

# Industry interference with alcohol policy

## WHO/ Workshop

### 18-21.June.2019

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# The SAFER Initiative

## Action Package

### **S**

Strengthen restrictions on alcohol availability

### **A**

Advance and enforce drink driving counter measures

### **F**

Facilitate access to screening, brief interventions and treatment

### **E**

Enforce bans/comprehensive restrictions on alcohol advertising, sponsorship and promotion

### **R**

Raise prices on alcohol through excise taxes and pricing policies

## National Action

### **Implement**

Strong political will, adequate resources, and technical and institutional capacity are critical to enacting the SAFER interventions at the country level.

### **Monitor**

Strong monitoring systems must support SAFER implementation to enable accountability and track progress.

### **Protect**

Alcohol control measures must be guided and formulated by public health interests and protected from industry interference and commercial interests.

## Global Support

### **WHO Technical Guidance**

- Technical note
- Policy briefs
- Factsheets
- Implementation toolkits
- Monitoring framework
- Guidance on protection from industry interference

### **WHO/UN Joint Programme**

- Capacity building
- Support networks
- Technical support

### **Communication and Advocacy**

- Partnerships
- SAFER events
- Resource mobilization
- SAFER initiative visibility

## National Action

### **Implement**

Strong political will, adequate resources, and technical and institutional capacity are critical to enacting the SAFER interventions at the country level.

### **Monitor**

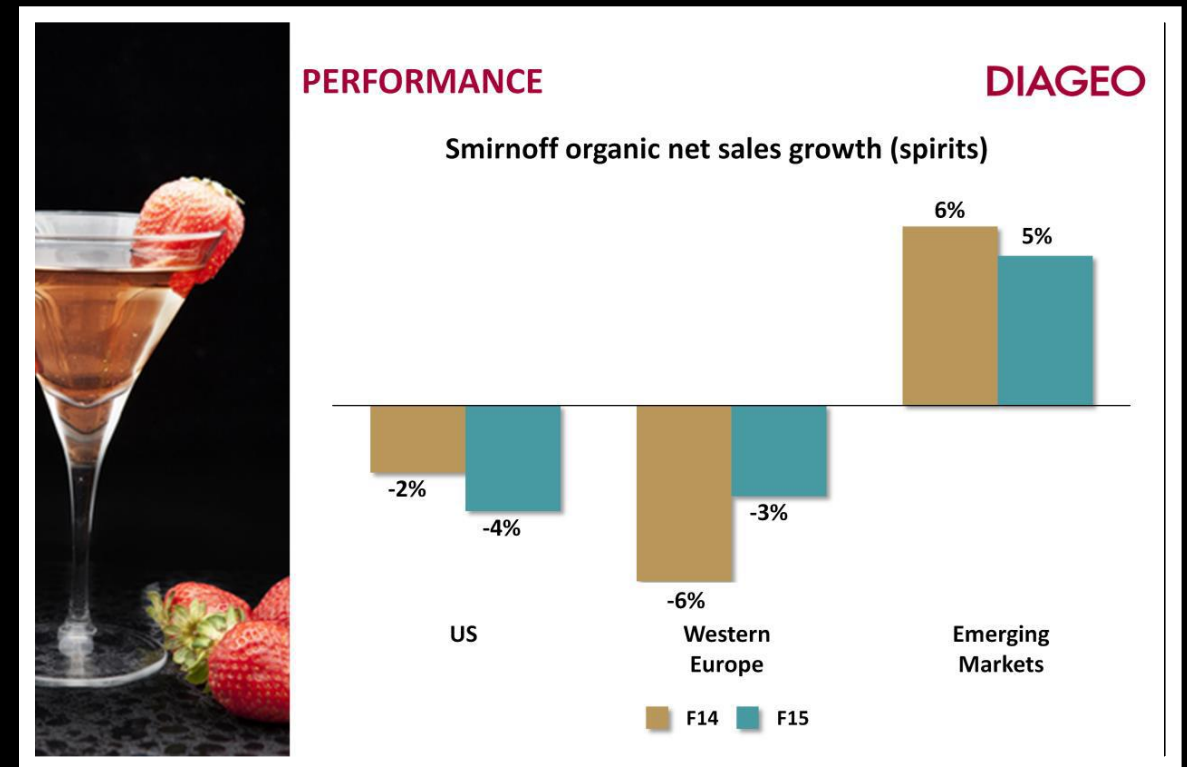
Strong monitoring systems must support SAFER implementation to enable accountability and track progress.

### **Protect**

Alcohol control measures must be guided and formulated by public health interests and protected from industry interference and commercial interests.

# Why do we need protection from commercial interests?

- Expansion into LMICs
- Economic/trade agreements
- Size of the Transnational Alcohol Corporations
- Digital marketing



# Industry influence: the power of the corporation

Week by week, month by month, year by year, the modern corporation exercises a greater influence on our livelihood and the way we live than unions, universities, politicians and government.”

— J.K. Galbraith *The Age of Uncertainty*, 1977

DIAGEO



Pernod Ricard

- Alcohol produced and marketed by large transnational corporations



SABECO



HABECO



EST. 1873

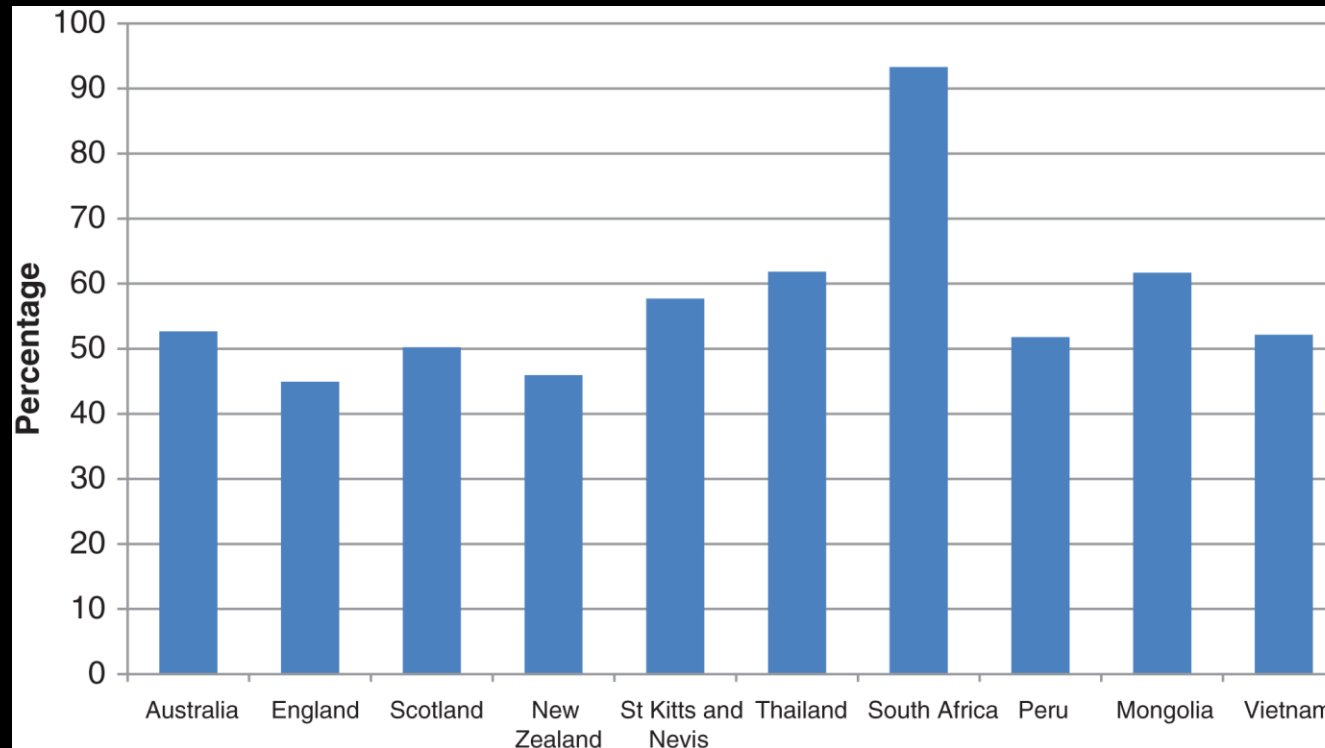
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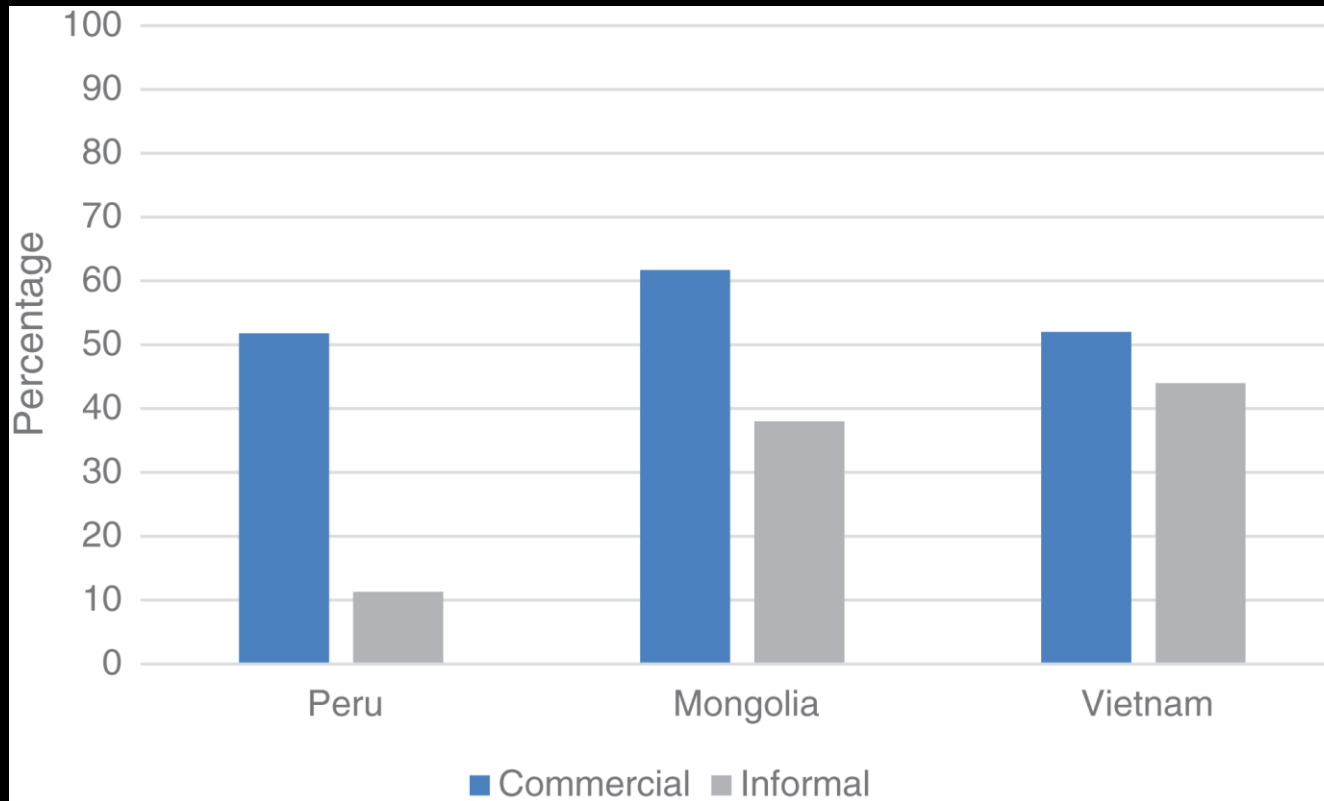
# Interests of alcohol producers/retailers conflict with health and wellbeing

- The corporations' responsibility is to their shareholders
- The corporations rely on harmful drinking occasions for sales and profits

# Alcohol consumed in harmful drinking occasions



# Proportion of commercial and unrecorded alcohol consumed in harmful drinking occasions





# Inter agency task force on NCDs reports to the WHO Executive Board on industry influences

- .....missions carried out by the Task Force have highlighted pervasive industry attempts to influence government policy. While the activities of the tobacco industry are well established, the Task Force increasingly witnesses similar strategies from the alcohol, food and beverage industries.....

# Lobbying

- **the strategies of alcohol industry actors are focused on long-term relationship building with policy makers, involving the provision and interpretation of information and the promotion of various forms of self-regulation.**

- Hawkins and Holden 2014

- <http://www.ingentaconnect.com/content/tpp/pap/2014/00000042/00000001/art0004>




Vietnam Association for  
Responsible Drinking  
(VARD)

- Industry is well organised with global trade associations for lobbying (International Alliance for Responsible Drinking) and partners at national level.




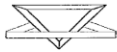
# Industry involvement— focus on industry as partner and on less effective measures

ICAP/Diageo initiated workshop, March 2009

	DIAGEO
<b>Industry Codes of Conduct and Responsible Drinking Initiatives</b>	
Hanoi 18 March 2009	

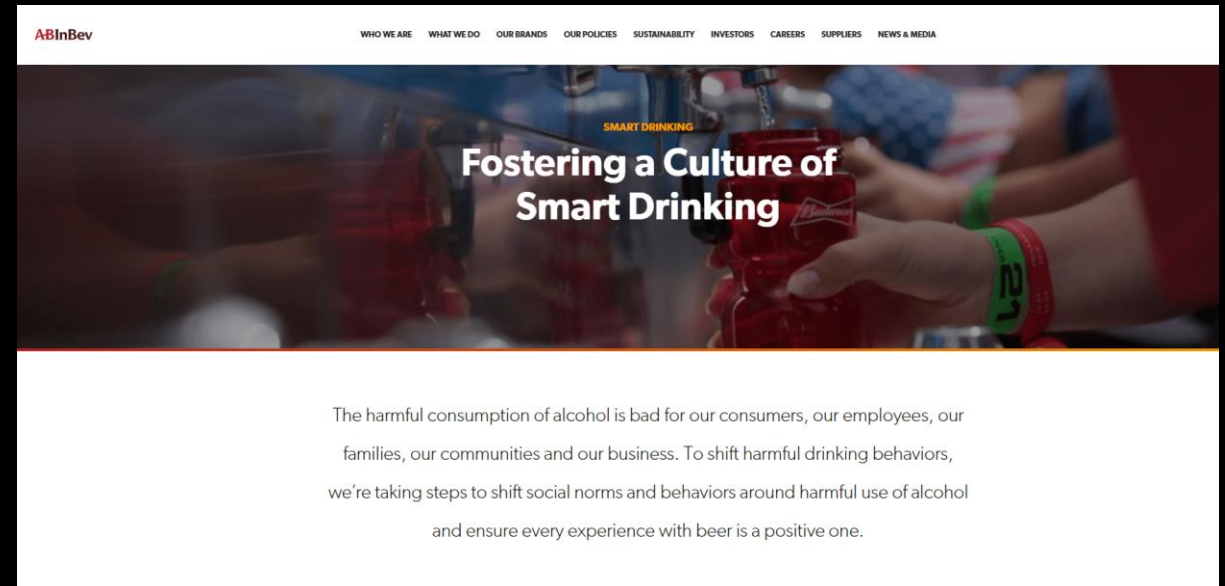
	DIAGEO
<b>Shared Interests</b>	
<ul style="list-style-type: none"><li>&gt; Alcohol industry is key stakeholder</li><li>&gt; We share the concerns over alcohol-related harm</li><li>&gt; We have a moral and ethical duty to ensure responsible business practices</li><li>&gt; Sustainability of our business depends on our ability to be <i>part of the solution</i> to reduce alcohol abuse</li></ul>	

	<b>Making The Future Work</b>
✓ Best buys for the prevention of alcohol related harms:	
<ul style="list-style-type: none"><li>• Increased use of screening and brief intervention</li><li>• Effective Social Marketing</li><li>• Regulation and enforcement for alcohol sales and marketing (e.g., server training, licensing management, trading hours)</li><li>• Leadership</li></ul>	

	<b>Making The Future Work</b>
<b>Final Thoughts</b>	
<ul style="list-style-type: none"><li>✓ Focus on Drinking Culture and Drinking Patterns</li><li>✓ Promote personal and social responsibility</li><li>✓ Focus on Individuals and populations</li><li>✓ Focus on reducing risk and harm</li></ul>	

# Corporate Social Responsibility - an increasingly common approach to influence

- CSR is used to frame issues, define problems and guide policy debates. In doing this, the alcohol companies deflect and shift the blame from those who manufacture and promote alcoholic products to those who consume them
  - Yoon and Lam, BMC Public Health, 2013
- For example, responsible drinking campaigns .....



DANCE MORE  
DRINK SLOW

Heineken AND ARMIN VAN BUUREN PRESENT

THE EXPERIMENT



This week **AB InBev** is launching  
the **Global Smart Drinking Goals**

Pernod Ricard



# Responsible Drinking Campaigns

- These campaigns:
  - Are ambiguous - messages are not clear, responsibility not defined
    - Young adults and teenagers had a range of understandings of the messages but the messages increased positive evaluations of the companies
      - Smith et al, Health Communication, 2006
  - Imply everyone will drink
  - Put the focus on individual responsibility and away from the industry behaviour and the products



- CSR initiatives on voluntary regulation in order to delay and offset alcohol control legislation.
  - Yoon and Lam, BMC Public Health, 2013

## Draft law to prevent alcohol firms' social responsibility programmes

18:21 | 22/06/2018

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Businesses are worried that paying 0.5 to 1 per cent of their sales revenue to a health fund or the state budget prescribed by the Draft Law on Alcohol Harms Prevention would prove too much, as they are already charged with high special consumption tax. They want to conduct CSR activities to reduce the harmful use of alcohol by themselves.



*Tran Huu Minh, deputy chief of office of NTSC speaking at the workshop on prevention of harmful use of alcohol beverages*

On June 21 Asia-Pacific International Wines and Spirits Alliance (APIWSA) and Pernod Ricard, in collaboration with the National Traffic Safety Committee (NTSC), held a workshop on the role and social responsibility of enterprises to prevent the abuse of alcoholic beverages.



# Cooperate philanthropy

- the alcohol corporations undertake philanthropic sponsorships as a means of indirect brand marketing as well as gaining preferential access to emerging alcohol markets.
  - Yoon and Lam, BMC Public Health, 2013



# CSR often a form of marketing

- We found that while the alcohol industry has been claiming to undertake CSR strategies in support to the WHO Global Strategy, more than half the actions were considered to have the potential to sell alcohol products and promote brands..... from the small percentage of actions that were considered to have some level of effectiveness 40% also had marketing potential, which may undermine any attempt to control alcohol problems.
  - Pantani et al, Addiction, 2016

# Engagement with researchers is a form of CSR

- “Accepting support from the alcohol industry sends a message that the industry is doing what it can to reduce alcohol-related harm and will inadvertently weaken wider efforts to reduce the damage done to population health and society”.
- Andreasson and McCambridge, 2016



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## NIH pulls the plug on controversial alcohol trial

By Meredith Wadman | Jun. 15, 2018, 5:45 PM

# Diageo tells shareholders: Corporate Social Responsibility and lobbying is working

- “Proactive, evidence based engagement to build trust and deepen our relationship and reputation with governments, industry and other stakeholders .... successfully mitigated threats .....to shape **more balanced regulatory outcomes.**” Diageo, 2017

## Diageo announces surge in sales and profits

🕒 27 July 2017

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Diageo is the world's largest producer of Scotch whisky

Drinks giant Diageo has announced a large jump in sales and profits which it believes has been partly due to the Brexit-hit pound.

# New Zealand case study: Why Industry cannot be at the policy making table

- NZ SSAA 2012: devolved policy making on alcohol availability to local councils
- At last minute clause 81: **Right of appeal to licensing authority**
- This allowed e.g. police, health but also industry to appeal.
- Result.....Industry directly influencing policy



The Alcohol Regulatory and Licensing Authority, with Judge Kevin Kelly at centre, listens to a second day of evidence. PHOTO / PETER DE GRAAF

# New Zealand: what industry does

- Money/resources/good lawyers
- Research evidence
  - Attack published research evidence
  - Industry unpublished research evidence was treated as if equal in court
- Focus on the details, detracts from big picture.
- Tough cross-examination
- Appeal every decisions that goes against them
- Question law/interpretation

# New Zealand: what public stakeholders did

- Health, researchers, police, NGOs, Hospital Dr's, lawyers, worked together.
- Tried to sing the same tune
- Devoted the resources we could to the cause
- Produced new evidence
- We had some wins.
- Industry appealed, new law held up currently

# What can we do to counter industry?

- Generate evidence – make it visible
- Research very limited on industry interference, very limited independent monitoring of alcohol industry actions - particularly political lobbying, unethical influence.
- Frameworks for monitoring food industry which may be useful e.g. Sacks 2013. Orratai doing some work in this area.
- Examples of how industry interfere in policy making are available in countries now – e.g. Viet Nam, suggest countries write these up and publish where possible.



# What can we do to counter industry: advocacy?

- Transparency about corruption: civil society/NGO's need to make visible what industry is doing.
- Capacity building in the media so they do more investigative journalism to make visible what industry does.
- Alcohol industry depend on money from heavy/harmful drinking – have to make this conflict of interest clear

# Con't

- Work together, take opportunities when they arise.
- Make the most of evidence - clear messages that re-frame industry arguments.
- Advocate to politicians directly if possible
- Ask help from your WHO office.
- **WHO Framework Convention on Alcohol Control**

- SHORE & Whariki Research Centre, College of Health, Massey University
- Global Alcohol Policy Alliance
- International Alcohol Control (IAC) study

