

VIA Email (CFS@fao.org)

16 April 2020

Re: Comments on FAO's Committee on World Food Security's Draft Voluntary Guidelines on Food Systems for Nutrition (the "Negotiation Draft")

Dear Sir or Madam:

The International Council of Beverages Associations ("ICBA") appreciates the opportunity to submit comments on FAO's Committee on World Food Security ("CFS")' latest Draft Voluntary Guidelines on Food Systems for Nutrition. We would note at the outset that we fully appreciate the challenges of continuing this workstream during Covid-19 and thus extend our appreciation for this opportunity to provide our written perspective. ICBA supports CFS' effort to take a holistic approach to food systems policy recommendations, and we believe this Negotiation Draft is a positive step forward in that direction.

ICBA is an international business association established in 1995 that is the voice of the global nonalcoholic beverage industry.¹ ICBA is an active member of CFS' Private Sector Mechanism and has been a recognized Observer and well-respected stakeholder at the Codex Alimentarius ("Codex") Commission for over twenty years. ICBA participated in the virtual Open-Ended Working Group meeting on 14 April 2020 and supports the PSM statement provided during that meeting.

Given the global implications of Covid-19, it is essential that we collectively revisit our approach to these Guidelines. We have an opportunity – and a responsibility – during this time of crisis to sharpen the focus of these Guidelines around the concept of 'resiliency.' In other words, we need to promote food systems that encourage a strong, safe and consistent food supply across borders and geographies. The concept of resiliency of food systems goes beyond the strength of supply chains and the importance of strong international trade systems – it should also encompass efforts from all stakeholders, including the private sector, to promote health and well-being. As we learn more about the virus each day, one thing has become abundantly clear – the importance of good underlying health. Thus now more than ever, we must consider each policy recommendation with

¹ ICBA members include: American Beverage Association; Arab Beverage Association; Asociación Nacional de Empresarios de Colombia; Asociación Nacional de Productores de Refrescos y Aguas Carbonatadas, A.C.; Asociación de Industrias de Bebidas Gaseosasde la República Dominicana, Inc.; Australian Beverages Council Ltd.; Beverage Association of South Africa; Brazilian Association of Soft Drink and Non Alcoholic Beverages; Cámara Costarricense de la Industria Alimentaria; Canadian Beverage Association; China Beverage Industry Association; Indian Beverage Association; Japan Soft Drinks Association; Union of European Soft Drinks Associations; Energy Drinks Europe; The Coca-Cola Company; Coca-Cola FEMSA; Arca Continental; Dr Pepper Snapple Group; PepsiCo, Inc.; and Red Bull.

the utmost care – is it grounded in strong science? Does it promote positive health outcomes? Through CFS, we can work together on evidence-based interventions that have proven their value, rather than revisiting well-trodden ground. We are all invested, in all aspects of our lives, in overcoming this challenge – and our industry is committed to fulfilling this mission.

With that in mind, we will now proceed to offer some additional thoughts on the Guidelines. Overall, we appreciate that the Draft adopts a higher-level approach and recognizes the importance of national context regarding policy recommendations. We believe that these Guidelines should: 1) align with the 2018 UN Non-Communicable Disease Political Declaration; 2) contain policy recommendations that are well-established and evidence-based; and 3) recognize the need for a multi-stakeholder approach. This Draft does indeed achieve a multi-stakeholder approach. However, there are some opportunities for improvement related to alignment with UN precedent as well as the body of evidence for policy recommendations.

I. The CFS Guidelines should align with the most recent UN nutrition and health related Political Declarations.

ICBA appreciates and supports the reference to both 2018 UN High-Level Meeting Noncommunicable Diseases (NCDs) Political Declaration and the 2018 Global Health and Foreign Policy Resolution contained in the Negotiation Draft.² <u>We would recommend incorporating more explicit</u> <u>references into the text rather than relegating the references to a footnote identifying only the UN General Assembly</u> <u>resolution number</u>. Given that these are among the most current resolutions cited, we believe they should be appropriately emphasized.

We note that in both UN Resolutions, policy recommendations related to taxation of foods and beverages were explicitly considered and rejected by Member State consensus. We therefore strongly encourage alignment with this significant UN precedent and <u>urge the deletion of provisions in the 16 March Draft focused on food and beverage taxation:</u>

- Delete the recommendation to tax "foods high in energy density with minimal nutritional value" contained in 3.2.4(d) (Page 16-17).
- Delete the recommendation to remove tax benefits for the development and marketing of "foods and beverages high in energy density with minimal nutritional value." 3.3.2(a)(Page 18)

This exclusion of food and beverage taxation from these UN Declarations comes on the heels of numerous reports out of the World Health Organization ("WHO") which have either excluded or failed to scientifically substantiate any health outcome from taxation:

² Page 6, Para. 18, Footnote 14.

- WHO's 2017 report, "**Tackling NCDs**," identifies 16 "Best Buy" interventions that governments can undertake to combat NCDs. Taxation of sugar-sweetened beverages is NOT a Best Buy intervention WHO's own internal modelling (the "CHOICE analysis") did not prove a public health benefit.
- In October 2017, a sugar-sweetened beverage tax was considered and rejected by Member States for the **Montevideo Roadmap** at the WHO Global High-Level Conference on NCDs.
- In June 2018, **WHO's Independent High-Level Commission on NCDs** identified the six key recommendations to accelerate progress in combating NCDs. This Commission considered and then explicitly rejected including an SSB tax recommendation in their Report, finding it to be neither bold, innovative nor evidence-based.
- In September 2018, December 2018 and September 2019, the UN NCD Political Declaration, the Global Health and Foreign Policy Resolution and the UN Universal Health Coverage Political Declarations purposefully excluded specific policy recommendations related to taxation of sugar-sweetened beverages.

We encourage CFS to follow and remain aligned with strong UN precedent on this topic.

II. The CFS Guidelines should reflect well-developed, transparent and evidence-based policy recommendations that have been demonstrated to improve public health.

Guidelines with a strong scientific foundation are essential to providing Member States with recommendations that have transformative power for our food systems. With that in mind, we offer the following reflections on the current Draft:

- We strongly support that the 16 March Draft <u>deleted</u> references to "ultraprocessed" foods and no longer creates unnecessary and inaccurate negative connotations around "processed foods." Both processed foods and homemade foods can vary in their nutritional value and the term 'processed' does not dictate whether a food is healthy or not. As a shelf-stable product, processed foods play an important role in food security, particularly during these challenging times. In addition, there is no accepted definition of "ultraprocessed:" the meaning has not been negotiated, much less agreed to, by Member States, and the scientific literature is far from fully developed. Inclusion of this term was considered and rejected during UHC Political Declaration negotiations.
- The definition of "nutritious foods" should be deleted. (Sec 1.2, para. 20, page 7). We believe that no single food or beverage products are, on their own, inherently healthy or unhealthy. Rather, it is diets that can be healthy and balanced, or not. In that

respect, certain nutrients of concern should be limited (including sodium, added sugars, saturated fats and industrially-produced transfats), and certain nutrients should be encouraged (including fibers, protein and unsaturated fats). Reformulation efforts can contribute to improving the nutritional value of food and beverage products that form an overall diet.

- References to regulation and restrictions around marketing should be more thoughtfully drafted to reflect a multistakeholder approach and be based on evidence (Sec. 3.5.1(b),(d)). We recommend that these Guidelines take into account the existing global industry commitments regarding marketing to children rather than simply calling for a regulation-only approach. For example, ICBA member companies have agreed that there will be no marketing communications where 35 percent or more of the audience consists of children under the age of 12. ³ In addition, we would note that the call for an age-based restriction of "children aged 18 or younger" lacks substantiation (particularly given that the age 18 is adulthood in many cultures). Although scientists differ on the age by which children have developed an understanding of the persuasive intent of advertising, few would put that age at 12 years or higher. For that reason, multiple government-led reviews of the existing academic research conducted in the context of the debate on food marketing communications have identified an age cut-off at 12.
- Recommendations related to zoning laws and tax certification to regulate food nutrition should be deleted (Sec. 3.3.1(d)(e)). While this idea may have merit for scientific literature to explore, it is far too premature and untested for inclusion in an intergovernmental text, nor are zoning laws or tax incentives an area of FAO expertise.

III. The CFS Guidelines recognize the importance of including all stakeholders in the shift toward sustainable food systems.

ICBA appreciates the references in the Guidelines to the private sector as an important stakeholder in transforming food systems. We would suggest, however, that recommendations that government actors should ensure transparent, appropriate dialogues with the private sector should apply more broadly to all stakeholders (Sec. 3.1.3(a)). ICBA agrees that governments should ensure that "the dialogue with the private sector is transparent and follows clear roles and responsibilities for engagement to safeguard the public interest." We would suggest, however, that this principle should be applied equally to all stakeholders – including all members of civil society. Transparency in roles and responsibilities benefits all parties.

³ See ICBA Guidelines on Marketing to Children, adopted 2008 and updated 2015: <u>https://www.icba-net.org/files/resources/finalicbaguidelinesmarketingtochildren.pdf</u>

IV. Conclusion

ICBA believes these Draft Guidelines will be a useful contribution to food systems guidance, and that more importantly, they offer an opportunity during this critical time for our world to provide very significant recommendations on how to build resiliency into our systems. We greatly appreciate that the CFS Secretariat has operated transparently with all stakeholders. We look forward to continuing to contribute feedback in a productive and positive manner.

Regards,

Katherine W. Loatman

Katherine W. Loatman Executive Director