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Taxing soft drinks in the Pacific: implementation lessons for improving health

ANNE MARIE THOW[1*], CHRISTINE QUESTED[2], LISA JUVENTIN[3], RUSS KUN[4], A. NISHA KHAN[5] and BOYD SWINBURN[6,7]

[1]*Menzies Centre for Health Policy, University of Sydney, Victor Coppleson Building (D02), Sydney, NSW 2006, Australia,* [2]*Nutrition Section, Health Promotion and Preventive Services Division, Ministry of Health, Private Bag, Apia Samoa,* [3]*Etablissement public administratif pour la prevention, BP 40191—98713 Papeete—Tahiti, French Polynesia* [4]*Ministry of Commerce, Industry and Environment Government Offices, Yaren District, Republic of Nauru,* [5]*Ministry of Health, PO Box 2223, Government Buildings, Suva Fiji,* [6]*Population Health, WHO Collaborating Center for Obesity Prevention, Deakin University, 221 Burwood Highway, Melbourne, VIC 3125, Australia and* [7]*WHO Collaborating Center for Obesity Prevention, Deakin University, Melbourne, VIC, Australia*
**Corresponding author. E-mail: am.thow@gmail.com or annemarie.thow@sydney.edu.au*

SUMMARY

A tax on soft drinks is often proposed as a health promotion strategy for reducing their consumption and improving health outcomes. However, little is known about the processes and politics of implementing such taxes. We analysed four different soft drink taxes in Pacific countries and documented the lessons learnt regarding the process of policy agenda-setting and implementation. While local social and political context is critically important in determining policy uptake, these case studies suggest strategies for health promotion practitioners that can help to improve policy uptake and implementation. The case studies reveal interaction between the Ministries of Health, Finance and Revenue at every stage of the policy making process. In regard to agenda-setting, relevance to government fiscal priorities was important in gaining support for soft drink taxes. The active involvement of health policy makers was also important in initiating the policies, and the use of existing taxation mechanisms enabled successful policy implementation. While the earmarking of taxes for health has been widely recommended, the revenue may be redirected as government priorities change. Health promotion practitioners must strategically plan for agenda-setting, development and implementation of intersectoral health-promoting policies by engaging with stakeholders in finance at an early stage to identify priorities and synergies, developing cross-sectoral advocacy coalitions, and basing proposals on existing legislative mechanisms where possible.

Key words: intervention; diet; obesity

INTRODUCTION

Soft drink consumption is rising—particularly in developing countries—and evidence is mounting for its contribution to poor health outcomes (Schulze *et al*., 2004; Lien *et al*., 2006; Vartanian *et al*., 2007). Concern over the public health implications of this has generated global interest in the use of soft drink taxes as a strategy to reduce consumption (Brownell and Frieden, 2009). This paper uses soft drink taxes as a highly topical case study to further understanding of the process of implementing health-promoting policy, in order to inform future policy interventions.

There is a recognized gap between current recommendations for obesity prevention and the existing policy environment as it relates to

obesity (Lang and Rayner, 2007). While evidence for the efficacy of proposed interventions is essential, this alone is not sufficient for policy uptake. Implementation also depends on getting the policy intervention on the agenda of the relevant government agency, development of appropriate policy documents or legislation and provision of adequate resources for implementation (Oliver, 2006). Understanding the policy process behind health-promoting policy interventions can provide strategies for health promotion practitioners to improve uptake and implementation (Milio, 1988). This is particularly important for policy interventions like soft drink taxes, which are implemented and administered by ministries of finance and revenue.

Proposals for soft drink taxes suggest they would form part of multi-sectoral interventions to reduce economic, social and personal incentives for consumption and in doing so would increase incentives for healthy beverage consumption (Yach *et al.*, 2003; Chopra and Darnton-Hill, 2004). First, a tax would increase the price and thus decrease the economic incentives for consumers to purchase soft drinks, second, it would send a 'signal' to consumers that the product is unhealthy or of low quality (when the tax is explicitly linked to these factors) and third, the revenue generated could be used to fund preventive health programmes (Jacobson and Brownell, 2000; Kim and Kawachi, 2006; Schroeter *et al.*, 2008). Such taxation strategies have been seen to reduce consumption (Thow *et al.*, 2010). There is also an economic rationale for the imposition of soft drink taxes as a means to correct for the high economic and social cost arising from the treatment costs and productivity losses associated with obesity and non-communicable disease (Finkelstein *et al.*, 2005; Cash and Lacanilao, 2007).

'Soft drink taxes' are defined in this study as taxes in addition to standard food taxes such as VAT or fiscal import duty. The primary taxes are domestic excise (production) taxes and special import (sometime called 'import excise') taxes.[1] Four main approaches to soft drink taxation, using these two types of taxes, are evident in the literature, although there is overlap between them and they are not incompatible with one another. One approach is to implement these solely as revenue-raising measures, or in a slightly different approach they can be linked more explicitly to health goals, similar to alcohol and tobacco excise taxes. A third approach is a health-related tax or levy that is explicitly designed as a health promotion strategy, and is likely to be a larger tax (Gustavsen, 2005). A fourth approach, building on the health-promoting impact of these taxes, is seen in proposals to use the revenue to fund health promotion interventions (Jacobson and Brownell, 2000).

While there are limitations to the relevance and transferability of experience between countries, information on the processes and mechanisms of policy implementation can be used to draw lessons and develop strategies (Rose, 1993). This paper presents case studies of the practical implementation of four soft drink taxes in the Pacific, a region with some of the highest rates of obesity and diet-related chronic diseases in the world (Hughes and Lawrence, 2005).

METHODS

This study was conducted from October 2007 to March 2009 as part of wider studies examining diet-related policies in Pacific (Swinburn *et al.*, 2007). The countries studied (Fiji, Samoa, Nauru and French Polynesia) had all implemented soft drink taxes. We utilized the case study research methodology for this project, appropriate for in-depth assessment of diverse policy processes in different countries while enabling us to assess common elements of the policy process (particularly agenda-setting and implementation) (Yin, 2003; Bell, 2010).

Data sources

We conducted stakeholder interviews (both face-to-face and via email), and collected policy documents and reports in Fiji (interview n = 10), Samoa (n = 11), Nauru (n = 6) and French Polynesia (n = 4). Participants were recruited

[1] Excise taxes consist of special taxes levied on specific kinds of goods, typically alcoholic beverages, tobacco and fuels; they may be imposed at any stage of production or distribution and are usually assessed by reference to the weight or strength or quantity of the product. Also called 'excise duty'.

using snowball sampling, beginning with the stakeholders in government, the non-government sector and industry identified by co-researchers in each country. Participants included politicians, policy makers from both health and finance, representatives of Consumer Councils and Chambers of Commerce and representatives of soft drink manufacturers. The information sought through the interviews and policy documents/reports was focused on the policy process relating to the soft drink taxes, and was based on policy theory—particularly the policy cycle [(Howlett and Ramesh, 2003), p. 13]. Questions were asked regarding: the nature of the policy, who initiated the policy and in what forum, the reason for the policy being proposed, the perceived impact of the policy (and any sources of data from which impact could be judged objectively). Interviews were semi-structured based on these questions, and tailored to the interviewees' area of expertise. All interviews were summarized in detail and summaries were sent to the interviewees to check. We obtained additional information on the policies from customs/revenue documents, trade statistics and private sector/non-government organization (NGO) documents.

The project was approved by the University of Sydney Human Research Ethics Committee for research all four countries. Required approvals were also obtained from the Governments and ethics committees of Fiji and Samoa, where the project formed part of a larger research project. No additional approvals were required from Nauru and French Polynesia.

Analysis

Detailed chronological case studies describing the policy process and impact were constructed using interview data, policy documents, media reports and available data regarding policy impact. Interview data were triangulated using documented information, and any discrepancies were investigated through additional interviews and locating further policy documentation. These detailed case studies were sent to co-researchers for verification or correction. Following this, focused case studies were constructed to answer the following research questions:

- What is the nature of the (proposed) policy intervention?
- Why was it proposed?
- How did it get onto the political agenda?
- Who is responsible for implementing the policy?
- What was the outcome of the policy initiative?

FINDINGS

In Fiji, soft drinks are subject to an import excise tax and were subject to a domestic excise tax until it was rescinded due to industry lobbying—neither of these taxes was ostensibly related to health concerns. Samoa has in place both import excise and domestic excise taxes, implemented as both revenue raising and health measures. Nauru has an import tax on sugar that incorporates soft drinks, which was implemented as a health-promoting measure, and French Polynesia has in place a tax on many 'unhealthy' food products, which is used to fund preventive initiatives, many of which related to health. Table 1 summarizes these taxes.

Fiji

There have been two taxes on soft drinks in Fiji in recent years: an import excise duty of 5%, and an excise duty (on locally manufactured products) of 5 c/l. These taxes were proposed by the policy section of the Fiji Islands Revenue and Customs Authority (FIRCA). The excise duties were introduced in 2006 as part of a new revenue initiative, in part to compensate for losses due to tariff reductions with trade liberalization (Bale, 2005). Prior to the implementation of the tax, there were informal discussions between the Ministry of Health and Finance policy makers regarding the possibility of a soft drink tax, in the context of the multisectoral national Non-Communicable Disease committee.

The domestic excise tax was reduced in the 2007 budget, largely due to lobbying by the domestic soft drink industry, who argued that the tax was excessively eroding the profitability of their operations and that it was irregularly enforced (the excise tax was administered using self-regulation). The excise tax was replaced in the 2007 mini-budget with a 3% fiscal import duty on raw materials for the purpose of fairer administration and collection of the duty across industry.

Table 1: Detail of soft drink taxes in Fiji, Samoa, Nauru and French Polynesia

Country	Type of tax	Tax rate	Reason for tax	Soft drink production
Fiji	Import excise tax Domestic excise tax	5% 5 c/l (US$0.04)	Revenue raising	Local and imported
Samoa	Import and domestic excise taxes	0.40 T/l (US$0.25)	Revenue raising; health—reduce consumption	Local and imported
Nauru	Special import levy	30%	Health—reduce consumption	Imported only
French Polynesia	Production tax and consumption tax	40 CFP/l (local) or 60 CFP/l (imported)	Health—reduce consumption and raise funds for 'general well-being' promotion	Local and imported

Both taxes are collected by the FIRCA, with other excise duties on tobacco and alcohol (data are only available for the total excise revenue collected). The impact of the recent domestic excise tax change on consumption is hard to determine due to a lack of accessible pricing and production data. Casual monitoring of prices by Ministry of Health staff suggested that the price of a 2-l bottle of branded soft drink increased by ~10c over the first half of 2006 (consistent with 5 c/l tax increase) from FJ$1.70 to 1.80.

Samoa

Samoa has in place two taxes on soft drinks: an excise tax (domestic production) and an import excise duty. The soft drink excise tax dates from 1984, when all excise taxes were removed except for those on alcohol, tobacco and soft drinks. The tax was set at 20% in 1984, and set at a fixed rate of 0.30 Tala per litre (T/l) (approximately US$0.10) in 1998 increased to 0.40 T/l (approximately US$0.15) in 2008, in order to raise revenue. This compares to soft drink prices ranging from 4.70 to 7.20 T/l in 2008 (approximately US$1.75–2.75) (see below for detail). The two excise taxes were brought under common legislation in 2007.

All excise taxes were increased by the Ministry of Finance in 2008 as part of a response to a 5 million T (approximately US$2 million) budget deficit. This was in line with Ministry of Trade advocacy for the use of excise taxes and GST (goods and services tax) rather than import duties for revenue raising, consistent with global trade liberalization priorities. In the budget speech, the Minister also noted that the tax was also increased to 'further support the Government's drive to improve health outcomes for the community' (Hang, 2008). Prior to this increase, the Ministry of Health had raised awareness of the importance of healthy eating, and many interviewees attributed the implementation of the tax to this.

The Ministry of Revenue collects both the excise tax and the import excise duty (by the customs office, at port). Significant revenue has been collected from the excise tax [total of 9 392 787 T (approximately US$3.5 million) in 2003–2007], and the import excise [196 238 T in 2005, 237 167 T in 2006 and 453 542 T (approximately US$170 000) in 2007]. Local soft drink manufacturers and importers reported passing on the tax to consumers, although the market is highly competitive and producers have lobbied for removal of the excise tax. Another reported outcome of the tax is that bottled water (which is not subject to the soft drink excise tax) is now cheaper than soft drink in the stores (Table 2). As access to safe water is limited, bottled water provides an appropriate alternative to soft drink consumption. Survey data show that the number of servings of soda consumed by Samoan men and women decreased slightly between 1991 and 2003, from around 2.5 to just over two servings per week (Keighley *et al.*, 2007).

Table 2: Prices of water and soft drink in Apia, Samoa (T/100 ml)

	Small (250 ml)	Medium (325–375 ml)	Large (750 ml)	1 l	6 l
Water	—	0.45	0.27	0.32	0.12
Soft drink	0.72	—	0.47	—	—
Fruit juice	1.00	1.08	—	0.56	—

Source: Survey of prices in Apia stores, Samoa Nutrition Centre (2008).
Note: 1 Tala = approximately US$0.4.

Nauru

A 'sugar levy' of 30% on imported sugar, confectionery, carbonated soft drinks, cordials, flavoured milks and drink mixes was implemented by the Government of Nauru in July 2007 to 'discourage excessive consumption of sugar' (Minister for Finance, 2007). In the same budget, the levy on bottled water was lifted, explicitly to offset the impact of the tax on household budgets.

The Minister for Health proposed the tax due to concerns over diabetes and other chronic diseases—Nauru has some of the highest prevalence rates in the world. It was raised during discussions in Cabinet in early 2007, in relation to the upcoming budget. At the same time, the government was also actively looking to increase revenue due to declining phosphate mining income. The mechanism chosen for the tax (the 'levy' or 'customs and excise duty') was one that was already applied to tobacco, alcohol and petrol, and it is collected at the port with other import duties. Significant revenue has been collected via the tax. AU$80 000 (approximately US$67 400) was the anticipated revenue for 2007–08 when the tax was introduced, but was increased to AU$240 000 (approximately US$200 000) with the preparation of the following year's budget (Minister for Finance, 2008).

The levy was introduced in 2007, and was expected to increase the price of soft drinks by 30%. However, the retail price of a 375-ml can of soft drink increased by 20%, [from AU$1.00 to 1.20 (approximately US$0.85–1.00)]. An upsurge of cheaper Asian product has been a factor keeping the price down. On an average the price of bottled water (500 ml, imported) is still more expensive at $1.25 retail (approximately US$1.05). However, locally produced drinking (desalinated) water is significantly cheaper—this water is sold and delivered to households by tanker trucks at a cost of $0.03/10 l (5600-l tanker truck delivery for $14.00, approximately US$12).

French Polynesia

In 2002 the French Polynesian government introduced a range of taxes, including taxes on soft drinks, in order to fund the establishment of the *Etablissement pour la prevention* (EPAP), a prevention fund. These included 'production' (excise) taxes on sweetened drinks (and beer), 'consumption' (import) taxes on sweetened drinks, beer and confectionery, and a separate tax on ice cream.

These taxes were proposed in response to growing concern about poor nutrition and non-communicable diseases. The government at the time proposed the tax because they wanted to enact preventive health interventions as well as fund hospitals. The preventive health fund is administered by EPAP, which supports a variety of preventive health and 'citizenship' projects, including obesity prevention. The taxes gained widespread support from government ministers because the wide range of activities undertaken by the fund included public health, education, youth and culture, sport, family and road safety, and benefited 7 out of the 17 ministers. In French Polynesia, soft drinks are more expensive than water: 125–150 CFP (French Pacific Francs, approximately US$1.50–1.80) for soft drinks (depending on the brand) compared with 60 CFP (approximately US$0.70) for a 500-ml water bottle.

The taxes are collected through regular import and excise revenue collection mechanisms. The revenue raised from the production tax is ~1 billion CFP/year (US$10 million), and from the import tax is ~350 million CFP/year (US$4.2 million). The production tax revenue increased from 948 million CFP in 2002 to 1120 million CFP in 2005, and import tax revenue from 308 million CFP to 324 million CFP. However, while the taxes have remained in place, since 2006 funds from the production tax go to the general government budget, with 80% of funds earmarked for the Ministry of Health's general budget. This was a decision by the government (not the same as the one which created the taxes), which wanted to see most of the taxes go back to the general budget. In addition, EPAP had a cushion of unspent funds that had to be used—once this happens the taxes may be redirected to EPAP. While 471.7 million CFP was collected from the taxes in 2008, the total budget for EPAP in 2009 was 1561 million CFP (approximately US$19 million).

DISCUSSION

These case studies describe the actual implementation of four approaches to soft drink taxation proposed in the literature, and in doing

so suggest strategies for health promotion practitioners seeking to implement recommendations for obesity-related taxation. All these soft drink taxes used existing legislative mechanisms—import taxes and excise (production) taxes. The main difference between the taxes lies with the rationale for their implementation. In Fiji, the taxes were implemented for revenue-raising purposes, with the domestic excise tax removed due to industry pressure. While the taxes in Samoa were primarily for revenue raising and originated from within the Ministry of Finance, the additional health goals of the tax were explicitly stated when the tax was announced. In contrast, the tax in Nauru—which was probably the most substantial tax—was primarily a health-promoting measure, raised by the Minister for Health and designed to shift consumption habits. In French Polynesia, while their taxes were also designed as health-promoting measures, this was to be achieved primarily through the earmarking of revenue (at least initially) to a preventive health fund. The primary lessons for health promotion practitioners working in other contexts relate to the practicalities of agenda-setting and policy implementation and are detailed below. The case studies also further understanding of the intersection of such policies with international trade law and the need for further research, particularly regarding food price elasticities and policy outcomes.

Getting soft drink taxes on the political agenda

While soft drink taxes are typically thought of as health interventions, the agency responsible for policy implementation is the ministry of finance or taxation/revenue department. Given that these agencies' primary concern is revenue raising rather than health, a key component of agenda-setting in all case studies was the contribution of the tax to the government budget. The promotion of health, however, served to initiate discussion of the tax in a decision-making context in Samoa, Nauru and French Polynesia. In Samoa, the Ministry of Health was credited with an advocacy and information role, and in Nauru and French Polynesia the Minister for Health played a very active role, raising the concept of the tax in Cabinet. It may be notable that taxes were higher in countries, where the tax was proposed as a health-related measure. This is consistent with Leicester and Windmeijer's (Leicester and Windmeijer, 2004) observation that directing funds to obesity prevention may improve public support for the policies. The nature of soft drinks as a commodity also influenced the agenda-setting process. Respondents noted that soft drinks were a good option to single out because local alternatives exist in the form of water, fruit juices and coconut water, circumventing concern about the generally regressive nature of food taxes. Concern about their high sugar content also prompted targeting of soft drinks.

Sabatier's work regarding advocacy coalitions is helpful in understanding the role of stakeholders in policy agenda-setting (Sabatier, 1987). In the case of soft drink taxation, the two stakeholder bodies forming the advocacy coalition in favour of the tax were the Ministries of Health and Finance (and the revenue collecting body, such as FIRCA). Unsurprisingly, industry was the key opposing advocacy coalition. All countries have soft drink importers, and Fiji, Samoa and French Polynesia also have domestic soft drink producers. In Fiji, organized industry opposition to the domestic tax resulted in its removal. Soft drinks are a low profit margin, high-volume product, and in Fiji manufacturers claimed that the tax completely eroded their profit in a highly competitive market. The role of industry in repealing taxes has been observed elsewhere, particularly the USA (Jacobson and Brownell, 2000). However, importers and manufacturers in Samoa, where the link between the soft drink tax and health had been made explicit, were generally more accepting (and in some cases even supportive) of the tax.

Compared with other examples of macro-level health-related policy change, NGOs played a surprisingly minor role in the immediate, formal agenda-setting process for these soft drink taxes. For example, in the North Karelia project NGOs were among the first to begin to advocate for macro-level policy change (Puska *et al*., 2002). While health-related NGOs in the Pacific have been active in promoting healthy diets, there were no examples of submissions to governments supporting or calling for the tax.

These findings suggest that shaping the tax to suit the priorities of health and finance can facilitate uptake. For example, by allowing the level of the tax to be driven by the revenue-related priorities of the Ministry of Finance and by aligning the tax with Ministry of Health

priorities (such as the 'sugar tax' in Nauru, which was linked to diabetes prevention and control). The development of cross-sectoral advocacy coalitions appears to be a critical component of effective agenda-setting, and this can be encouraged by active advocacy by the Ministry of Health, including the development of a clear and culturally relevant justification for the food targeted by the tax. The findings also suggest that it is important to highlight both the health and revenue implications of health-promoting taxes in order to gain support from stakeholders.

Implementation and administration

Administration of the tax is a major consideration for the implementing agency, but one that seems sometimes forgotten in proposals for health promotion intervention. In these case studies, even where the tax was explicitly for health purposes much of the burden of implementation and administration fell outside of the Ministry of Health. These taxes required legislative design, collection and enforcement and thus presented a cost to the Ministry of Revenue (domestic excise tax) and/or Customs offices (import tax) in Fiji, Samoa, Nauru and French Polynesia. However, as Nugent and Knaul (Nugent and Knaul, 2006) observe, administrative costs can be minimized through utilizing a type of tax that already exists. The use of existing customs/port taxes and domestic excise tax strategies facilitated the implementation of most of the taxes in these case studies.

The benefit of the tax to the administering agency can also influence the acceptability of the tax. The taxes in Fiji, Samoa and Nauru all contributed to the general government budget, and thus fell well within the remit of the revenue department. In contrast, all revenue collected from the tax in French Polynesia was earmarked for the prevention fund. This may have influenced the next Government's decision to divert the majority of the tax revenue to the general budget.

These findings suggest that health promotion practitioners can improve the implementation of policies by reducing administrative costs, namely through proposing the use of existing legislative mechanisms. They also highlight the importance of identifying and articulating in proposals the benefit of the policy to the implementing agency. With regard to using taxation for health promotion, policy makers should carefully consider the benefits and potential limitations of earmarking revenue and take steps to develop sustainable policies. A potential strategy might be allocating only part of the revenue to a health-related use, with the rest going to general revenue; particularly for larger taxes for which the estimated revenue generated will exceed projected health promotion expenditures.

Policy outcomes

As revenue raising was a factor in the implementation of the taxes in all countries, the amount of revenue raised was a key policy outcome. In Samoa, the combined revenue from the soft drink taxes was 516 268 T in 2007—0.1% of the total government budget of 461.5 million T. The combined revenue from French Polynesia's soft drink taxes was 1444 million FCP in 2005 (~0.9% of total government budget for the same year). In Nauru, the projected revenue from the tax of $240 000 represents 0.5% of total revenue collected.

The relative reduction in the price of soft drink substitutes such as bottled water (not subject to the tax) that was evident particularly in Samoa and Nauru may have contributed to reductions in soft drink consumption. However, there are insufficient data available to calculate the impact of these soft drink taxes on population consumption. Despite the level of revenue raised by the taxes, it is likely that demand for soft drinks is relatively price elastic in these countries, as this has been observed in other developing countries (Seale *et al*., 2003). Manufacturers and retailers interviewed reported passing the taxes on to consumers, and it is therefore likely that consumers responded to the tax by reducing consumption to some extent.

The outcomes of these policies highlight the need for policy developers to consider available substitutes for the food targeted by the tax, and the potential influence of a relative price change on consumption of other similar products. They also suggest a need for research into food price elasticities, particularly in low and middle income countries.

International trade law and soft drink taxes

The relatively large proportion of soft drinks imported in the Pacific means that special taxes

on imported products were a component of the soft drink taxes implemented in these countries. Under ongoing World Trade Organization, regional and bilateral negotiations, tariffs are being progressively reduced as they form a barrier to trade and discriminate between imported and domestically produced products. As a result, the specific application of high tariffs to certain commodities should be justified in order to be acceptable to trade policy makers. The application of taxes to imported foods must also be non-discriminatory: applied equally to the same food produced domestically (WTO, 2007). In Samoa, the government felt that health was a valid justification for implementing trade-restricting measures and was quite aware of the need for non-discrimination in implementing excise taxes. They thus implemented both import and domestic excise duties at the same rate. In Nauru—a country with no domestic food processing or water bottling—the tax is non-discriminatory even though it is only on imported products, because there is no domestic production. However, with the removal of the domestic excise in Fiji, it is possible that the 'import-only' excise tax that remains could be construed as discriminatory.

One critical difference between developed countries and these small island developing states is that the main source of revenue in developing countries has until relatively recently been trade tariffs, rather than income and consumption taxes as is the case in developed countries. As such, with the removal of tariffs as part of trade liberalization governments have been actively seeking additional sources of revenue, thus potentially making them more open to non-discriminatory soft drink taxes.

In implementing policies that relate to international trade, it is important that health promotion practitioners clearly justify taxes in terms of their contribution to health and ensure that they are non-discriminatory. It may also be possible to take advantage of policy changes resulting from trade liberalization, for example, by highlighting taxes on unhealthy foods as a source of alternative revenue to compensate for declines in revenues from tariffs, particularly in developing countries.

Limitations of the study

This study provides a snapshot of policy processes relating to soft drink tax development and implementation in small countries—a context where it is relatively easy to trace processes. These countries are (or were at the time) democratic countries with well-established government structures. Thus, the experiences in policy development and implementation should be able to contribute to public health policy making in other contexts, both in developed and developing countries. Of particular relevance are the processes of interaction between government ministries from very different sectors, the successful strategies employed for agenda-setting and policy implementation and the influence of other policy priorities and considerations on the shape of the policies.

However, political processes are unique to individual countries and policy makers should be aware of some characteristics of Pacific Island countries that may affect lesson drawing. These include their status as small island developing states and net food importing countries, and the high levels of per capita aid for development they receive. These countries also suffer from some of the highest rates of non-communicable diseases in the world, which may have increased the willingness of politicians to implement diet-related policy interventions. The policy stakeholders who elected to participate in the study may also have been biased due to self-selection; in particular, there was lower participation by private sector stakeholders than by those in the public sector.

In addition, while this study addressed a gap in the policy literature relating to soft drink taxation development and implementation, the unavailability of data on population soft drink consumption and in some cases even the amount of revenue raised, meant that the impact of the taxes on population health could not be determined.

CONCLUSIONS

This paper documents four specific taxes on soft drinks implemented by Pacific Island nations. The case studies illustrate the dynamics of implementing cross-sectoral health promotion policy, revealing interaction between the Ministries of Health, Finance and Revenue at almost every stage of the policy making process. In regard to agenda-setting, the case studies suggest that relevance to government fiscal priorities was important in gaining support for soft

drink taxes. However, the active involvement of health policy makers was also important in initiating the policies, particularly in Nauru and French Polynesia. The use of existing taxation mechanisms also appeared critical for successful implementation of the tax. While the earmarking of taxes for health has been widely recommended, the outcome of this strategy in French Polynesia suggests that the revenue may be redirected as government priorities change. This information can enable health promotion practitioners to develop strategies for their own contexts to facilitate agenda-setting, development and implementation of health-promoting policies that require cross-sectoral action. Key strategies include engaging with stakeholders in finance at an early stage to identify priorities and synergies, developing cross-sectoral advocacy coalitions and basing proposals on existing legislative mechanisms where possible.

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