

Food and health: tackling obesity

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Structure

1. A perspective on policies to encourage healthier food choices
 - Rationale
 - Policy options (carrots and sticks)
2. Data needs for improving policies (OECD's Food Chain Analysis Network)

The rationale for public policies

Rising levels of overweight and obesity, imposing a massive burden on public health

OECD estimate: 4% - 12% of direct health expenditures

Evidence that unhealthy food choices are an important driver of these trends

But policy responses are contentious:

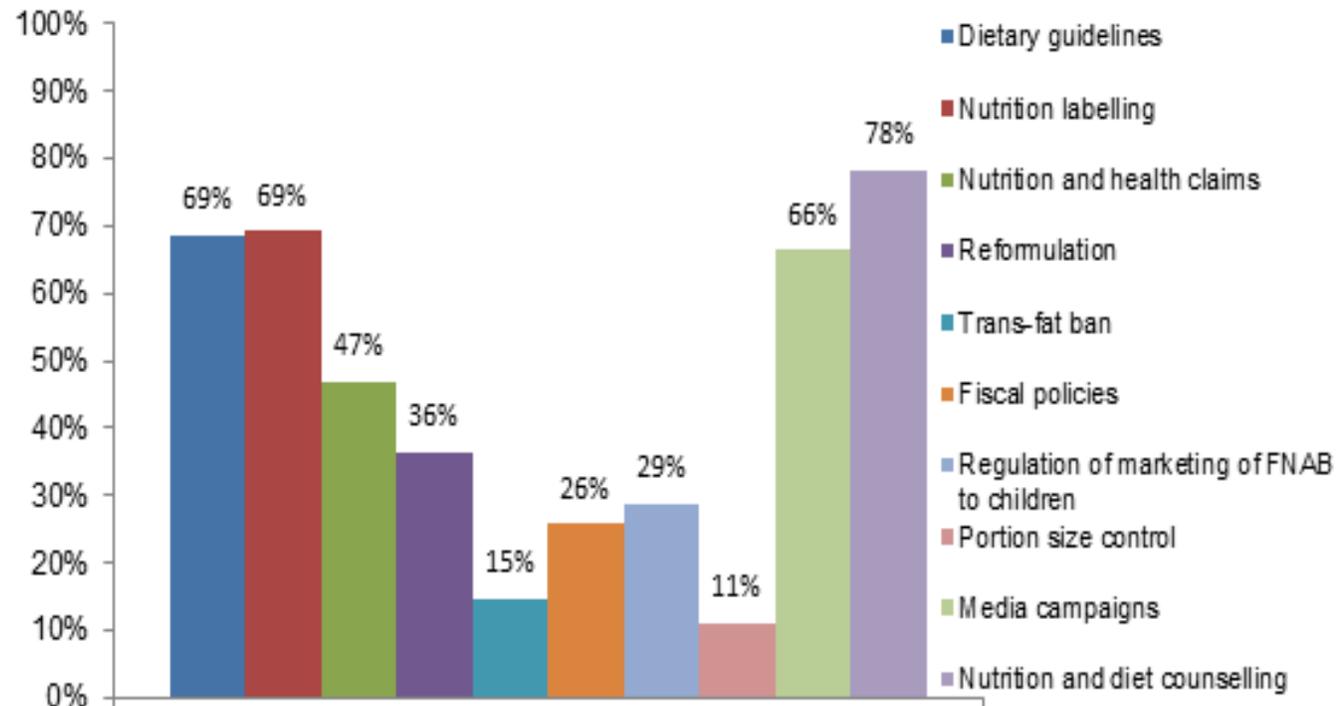
- The trends in overweight and obesity are linked to other causal factors (urbanisation, more sedentary lifestyles)
- The evidence base on nutrition continues to evolve
- Modest consumption of “unhealthy” foods may not pose a health problem
- Differing views on how paternalistic governments should be (“Nanny state”)

Policy options

- Consumer targeting
 - Education, dietary counselling
- Policies at the food industry / consumer interface
 - Voluntary public / private cooperation
 - Product reformulation (sugar and fat content, biofortification)
 - Food labelling
 - Firmer regulations
 - E.g. ban on trans fats
- Food taxes (and subsidies)

Key policy actions and measures to promote healthy diets and nutrition across 154 countries

Share of countries using different types of policy measure



Note: FNAB represents the food and non-alcoholic beverages category.

Source: WHO GINA database,

<http://www.who.int/nutrition/gina/en/>.

What does the evidence conclude?

- Policies targeting the consumer are effective but may not be sufficient
- Product reformulation: success with trans fats (e.g. US) and sugar, embraced by industry
- Labelling: OECD countries report varying degrees of success in ensuring private sector engagement; labels need to be simple, but then categories become contentious; easy to overburden consumers with product information
- Behavioural nudges: clear impact; the challenge is scaling up

Across the board, countries report specific successes but the challenges include practicalities of implementation, engagement with industry (data), and scaling up.

Broad questions related to food culture need a multi-pronged approach

A note on food taxes

- Demand curves slope downwards, so would expect some impact. This appears to be borne out by empirical studies.
- But elasticities are low – so taxes would need to be large
- Competitive pressures force food prices lower – so they may even have to get larger over time
- Taxes on specific products are prone to leakages, and potentially even less healthy substitutions
- Do empirical studies capture the “signalling” effect on demand?
- Sweetened beverages stand out as an obvious target (very high consumption with little nutritional benefit) – other cases are more complex
- Soda taxes may encourage product reformulation (UK)

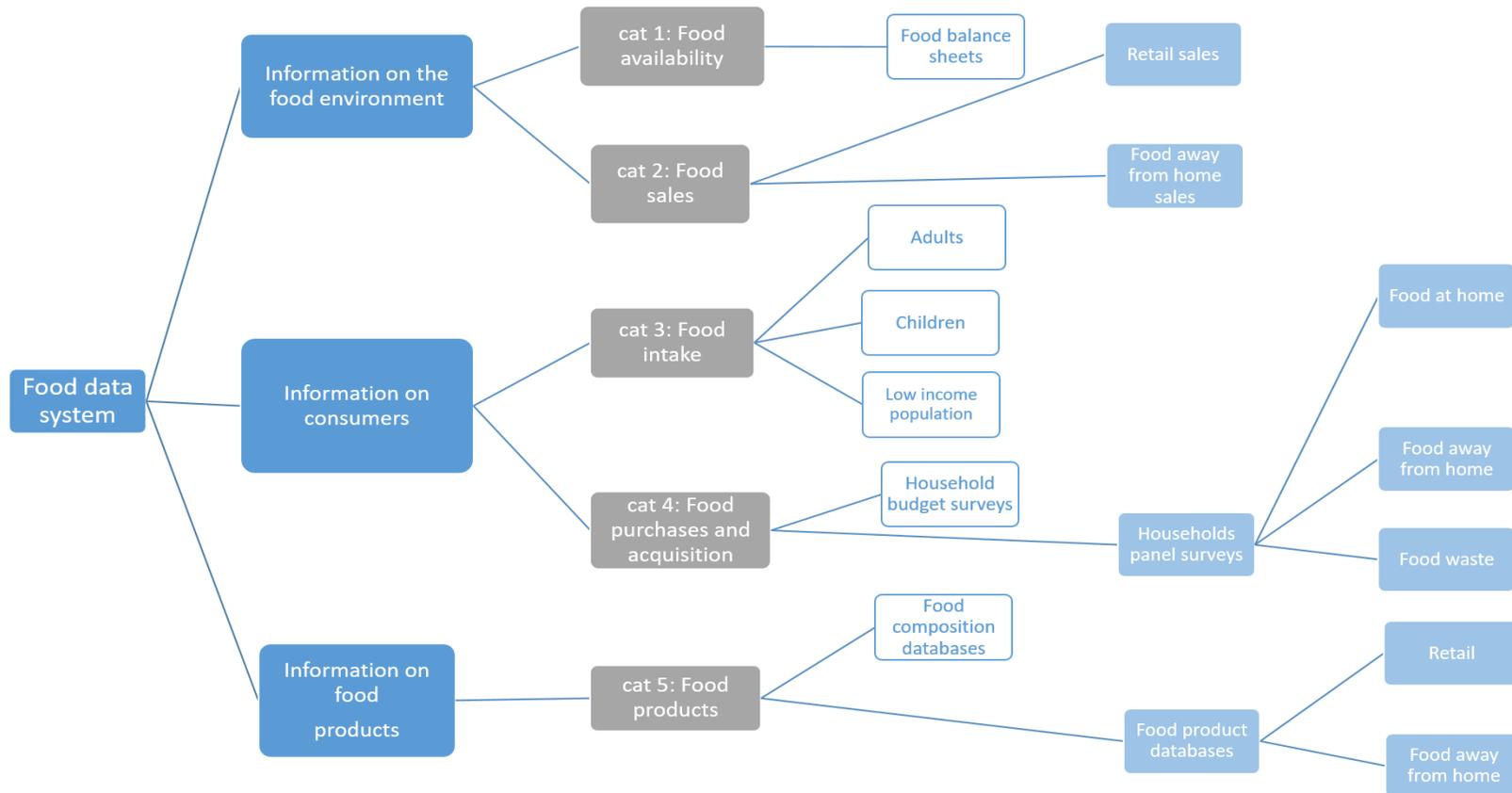
Links with other objectives for the food system

- Food security and nutrition; resource use; climate change mitigation; livelihoods of agents along the food chain
- Synergies with healthy diets: “sustainable diets”, animal welfare
- Trade-offs: lower demand \Rightarrow lower producer incomes

Need approaches for mediating trade-offs

Can the consumer be persuaded to pay more for products with “favourable” attributes?

Food data systems



Main challenges:

Understanding actual food consumption habits

Establishing connections across data sources

Note:

(1) Grey boxes: different categories of food data sources

(2) White boxes: data sources for which information is gathered by public entities

(3) Light blue boxes: data sources for which information is gathered predominantly by private entities and is confidential

Source: OECD based on FCAN and Delegations inputs

Thank you

OECD (2019), *Toward Policies Encouraging Healthier Food Choices*, forthcoming.

OECD (2010), *Obesity and the Economics of Prevention: Fit not Fat*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264084865-en>.

<http://www.oecd.org/agriculture/topics/food-chain-analysis-network/>

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