

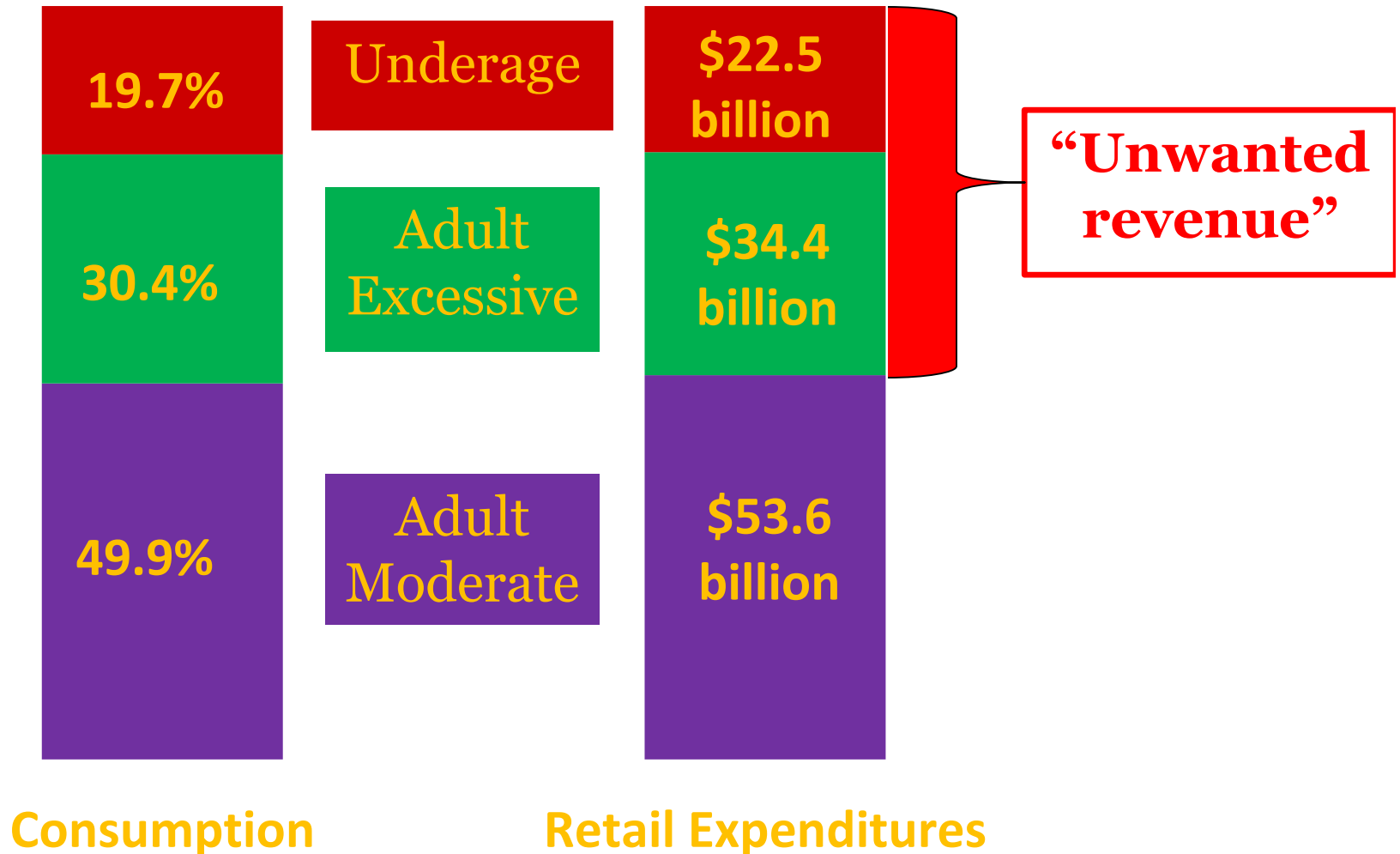
CONFLICTS OF INTEREST RELATED TO ALCOHOL POLICY: WHAT CAN BE DONE?

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THE ALCOHOL INDUSTRY

- Globalization has increased the availability of alcohol
- Marketing is not regulated in most countries
- Women are a particular target for marketing, to become consumers as most do not drink
- An unregulated marketing allows women to be portrayed as sexual symbols and objects to conquer, thus maintaining stereotyped gender differences which contribute to gender based violence and heavy alcohol consumption

Alcohol Industry “unwanted” consumption and sales, U.S. 1999



Simplified Math

Community with 1,000 adults in any given drinking day

300 do not drink at all (0 beers)
400 drink “moderately” (2 beers)
250 drink excessively (5 beers)
50 alcohol dependent (10 beers)

TOTAL: 2550 beers a day

If everyone who drinks drinks 2 beers a day

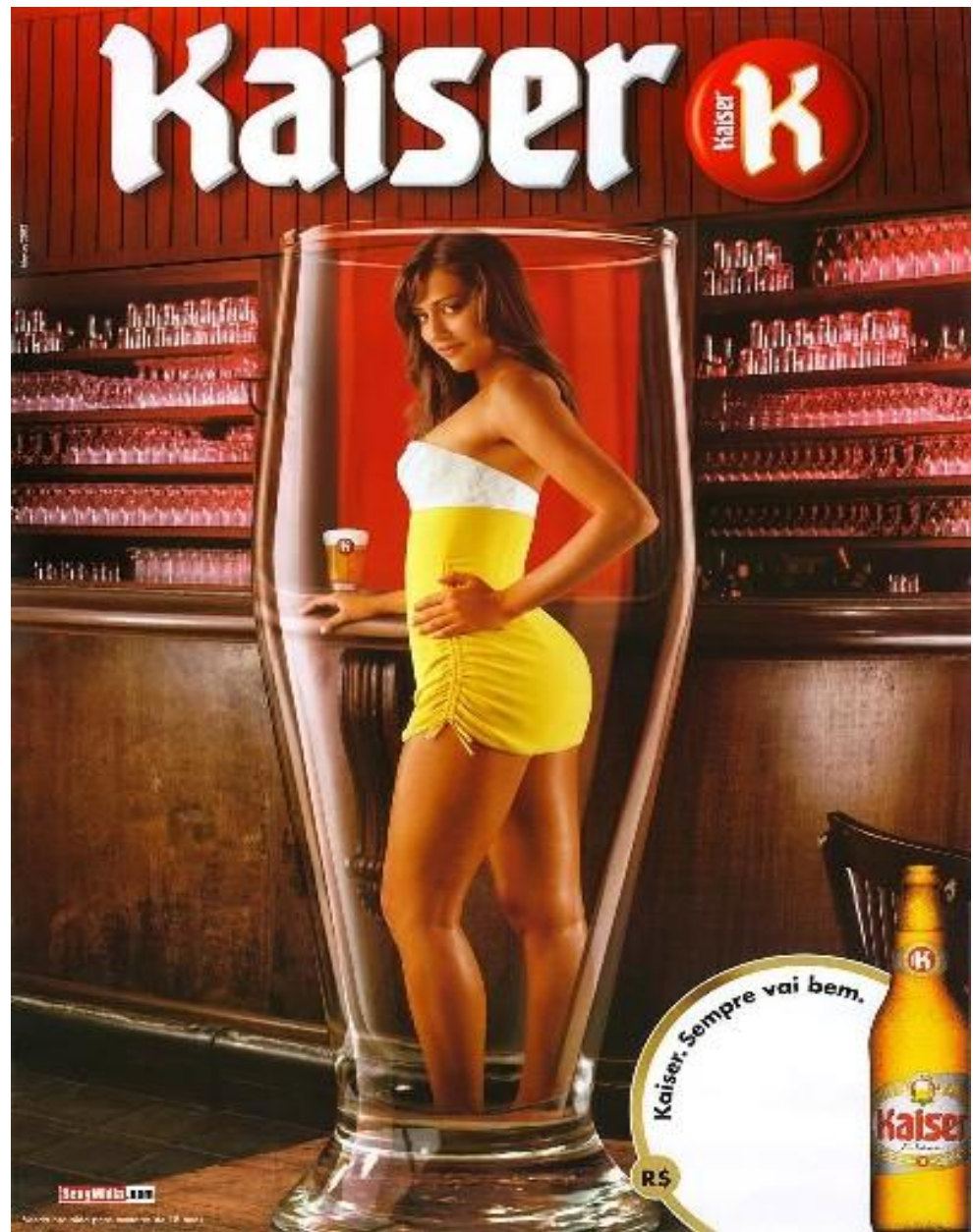
TOTAL: 1400 beers a day:

If all dependent people stopped drinking: 2050 beers a day

If all excessive drinkers would drink 2 beers a day: 1800

Most profits come from excessive drinkers!

Unregulated and Massive Alcohol Marketing



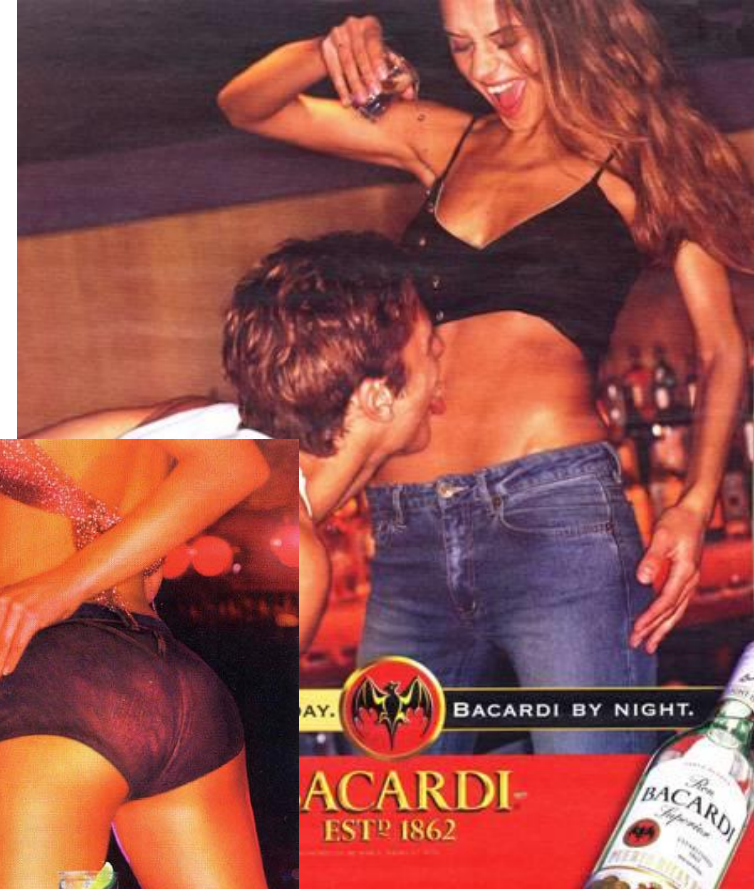
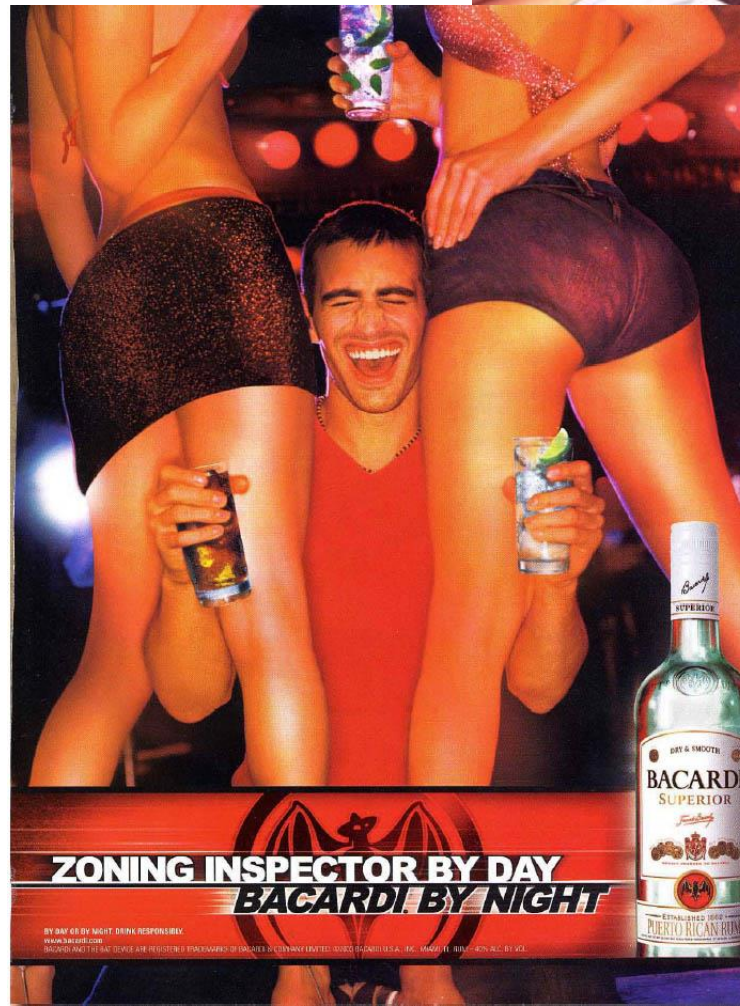
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DISCUS

marketing and advertising of alcoholic beverages should not include or imply excessive sexual activity or indecent images or with sexual connotation



Corporate Practices that influence harmful drinking

- Product design: increase in alcohol content, packaging to make it easy to consume and carry/hide; disguise taste of alcohol; sweetened beverages
- Marketing: increase marketing to women and young people
- Wide distribution: increase in supply
- Low prices/discounts: increase sales and market concentration
- Political influence: against implementation or passage of effective laws and regulations

What is the global alcohol industry?

- 26 largest companies
 - Total net revenue/turnover in 2005 of \$152 billion
 - Operating profits of \$26 billion
- Producers are highly concentrated – as of 2009
 - 10 largest beer companies sell 68% of the world's beer
 - 10 largest spirits companies sell 44% of the world's liquor
- Producers industry wealthy, powerful
 - Value of global trade:
 - Beer: \$498 billion (2007)
 - Spirits \$216 billion (2007)

Global brewers in Central and South American countries

Country	Brewer	Share of domestic market
El Salvador	SABMiller	95%
Honduras	SABMiller	95%
Panama	SABMiller	79%
Colombia	SABMiller	99%
Ecuador	SABMiller	93%
Peru	SABMiller	99%
Brazil	Inbev	66%
Paraguay	Inbev	95%
Uruguay	Inbev	98%
Argentina	Inbev	79%
Chile	CCU (part-owned by Heineken)	90%
Mexico	Grupo Modelo/Anheuser-Busch	63%

WHO Mandates

- [WHA58.28 “Public-health problems caused by harmful use of alcohol”](#) requested the DG to *organize open consultations with representatives of the industry, agriculture and trade sectors in order to limit the health impact of harmful alcohol consumption.*
- [WHA61.4 “Strategies to reduce the harmful use of alcohol”](#) requested the DG to *consult with economic operators on ways they could contribute to reducing harmful use of alcohol.*

WHO Mandates

- [WHA63.13 “Global strategy to reduce the harmful use of alcohol” \(GAS\)](#)
- Para 48 in GAS states that the Secretariat will provide support to Member States by “...*continuing its dialogue with the private sector on how they best can contribute to the reduction of alcohol-related harm. Appropriate consideration will be given to the commercial interests involved and their possible conflict with public health objectives*”.
- Para 45(d) states that “*Economic operators in alcohol production and trade are important players in their role as developers, producers, distributors, marketers and sellers of alcoholic beverages. They are especially encouraged to consider effective ways to prevent and reduce harmful use of alcohol within their core roles mentioned above, including self-regulatory actions and initiatives. They could also contribute by making available data on sales and consumption of alcohol beverages*”.

Nature of the Interaction

- The interaction between WHO and alcohol industry has been limited to necessary information sharing, dialogue and consultations on ways that the industry could contribute to reduce the harmful use of alcohol **without** any engagement implying “partnership” or “collaboration”.
- The alcohol industry has *never been directly* engaged in the WHO process of alcohol strategy/policy development or implementation.
- **NO PARTNERSHIP NOR COLLABORATION NOR ANY DIRECT ENGAGEMENT WITH ALCOHOL POLICY FORMULATION OR ITS IMPLEMENTATION**

Recents Developments

- Political Declaration on NCDs
- Global Action Plan on NCDs
- Interaction with Non-State Actors

Alcohol industry intensified its efforts to influence, take part and collaborate with WHO/UN IARD (International Alliance for Responsible Drinking)

ICAP, CERVECEROS LATINOAMERICANOS, AMBEV, NATIONAL CSR (Corporate Social Responsibility)

'FIVE COMMITMENTS' (from the alcohol industry)

- (1) Reducing under-age drinking;
- (2) Strengthening and expanding marketing codes of practice;
- (3) Providing consumer information and responsible product innovation;
- (4) Reducing drinking and driving;
- (5) Enlisting the support of retailers to reduce harmful drinking.

IN LINE WITH GAS BUT UNLIKELY TO REDUCE HARM AT POPULATION LEVEL!!!!

WHO POSITION

- In a [letter](#) of the Director-General published in the British Medical Journal
- [Global Alcohol Policy Symposium in Turkey](#)
- [8th Global Conference on Health Promotion in Helsinki](#)
- “ the development of alcohol policies is the sole prerogative of national authorities, and the alcohol industry has **NO** role in the formulation of alcohol policies, which must be protected from distortion by commercial or vested interests.
- Member States have a **primary responsibility** for formulating, implementing, monitoring and evaluating public policies to reduce the harmful use of alcohol.

Guidelines of the Pan American Health Organization on Collaboration with Private Enterprises



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Background

- Approved by the Director
- Presented to Governing Bodies at 46th Directing Council
- Broadly defines private enterprises
- Facilitates engagement with private enterprises in a principled and effective manner

General Principles

STATUS AND MISSION

- Public international organization
- Health mandate: collaborations must achieve positive outcomes in health
- Engage in alliances that advance PAHO's mission and the priorities as established by its Member States

CONFLICT OF INTEREST

Primary consideration in evaluating any collaborative relationship

- Avoid or mitigate real or perceived conflicts
- Mere appearance of impropriety can be as harmful as actual conflicts

Due Diligence and Risk Analysis

- Step by step analysis for each proposal
- First due diligence review
- Then risk analysis

Due Diligence

Suitable partner *per se*

- Compatibility of missions and goals
- Product lines/services, behavior and public image must also be examined
- Good corporate citizen
- Parent or related company
- Sources of funding

PAHO does not collaborate with:

- Entities with ties to: *tobacco, alcohol, weapons, land mines*
- Companies with products detrimental to public health or that cause severe environmental contamination
- Entities that could cause reputational damage to PAHO
- Anonymous donations may not be accepted under any circumstances

Risk Assessment

Suitable partner for this specific activity

- Acceptable for one activity *does not mean acceptable for another*
- Conflicts of interest—real and apparent
- Undue influence
- Negative impact on PAHO's reputation
- Activity fit within PAHO's mission and priorities
- Strengthen PAHO's role as leading public health agency
- Public health impact vs. costs

CONSIDERATIONS

- Direct financial interests: *funds not be accepted*
- Indirect interests: *caution should be exercised*
- PAHO to retain control over subject matter, conduct, and dissemination of results
- No endorsement of product or company -including appearance of endorsement
- No use of PAHO name/logo for commercial activity

ADDITIONAL CONSIDERATIONS

- Transparency: disclose all relationships
- Acknowledge contributions: generally list the contributors in reports or publications
 - Not overly prominent
 - No use any brand recognition elements
- Ability to defend collaboration

VIRTUAL TOOLS

PAHO VIRTUAL COURSES

<http://www.campusvirtualesp.org/>

E- PORTALS

- <https://www.saberdealcohol.org.mx/>
(Spanish)
- <https://www.informalcool.org.br/>
(Portuguese)
- <https://www.alcoholwebindia.in/> (English)