauled through the liberalisation of domestic production, greater market access for imports and a shift from price supports to income payments for farmers. As intended, the EU has since been supplied with more and cheaper sugar, with prices falling to their lowest ever levels. This has undermined efforts to encourage food manufacturers to use less sugar and is expected to exacerbate existing public health problems.

The withdrawal of the UK from the EU means that new regulations must be put in place to govern the supply of sugar and other agricultural commodities. In light of this, we discuss five policy options that could help reduce sugar consumption in the UK. These are marketing quotas, minimum prices, excise taxes, subsidy reform, and regulation of product composition and labelling. The policy space available for these instruments will be contingent on the overarching post-Brexit arrangement between the UK and EU, particularly as it relates to import tariffs and regulatory divergence. But regardless of the final deal, there will be some scope for these policies to be applied. This should happen in ways compatible with other public policy goals, including affordable food for consumers and fair returns for farmers, and be contextualised within a broader post-Brexit reorientation of UK food and farm policy.