

# A GLOBAL PERSPECTIVE ON THE ROLE OF REGULATORY CONTROLS IN THE MANAGEMENT OF OBESITY

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THE OBESITY PROBLEM IS A REALITY  
WHICH CANNOT BE IGNORED...

THE QUESTION IS:  
HOW TO TACKLE IT IN A MANNER  
THAT WILL ACTUALLY WORK?



# LOTS OF DIFFERENT APPROACHES

- Better eating habits
- More exercise
- Consumer education
- Better tasting foods with good nutritional characteristics
- Anti-obesity drugs
- Surgical intervention
- ‘Magic bullet’ quack solutions



# INCREASED PRESSURE ON THE FOOD INDUSTRY AS A CAUSE OF THE OBESITY PROBLEM

- Food industry is a convenient target due to:
  - High visibility
  - Aggressive marketing strategies
  - Drive by multinationals into developing markets where obesity is becoming a issue
  - Poor nutritional quality of some (but NOT all!) processed foods
  - Technically difficult to reconcile need for good nutritional characteristics with palatability and cost



# THE CHALLENGE IS THIS...







THEN WHAT DO ALL THESE  
LITTLE SKULLS AND CROSSBONES  
MEAN?

THAT MEANS  
IT'S GOOD!

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# UNSURPRISING THAT SOME PUBLIC HEALTH PRACTITIONERS SEE REGULATION AS A SOLUTION

- Food industry seen as irresponsible and geared solely to profit
- Voluntary initiatives seen as window-dressing
- Perception that food industry will only take active steps if it is forced to do so by means of regulation
- Belief that regulatory steps will lead to behavioural changes by consumers
- Regulation seen as cost-effective



LET'S CONSIDER EACH OF THESE IN A  
BIT MORE DETAIL...

# 'IRRESPONSIBLE AND SOLELY PROFIT ORIENTED FOOD INDUSTRY'

- We have 7 billion people to feed and cannot do it without a successful & profitable food industry
- Some elements in the food industry probably are excessively profit driven via the bonus system and focus largely on short term financial targets

BUT:

- Industry, particularly the multinationals, DOES consider the bigger picture
- It makes commercial SENSE for the industry to produce products of good nutritional quality
- Good nutrition costs money and often raises palatability issues

REMEMBER - IMPROVING THE NUTRITIONAL QUALITY OF  
PROCESSED FOOD IS A LOT EASIER SAID THAN DONE!!!!

# 'VOLUNTARY INITIATIVES ARE JUST WINDOW DRESSING'

- Clearly an element of self-interest by industry to pre-empt regulatory initiatives
- However nutritional improvement & enhancement makes commercial sense!
- Provision of nutrition education by food companies is socially desirable and can also be used to gain commercial benefit providing it is done responsibly
- Lack of government nutrition education programs means industry is filling a gap

# 'INDUSTRY WILL ONLY TAKE ACTIVE STEPS IF FORCED TO DO SO'

- Industry is already taking steps – question is are they enough, are they having an effect and will formal regulatory measures make any difference?
- Industry will have no choice but to fall in with regulatory requirements but will undoubtedly challenge those that penalise them commercially without any commensurate benefit to public health

# 'REGULATION WILL LEAD TO BEHAVIOUR CHANGE BY CONSUMERS'

- The million dollar question!!!!
- Some of the issues:
  - What level of regulation is required to achieve an effect on behaviour?
  - Regulation will take considerable time to have any effect in terms of public health outcomes as behavioural change needs to take place first
  - How do you quantify specific effect of regulation if it is implemented in conjunction with other initiatives?

# 'REGULATION IS COST EFFECTIVE'

Figures from DoH NCD Strategic Plan 2013-2017 /  
Lancet Chronic Disease Series 3 2010

**Best Buys for Tackling Diet, Physical Activity and Obesity (ZAR / head  
- 2010)**

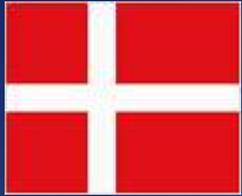
- |                                |        |
|--------------------------------|--------|
| • Fiscal measures (e.g. taxes) | R0.20  |
| • Food advertising regulation  | R0.90  |
| • Food labelling               | R2.50  |
| • Worksite interventions       | R4.50  |
| • Mass media campaigns         | R7.50  |
| • School-based interventions   | R11.10 |
| • Physician counselling        | R11.80 |

The BIG question – what will happen in practice, as these  
figures are based on scientific modelling

# WHAT ARE THE REGULATORY OPTIONS?

- Additional taxation of products that have undesirable nutritional characteristics
- Restrictions on advertising, particularly to children
- More comprehensive labelling requirements – will not be covered today

LET'S LOOK AT SOME CASE  
STUDIES



# THE DENMARK FAT TAX



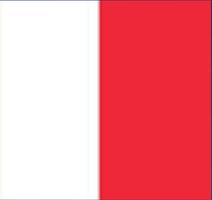
- In October 2011, Denmark introduced a fat tax on butter, milk, cheese, pizza, meat, oil and processed food if the item contained more than 2.3% saturated fat
- Typical effect – 250g pack of butter increased in price by ±R5.00
- Major dissatisfaction from the public due to increases in food prices + huge administrative burden + job losses
- Little or no short term impact on eating habits – one survey indicated that 7% of the population reduced their intake butter, cream & cheese
- Discontinued November 2012 without any real conclusions as to effectiveness



# THE MEXICO TAX EXPERIMENT

- Mexico consumes  $> 700 \times 230\text{ml}$  servings of carbonated beverages / head / year (c.f. USA  $\pm 400$  servings / head / year)
- Introduced a tax equivalent to  $\pm R0.80$  / litre on carbonated soft drinks + 8% tax on foods with  $>1155\text{kJ} / 100\text{g}$  in January 2014
- Volumes of largest Mexican Coca Cola bottler diminished by 2.8% in Q2
- Too early to speculate on long term effects





# THE FRENCH SOFT DRINK TAX

- France imposed a tax on soft drinks in January 2012
- Increase of equivalent of  $\pm$ R0.15 per container
- Covered sugar sweetened and diet beverages as well as juices with added sugar
- Intention appears to be driven by need for revenue generation as well as public health





# USA SODA TAX INITIATIVES

- Numerous proposals at state level for 'soda taxes'
- Proposed soda tax in Illinois rejected in May 2014
- Proposed limit on soda portion sizes in New York rejected by High Court in June 2014
- Berkeley (CA) currently pursuing local initiative
- Bill proposed for national soda tax in House of Representatives – would add equivalent of R1.00 to a 300ml serving





# WHAT ABOUT SOUTH AFRICA?

DoH has suggested:

- Putting a tax on to unhealthy products and use this to subsidise healthy products
- Taxing products that have little nutritional value and are bad for health with the specific purpose of reducing consumption e.g. sugar sweetened beverages



- Reference to recently published (19/8/2014) study:
  - Manyema et al, The Potential Impact of a 20% Tax on Sugar-Sweetened Beverages on Obesity in South Africa, PLoS ONE 9(8)

# LET'S HAVE A LOOK AT THE STUDY ...

Based on mathematical simulation models

Changes in purchasing behaviour resulting from increases in price of sugar sweetened beverages (SSBs)



Effect on consumption of SSBs



Effect on energy intake by consumers



Effect on BMI



Effect on prevalence of obesity

# FINDINGS

- 10% increase in cost of SSBs due to tax increases would result in 13% decrease in consumption
- This would in theory result in average reduction in energy intake of 36kJ / day with greatest reduction (46kJ / day) in age group 20-24
- This would result in a reduction of BMI ranging from 0.19 (20-24 year females) to 0.06 (males > 65years)
- Prevalence of obesity predicted to reduce by 3.8% in men and 2.4% in women

# COMMENTS

- Study is a theoretical exercise – assumptions, strengths and limitations are clearly acknowledged by the authors
- 13% reduction in consumption for 10% increase in cost is questionable
- There is an effect in terms of overall reduction in prevalence of obesity but it is very limited
- Would be desirable to compare theoretical results with actual changes in consumption figures observed in countries where tax increases have been implemented

# TAX INCREASES – WHAT CAN WE CONCLUDE?

- There is insufficient data available to draw any firm conclusions as to the long term implications of current obesity reduction driven taxation initiatives
- Indications from both actual (Mexico) and theoretical (RSA) experience is that there is a potentially positive but very small improvement in obesity levels
- Implication is that increased taxation is not a 'magic bullet' and must be seen as part of a broader initiative
- May act as an incentive for industry to improve nutritional quality but cost and palatability issues will remain



# MARKETING TO CHILDREN

- Growing move by regulators to place restrictions on marketing of foods with poor nutritional characteristics to children
- World Health Assembly resolution 63:14 (2010) called for targeted initiatives to limit children's exposure to food advertising
- UK, Sweden, Ireland, Greece, Italy and Belgium have local restrictions in place
- Singapore health ministry has code of conduct
- Norway has given food industry 2 years to implement voluntary ban on marketing to children under 13, otherwise legislation will follow
- Quebec (Canada) prohibits any advertising to children under 13 years (Consumer Protection Act)

# HOWEVER...

- UK TV advertising restrictions appear to have had little effect on exposure of children to food advertising as only applicable to children's programs
- Swedish legislation applicable to state TV however satellite channels not controlled
- Little evidence for or against potential benefits of more extensive controls



# RESTRICTIONS ON FOOD MARKETING IN SCHOOLS

- USDA implementing 'Smart Snacks in Schools' policy from July 2014:
  - <35% sugar by weight
  - <35% of kJ from fat
  - <10% saturated fat
  - Water, low fat or fat free milk, 100% juice only permitted beverages
- India considering prohibition on sale of carbonated drinks & foods high in fat / sodium / sugar from school canteens
- UK implemented prohibition on sale of confectionery / carbonated drinks / potato chips in schools in 2009 however widespread opposition & bypassing of the regulations followed



# WHAT ABOUT SOUTH AFRICA?

- Guideline 14 of R429 proposes major restrictions on marketing of foods to children including:
  - No promotion of ‘unhealthy’ food on radio or TV between 06h00-21h00
  - No commercial marketing of any sort to children between 06h00-21h00
  - No marketing of ‘unhealthy’ food in ‘settings where children gather’
  - Use of nutrient profiling + additional criteria to determine acceptability of individual products
- Proposals are arguably the most radical of any country in the world

## DEPARTMENT OF HEALTH

No. R. 429

29 May 2014

FOODSTUFFS, COSMETICS AND DISINFECTANTS ACT, 1972 (ACT No.54 OF 1972)

REGULATIONS RELATING TO THE LABELLING AND ADVERTISING OF FOODS:  
AMENDMENT

# R429 PROPOSALS HAVE BEEN WIDELY CRITICISED

- Legal status questionable
- Enforcement of many provisions likely to be impossible, particularly in context of generally poor state of enforcement of food law
- Wording of much of the Guideline is vague, ambiguous and open to legal challenges
- Additional criteria over and above those of nutrient profiling seen as completely unrealistic (e.g. apples, oranges, most fruit juices & low fat milk don't qualify!)
- Nutrient profiling model was intended as a tool for establishing eligibility for claims and has not been verified as a broader based tool for other regulatory initiatives

# QUESTIONS

- Is Guideline 14 intended as a serious proposal or is it simply intended as a starting point for negotiation leading to more realistic and enforceable measures?
- Is Guideline 14 intended as a wake-up call for the industry to do more voluntarily?
- How will it be enforced???
- How is the effectiveness of the measures going to be established?
- Do we have the resources to monitor effectiveness?

# POTENTIAL OUTCOMES

- If DoH implement the R429 proposals either unchanged or in only marginally altered form, outcome is likely to be confrontational with legal challenges and inability to enforce as major issues
- Industry will put forward a beefed-up version of the current voluntary ASA Code of Practice which will be less radical but far more practical in terms of enforcement
- Maybe the answer is regulated rather than voluntary proposals based on an expanded ASA Code but without some of the impractical & unrealistic components of Guideline 14?



# WHAT GENERAL CONCLUSIONS CAN WE DRAW?

- The use of legislation to reduce obesity is a global reality but its effectiveness is uncertain
- Regulation seen as politically desirable in some quarters in order for governments to be seen to be doing something tangible irrespective of efficacy
- Any initiatives, whether taxation, regulation of marketing or others will inherently be speculative in nature unless outcomes can be successfully monitored
- Clear however that regulation on its own will not have a major effect unless radical proposals (e.g. prohibition of the manufacture & sale of certain types of foods) are introduced – not feasible in practice
- Regulation can only be a SMALL part of a holistic approach

# SUGGESTIONS FOR OUR REGULATORY AUTHORITIES

- Acknowledge the need for a holistic approach
- Acknowledge that regulation will have at best a limited effect
- Accept that you are going to have to put MUCH more effort into consumer education
- Be more realistic when putting together proposals such as Guideline 14
- Don't lecture industry on how evil they are!
- Understand the technical constraints and palatability issues involved in improving nutritional quality
- If regulation doesn't work, DON'T assume even more regulation is the answer

**HUMAN BEHAVIOUR IS NOT EASY TO REGULATE!!!**

# WE NEED MORE OF THIS

Proposals from presentation by Professor Freeman of DoH to CGCSA:

- Junk Food in Schools:
  - Should there be government regulations around this or should industry “self-regulate”?
  - What healthy (and cheap) options can be provided as alternatives?
  - How do we make sure that school health nutrition is only healthy foods?

This is a constructive approach that should be welcomed !

# AND LESS OF THIS

Actual wording of a response from DoH to a CGCSA query on proposed prohibition of claims for diet beverages:

‘A product that has something good to offer will never cease to exist. Good old fashioned sucrose still remains the best sweetener but much less amounts than is currently being used. Why do one need several teaspoons of sugar per can of a soft drink?

...REDUCE THE SUCROSE CONTENT TO A LEVEL THAT IT WILL PASS THE NUTRIENT PROFILING AND GET RID OF NON-NUTRITIVE SWEETENERS. Despite the use of non-nutritive sweeteners the incidence of obesity continue to rise globally’

This sort of arrogant & technically ignorant comment  
benefits nobody!

AND MAYBE A BIT LESS OF THIS?



# SUGGESTIONS FOR THE INDUSTRY

- Obesity is a reality and you have got to help to solve the problem, whether or not you feel it is your fault
- Get used to more regulation, as your track record in the past has not always been great and you at least partially have yourselves to blame
- Put some REAL effort into improving nutritional profiles and putting greater emphasis on marketing healthier products
- Work constructively with the authorities and involve professional bodies such as ADSA, NSSA and SAAFoST
- Only resort to the legal challenge route if all else fails but don't exclude it
- Introduce nutritional targets as part of your bonus schemes!

# WE NEED MORE OF THIS

## CGCSA Healthy Food Options Initiative



### Action Outcomes following the consultation

- Various industry associations to develop a list of initiatives that their members have in place to promote health and wellness
- Identify which NCD-related research is currently being conducted
- Identify a single initiative, which can be tabled at the engagement with the Director-General: Health as an initiative that can be undertaken as a collaborative effort between the Department and Industry (Industry associations to propose).

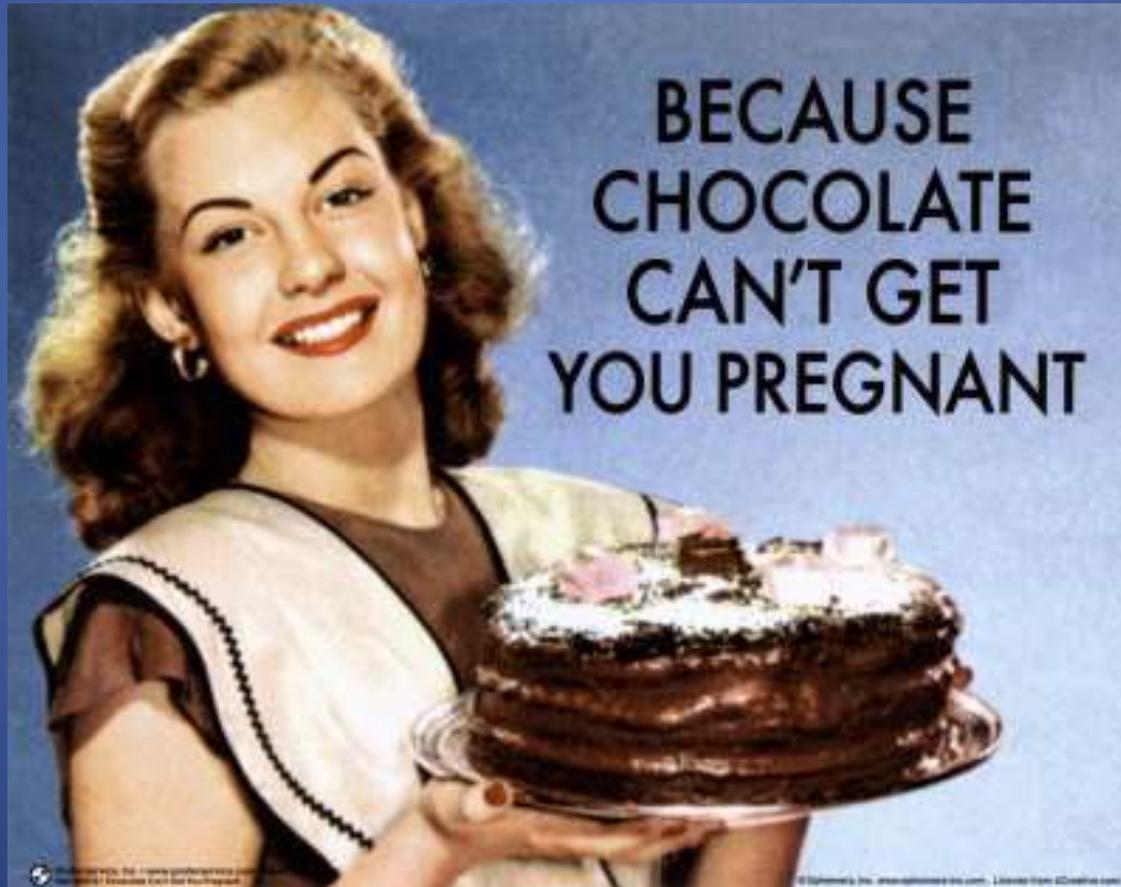
# AND LESS OF THIS

Many beverage firms oppose the tax, arguing that it is unfair. Earlier this year Coca-Cola Enterprises slammed the tax proposal by suspending plans for a 17million euro investment at a plant in the south of France. The company said pulling out of the investment was *"a symbolic protest against a tax that punishes our company and stigmatises our products."*

*"This (investment) has not been cancelled but it must be re-evaluated in the context of uncertainty created by the tax," said Coca-Cola.*

Sour grapes and kneejerk reactions are not the answer!

AND MAYBE A BIT LESS OF THIS?



LET'S FIND THE MIDDLE GROUND!

THANK YOU