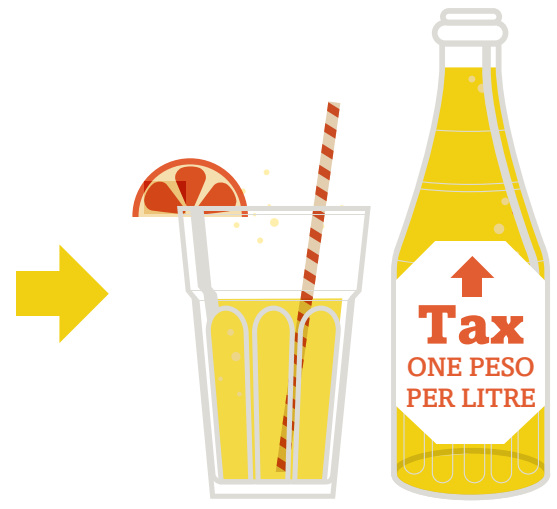


# FAST FACTS ON MEXICO TAX



**Tax on sugar-sweetened soft drinks introduced in January 2014.**



**US\$ 0.06 per litre**  
**€ 0.05 per litre**

## CHECK OUT THE IMPACT TO DATE:

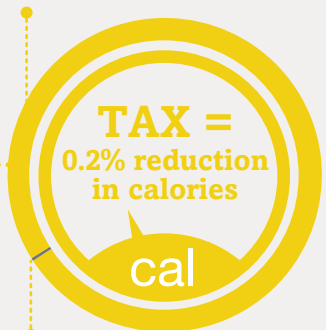
**NO DETECTABLE IMPACT ON CALORIE INTAKE OR BMI**



**Less than 1% impact** on consumption of soft drinks and other high calorie foods.  
**No detectable impact on Body Mass Index<sup>3</sup>**



**Average Mexican diet:** 3000 calories per day



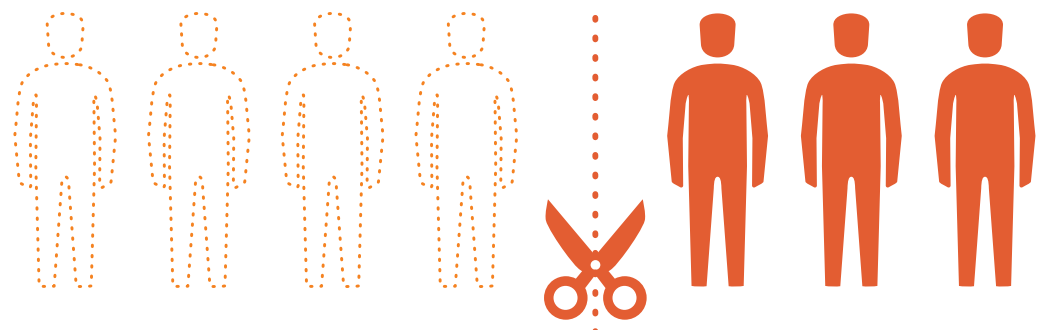
**Calorie reduction as a result of tax:** 2-6 calories per day in 2014<sup>1</sup>



**Sales volumes:** 2014 down 1.9%  
2015: up 0.5%<sup>2</sup>

## NEGATIVE IMPACT ON THE LOCAL ECONOMY

Almost **11,000 jobs lost** up and down the value chain<sup>4</sup>



Over 30,000 traditional stores closed as a result of the tax – resulting in the loss of 50,000 jobs<sup>5</sup>

**PRICE OF THE WEEKLY SHOP HAS INCREASED**

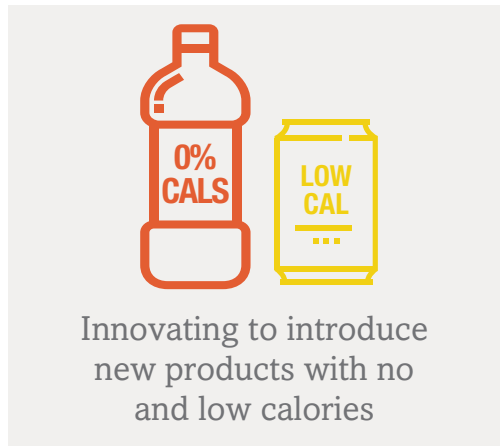
**63.7%** of the tax comes from low socio-economic groups of which 37.5% live in poverty<sup>6</sup>

## REFORMULATION AND PORTION CONTROL MORE EFFECTIVE IN REDUCING CALORIES

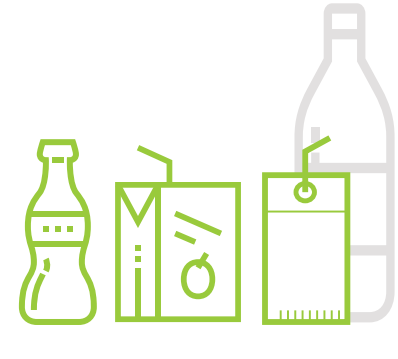
Reformulation and portion control are far more effective than tax in reducing calories in the diet<sup>7</sup>. The soft drinks industry has taken significant steps to reduce sugar and calories by:



Reformulating existing products



Innovating to introduce new products with no and low calories



Introducing a wide range of smaller pack sizes to help manage portion control



## TAX DOESN'T WORK



Tax is regressive and unfair as it lays the greatest burden on the least well-off.

Tax destroys jobs and economic value at a time when investment in the economy is critical

Discriminatory taxation is ineffective in supporting public health goals.

Research shows that raising rates of taxation ever higher does not impact consumption<sup>8</sup>.

1. Canadean data  
2. Mexican government tax receipts  
3. Instituto Tecnológico Autómoma de México (ITAM), Taxation of Calories in Mexico (Preliminary and incomplete study), December 2015.  
4. Joana Chapa Cantú et. al., The Non-Alcoholic Beverage Industry in Mexico, Centro de Investigaciones Económicas, Autonomous University of Nuevo Leon (AUNL), December 2015.  
5. ANPEC, Mexican national alliance of small businesses  
6. Kantar World panel  
7. McKinsey Global Institute, 2014, Overcoming Obesity: An initial economic analysis  
8. Fletcher et al (2014) [http://www.chilececesano.com/medios/2014/Junio/Soda\\_Tax\\_Study.pdf](http://www.chilececesano.com/medios/2014/Junio/Soda_Tax_Study.pdf)