

February 2017

Food Industry Asia (FIA) Responses to the Consultation on the First Draft Work Programme of the UN Decade of Action on Nutrition

Food Industry Asia (FIA) wishes to thank the United Nations System Standing Committee on Nutrition (UNSCN), Food and Agriculture Organization (FAO) and World Health Organization (WHO) for providing the opportunity to participate in the consultation on the first draft Work Programme of the UN Decade of Action on Nutrition.

General comments

FIA supports the goals of the UN Decade of Actions on Nutrition (hereafter referred to as Nutrition Decade) to eradicate hunger and malnutrition in all its forms, and reduce the burden of diet-related non-communicable diseases (NCDs), and welcomes the development of its Work Programme which sets the framework and guideline for countries and other stakeholders to work collaboratively towards these objectives.

We believe that sound public policy responses should be both evidence-based and collaborative, with a clear focus on the role of industry self-regulation. In Asia, we believe that the private sector, in particular, has an important and valuable role to play in both the debate and the solution to the complex and multifaceted issue of malnutrition (in all its forms) and NCDs.

FIA was particularly encouraged by the inclusiveness suggested in the Nutrition Decade, which recognises that addressing all forms of malnutrition and NCDs requires a whole-of-society approach, and the engagement with a wide range of stakeholders, including the private sector. We fully endorse this approach in Asia. Given the complexity and multifactorial causes of malnutrition and NCDs, it is essential that all stakeholders work together in a coordinated and inclusive approach to develop holistic, impactful and sustainable solutions.

Specific comments

FIA supports the overall framework of the Work Programme, which describes the aims and added value, guiding principles, key action areas, modalities of engagement and roles of multiple stakeholders, and tools for driving actions, and accountability framework of the Nutrition Decade.

Please find below FIA's comments on specific Action Areas:

Action area 1: Sustainable, resilient food systems for healthy diets

We fully support the integration of food safety objectives into food and agriculture policies. Addressing food safety challenges in Asia is critical and demands concerted and coordinated efforts from all stakeholders, including governments, intergovernmental organisations (IGOs), academia, non-governmental organisations (NGOs), and the private sector.

Action area 3: Social protection and nutrition education; and Action area 5: Safe and supportive environments for nutrition at all ages

A number of objectives identified in these two areas, including nutrition education to empower people to promote healthy and balanced diet, improving nutrition information provision through labelling, portion control, product reformulation, physical activity and healthy lifestyles, and implementing the *WHO Global Strategy on Diet, Physical Activity and Health* and *WHO Recommendations on the Marketing of Foods and Non-alcoholic Beverages to Children* – are ones FIA supports and have been championing in Asia in line with the commitments made by the International Food & Beverage Alliance (IFBA).

These actions on product reformulation, nutrition labelling, responsible marketing, promotion of balanced diets and healthy lifestyles form the core of the 2008 commitments made by IFBA member CEOs to the WHO in support of the *WHO Global Strategy on Diet, Physical and Activity and Health*.

FIA members have been working constructively with governments in Asia for many years on these complex nutrition issues. In 2012, FIA was consulted by WHO Western Pacific Regional Office in the development of the WHO Global Action Plan on the Prevention and Control of NCDs (adopted May 2013).

We recognise the important and unique role the food and beverage industry has to play in these efforts and have been doing our part in support of the stated priorities of WHO, by:

- Restricting the marketing of foods high in fat, sugar and salt to children;
- Providing nutrition information to consumers;
- Promoting balanced diets and physical activity; and
- Reformulating where possible, and bringing to market new products which support the goal of improving the healthfulness of foods and beverages.

Together and individually, our members are reducing key ingredients of public health concern – salt, sugar, saturated and trans fats – and increasing ingredients considered beneficial for good health such as fibre, whole grains, fruits, vegetables and dairy; and reducing total calories.

We continually challenge ourselves to commitments that benefit the health of the public wherever possible and make them relevant at a community level, in an acknowledgement that ever greater efforts are needed to address these pressing issues.

Below we detailed two of our initiatives in Asia to promote nutrition education through front-of-pack labelling and improve food environments through responsible marketing practices.

1. Promoting GDA labelling to empower consumer to make informed choices

FIA and our members understand that many consumers are increasingly seeking ways to manage their calorie intake. In our view, one of the most important factors in maintaining a healthy weight is energy balance, which factors in total calories consumed as well as those expended through basal metabolism and physical activity. Consumer awareness of the calories provided by a food or beverage product is essential and we are committed to providing easily-

accessible and meaningful nutrition information to help consumers make choices that meet their needs.

To this end, FIA has recently launched region-wide guidelines on the consistent use of voluntary front-of-pack nutrition labelling in the form of percentage Guideline Daily Amounts (GDAs). The [FIA GDA Toolkit](#) provides an industry guide to help its members to apply the logo in various markets.

The scheme is voluntary for all manufacturers and retailers, with support for its implementation provided by national trade associations in each country. It is intended to result in nutrition labelling that is:

- Clear, meaningful and understandable, thereby empowering the consumer to make informed dietary choices;
- Applied in a consistent manner - recognising that for some products, full nutrition information may not be relevant or feasible;
- Science-based and non-discriminatory;
- Based on the use of Guideline Daily Amounts - GDAs;
- Supported by nutrition labelling education programmes that help consumers achieve positive behavioural changes.

Our members have already made significant progress in rolling out these voluntary labels on their key brands across Asia and we have increased penetration in all countries by the end of 2015.

2. Responsible marketing

In line with the *2010 WHO Recommendations on the Marketing of Foods and Non-alcoholic Beverages to Children*, we recognise the role of responsible marketing and we support with continued commitment to strengthen and adapt self-regulatory measures.

Self-regulation is cost-effective, measureable, flexible, and can quickly respond to societal concerns¹. Industry-led self-regulation, has formally been recognised as a means of implementing the policy objective of reducing the impact on children of the marketing of foods high in fat, sugar and salt in the 2010 WHO Recommendations.

In 2008, IFBA members voluntarily adopted an approach restricting how and what they advertise to children globally and FIA is playing an important role in the implementation and monitoring of this commitment in Asia by driving adoption beyond the large multi-national companies and working with governments to codify these standards into national guidelines. This approach was designed within a framework in which robust industry-led standards are

¹ OECD Committee on Consumer Policy, Industry Self-Regulation: Role and Use in Supporting Consumer Interests. March 20, 2015 [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DSTI/CP\(2014\)4/FINAL&docLanguage=En](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DSTI/CP(2014)4/FINAL&docLanguage=En) viewed August 19, 2016.

combined with regional and national regulatory bodies to create a system responsive to the unique needs of different nations.

The self-regulatory approach is continually monitored globally to make sure its compliance. In the latest [2016 Compliance Monitoring Report](#), it reported that IFBA members globally have continued to demonstrate a high rate of compliance, in this seventh year of compliance monitoring – 97% for television advertising, 99.8% for internet advertising and 100% for print advertising in child-directed media.

In Asia, FIA and our members are driving the self-regulatory commitment that is effective and measurable at the national level in Singapore, India, Malaysia, Thailand, and Philippines.

For instance, in Singapore, a public-private partnership was formed comprising the Ministry of Health, Health Promotion Board, Advertising Standards Authority of Singapore, the Singapore Manufacturing Federation (SMF), the World Federation of Advertisers, and FIA and delivered the Singapore Code of Advertising Practice (SCAP) in 2014. The Code is comprehensive in scope, applicable to all advertisers in Singapore, and based on uniform nutrition criteria, which would distinguish between products that may and may not be marketed to children.

Action area 4: Trade and investment for improved nutrition

Some proposed policy options in this Action area 4 and in *Table 1*, such as taxation of food and beverages raise concerns on the basis that they either go further than the evidence would support or are unlikely to succeed in tackling the problem of obesity and NCDs.

Fiscal measures that are bound to be implemented require a design that achieves the intended objective of reducing consumption of food high in sugar, fat and salt which indirectly influences the obesity rate. Some studies show that the taxation is regressive, as the lower and middle socioeconomic group spend a greater proportion of their income on food taxes than the higher-income population.^{2 3}

On the economic terms, a study commissioned by the European Commission in 2014 showed that taxes in some EU countries on foods and beverages considered high in fat, sugar, and salt led to increased administrative costs, declined employment in some cases, higher food prices, with no apparent improvement to public health.⁴

Furthermore, literature that was published over the recent years has shown that there is no clear evidence on the effect of sugar-sweetened beverage tax on the overall consumption of an individual. As a result, the potential health impact is inconclusive; causing taxation to be one of the least effective

² Zhen C, et al. Predicting the Effects of Sugar-Sweetened Beverage Taxes on Food and Beverage Demand in a Large Demand System. (2013) *American Journal of Agricultural Economics* 96:1-25.

³ The European Competitiveness and Sustainable Industrial Policy Consortium, Food taxes and their impact on competitiveness in the agri-food sector, a study. 16 July 2014. http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=7668 viewed August 29, 2016.

⁴ The European Competitiveness and Sustainable Industrial Policy Consortium, Food taxes and their impact on competitiveness in the agri-food sector, a study. 16 July 2014.

ways to combat obesity⁵. With its limited effectiveness in tackling obesity, taxation, on its own will not have a significant impact on addressing the public health concern.

In its Obesity Update (2014), the OECD Directorate for Employment, Labour and Social Affairs reported that their recent work on fiscal policies concluded that taxes on food and non-alcoholic beverages need to be carefully designed to achieve their intended effects. As some of their studies illustrated, the use of taxes for health promotion remains a politically sensitive subject, despite increasing interest by many governments.⁶

To identify sustainable and effective solutions for overcoming obesity, a multi-stakeholder approach is required, where industry should be part of the solution. A comprehensive approach which combines a range of tools is needed to reduce obesity. Multi-sectoral engagement is essential to curb the epidemic.

As mentioned earlier, we believe that interventions such as product reformulation, portion control, restrictions on the marketing of foods and beverages high in fat, sugar and salt to children, nutrition literacy and labelling, public education on diet and physical activity programmes are likely to be more effective than a tax recommendation, with little scientific basis that lacks solid evidence and evaluation. Further work should be undertaken to assess the impact of fiscal measures on diet, obesity and public health before such a policy option is recommended.

It is particularly important that all stakeholders are assured a place in the discussion. The food industry understands the challenges and is responding. Hence, FIA would like to highlight the importance of collaborative public-private partnerships as we believe that it is the best and most cost-effective way for the different stakeholders to work together.

To this end, FIA is part of a multi-stakeholder platform—known as the Asia Roundtable on Food Innovation for Improved Nutrition ([ARoFIIN](#)) — with the Singapore Health Promotion Board (HPB), the Agency for Science, Research and Technology (A*STAR), and the Singapore Institute for Clinical Sciences (SICS) to initiate a dialogue and then facilitate an integrated approach to solving health challenges such as obesity, malnutrition, vitamin and mineral deficiencies and NCDs, across Asia. We believe in bringing senior actors from government, academia, industry and civil society together to analyse the existing landscape in Asia as it relates to:

- Social, economic and health opportunities for food and nutrition-based R&D
- Consumer behaviour changes in the food and nutrition arena

Launching into real action, the members of ARoFIIN identified key areas and worked on roadmap to achieve the objectives towards a healthier, happier Asia relying on the dynamism, dedication and commitment of everyone involved in this public private partnership. Some outcomes include:

⁵ McKinsey Global Institute, *Overcoming Obesity: An Initial Economic Analysis*. November 2014. http://www.mckinsey.com/~media/McKinsey/Business%20Functions/Economic%20Studies%20TEMP/Our%20Insights/How%20the%20world%20could%20better%20fight%20obesity/MGI_Overcoming_obesity_Full_report.ashx viewed August 19, 2016.

⁶ Obesity Update. OECD 2014. <http://www.oecd.org/els/health-systems/Obesity-Update-2014.pdf> accessed 30 August 2016.

- An Economic Intelligence Unit study has been commissioned to assess the economic cost of obesity in Asia and to identify possible interventions to reduce obesity. The final report with a potential launch is expected by first half of 2017. An [inception report](#) of the study was presented at the 2nd ARoFIIN Roundtable.
- Coordinated by ARoFIIN, the industry members are invited to support Singapore's Health Promotion Board in the development of a mobile phone app which enables consumers to identify healthier food choices in supermarkets.
- ARoFIIN is in progress of reviewing individual studies in selected Asian countries on consumption data of pregnant and lactating mothers as well as schoolchildren. Once the data is available, the nutrient gap between actual consumption and WHO recommendations can be identified and interventions can be discussed.
- A dialogue with the food industry partners has been initiated to discuss the role of the food industry to provide the target population groups with improved nutrition via locally accepted, low cost but highly nutritious food solutions. The goal is to advocate for exclusive breastfeeding in the first six months while providing at the same time support to improve the nutritional status of adolescent girls, pregnant and lactating mothers.
- Leading non-government organisations (NGOs) (such as Save the Children) have been contacted [to evaluate interest in entering into partnerships with the food industry](#) to support and distribute the developed food solutions in the region. Goal is that ARoFIIN acts as a communication platform between the public and private segment so alignment of nutrition intervention strategies can be achieved and projects scaled up.

ABOUT FIA

Food Industry Asia (FIA) is a non-profit industry association established in Asia to represent the food industry as a trusted partner in multi-stakeholder dialogue.

Our goal is to harness the expertise of major food and beverage companies and respond to the region's complex challenges in food safety, regulatory harmonisation and health & nutrition. Our members share common values on the responsible promotion of balanced diets and lifestyles. Together, we work with a broad range of stakeholders in Asia to promote the role of public private partnership as a cost-effective mechanism for delivering positive socio-economic outcomes.

At the heart of our philosophy lies a belief that the private sector can play a more positive role in civil society on many of the complex challenges associated with health & nutrition. To this end, FIA is committed to working collaboratively with governments, policy makers, academics and civil society throughout Asia, either directly or through existing local industry groups.

Please visit www.foodindustry.asia for further information.