



THE INTERNATIONAL FOOD & BEVERAGE ALLIANCE'S COMMENTS ON THE 11 FEBRUARY 2013 REVISED DRAFT GLOBAL ACTION PLAN FOR THE PREVENTION AND CONTROL OF NONCOMMUNICABLE DISEASES 2013 - 2020

The International Food & Beverage Alliance (IFBA) welcomes the opportunity to comment on the World Health Organization (WHO) Revised Draft Global Action Plan for the Prevention and Control of NCDs 2013-2020 (version dated 11 February 2013) (the Revised Draft Action Plan).¹

We support the goals of the Revised Draft Action Plan to raise the priority of noncommunicable diseases (NCDs) in global health policy.

We also welcome the multisectoral approach advocated in the Note by the UN Secretary-General transmitting the report of the WHO Director-General on options for strengthening and facilitating such an approach through effective partnerships, now incorporated into recommendations to strengthen nationally driven efforts with the full participation of civil society and the private sector.

The Revised Draft Action Plan recommends many actions for the private sector that we support and have been implementing on a voluntary basis since 2004. These actions form the core of the 2008 commitments made by our CEOs to WHO in support of the WHO *Global Strategy on Diet, Physical Activity and Health* – product reformulation, including reductions in sodium and sugar and the removal of trans fatty acids, the provision of nutrition information through consumer education and nutrition labeling, the promotion of balanced diets and healthy lifestyles, restrictions on the marketing of foods high in fat, sugar and salt to children and the support of public-private partnerships.

There are, however, other proposed actions in the Revised Draft Action Plan which raise concerns on the basis that they either go further than the evidence would support or are technically not feasible. For example, we would refer you to the proposed actions on taxes on food and non-alcoholic beverage products, the replacement of trans-fatty acids and saturated fatty acids with polyunsaturated fatty acids, the reduction of “free” sugars in food and non-alcoholic beverages and the use of a classification and categorization approach to front-of-pack nutrition labelling. We are proposing some specific wording changes in the Revised Draft Action Plan to address these concerns.

We also wish to take this opportunity to reiterate our support for the global monitoring framework and global voluntary targets as integrated into the Revised Draft Action Plan, particularly the target of a 30% reduction in population intake of salt, with the aim of achieving a target of less than 5g of salt per day by the end of 2025 and the 10% target for the reduction in insufficient physical activity. Although challenging we will continue to do our part to help achieve them.

We all share a common interest in finding a solution to the global problem of NCDs and each of us has a unique contribution to make. We are committed to do our part to support Member States and WHO in the development and implementation of the WHO Global Action Plan for the Prevention and Control of

¹ IFBA is a group of eleven companies – The Coca-Cola Company, Ferrero, General Mills, Grupo Bimbo, Kellogg's, Mars, McDonald's, Mondelēz International, Nestlé, PepsiCo and Unilever – who share a common goal of helping people around the world achieve balanced diets and healthy, active lifestyles.

Noncommunicable Diseases 2013 - 2020. We encourage WHO and Member States to leverage our knowledge and expertise in product innovation and consumers insights and include us in the technical consultations for the development of action plans for the delivery of the voluntary global targets relevant to our industry and to the benefit of consumers.

Rationale for IFBA's Proposed Revisions to the Revised Draft Action Plan

We wholly endorse and support proposed actions aimed at developing and ensuring the availability of healthier food products, the creation of health and nutrition promoting environments, public campaigns and social marketing initiatives aimed at educating consumers about nutrition and balanced diets and promoting healthy behaviours and physical activity. We are pleased with the progress which has been made in the Revised Draft Action Plan, however, as mentioned above several of the proposed actions raise concerns on the basis that they may not be supported by available evidence or may not be technically feasible. Following we provide the rationale for our concerns and proposed revisions to the draft text:

1. Clear, unambiguous and evidence-based definitions of “unhealthy diet” and unhealthy foods are needed.

Appendices 6, 7 and 8 use the term “unhealthy diet.” This is not a defined term and can lead to misperceptions and misinterpretations. We believe clear, unambiguous and evidence-based definitions of “unhealthy diet” or of unhealthy foods is needed in WHO’s technical recommendations to Member States.

2. “Policy measures” must include a flexible framework and menu of policy options.

The Revised Draft Action Plan recommends “policy measures” aimed at the food and beverage industry to reformulate and develop products to reduce key nutrients of public health concern and improve access to foods with an improved nutrition profile. (Para 36(b), (e)). We believe the intention is to recommend a non-prescriptive approach and menu of policy options, allowing Member States to consider and adapt as necessary the options appropriate for their national priorities and circumstances. However, “policy measures” could be interpreted more narrowly and be construed as advocating a prescriptive approach, favouring statutory regulation. Therefore, we recommend, to avoid any ambiguity, that it be clearly stated that such measures should follow the precedent laid out and adopted by Member States in the WHO 2010 *Set of Recommendations on the Marketing to Children*, which provide a flexible framework and non-prescriptive menu of policy options, including self-regulation. IFBA members have voluntarily introduced new products and reformulated tens of thousands of products globally since 2004 to provide better for you options, removing or reducing key ingredients of public health concern – sodium, saturated fats and trans fats, sugar and calories – and improving the nutritional profile of products by adding ingredients considered beneficial for good health, such as whole grains and fibres, vitamins and minerals, fruits and vegetables. These voluntary initiatives have the advantage of being cost-effective for governments, flexible enough to adapt to local needs and quicker to implement.

3. Economic tools, including taxes and subsidies on food and non-alcoholic beverages are not an effective means to address NCDs.

The Revised Draft Action Plan recommends “economic tools” including taxes and subsidies aimed at discouraging the consumption of what the WHO describes as “less healthy” options. (Para. 36(e)) We have several concerns about this proposed action:

- a) The Revised Draft Action Plan incorporates the recommendations of the *UN Political Declaration of the High-level Meeting on the Prevention and Control of Noncommunicable Diseases* which did not recommend the taxation of food or non-alcoholic beverages.
- b) Public health policies must be based on scientific evidence and sound science. There is no science to show that the taxation of food products is an effective means to address NCDs. The most comprehensive review of academic research in this area shows that a tax would have uncertain consumption outcomes at best and concludes:

*What does this leave us with for evidence of policy? Well, it tells us that we do not really know how a population would respond to a tax on foods.*²

Furthermore, in the discussions on NCDs there has been a tendency to take policy interventions that have worked for one set of risk factors and adopt them for another:

*“The case typically here is to take the very successful package of measures that have worked very well for tobacco and then immediately apply it, for example, for food, but that doesn’t take into account that food is a much more complex issue. Tobacco is basically a binary choice. I mean even one puff is dangerous so certain measures are really straight-forward – increase taxation as much as you can to the point where you don’t stimulate contraband. Wholesale bans are easy, but food is actually required for the sustenance of life. So just the idea of packaging risk factors and transfer[ing] policy prescriptions from one field to the other is another one where I think we are weak.”*³

- c) The fight against NCDs is of critical importance and requires a comprehensive approach to changing behaviours, diets and lifestyles. There is no evidence that food taxation will achieve real behavior change or improve consumers’ access to healthier foods. The recent decision of the Danish government to scrap the tax on saturated fat in food products and to cancel the planned extension of the chocolate tax demonstrates the negative effects of such taxes for consumers and the competitiveness of the industry.⁴

² Corinna Hawkes. “Food taxes: what type of evidence available to inform policy development.” *Nutrition Bulletin*, Vol. 37, 51-56. (Feb 10, 2012): 54

³ Dr. Julio Frenk. Dean of the Faculty, Harvard School of Public Health, and former Minister of Health of Mexico, speaking at a Panel Discussion, “Working Together: Collaborating to Fight NCDs,” hosted by IFBA, The Business Council for the United Nations and the United Nations Foundation, 18 September 2011, on the Occasion of the United Nations High-level Meeting on the Prevention and Control of Noncommunicable Diseases.

⁴ The so-called “fat tax” was created in 2011 to address Denmark’s rising obesity rates and relatively low life expectancy. The tax was criticized for leading to potential job losses, increasing administrative burdens for companies and creating cross-border shopping and was scrapped in November 2012. The failure of the fat tax is a

- d) A tax on individual foods can have unintended consequences on the overall diet. This is partly due to the substitution effect which occurs when governments select a few food categories without approaching diets as a whole. In the OECD's 2012 *Obesity Update*, the authors concluded that:

*It is difficult to predict how consumers will react to price changes caused by taxation. Some may respond by reducing their consumption of healthy goods in order to pay for the more expensive unhealthy goods, thus defeating the purpose of the tax. Others may seek substitutes for the taxed products, which might be as unhealthy as those originally consumed.*⁵

- e) Food taxes are regressive and would be felt hardest by low-income families.⁶ Two OECD studies on the impact of fiscal measures conclude:

*...fiscal measures aimed specifically to change behavior are complex to design and enforce; their impact may be unpredictable as the price elasticity of demand varies across individuals and population groups; they can bear more heavily on low-income groups than on those with higher incomes, and substitution effects are not always obvious.*⁷

*In addition, taxes on consumption are typically regressive, unless consumption is concentrated among the wealthiest, which is certainly not the case for most potentially unhealthy lifestyle commodities, as the consumption of these tends to be concentrated among the less well off. Therefore, tax payments will weigh more heavily on the incomes of the most disadvantaged.*⁸

- f) A recent analysis shows that the imposition of discriminatory food and non-alcoholic beverages taxes does not represent best tax practice and is unlikely to address public health issues. The best practice is to limit discriminatory taxes to luxury goods or to products that cause external costs or negative externalities, such as tobacco, or where such taxes result in an efficient revenue generation. These are not the characteristics that broadly apply to food and non-alcoholic beverages.⁹ A recent report by Oxford Economics concludes that:

"In summary, an SFBT [selective food and non-alcoholic beverages tax] does not represent best tax practice. There are more effective ways for governments to generate revenue and to tackle health policy objectives than introducing discriminatory SFBTs. For example, tax administration

demonstration of how difficult it can be to modify behaviour by slapping additional duties on products many consumers see as essential staples, especially during difficult economic times.

⁵ OECD. *Obesity Update 2012*. 4

⁶ Anura Amarasinghe and Gerard D'Souza. *Obesity Prevention: A Review of the Interactions and Interventions, and some Policy Implications*. (West Virginia University, Regional Research Institute, Research Paper, 2010-2): 2010. Jacqueline Crowle and Erin Turner. *Childhood Obesity: An Economic Perspective*. Australian Government, Productivity Commission Working Paper. (Melbourne 2010).

⁷ OECD. *Healthy Choices*, OECD Health Ministerial Meeting, Paris, 7-8 October 2010. 11

⁸ OECD. *Obesity and the Economics of Prevention: Fit not Fat*, (OECD Publishing, 2010). 152

⁹ Oxford Economics, "The Impacts of Selective Food and Non-Alcoholic Beverages Taxes." The International Tax & Investment Centre, *Issues Paper*, February 2013.

improvements than combat tax fraud and tax evasion and improve tax compliance and tax collection from the existing tax base would efficiently and equitably strengthen the revenue base. A landmark OECD study on this topic found that there are feasible and more effective instruments to tackle health policy objectives that will achieve better societal outcomes in the long run, such as primary care counseling, school-based interventions and environmental modifications to improve diet and increase physical activity.¹⁰ As such, governments would be wise to consider these alternative measures instead of imposing discriminatory SFBTs that are unlikely to raise significant overall government revenue or reduce lifestyle-related NCDs and their associated risk factors.”

- g) IFBA members are investing in innovation and reformulation to provide consumers with healthier options globally – reducing key ingredients of public health concern and increasing beneficial ingredients, with different portion sizes to allow for portion control. We are working to ensure consumers understand the benefits of good nutrition, a balanced diet and a healthy lifestyle and are empowered to make the right decisions for their lifestyle. We have introduced global restrictions on marketing to children of foods high in fat, sugar and salt. These voluntary efforts are effective and making a change in the marketplace. Tens of thousands of reformulated or new products with healthier nutrition profiles have been introduced since 2004; around the world wherever our products are sold we make nutrition information readily accessible on the package product and/or where space is limited, consumers can find the information on point-of-sale leaflets, websites or call lines; and impact monitoring data demonstrates a major reduction in the exposure of children under 12 years to marketing communications for products high in fat, sugar and salt. Industry’s voluntary efforts also have the advantage for governments of being flexible enough to adapt to local needs, quicker to implement, and cost-effective as the expected administrative costs on governments to design, monitor and enforce a tax could be high.
- h) We believe Member States should be presented with a range of non-prescriptive options appropriate for their national priorities and circumstances. The results of public opinion research on policy measures to address childhood overweight and obesity in the EU, showed strong support for education and increased physical activity and very little support for imposing taxes on unhealthy food:

Our results suggest strong consistency among EU countries in support for two policies: providing information to parents and more physical activity in schools. For improving children's diets, our data show widespread support for providing parents with information, education programs in schools, and restrictions on advertising. For reducing childhood obesity, more physical activity in schools received the most support followed by education and advertising restrictions. There was very little support for imposing taxes on unhealthy food.

In the survey, tax increases were overwhelmingly rejected, receiving only 2.8 per cent support. Sixteen countries had 2 per cent or less support for this measure.¹¹

¹⁰ OECD. *The Economics of Prevention Project: Efficiency and distributional impact of interventions to prevent chronic diseases linked to unhealthful diets and sedentary lifestyle.* (Directorate for Employment, Labour and Social Affairs Health Committee, 2009)

¹¹ Suzanne L. Suggs and Chris McIntyre. "European Union public opinion on policy measures to address childhood overweight and obesity." *Journal of Public Health Policy* 32, 2011.

- i) Governments need to ensure consumers understand the benefits of good nutrition and balanced diets and are empowered to make the right decision for their lifestyle. We are committed to continuing and supporting these efforts. Our members have funded public health research and collaborated in partnerships with governments, the scientific community, health care professionals, and public and private institutions around the world focused on initiatives that promote nutrition science and education, healthy lifestyles and strategies for the promotion of health and the prevention and treatment of NCDs. IFBA members are using their core competencies, including their creativity and marketing skills to collaborate with public authorities and other stakeholders globally, to help raise consumer awareness of balanced diets and physical activity as an important part of NCD prevention.

4. A flexible approach, including the use of alternative oils and oil blends, is needed for the replacement of trans fatty acids and reduction of saturated fatty acids in foods with polyunsaturated fatty acids.

The Revised Draft Action Plan prescribes the use of polyunsaturated fatty acids in place of industrially-produced trans fatty acids and saturated fatty acids. (Para. 36(b)).

We support the goal of eliminating industrially produced trans fatty acids and reducing saturated fats. In fact, our members have been working for years to eliminate trans fats from our products and today, industrially produced trans fats have been virtually eliminated from our product portfolios. In addition, saturated fats have been reduced and levels of essential fats and “good” or healthy fats, such as polyunsaturated fatty acids have been increased.

Our goal, when reformulating or developing new products, is to eliminate or reduce trans fat without increasing the level of saturated fats – while still maintaining the same texture, taste, shelf-stability and freshness consumers have come to expect.

The proposed action, as drafted, is not technically feasible because in most products industrially produced trans fatty acids cannot be replaced with polyunsaturated fatty acids.

To achieve the goal of the Revised Draft Action Plan, our industry needs the flexibility to use, in addition to polyunsaturated fatty acids, alternative oils and oil blends, including monounsaturated fats which can help reduce heart disease, and tropical oils, which are not polyunsaturated fatty acids, that can remain semi-solid at room temperature and maintain product freshness, while being trans fat free. We recognize, however, that the goal is to eliminate trans fat and reduce saturated fat as much as possible.

5. Policies to reduce the content of sugars in food and non-alcoholic beverages should be based on total sugars and not free or added sugars.

The Revised Draft Action Plan prescribes the reduction of free sugars in food and non-alcoholic beverages. (Para.36(b)). We recommend that this be revised to provide the reduction of “total” sugars, and not just “free” (i.e. added) sugars.

Awareness of the total amount of energy provided by a food or beverage product, whether from sugars that are naturally occurring, or those that are added, protein or fat, is essential so that consumers can

select foods and beverages that meet their nutritional needs without exceeding the quantity of calories/kilocalories expended.

All sugars, whether free or naturally occurring, provide energy and there is no convincing scientific justification for distinguishing them.¹²

6. A fact-based approach to nutrition labelling should be recommended.

We support the proposed action on the implementation of Codex Alimentarius international food standards and the Codex Guidelines on Nutrition Labelling, which are science-based and whose purpose is to inform the consumer of the nutritional properties of a food. (Para. 36(h).

We also support a fact-based approach to nutrition labelling as set out in the principles IFBA adopted in November 2010.¹³ Fact-based systems, which provide meaningful and understandable nutrition information on overall diet allow consumers to make the dietary decisions to meet their individual nutritional needs. “Colour-coded front-of-the-pack nutrition labels” are not included in Codex and accordingly, we believe footnote 20 of the Revised Action Plan (pg. 21) should be deleted.

In setting dietary guidance, the focus needs to be on “how much” of a food or beverage is consumed – i.e. portion control, and “how often” it is consumed, within the context of an overall diet.

We are committed to providing nutrition labelling that exceeds many regulatory minimum standards around the world and offer consumers information they need to make informed dietary decisions – in a simple, clear and visible format.

Beyond the product package, we also provide consumers with practical health and nutrition information through a variety of media. Company websites are a key resource for nutrition and health information and offer interactive tools for personalized coaching programmes with nutritionists and health care professionals, individual weekly nutrition and fitness plans, and online healthy menu planning and recipes. Social media apps with practical videos are complemented with help lines, email alerts, brochures and newsletters.

Taking these issues into account, following are the proposed revisions we are requesting Member States and the WHO to consider for the final draft of the Action Plan.

8 March 2013

¹² Joint FAO/WHO Scientific Update on Carbohydrates in Human Nutrition. *European Journal of Clinical Nutrition*, Vol. 61 (Supplement 1), December 2007.

¹³ IFBA Principles for a global approach to fact-based nutrition labelling. These principles provide that nutrition information be fact- and science-based, emphasize the importance of the overall diet and encourage physical activity. [Available at ifballiance.org](http://ifballiance.org)

IFBA Proposed Revisions to the Revised Draft Action Plan for the Prevention and Control of Noncommunicable Diseases (version dated 11 February 2013)		
11 Feb	IFBA Proposed Revisions ¹⁴	Rationale
Pg. 21, Para 36(b), 2 nd bullet point	“develop policy measures [add Fn] directed at food producers and processors:...to reduce the content of free total sugars in food and non-alcoholic beverages;”	<ul style="list-style-type: none"> Proposed footnote to indicate that the definition of “policy measures” should follow the precedent laid out and adopted by Member States in the WHO 2010 <i>Set of Recommendations on the Marketing to Children</i> Replace “free” with “total.” All sugars, whether “free” (i.e. added) or naturally occurring provide energy and there is no convincing scientific justification for distinguishing between them.
Pg. 21, Para 36(b), 3 rd bullet point	“develop policy measures [add Fn] directed at food producers and processors:...to eliminate industrially produced <i>trans</i> -fatty acids from food and to replace them with polyunsaturated fatty acids to replace them with alternative oils and oil blends, including mono- and poly-unsaturated fatty acids, without increasing the level of saturated fats. ”	<ul style="list-style-type: none"> The replacement of trans fatty acids with polyunsaturated fatty acids is not feasible as in most products, industrially produced trans fatty acids cannot be replaced with polyunsaturated fatty acids. Industry needs the flexibility to use alternative oils and oil blends that can remain semi-solid at room temperature and maintain product freshness, while being trans fat free.
Pg. 21, Para 36(b), 4 th bullet point	“develop policy measures [add Fn] directed at food producers and processors:...to decrease the level of saturated fatty acids in foods and to replace them with polyunsaturated fatty acids alternative oils and oil blends, including mono- and poly-unsaturated fatty acids, without increasing the level of saturated fats. ”	Please see comment above on Para 36(b), 3 rd bullet point.
Pg. 21, Para 36(c)	“develop policy measures [add Fn] directed at food retailers and caterers to improve the accessibility and affordability of healthier food products (fruit and vegetables, products with reduced sodium content, saturated fatty acids, <i>trans</i> -fatty acids, free total sugars);”	Please see comments above on Para 36(b), 2 nd bullet point
Pg. 21, Para 36(e)	“ consider economic tools, including taxes and subsidies, to improve the affordability of healthier food products and to discourage the consumption of less healthy options; And Fn 19 “For example, taxation of categories of products to disincentivate consumption; taxation based on nutrient content; tax incentives to manufacturers engaged in product reformulation; price subsidies for healthier food products. ”	Proposed deletion on the basis that: <ul style="list-style-type: none"> The UN Political Declaration did not recommend the taxation of food or non-alcoholic beverages. Public health policies must be based on scientific evidence and sound science. and there is no science to show that the taxation of food products is an effective means to address NCDs.
Pg. 21, Para 36(i)	“implement the Codex Alimentarius international food standards for the labeling of pre-packaged foods as well as the Codex Guidelines on Nutrition Labelling in order... Fn 20 “For example, colour coded front of the pack nutrition labels based on nutrient profiling models.” ”	Proposed deletion in Fn 20, on the basis that a fact-based approach to nutrition labeling should be developed and colour-coded front-of-the-pack nutrition labels are not included in Codex.

¹⁴ Please note: proposed changes are reflected in bold face text for ease of reference only