



The economic impact of the Soft Drinks Levy

The objective of the Soft Drinks Levy introduced by George Osborne is to *“help tackle childhood obesity by incentivising companies to reduce the sugar in the drinks they sell and to reduce consumption of sugar-sweetened beverages.”* Published in August 2016, this reports looks at the impact the levy will have both for the region as well as on the UK soft drinks industry.

Based on this analysis, it is projected that 21% of the soft drinks market could be affected by the proposed levy. Importantly, it highlights that a key determinant of the impact of the levy will be based on how much of the price will be passed onto consumers directly. Additionally, the report estimates that the levy could raise in excess of £400 million of revenues for the government. Overall, it looks at the economic impact of the levy through three key metrics: GDP, employment and tax.

Reference: Stewart N. *The Economic Impact of the Soft Drinks Levy*; 2016.
[http://www.britishsoftdrinks.com/write/MediaUploads/Publications/The Economic Impact of the Soft Drinks Levy.pdf](http://www.britishsoftdrinks.com/write/MediaUploads/Publications/The_Economic_Impact_of_the_Soft_Drinks_Levy.pdf).