

Norwegian sugar tax sends sweet-lovers over border to Sweden - 23 November, 2019

In a Swedish mall, just four miles from Norway, is a sweet superstore. The shop is as big as half a football pitch and has more than 4,000 products in total. The shop is one of around 30 similar shops in Sweden.

These stores make about £160m a year. They exist only because the prices of the sweets and soft drinks they sell are, on average, less than half those in Norway. In January, 2018, the tax on chocolate and confectionery in Norway was raised by 83% to £3.12 per kilo, while the tax on sugary drinks is now about 43p a litre.

People may be unhappy, but experts say the very high cost of sweets and soft drinks in Norway may be part of the reason why sugar consumption has fallen. It is at a historic low of 24kg per person per year and Norway has seen a fall in obesity with only one in six children and young people being obese.

The Norwegian health directorate, said the country's updated 1922 sugar tax was one of many factors behind the fall. Moreover, many Norwegian and international food and drink manufacturers have agreed to improve the diet of Norway's population, including a commitment to sugar reduction. The sugar in soft drinks has been cut by 30%.

In Sweden, shop owners were certainly smiling. The tax increase has had quite an impact on sales. Swedish businesses earned £1.3bn in 2018, 10% more than in 2017, as a result of Norwegian shoppers making 9.2m trips across the border in 2018.

But it is not just Norway's consumers who are unhappy at the increasing cost of having a sweet tooth. Confectionery producers are angry, too, arguing that they have already cut sugar content and the higher tax rate is a double punishment. One manufacturer said the sugar tax increase had led to a 27% fall in sales.

How far is the Swedish sweet superstore from Norway?
How big is it?
How many products does it have?
How much do these shops make per year?
Why do they exist?
How much per kilo is the tax on chocolate and confectionery?
How much is the tax on sugary drinks per litre?
How many kilos of sugar does the average Norwegian consume?
How many children and young people are obese?
Apart from increased taxes, what is another reason why sugar consumption has fallen?
How much did Swedish businesses make in 2018?
How much of an increase was it?
How many trips did Norwegians make across the border?
Why are the confectionery producers angry?
What has been the reduction in sales?