

THE SOUTH AFRICAN MARKETING TO CHILDREN PLEDGE

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1. Preface

The Consumer Goods Council of South Africa (CGCSA) is the national organisation representing the packaged food, beverage and grocery products' industry.

The CGCSA represents the nation's largest manufacturing sector. Membership of CGCSA comprises of approximately 150 companies; subsidiaries and associates which constitute around 8 percent of the gross Rand value of the processed food, beverage and grocery products' sectors. (A list of members is included as Appendix I) By any measure, South Africa's food, beverage and grocery products' industry is a substantial contributor to the economic and social welfare of all South Africans. Effectively, the products of CGCSA's member companies reach every household.

The industry has annual sales and service income in excess of R180 billion and reportedly employs almost one in five of the nation's manufacturing workforce; of all South African's working in the industry, half are based in rural and regional South Africa. Likewise, the processed food sector sources more than 60 percent of its ingredients from South African agriculture.

The CGCSA agenda for business growth centres on public and industry policy for a socio-economic environment conducive to international competitiveness, investment, innovation, employment growth and profitability.

The CGCSA's mandate, in representing member companies, is to ensure a cohesive and credible voice for the industry, to advance policies and manage issues relevant to the industry and to promote the industry and the virtues of its products and services, enabling member companies to grow their businesses.

The Council advocates business matters, public policy and consumer related issues on behalf of a dynamic and rapidly changing industry, operating in an increasingly globalised economy. As global, economic and trade developments continue to test the competitiveness of South African industry, transnational businesses are under increasing pressure to justify South Africa as a strategic location for corporate production, irrespective of whether they are South African or foreign owned. In an increasingly globalised economy, the ability of companies to internationalise their operations is as significant as their ability to trade globally.

Increased trade, rationalisation and consolidation of businesses, increased concentration of ownership among both manufacturers and retailers, intensified competition and dynamic, increasingly complex and demanding consumers are features of the industry across the globe. Moreover, the growing global middleclass of consumers is more sophisticated and discerning, driving innovation and differentiation of products and services.

The CGCSA is working together with government in taking a proactive, even tactical, approach to public policy to enable businesses to tackle the threats, and grasp the dual opportunities of globalisation and changing consumer demands.

To this extent healthy options and in many cases, nutritional and calorie information panels will be displayed on packaging and at Quick Service Restaurants to inform consumers and to assist them in making healthier choices, whilst other member companies have opted not to advertise any of their products to children.

Lastly, CGCSA promotes responsible trading and marketing practice.

Since 2006, the CGCSA has engaged with its members and the Department of Health in the development of a Code for Marketing/ Advertising to Children. The code was finally formally adopted by the Advertising Standards Authority (ASA) on the 1st August 2008 as its *Food and Beverage Code – Appendix M (Appendix IV)*.

2. Definitions

In this initiative:

Marketing Communications means

- a) A matter which is published or broadcast using any medium in all of South Africa or in a substantial section of South Africa for payment or other valuable consideration and which draws the attention to the public or a segment of it, to a product, service, activity, person, organisation, or in line of conduct, in a manner calculated to promote or oppose directly or indirectly that product, service, activity, person, organisation or line of conduct;
- b) Any activity which is undertaken by or on behalf of an advertiser or marketer for payment or other valuable consideration and which draws the attention of the public or a segment of it to a product, service, activity, person, organisation or the line of conduct, in a manner calculated to promote or oppose directly or indirectly the product, service, person, organisation or line of conduct,

But does not include **Excluded Advertising or Marketing Communications**.

Excluded Advertising or Marketing Communications means labels or packaging for products.

Advertising or Marketing Communications to Children means advertising or marketing communications which, having regard to the theme, visuals, and language used, are primarily to children and are for product.

Children twelve years old and under means advertising to media audiences with a minimum of 50% of children twelve years old and under.

Healthy dietary choices and a healthy lifestyle are determined based on established scientific standards¹ that are verified by independent and credible experts which are acceptable to the Advertising Standards Authority of SA.

¹ Substantiation based on statistically valid data, employing a validated, proven scientific method and applicable to the claim being made. Where no official scientific standards have been established, the company will provide technical information (in-house company standards) to support the claim being made, and such in-house standards will be independently verified by a credible expert.

3. Core Principles

Companies participating in the *South African Marketing to Children Pledge* will publicly commit to marketing communications to children twelve years old and under with a view to promoting healthy dietary choices and healthy lifestyles.

Each participant will develop an individual company action plan that outlines how they will meet the following core principles:

I. Advertising Message

Participants will not advertise food and beverage products to children twelve years old and under² in television advertisements unless:

- a. Those products represent healthy dietary choices;

AND / OR

- b. The advertising and/or marketing communication activities reference, or are in the context of, a healthy lifestyle designed to appeal to the intended audience through messaging that encourages:

- i. Good dietary habits, consistent with established scientific standards;

AND/OR

- ii. Physical activity.

II. Product Endorsement

Participants will not use celebrities or characters licensed from third-parties (such as cartoon characters) in television advertisements targeted at Children of twelve years old and under unless those products represent healthy dietary choices and a healthy lifestyle.

This prohibition does not extend to company-owned characters; and to characters used on packaging, provided that the packaging does not appear in television advertising directed at children of twelve years old and under.

² South African Code specifically employs the term “twelve years old and under” to accord with the parental guidance age groups for screening of films is 13 and over, as employed by the Films and Publication Board, and implemented by national broadcasters.

III. Marketing Promotions

- a. Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle will not be used in promotional activity in television advertisements primarily targeted at Children twelve years old and under.
- b. All elements and conditions relating to a promotion should be clearly communicated.

Where promotions are permissible on television, the elements and conditions relating to promotions should also be clearly communicated at point of sale.

Where promotions are permissible to children of twelve years old and under, the likelihood of winning should be clearly communicated in wording readily understandable to them.

IV. Advertising and marketing communications on or in close proximity to pre-school and primary school premises.

- a. Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle shall not advertise or use any form of promotional activity on or in close proximity to, pre-school and primary school premises.
- b. Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle, shall not use celebrities, characters licensed from third-parties or free gifts on or in close proximity to, pre-school and primary school premises except where specifically requested by, or agreed with, the school administration for educational purposes, or related to the healthy lifestyle activities under the supervision of the school administration or appropriate adults.

Companies will sign up to this initiative as a minimum commitment, and may develop and publish individual company action plans which outline how they will meet the core principles of this initiative.

Because companies and their product lines vary, the way companies comply with this framework will differ. However, all commitments will be consistent with the core principles outlined in this initiative. This initiative outlines the minimum commitments required by signatories. Companies may choose to expand if they so wish.

Companies that have signed up for the South African Marketing Initiative are:

Manufacturers

Cadbury*
Coca-Cola*
Danone*
Entyce/ Snackworks (AVI)
Epic
Foodcorp
General Mills*
Kellogg*
Kraft*
Mars*
Nestle*
Oceana brands
Parmalat
Pepsico/Simba*
Pioneer Foods
Rainbow Chicken
Tigerbrands
Unilever

Quick Service Restaurants

Famous Brands (Wimpy, Steers)
KFC
McDonalds*
Nando's

Retailers

Pick n Pay

*Companies that have international pledges in place that may further enhance their commitment. – Please refer to individual websites.

5. Compliance and Complaints

A transparent compliance monitoring programme or study will be developed to support this initiative within twelve months from the commencement of the initiative. However, all consumer, trade and government complaints may be lodged directly with the Advertising Standards Authority. (www.asasa.org.za)

These studies will be repeated periodically. The purpose of these studies will be to measure the industry's response, determine the nature of the improvements in performance and to report on the findings.

The South African Pledge on Marketing to Children

The South African Pledge on Marketing to Children confirms that a number of concerned South African companies in the Food, Beverage, Retail, and Quick Service Restaurant (QSR) sectors wish to commit to:

- Appendix M (Food and Beverage Code) to the *Code of Advertising Practice* as administered by the Advertising Standards Authority of South Africa (see www.asasa.org.za). Moreover;
- The signatories agree that there will be no advertising of products to children twelve years old and under, except where
 - I. These products represent healthy dietary choices; and / or
 - II. The advertising and/or marketing communication activities reference, or are in the context of, a healthy lifestyle designed to appeal to the intended audience through messaging that encourages:
 - a. Good dietary habits, consistent with established scientific standards; and
 - b. Physical activity.
- The signatories voluntarily agree not to use celebrities or characters licensed from third-parties (such as cartoon characters) in television advertisements targeted at children of twelve years old and under unless those products represent healthy dietary choices and a healthy lifestyle.
- The signatories voluntarily agree to limit marketing promotions targeted at children of twelve years old and under unless those products represent healthy dietary choices and a healthy lifestyle.
- The signatories voluntarily agree to limit **Marketing Communications** on or in close proximity of pre-school and primary school premises
- The signatories also agree not to communicate on product that do not represent healthy dietary choices and a healthy lifestyle in primary schools.
- The signatories agree to a transparent compliance monitoring programme or study to to measure the industry's response, determine the nature of the improvements in performance and to report on the findings. However, all consumer, trade and government complaints may be lodged directly with the Advertising Standards Authority of South Africa (www.asasa.org.za).
- For the purpose of this initiative, advertising to “children twelve years old and under” means advertising to media audiences with a minimum of 50 % of children twelve years old and under.

For the purpose of this initiative, advertising to “children twelve years old and under” means advertising to media audiences with a minimum of 50 % of children twelve years old and under.

The Signatories still acknowledge and agree to bind themselves to the processes as stipulated by the Advertising Standards Authority for compliance to the Code

Commitment to this Pledge

Name: _____

Company: _____

Designation: _____

Date: _____

Signature: _____

Appendix 1: CGCSA MEMBERS AS AT MAY 2009

A B I, SOFT DRINK DIVISION OF SAB
A S M C
A V I FINANCIAL SERVICES (PTY) LTD
• I&J
• ENTYCE
• INDIGO
• SNACKWORKS
ACNIELSEN MARKETING & MEDIA (PTY) LTD
AMKA PRODUCTS PTY LTD
BARLOWORLD LOGISTICS
BAYER (PTY) LTD
BEIERSDORF CONSUMER PRODUCTS
BRITISH AMERICAN TOBACCO S A (PTY) LTD
CADBURY
CHEP S A
CLOVER / DANONE S A
COCA COLA SOUTH AFRICA
DAIRYBELLE
D H L EXEL SUPPLY CHAIN PTY LTD
EDEK MANUFACTURING CC
EPIC FOODS (PTY) LTD
FAMOUS BRANDS FRANCHISE CO (PTY) LTD
• STEERS
• WIMPY
• DEBONAIRS
GLAXOSMITHKLINE BEECHAM
ILLOVO SUGAR LTD
INTERNET SOLUTIONS
KELLOGG COMPANY OF S A (PTY) LTD
KIMBERLY CLARK OF S A (PTY) LTD
KRAFT FOODS SOUTH AFRICA
MARS AFRICA (PTY) LTD
MASSMART SERVICES (a div of MASSTORES (PTY) LTD)
MCDONALD'S S A (PTY) LTD
METCASH TRADING AFRICA PTY LTD
NESTLE
NOLA
OCEANA BRANDS LIMITED
PAKCO (PTY) LTD
PHILIP MORRIS SOUTH AFRICA (PTY) LTD
PICK 'N PAY RETAILERS (PTY) LTD
PIONEER FOODS (PTY) LTD
• SASKO
• BOKOMO
• HEINZ
• THE CERES BEVERAGE COMPANY
• BOWMAN INGREDIENTS SA
• AGRI BUSINESS
PREMIER FOODS
PROCTER & GAMBLE S A (PTY) LTD
S C JOHNSON & SON PTY LTD
SARA LEE HOUSEHOLD & BODY CARE PTY LTD
SIMBA (PTY) LTD
SPAR GROUP LIMITED
TIGER CONSUMER BRANDS LIMITED
TONGAAT HULETT SUGAR LIMITED
TRENSTAR
UNILEVER SOUTH AFRICA (PTY) LTD
VITAL HEALTH FOODS
WILLOWTON OIL
WOOLWORTHS
YUM FOODS RESTAURANT (PTY) LTD



Advertising Standards Authority of South Africa

(Association incorporated under Section 21)
Company Registration Number 1995/00784/08

Appendix IV

Appendix M

Food and beverage code

1. Preamble

- 1.1 Food and beverage advertising to children should not bring advertising into disrepute or reduce confidence in advertising as a service to the industry and to the public.

2. Scope

- 2.1 This code is intended to regulate the advertising of food and beverage products in general, and in particular advertising of such products to children.
- 2.2 This Code is not intended to duplicate or be a substitute for any regulations effecting the labelling and advertising of products relating to health and nutrition.

3. Interpretation

- 3.1 Nutrition information and claims should be judged by the likely perception of the reasonable person at whom the advertising is directed or who is likely to be exposed to advertising.

4. Legality

- 4.1 Food and beverage advertising should adhere to all legal requirements.

5. Honesty

- 5.1 Food and beverage advertising should not be so framed as to abuse the trust of consumers at whom it is directed or who are likely to be exposed to it, or exploit their lack of experience or knowledge or their credulity.

6. Responsibility

- 6.1 Food and beverage advertising, including promotions, should not encourage poor nutritional habits or an unhealthy lifestyle in children, or encourage or condone excess consumption.
- 6.2 Portion sizes featured in food and beverage advertising should not be excessive or more than would be reasonable to consume by a person of the age depicted.

7. Misleading

- 7.1 Presentations in advertising for food and beverage products should accurately represent the material characteristics of the product featured, in particular, but not exclusively, with regard to taste, size, nutritional content, health benefits, nature, composition, method and date of manufacture, range of use, efficiency and performance, quantity, commercial or geographical origin or environmental impact.

8. Social values

- 8.1 As it is recognised that children of twelve years old and under are impressionable, food and beverage advertising should not mislead children about product benefits from use of the product. Such benefits include, but are not limited to, the acquisition of strength, status, popularity, growth, proficiency and intelligence.
- 8.2 Food and beverage product advertising should not undermine the role of parents or others responsible for a child's welfare in guiding diet and lifestyle choices.
- 8.3 Food and beverage product advertising should not directly appeal to children of twelve years old and under to persuade their parents or others to buy advertised products for them; or suggest any negative consequences of not purchasing the product.

9. Product endorsement

- 9.1 Advertisers promoting food and beverage products that do not represent healthy dietary choices and a healthy lifestyle, consistent with established scientific standards acceptable in terms of Section II, Clause 4.1 of the Code of Advertising Practice, shall not use celebrities or characters licensed from third-parties (such as cartoon characters) in television advertisements targeted at children of twelve years old and under.
- 9.2 Clause 9.1 does not apply to company-owned characters.
- 9.3 Clause 9.1 does not apply to the use of characters on packaging, provided that the packaging does not appear in television advertising directed at children of twelve years old and under.

10. Inexperience and credulity

- 10.1 Advertising directed towards children of twelve years old and under for food and beverage products should not create a sense of urgency.
- 10.2 Subject to the provisions of clause 9 dealing with product endorsement, it is recognised that fantasy, including animation, may be appropriate in communication with children.
- 10.3 Care should, however, be taken not to exploit the imagination of a child of twelve years old and under in a way that could create expectations of unattainable product benefits or exploit a child of twelve years old and under difficulty in distinguishing between real benefits and fanciful benefits

11. Substantiation

- 11.1 All claims, including nutritional information and claims about nutrition and health benefits, should be substantiated in accordance with Clause 4.1 of Section II.
- 11.2 Claims about nutrition and health benefits should be conveyed in a manner easily understood by the reasonable consumer.
- 11.3 Nutritional or health claims in television advertisements targeted at children of twelve years old and under, may not be made in respect of products that do not represent healthy dietary choices and a healthy lifestyle, consistent with established scientific standards acceptable in terms of Section II, Clause 4.1.

12. Disclaimers

- 12.3 All disclaimers targeted at children of twelve years old and under should be understandable to them, taking into account their limited vocabularies and level of language skills.

13. Testimonials

- 13.1 Testimonials should not contain any claim or implication to efficacy which is not substantiated in accordance with Section II, Clause 4.1.

14. Marketing promotions

- 14.1 Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle, consistent with established scientific standards acceptable in terms of Section II, Clause 4.1 should not use promotional activity in television advertisements primarily targeted at children of twelve years old and under.
- 14.2 Whenever promotions are used the means of entry, the products to be purchased, if any, and the conditions of the promotion, should be clearly communicated.
- 14.3 Advertising targeted at children of twelve years old and under should clearly communicate the likelihood of winning in wording readily understandable to them.
- 14.4 The prize(s) and the number of prizes should be clearly communicated.
- 14.5 All prizes should be appropriate to the child audience.

15. Marketing communications on pre-school and primary school premises

- 15.1 Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle, consistent with established scientific standards acceptable in terms of Section II, Clause 4.1, shall not advertise on, or in close proximity to, pre-school and primary school premises.

- 15.2 Food and beverage products that do not represent healthy dietary choices and a healthy lifestyle, consistent with established scientific standards acceptable in terms of Section II, Clause 4.1, shall not use any form of promotional activity, such as free gifts, on pre-school and primary school premises.