

AUSTRALIAN BEVERAGES COUNCIL

Submission to the Draft National Obesity Prevention Strategy

3 November 2021



Contents

EXECUTIVE SUMMARY	3
ABOUT THE AUSTRALIAN BEVERAGES COUNCIL.....	5
THE AUSTRALIAN BEVERAGES COUNCIL'S RESPONSE TO THE DRAFT NATIONAL OBESITY PREVENTION STRATEGY SURVEY QUESTIONS.....	6
SECTION 1: PRIVACY INFORMATION	6
SECTION 2: INTRODUCTION	6
SECTION 3: OVERARCHING CONCEPTS	7
SECTION 4: AMBITION 1 – ALL AUSTRALIANS LIVE, LEARN, WORK AND PLAY IN SUPPORTIVE AND HEALTHY ENVIRONMENTS .	13
SECTION 5: AMBITION 2 – ALL AUSTRALIANS ARE EMPOWERED AND SKILLED TO STAY AS HEALTHY AS THEY CAN BE.	24
SECTION 6: AMBITION 3 – ALL AUSTRALIANS HAVE ACCESS TO EARLY INTERVENTION AND PRIMARY HEALTH CARE	24
SECTION 7: MAKING IT HAPPEN	27
CONCLUSION	28

Executive Summary

Given the complexity of this consultation and the Federal Department of Health's request that responses are provided by means of an online consultation survey, the Australian Beverages Council Limited (ABCL) has summarised its position in this Executive Summary. This submission, on behalf of the non-alcoholic beverages industry, presents a clear position in relation to the Draft National Obesity Prevention Strategy.

The position of the ABCL and points for consideration

- The ABCL recommends that a holistic approach to target 'unhealthy diets' rather than 'unhealthy food and drinks' is integrated in the Strategy, to better align with FAO and UN guidelines on improving food systems to address obesity.
- The ABCL understands the complex nature of obesity and supports a multi-sectoral approach to address the issue. We support the inclusion of efforts led by industry and government when creating a food system that is sustainable.
- The ABCL supports the encouragement of increased participation in physical activity and recognises the benefits of frequent physical activity in creating a healthy lifestyle.
- The ABCL supports the target to halt the rise of obesity by 2030 with continuous monitoring and evaluation of the Strategy's objectives.
- The ABCL supports industry-led efforts such as the non-alcoholic beverage industry's Sugar Reduction Pledge, to provide consumers with a broader choice of beverages to suit their dietary needs. We support the objective to encourage people to consume foods and beverages that contribute to assisting Australians achieve a healthy and balanced diet, whilst not vilifying non-alcoholic beverages with terminology like 'unhealthy' or 'unsafe'.
- The ABCL supports any efforts to create healthy environments by encouraging the uptake of physical activity, including, or increasing fruit and vegetable intake and advocating for education to support informed choices.
- The ABCL strongly supports the government working in tandem with industry to achieve the goals of the Strategy and recommends strengthened industry engagement during the development of policy to address obesity in Australia, to align with recent UN Political Declarations and WHO report recommendations.
- The ABCL strongly rejects the use of economic tools or other fiscal policy approaches to shift consumer purchases as this may yield unintended negative consequences for the broader economy.
- The ABCL recommends greater collaboration between government and industry to align initiatives such as the Health Star Rating, Healthy Food Partnership and industry-led initiatives via an integrated approach.
- The ABCL recommends that as the HSR algorithm continues to be reviewed, policy recommendations regarding the promotion or marketing of food and beverages, education to consumers on the 'healthiness' of a food or beverage, is underpinned by the FSANZ-regulated Nutrient Profiling Scoring Criterion.

Executive Summary continued...

- The ABCL strongly rejects blanket restrictions on promotion or policy approaches targeting beverage products, in recognition of the ongoing innovation across the category. The ABCL does not support restricting promotions of food and drinks in the absence of evidence-based research demonstrating an impactful health outcome in relation to weight status.
- The ABCL recommends the continuation of a self-regulatory system as the best method of aligning industry's advertising and marketing communications with community standards and expectations.
- The ABCL rejects the prohibition of beverages such as juice with no added sugar from schools, early childhood settings and vending machines in recognition of the evidence-based supporting juice's contribution in maintaining adequate fruit and vegetable intake, particularly among children.
- The ABCL recognises the important role in which knowledge and self-determination play when making healthy choices and therefore support consumer education around healthy diets that support consumer choice.

The ABCL has responded to strategies under Ambitions 1 and 2 of most relevance to the non-alcoholic beverages industry and where appropriate, has provided examples of industry-led initiatives which currently support the objectives of the Strategy.

About the Australian Beverages Council

The Australian Beverages Council Limited (ABCL) is the leading peak body representing the non-alcoholic beverages industry, and the only dedicated sector representation of its kind in Australia.

The ABCL represents approximately 90 per cent of the industry's production volume and its Member companies are some of Australia's largest drinks manufacturers. The ABCL also represents many small and medium-sized companies across the country.

Collectively, the ABCL Members contribute more than \$7 billion to the Australian economy each year and nationally they employ approximately 50,000 people. The industry also pays in excess of \$1.2 billion in taxation per annum along its supply chain, and for every direct employee in the beverages manufacturing industry, there are 4.9 jobs required elsewhere in the Australian economy to produce and retail the beverages.

The ABCL strives to advance the industry as a whole, as well as successfully representing the range of beverages produced by Members. These include carbonated soft drinks, energy drinks, sports and electrolyte drinks, frozen drinks, bottled and packaged waters, juice (no added sugar) and fruit drinks, cordials, iced teas, ready-to-drink coffees, kombucha, flavoured milk products and flavoured plant milks.

The ABCL advocates on issues such as portion sizes, environmental sustainability, nutritional labelling, responsible industry marketing and advertising, and canteen guidelines, among others. Our Members listen to consumers and adapt their products accordingly by making positive changes and standing by a commitment to promote greater choice, appropriate portions and by developing an ever-increasing range of low- and no- sugar products.

The ABCL is an important conduit between the non-alcoholic beverages industry and governments, supporting the Australian Government, State/Territory Governments and Local Councils.

The drinks industry is an integral part of Australia's critical infrastructure whose assets, systems and networks are vital for the nation's ongoing security, economic prosperity, health and safety. Like many other sectors, the drinks industry has a long history of partnering with governments on a range of important matters to solve complex problems, including the handling of post-consumer waste.

The Australian Beverages Council's Response to the Draft National Obesity Prevention Strategy Survey Questions

SECTION 1: Privacy Information

1. Do you consent to your submission being published on the Department's website, and accessible to the public, including persons overseas, in accordance with the following preference:

- Publish entire response, including my name and organisation's name
- Publish response without my name but including my organisation's name
- Publish response without my name or my organisation's name
- **Publish my name and organisation, do not publish my response**
- Do not publish

SECTION 2: Introduction

3. What is your name?

Name: Lianna McGeary

4. What is your email address?

Email: lianna@ausbev.org

5. What is the name of your organisation?

Australian Beverages Council Limited (ABCL)

6. Are you completing this survey on behalf of your organisation?

Yes

7. What sector do you represent? (select one or more)

Food/drinks production/manufacturing/retail/advertising

SECTION 3: Overarching concepts

8. Do you agree with the overall approach of the Strategy?

The ABCL agrees with the overall approach of the Strategy that is coordinated to focus on multi-stakeholder collaboration. We acknowledge that obesity may be attributed to multiple determinants, primarily, sedentary lifestyles and lack of healthy diets. However, there is broad recognition that it is challenging to categorise an ‘unhealthy food’. More recently, United Nations agencies and Summits have focussed more on the concept of ‘healthy diets’.

The FAO’s Committee for World Food Security recently ratified Member State-consensus precedent document, the Voluntary Guidelines for Food Systems and Nutrition (VGFSynN), emphasises the importance of the role of healthy diets being a part of food systems which address malnutrition in all its forms¹.

Further, a paper from the Scientific Group of the United Nations Food Systems Summit (UNFSS) stated that while it is conceptually simple to define a healthy food; *“there is no straightforward universally accepted approach...”* and *“some context specificity is required in the categorisation of individual foods as nutritious”*². This context is captured in the comparison of a ‘healthy diet’ versus an ‘unhealthy diet’, as diets consider the combination of foods consumed over time, the safety of the foods, and suitability to individual dietary needs.

The ABCL supports a food-based evidence approach to providing guidance for Australians to consume a variety of nutritious foods. This supports the ‘whole-of-diet’ concept, recognising the importance of including different types of foods and beverages in the diet, rather than focusing on limiting certain nutrients (and foods).

The ABCL recommends that a holistic approach to target ‘unhealthy diets’ rather than ‘unhealthy food and drinks’ is integrated in the Strategy, to better align with FAO and UN guidelines on improving food systems to address obesity.

9. The current title is National Obesity Prevention Strategy. Does the title reflect the content of the Strategy?

The ABCL agrees with the title given to the Strategy and believes it does reflect the content and intent of the strategy. The Strategy is focussed on preventing obesity among the Australian population by addressing various systemic and psychosocial determinants.

The ABCL recognises the title encompasses many areas of health and is reflective of that, and therefore we agree with the title assigned to the Strategy.

¹ Committee on World Food Security. CFS Voluntary Guidelines on Food Systems and Nutrition. https://www.fao.org/fileadmin/templates/cfs/Docs2021/Documents/CFS_VGs_Food_Systems_and_Nutrition_Strategy_EN.pdf

² United Nations Food Systems Summit 2021. The Scientific Group for the UN Food Systems Summit. Healthy diet: A definition for the United Nations Food Systems Summit 2021. https://www.un.org/sites/un2.un.org/files/healthy_diet_scientific_group_march-2021.pdf

10. The Strategy includes two Guiding Principles outlined in page 11 of the draft. Do you agree with the Guiding Principles (Equity & Sustainable Development)?

The ABCL agrees with the role the guiding principles have in defining subsequent objectives within the Strategy. We support the recognition the role facilitating equity plays in the lives of people, particularly vulnerable populations. We support the Strategy's foundational view that wide-spread systemic changes are required, with the caveat that policy approaches must be supported by recent and evidence-based data and have the support of government and industry. The ABCL's position is that systemic injustices are not disproportionately ascribed to the non-alcoholic beverages industry nor any other industry.

The ABCL supports facilitating more sustainable food systems and recognises the positive impact this has both nationally and internationally. We support the inclusion of sustainability when addressing the food system and understand industry plays an instrumental role in this. The non-alcoholic beverages industry is well advanced in developing and adhering to its own sustainable practices, such as sustainable groundwater sourcing, responsible manufacturing of soft-plastic labels, and has product stewardship of the nation's Container Deposit Schemes.

The ABCL understands the complex nature of obesity and supports a multi-sectoral approach to address the issue. We support the inclusion of efforts led by industry and government when creating a food system that is sustainable.

11. The Strategy includes a high-level Vision outlined in page 12 of the draft. Do you agree with the Vision?

The overarching vision for the Strategy states: "For an Australia that encourages and enables healthy weight and healthy living for all."

The ABCL supports encouraging Australians to make well-informed choices that support their dietary needs in addition to a healthy, balanced diet. The ABCL subscribes to the view that this is further supported through the provision of scientific research that is current, and evidence based. We recommend this information be distilled in an unbiased fashion that supports consumer choice.

The ABCL supports the encouragement of increased participation in physical activity and recognises the benefits of frequent physical activity in creating a healthy lifestyle.

12. The Strategy includes a Target outlined on page 12 of the draft. Do you agree with the Target?

The Strategy states:

Halt the rise in obesity by 2030: as a signatory to the World Health Organisation Global Target.

We support the recognition of multiple systemic and psychosocial drivers that enable the onset and persistence of obesity. We support the identified target to halt the rise of obesity by 2030, is

achieved by addressing each of the identified determinants in the Strategy. The ABCL also supports the target within the UN's Sustainable Development Goal 3.4³.

The ABCL recommends actions from the Strategy accurately reflect the equal roles that government and industry play, to ensure a system that is collaborative, supportive, and unrestrictive to consumers. We welcome partnerships with government on initiatives to encourage the consumption of healthy diets and support the promotion of physical activity through complementary initiatives. The burden of obesity should not be disproportionately ascribed to the non-alcoholic beverages industry nor any other industry.

The ABCL recommends continuous monitoring and evaluation of the Strategy's objectives. The Strategy should be subject to evaluation by the Office of Best Practice Regulation (OBPR) particularly in relation to the impact on businesses (particularly small businesses), community organisations and individuals, and clear policy objectives. The ABCL supports the need for the Strategy to be reviewed at least every five years to ensure its relevant elements align with the Australian Dietary Guidelines and latest evidence, including dietary surveys and consumer research.

The ABCL supports the target to halt the rise of obesity by 2030 with continuous monitoring and evaluation of the Strategy's objectives.

13. The Strategy includes 5 objectives outlined in page 12 of the draft. Do you agree with the objectives?

The 5 objectives featured on page 12 of the strategy are:

- a. More supportive and healthy environments*
- b. More people eating healthy food and drinks*
- c. More people being physically active*
- d. More resilient systems, people, and communities*
- e. More accessible and quality support for people.*

The ABCL recognises the importance and relevance of each of the five objectives to addressing obesity. We support the implementation of measures that address healthy environments. We note the non-alcoholic drinks industry is already actioning this objective through a large portfolio renovation agenda, including reformulation and new product development, to provide consumers with a broader choice of beverages to suit their dietary needs and life stage. We support the objective to encourage consumption of foods and drinks that contribute to assisting Australians achieve a healthy and balanced diet. We make this recommendation with the knowledge and support by the Australian Dietary Guidelines (ADG), that core foods can be consumed in conjunction with occasional discretionary foods and drinks.

It is unclear how the Strategy will determine what constitutes a 'healthy' food or drink. The Strategy does not mention the definition of a 'healthy' food or what underpins that categorisation.

³ United Nations Sustainable Development Goals. Goal 3 Ensure healthy lives and promote well-being at all ages. <https://unstats.un.org/sdgs/report/2021/goal-03/>

As the UNFSS established, it is difficult to define a healthy food versus an unhealthy food without additional context and instead, this objective should focus on people consuming healthy diets, a concept that is well defined and supported by recent UN Member-state consensus documents. However, we recognise and support the current systems existing in Australia as appropriate models to inform consumers of better choices. For example, the Health Star Rating (HSR) system is a proactive enabling tool for consumers to make easy choices and we support the system for that purpose. The ABCL strongly supports the continuous improvement of the HSR algorithm to better align with the ADG and we welcome the opportunity to assist the HSR Advisory Committee (HSRAC) with the ongoing review of the system. As part of a balanced diet, micronutrients and bioactive compounds are widely supported by evidence-based literature to be health-promoting and disease-preventing. As mentioned, the ABCL supports the HSR as a tool for consumers to make easy choices but to determine the 'healthiness' of a food or beverage, we recommend the nutrient profile of a beverage is considered in greater detail beyond the positive- and risk-nutrients that currently underpin the HSR algorithm. The ABCL supports FSANZ's Nutrient Profiling Scoring Criterion (NPSC) as a more appropriate nutrient profile model to accurately depict the overall nutritional value, through the permission of health claims, of a food or beverage based on its broader nutritional profile.

The ABCL supports industry-led efforts through a broad portfolio renovation agenda including reformulation and new product development, to provide consumers with a broader choice of beverages to suit their dietary needs. We support the objective to encourage people to consume foods and beverages that contribute to assisting Australians achieve a healthy and balanced diet, whilst not vilifying non-alcoholic beverages with terminology like 'unhealthy' or 'unsafe'.

14. Are there any Objectives missing?

No.

15. The Strategy includes three Ambitions outlined on page 12 of the draft. Do you agree with the Ambitions?

The Strategy stipulates that Australians:

- a) ***live, learn, work, and play in supportive and healthy environments:*** creating environments that make it easier to lead healthier lives.
- b) ***are empowered and skilled to stay as healthy as they can be:*** building knowledge, skills, strengths, and community connections to support healthy eating and physical activity, and enable healthy weight.
- c) ***have access to early intervention and primary health care:*** ensuring a skilled workforce and referral to appropriate services, including helping people who experience a greater risk of overweight or obesity to take early action, and supporting those with overweight or obesity to access better support.

The ABCL supports any efforts to create healthy living, learning, working and leisure environments by encouraging the uptake of physical activity, broadening an individual's diet to include or increase fruit and vegetable intake (in conjunction with discretionary foods on occasion) and to

create more sustainable food systems through industry partnerships. We recommend that through promoting core foods, discretionary foods are not demonised in the process and that consumers remain able to make informed choices.

The ABCL supports the empowerment of Australian consumers through building knowledge and skills to establish and maintain a healthy diet. We recognise the importance of providing consumers with information and tools based on current scientific evidence that will enable them to make informed decisions regarding their diet. We do not support an autocratic approach to mediating public health issues, but rather we support efforts to empower consumers by preserving their right as a consumer to make informed decisions when engaging with the free market.

The ABCL supports any efforts to create healthy environments by encouraging the uptake of physical activity, including, or increasing fruit and vegetable intake and advocating for education to support informed choices.

16. The Strategy includes three Enablers outlined on page 12 and pages 42-44 of the draft. Do you agree with the Enablers?

The enablers outlined in the Strategy are as follows:

1. **Lead the way:** *collaborative government providing strong leadership and fostering partnerships and social responsibility across all sectors at all levels.*
2. **Use evidence and data more effectively:** *contribute to strengthening the evidence base and data systems for overweight and obesity monitoring and support.*
3. **Invest for delivery:** *appropriate and sustained funding to prevent overweight and obesity and to build workforce capacity for change across sectors.*

The ABCL strongly supports the intention of government to foster multi-sectoral partnerships. Industry holds many insights into nutrition and consumer research that are powerful tools used to inform policy. We understand the cruciality of engaging with stakeholders across multiple sectors when formulating population policy. The critical role of the private sector in addressing diet-related disease, along with governments and civil society, was recently reaffirmed in the political declaration from the 2018 UN High Level Meeting on Prevention and Control of Non-communicable Diseases (UN HLM NCDs)⁴ which states:

*“16. Acknowledge that other stakeholders also share responsibility and can contribute in creating an environment conducive to preventing and controlling non-communicable diseases, and recognize the need to bring together civil society and the **private sector** to mobilize all their available resources, as appropriate, for the implementation of national responses for the prevention and control of non-communicable diseases;*

*43. Engage with the **private sector**, taking into account national health priorities and objectives for its meaningful and effective contribution to the implementation of national*

⁴ https://digitallibrary.un.org/record/1648984/files/A_RES_73_2-EN.pdf

responses to non-communicable diseases in order to reach Sustainable Development Goal target 3.4 on non-communicable diseases, while giving due regard to managing conflicts of interest;

*44. Invite the **private sector** to strengthen its commitment and contribution to the implementation of national responses to prevent, control and treat non-communicable diseases to reach health and development objectives by:*

(d) Further producing and promoting food products consistent with a healthy diet, making further efforts to reformulate them in order to provide healthy and nutritious options, reducing the excessive use of salt, sugars and fats, in particular saturated fats and trans-fats, as well as providing appropriate content information of those nutrients, bearing in mind international guidelines on nutrition labelling;

*46. Commit to mobilize and allocate adequate, predictable and sustained resources for national responses to prevent and control non-communicable diseases and to promote mental health and well-being, through domestic, bilateral and multilateral channels, including international cooperation and official development assistance, and continue exploring voluntary innovative financing mechanisms and partnerships, including with the **private sector**, to advance action at all levels;”.*

In addition to these important references, the World Health Organisation (WHO) Independent High-Level Commission on NCDs – Final Report⁵ makes specific references to the importance of partnerships with the private sector. Recommendation Six of the Report outlines in detail how, and why, the WHO “*should increase its engagement with the private sector*”, including a recognition that “*private sector entities can support national NCD responses by better aligning their action with government policy*” and that this “*should build on the ongoing dialogues with the food and non-alcoholic beverage industries*”. Clearly, partnerships underpin the 2030 Agenda for Sustainable Development Goals (SDG), including SDG 17 which encourages working through partnerships for sustainable development including achieving the objective of SDG 3.4.

We believe it is critical this process utilises industry knowledge that government may not be privy to. The ABCL strongly recommends that industry is involved in the development of policies and actions that may directly impact non-alcoholic beverages manufacturers and the livelihoods of those that work in industry.

⁵ WHO Independent High-Level Commission on Non-communicable Diseases Final Report. 2019. <https://apps.who.int/iris/bitstream/handle/10665/330023/9789241517003-eng.pdf?sequence=11&isAllowed=y>

The ABCL strongly recommends the effective use of evidence and data, specifically, data that is current and evidence-based. We believe this is necessary to inform advocacy and optimise policy approaches whilst preserving consumer choice.

The ABCL supports the government working in tandem with industry to achieve these goals. We strongly recommend that industry is consulted with during the development of policy when addressing obesity in Australia, to align with recent UN Political Declarations and WHO report recommendations.

17. Are there any Enablers missing?

No.

SECTION 4: Ambition 1 – All Australians live, learn, work and play in supportive and healthy environments

18. Ambition 1 Strategies are outlined on pages 15-28 of the draft. Do you agree with the Strategies in Ambition 1?

The ABCL notes the FAO'S Committee for World Food Security recently ratified Voluntary Guidelines for Food Systems and Nutrition (VGFSyN). As a Member State-consensus document, the VGFSyN provides the definitive guidance relating to food systems and nutrition. The ABCL supports endeavours to establish a sustainable food system which includes extensive engagement with industry and referencing UN precedent.

We support and encourage the commitment of the non-alcoholic beverages industry to work towards introducing and strengthening their sustainable processes and practices. We support this with the assumption that ongoing consultation between government and industry will be established to achieve effective and pragmatic systemic change. It is important that we emphasise challenges faced by small and medium-sized manufacturers are often overlooked in policy development. Hence, the ABCL strongly recommends direct engagement with the non-alcoholic beverages industry to consult and further expand on these challenges. We also support the efforts of creating healthier living environments that promote physical activity as a means of preventing obesity and maintaining a healthy lifestyle.

Strategy 1.1 - Build a healthier and more resilient food system that favours the production, processing and distribution of healthy food and drinks. Improve food systems, while protecting economic growth, land, sea and biodiversity, and reducing waste.

As noted above, the ABCL supports efforts to create a more sustainable food system, such as strengthening local economies and supporting small- and medium-sized enterprises and cites the VGFSyN as the authoritative UN precedent guidance in this regard. We represent both large domestic domiciled bottlers and a diverse range of small, medium, and micro business as well as multinational brand owners. We continue to seek ways to further support smaller manufacturers

and ensure their interests are accurately represented in the development of policies and implementation of policy changes. Nationally, our industry supports over 46,000 FTE jobs, contributes more than \$7 billion annually to the economy and pays around \$1.2 billion in taxes along the industry's supply chain each year. For each drinks manufacturing job there are another 4.9 jobs created along the supply chain in peripheral industries like agriculture, transport, and retail.

The non-alcoholic beverages industry is committed to improving food systems while protecting economic growth and strengthening the sustainability of practices and operations.

The ABCL's, 'A Refreshing Recovery: A Post-Coronavirus Recovery Blueprint for the Australian Drinks Industry' launched in 2020⁶, was compiled by KPMG to map out how the drinks industry can support a broader repair and rebuild agenda for the economy. The blueprint outlines several barriers to profitability and job creation for the industry including retail market power, energy costs, skills shortages, and environmental sustainability. The aim of the report was to identify key policy recommendations for government consideration, which already align with the Federal Government's recovery portfolio in the following four key recommendations:

1. Governments should standardise Container Deposit Schemes (CDS) across all states and territories reducing impediments to greater effectiveness of schemes and reduction of compliance costs to industry as well as an increase in the base of the scheme to include all industries that use and generate plastic waste.
2. Reforming the tax system to reduce burden on businesses and providing tax incentives to support beneficial economic decision making and a business-led recovery.
3. A simplified and mutually beneficial industrial relations system for employees and for employers for all sizes.
4. A well-informed energy policy that reduces costs, increases reliability and is consistent nationally.

The ABCL supports and welcomes opportunities to work with government to drive action in these areas. It is essential that the needs of small- and medium-sized enterprises are considered in policy decision making. The ABCL emphasises the importance of engaging with industry to better understand the practical considerations industry faces at the genesis of policy implementation.

Strategy 1.3 - Explore use of economic tools to shift consumer purchases towards healthier food and drink options and make them more affordable.

The ABCL notes there is already significant economic tools to encourage consumption of unprocessed food and beverages in the form of the goods and services tax (GST).

The ABCL argues that international examples of other economic tools such as excise and other taxes, and other fiscal policy approaches to mandate reformulation have not impacted obesity

⁶ Australian Beverages Council Limited. *A Refreshing Recovery: A Post-Coronavirus Recovery Blueprint for the Australian Drinks Industry* KPMG Report. 2020.

levels^{7,8,9,10}. Lasting change in consumer behaviour is evidently more positive when individuals are provided with broader and informed choices (through industry-led portfolio renovation), rather than removing choices as a mandate to push them towards healthier options. Pricing tools like excise and other taxes do not have a significant impact on behavioural change and are demonstrably regressive, placing an economic burden on vulnerable communities who are already experiencing food insecurity. A recent study exploring trends in sugar-sweetened beverage (SSB) consumption among South Australians, corroborates this unintended consequence and exemplifies the inequitable health policy to curb SSB consumption through economic tools as ineffective for these subpopulations¹¹. Greater emphasis should be placed on better understanding the structural barriers, beliefs, attitudes, and facilitators of ongoing consumption of SSBs to inform future health promotion efforts and to determine educational tools can be utilised to drive the desired behavioural change.

Importantly, the UN and various agencies have regularly considered and rejected discriminatory and regressive economic tools such as taxes, including: the World Health Organisation (WHO) 'Tackling NCDs' report (2017)¹²; WHO Global High-Level Conference on NCDs (Montevideo Roadmap); WHO's Independent High-Level Commission on NCDs "Time to Deliver" Report (2018); and in the affirmed UN Member States consensus of Political Declarations of the UN High Level Meeting on Prevention and Control of NCDs (2018)¹³.

Other tools administered by the Federal Health Department such as the Health Star Rating (HSR) system are designed to empower consumers with greater access to information and increased availability of options to make an informed choice. These tools are only effective if supported by educational tools to assist consumers. Beverage manufacturers need to have the flexibility to innovate and develop new products to expand product portfolios to deliver a wide range of beverages that are both accessible and affordable. The HSR provides incentive to industry to reformulate and provide broader informed choice for consumers, aligns with industry-led initiatives like the Sugar Reduction Pledge, and is supported by the non-alcoholic beverages industry. The same principle should remain when considering other policy approaches to shift consumer purchases, rather than economic tools.

The ABCL rejects the use of economic tools to shift consumer purchases, as this may yield unintended negative consequences for the broader economy.

⁷ Ashton A. Food advertising and childhood obesity. *JRSoc Med.* 2004 Feb; 97 (2):51-52. Available from: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1079287>

⁸ Wright, A., Smith, K.E. & Hellowell, M. Policy lessons from health taxes: a systematic review of empirical studies. *BMC Public Health* 17, 583 (2017). <https://doi.org/10.1186/s12889-017-4497-z>

⁹ Young, Amanda & James, Kieran & Hassan, Abeer. (2021). The role of regressive sugar tax in the soft drink industry levy (SDIL): A Marxist analysis. *Critical Perspectives on Accounting*. 102326. 10.1016/j.cpa.2021.102326.

¹⁰ NZIER (2017). Sugar taxes – a review of the evidence. NZIER report to Ministry of Health.

¹¹ Dawes, E., D'Onise, K., & Spurrier, N. (2020). Trends in soft drink and sugar-sweetened beverage consumption among South Australians, focusing on distribution of intake by subpopulation. *Australian And New Zealand Journal Of Public Health*, 44(5), 410-418. doi: 10.1111/1753-6405.13006

¹² WHO, "Tackling NCDs" (2017), available at <http://apps.who.int/iris/bitstream/handle/10665/259232/WHO-NMH-NVI-17.9-eng.pdf;jsessionid=5F8B961B9136EBC7E5A23A3D9F15C789?sequence=1> (last accessed January 7, 2019).

¹³ WHO Independent High-Level Commission on Non-communicable Diseases Final Report.

2019. <https://apps.who.int/iris/bitstream/handle/10665/330023/9789241517003-eng.pdf?sequence=11&isAllowed=y>

Strategy 1.4 - Make processed food and drinks healthier by supporting reformulation efforts that limit energy and nutrients of concern (such as added sugar, salt, and/or saturated and trans fat) and reduce serving sizes.

Over the past two decades the non-alcoholic beverages industry has played a role in encouraging consumers to make healthier choices. Recent evidence illustrates a clear change in consumer purchasing preference from sugar-sweetened beverages towards low- and no-sugar beverages. This shift is being driven by consumers and enabled by the beverages industry, without regulatory intervention. The impact of this behavioural change is two-fold: Australians are listening to public health messaging directed at making consumption choices to support a healthy and well-balanced diet, and industry is providing the options that enable consumers to make those informed choices through proactive portfolio renovation. The Government's Health Star Rating system is an existing tool that is effective in further driving reformulation efforts across the non-alcoholic beverages industry and is widely supported by the non-alcoholic beverages industry.

CASE STUDY 1

A trend analysis on the sales of sugar sweetened beverages from 1997 – 2018

- A recently published peer-reviewed study analysing 22 years of longitudinal sales data of sugar-sweetened beverages in Australia¹⁴ demonstrates positive change in consumer behaviour. Australians have consistently made informed choices with a clear trend towards products with low or no sugar, while reserving the right to choose an occasional treat.
- The study found a significant 30 per cent decrease in per capita sugar contribution from non-alcoholic water-based beverages over the 22-year period, which is equivalent to a reduction in 32 teaspoons or 127 grams of sugar per person, per year.
- Australians have been purchasing lower volumes of sugar-sweetened drinks: 83 litres in 1997 compared to 61 litres per person per year in 2018- and trending towards low- and no-sugar options - such as plain and sparkling water and sugar-free soft drinks- 48 litres in 1997 compared to 88 litres in 2018 per person per year.
- Evidence of a major change in what Australians are drinking can also be found in bottled and packaged water which has outsold sugar-sweetened carbonated soft drinks (CSDs) since 2015. Volume sales of still and sparkling unflavoured water have increased from 12 litres per person per year in 1997, to 54 litres per person per year in 2018.

This research corroborates other independent studies^{15,16} and demonstrates an important shift in consumer behaviour, which aligns with public advice, the Australian Dietary Guidelines (2013) and the industry's current commitments to encourage Australians to make informed choices that contribute to a healthy diet, such as the Sugar Reduction Pledge.

¹⁴ Shrapnel WS, Butcher BE. Correction: Shrapnel, W.S.; Butcher, B.E. Sales of Sugar-Sweetened Beverages in Australia: A Trend Analysis from 1997 to 2018. *Nutrients* 2020, 12, 1016. *Nutrients*. 2021; 13(4):1356.

¹⁵ Australian Bureau of Statistics, Australian Health Survey 2011-13.

¹⁶ CSIRO Secondary Analysis of 2011-2012 National Nutrition and Physical Activity Survey.

https://www.australianbeverages.org/wp-content/uploads/2019/09/87152_ABC_CSIRO_A4DS_FINAL.pdf

CASE STUDY 2

The non-alcoholic beverages industry's Sugar Reduction Pledge

Launched in 2018, the Sugar Reduction Pledge (the Pledge) is an industry commitment to reduce sugar across the non-alcoholic beverages industry by 20 percent by 2025. The latest report, released in October 2020¹⁷, showed a **12 per cent reduction** in sugar across 2015 – 2020 (Q1 & Q2). This is ahead of the 10 per cent target by 2020. Importantly, the Pledge is bringing speed and scale to the portfolio renovation that has been occurring in the industry for the last two decades. These results of the Pledge are independently audited.

Results from the latest report showed:

- Actual sugar and sales volume data were received from the four pledge signatories for each year to 30 June 2020 and aggregated. This aggregated data was used to calculate the weighted average sugar levels (g/100mL) for each year.
- The baseline average grams of sugar per 100mL in 2015 was compared to 30 June 2020 to calculate annual reductions.
- The 2015 baseline sugar content of drinks sold by the pledge signatories was 6.02 grams per 100mL.
- The half-year sugar 2020 sugar content of drinks sold was 5.31 grams per 100mL, equating to a 12 per cent reduction from 2015 – 2020.

The industry's large portfolio renovation agenda fortifies the commitment to reduce sugar through the following initiatives:

- Introducing additional low- and no-sugar varieties into the market (new product development);
- Reformulating existing products;
- Increasing the sales volume of low- and no-sugar varieties (as supported by the 22-year beverage trends analysis);
- Introducing smaller pack sizes or reducing average container sizes;
- Encouraging sales through the promotion and marketing of low- or no-sugar varieties;
- A cap in sugar content on all existing drinks brands;
- A cap in sugar on new recipes launched in Australia;
- Transition vending machines to include more low- and no-sugar varieties; and
- Other initiatives including the promotion of smaller packs and working with community-based organisations to promote healthy choices.

Reformulation is one part of a suite of industry initiatives

Reformulation of existing beverage products is certainly an important means of addressing the nutritional imbalances in contemporary dietary patterns - and an important lever in the reduction of obesity prevalence¹⁸ - as is indicated by the significant progress of the Pledge. However, it is

¹⁷ KMPG Sugar Reduction Pledge by the Australian non-alcoholic drinks industry. 2020 Aggregation Report.

¹⁸ McKinsey Global Institute. Overcoming obesity: an initial economic analysis. Discussion paper. 2014.

widely misunderstood that nutrients-to-limit reformulation, that is to limit energy and nutrients of concern, is the only solution. As demonstrated in the Pledge, the beverages industry has taken a holistic approach via a comprehensive and dynamic portfolio renovation that has been proven to be effective, as evidenced in the recent progress report that shows the industry is ahead of the reduction requirement to meet the 2025 target of 20%.

It is essential to recognise reformulation as one element of a suite of industry-led initiatives to enable consumers to make informed choices that will sustain long-term behaviour change. Reformulation as a stand-alone, mandated initiative is a blunt and ineffective instrument. Any effort to mandate reformulation and impose requirements on industry is a missed opportunity to support and encourage consumer-led choices enabled by industry initiatives, including reduced pack sizes, reduced serving sizes and introduction of new products with low and no-sugar and/or with added nutritional benefits. The non-alcoholic beverages industry's Pledge is testament to the multifaceted approach that is essential to encouraging Australians to make informed healthier choices.

Existing government initiatives to drive reformulation

ABCL Members are making significant changes to their beverage portfolios as part of their commitments to the Pledge, but also in support of existing government initiatives such as the Health Star Rating. The Healthy Food Partnership Reformulation Program (PRP) is another government initiative with similar objectives to the industry's Pledge but is limited in its approach and requires the industry lens demonstrated by the success of the Sugar Reduction Pledge and its broader portfolio renovation agenda.

Health Star Rating

The ABCL formally ratified its support for the Health Star Rating system in 2021 after the Food Ministers' decision on the five-year review recommendations. We note the decision to score juice with no added sugar between 2.5 – 4 stars does not align with the Australian Dietary Guidelines (2013) which recommends a 125mL glass of juice may be consumed on occasion to assist Australians to meet their recommended daily serves of fruit and vegetables. This misalignment is confusing for consumers and emphasises the need for continued review to ensure the HSR aligns with the ADG. The ABCL agrees with the importance of Australians meeting their recommended dietary requirements, specifically those of the core food groups in the ADG. When consumption of whole fruit and vegetables is not available, accessible, or affordable to consumers, it is equally important that Australians are well-informed of alternative choices to help them reach their recommended daily serves of fruit and vegetables.

The ABCL is committed to encouraging uptake of the HSR system by the non-alcoholic beverages industry and the transition from the energy icon to the star icon as it provides consumers a quick and easy way to compare foods and beverages to make an informed choice.

The ABCL supports the Strategy's proposed action to continue to improve the HSR over time to better align with the Australian Dietary Guidelines (2013) and to continue the implementation of

the tool as a front-of-pack labelling system that works as a guide for consumers to make informed choices.

The ABCL is supportive of the HSR system remaining voluntary and is tracking uptake of the HSR system (transition to stars-on-pack) by the non-alcoholic beverages industry so that government uptake targets will be met.

Healthy Food Partnership

▪ *Partnership Reformulation Program – Wave 2 Targets*

In 2020, the ABCL engaged in the Healthy Food Partnership's Reformulation Program (PRP) Wave 2 Targets consultation, which recommended reduced sugar targets for two beverage categories:

- 10% reduction in carbonated soft drinks and energy drinks with >10g sugar per 100mL; and
- reduction to 9.5g of sugar per 100mL in all fruit drinks.

The targets were proposed to be achieved within a four-year implementation period.

In responding to the consultation, the ABCL conducted modelling applying the PRP proposed sugar reduction targets to Pledge signatories weighted average sugar levels per 100mL. Based on the 2018 Pledge progress report¹⁹, the applied PRP targets would achieve **5.4 per cent sugar reduction** across the entire non-alcoholic beverage category in the proposed four years, compared to **7 per cent sugar reduction** achieved in the first four years of the Pledge (2015-2018)²⁰ and the subsequent 12 per cent reduction achieved by mid-2020⁽¹⁷⁾.

The following comparative observations were made:

- The Pledge's broad portfolio renovation agenda will achieve a robust, substantial, and sustained sugar reduction across the entire non-alcoholic beverages category.
- The Pledge works towards a similar principle to the HSR system, a suite of activities applied to the whole category to account for limitations and challenges with reformulation-only approaches.
- By comparison, the PRP focuses on three product categories that are undergoing fundamental change (reduced volume sales (CSDs, Fruit drinks) and a shift towards low- and no-sugar options (CSDs, Energy drinks and Fruit drinks)²¹ and is therefore unlikely to result in the intended impact of meaningful sugar reduction.

The purpose of the ABCL's modelling is to illustrate that there is a significant need for improved multi-stakeholder collaboration to develop strategies in tandem with existing initiatives, including those led by government and industry.

¹⁹ KMPG Sugar Reduction Pledge by the Australian non-alcoholic beverage industry. [2018 Aggregation Report](#).

²⁰ Australian Beverages Council Submission to the Healthy Food Partnership Wave 2 Soft Drinks and Fruit Drinks for targeted consultation. 24 July 2020.

²¹ Shrapnel WS, Butcher BE. Correction: Shrapnel, W.S.; Butcher, B.E. Sales of Sugar-Sweetened Beverages in Australia: A Trend Analysis from 1997 to 2018. *Nutrients* 2020, 12, 1016. *Nutrients*. 2021; 13(4):1356.

The **ABCL's recommendations** in the response to the PRP Wave 2 targets are still relevant today and to this Strategy:

- An integrated approach is critical to achieve substantial and sustained long-term change. The PRP strategy should not be seen as an isolated strategy, instead aligned with other relevant initiatives, including the HSR system.
 - Explore potential non-alignment between the HSR and PRP and integration with the Sugar Reduction Pledge. There is potential for confusion between the PRP targets and HSR algorithm, for example, industry could reformulate to meet the PRP criteria, but this may not improve the product's HSR. This applies to the Wave 2 sub-categorisation and target for fruit drinks.
- *Industry Best Practice Guide for Serving Sizes*

More recently, the ABCL responded to the HFP's consultation on the Industry Best Practice Guide for Serving Sizes. The HFP's proposed reduction in serving size pertained to 'sweetened beverages' in the out-of-home sector. While this does not directly impact manufacturing companies of beverages but their customers (quick-service restaurants and retailers), the defined category of 'sweetened beverages' was inconsistent with both industry definitions and the definitions of beverages in the Australia New Zealand Food Standards Code (ANZFS).

The non-alcoholic beverages industry supports a suite of industry initiatives such as reduced serve sizes and reduced pack sizes to lower consumption of SSBs and has introduced these options under the commitments of the Sugar Reduction Pledge. The commitments under the Pledge apply to the whole retail sector, but not those in the out-of-home sector.

The ABCL recommends there is greater collaboration between government and industry to align initiatives via an integrated approach.

Strategy 1.5 - Make healthy food and drinks more available and accessible and improve nutrition information to help consumers make healthier choices at the time of purchase.

The ABCL supports the continuous improvement of the HSR system to better align with the Australian Dietary Guidelines (under review) and the provision of information to consumers on the purpose and intent of the HSR front-of-pack labelling system. The ABCL supports the HSR system as a useful and consumer-friendly tool and as a guide to empower Australians to make informed choices at the time of purchase.

Furthermore, the ABCL believes the Australian Dietary Guidelines should deliver key stakeholders and consumers the scientific, evidence-based direction on what constitutes a healthy diet. This should be the most powerful tool to be used to educate the consumer to make informed purchasing choices. The ABCL's position is that government should aim to focus a large proportion of its resources on progressing the ADG review, as the current dietary guidelines are outdated and do not reflect current evidence-based science or the suite of industry-led initiatives to produce reformulated and innovative products across the non-alcoholic beverages sector.

Determining the categorisation of ‘healthy’ vs ‘unhealthy’ foods and beverages

It is important to note that the ABCL supports the ongoing review of the HSR algorithm and as such does not support the use of the HSR system to solely inform policy decisions or for the determination of what constitutes a ‘healthy’ or ‘unhealthy’ food or beverage.

The ABCL strongly supports the role of Food Standards Australia New Zealand (FSANZ) as the regulator for determining the nutrition or health profile of a food and beverage. The Nutrient Profiling Scoring Criterion (NPSC) was developed by FSANZ to determine whether a product is eligible to display a health claim, assigning a score based on the overall nutritional content of a product. Although like the HSR algorithm, as both are based on the UK Food Standards Agency Nutrient Profiling Model 2004/5 (NPM), there are notable differences between the HSR algorithm and the NPSC.

A recent study assessed the nutrient profiling models of the HSR and NPSC relevant to the alignment of products with allocated star ratings and their eligibility to display health claims²². Whilst the evaluation reported that the systems are generally well aligned, several anomalies between the two systems were noted, concluding that a divergence between the HSR and health claims could result in confusion amongst consumers.

The ABCL therefore supports the NPSC as the appropriate profiling model to determine if a food or beverage is ‘healthy or unhealthy’ i.e., if it should be consumed daily or on occasion, as supported by the Australian Association of National Advertisers (AANA) Food & Beverages Advertising Code.

The ABCL recommends that as the HSR algorithm continues to be reviewed, that policy recommendations regarding the promotion or marketing of food and beverages, education to consumers on the ‘healthiness’ of a food or beverage, is underpinned by the FSANZ-regulated NPSC.

Strategy 1.6 - Reduce exposure to unhealthy food and drink marketing, promotion and sponsorship especially for children and where large numbers of people gather and transit through. This could include publicly-owned or managed settings, sports and major community events, and television and digital platforms.

Exposure to ‘unhealthy food and drink’ marketing for children is already restricted, including through digital media

The non-alcoholic beverages industry has established and complies with two self-regulatory initiatives to address food and drink marketing for children. The first is ABCL’s Responsible Marketing Code, created in 2018, which restricts marketing and advertising to anyone under 15 years of age, including traditional and digital mediums. The second is the Australian Association

²² Dunford EK, Huang L, Peters SAE, Crino M, Neal BC, Ni Mhurchu C. Evaluation of Alignment between the Health Claims Nutrient Profiling Scoring Criterion (NPSC) and the Health Star Rating (HSR) Nutrient Profiling Models. *Nutrients*. 2018; 10(8):1065.

of National Advertisers (AANA) Food and Beverages Advertising Code. The object of this Code is to ensure that advertisers and marketers develop and maintain a high sense of social responsibility in advertising and marketing food and beverage products in Australia. The AANA recently updated its Food and Beverage Code as part of advertising and marketing self-regulation (May 2021). The latest change to include restrictions to marketing and advertising to children under 15 years of age, extending beyond television and applying to print media, radio, cinema, interactive games, and the internet.

The ABCL acknowledges that while restricting certain advertising from children is responsible and a necessary practice, international examples of advertising bans and restrictions have not impacted obesity levels²³ and reiterates the findings from the *McKinsey Global Institute's Overcoming Obesity: An initial economic analysis* which recognises media restrictions and taxes as being considerably less effective measures for the prevention of obesity compared to portion sizes and reformulation.

Restricted promotion of unhealthy food and drinks at point of sale and at the end-of-aisle in prominent food retail environments, and increased promotion of healthy food options

The ABCL is aware of some Australian retailers implementing voluntary strategies to address the food environment within store such as:

- new store formats with a focus on the wider variety of food and beverages not available that perhaps have higher HSR;
- shopping website displaying nutrition information and the HSR where applicable; and
- consumer education about new, affordable and in-season produce.

Price promotions occur across a range of food and drink categories including the core five food groups and discretionary foods in the retail setting. While promotions may influence a customer's decision to purchase to specific brands within a food or beverage category, there is no evidence that these marketing activities encourage selection of discretionary foods over essential foods, and no evidence that they are associated with health outcomes such as overweight and obesity. The ABCL is not aware of evidence-based research which demonstrates an association of price promotion restriction and impact on changing dietary patterns and weight status.

Any restriction or promotion of certain food and drink categories would require a clear definition and criteria of those food and drink items that the restriction applies, which is challenging from a nutritional perspective as well as from a practical implementation and monitoring perspective. The ABCL recognises any restriction of this nature may have implications that would require clarification of Australian competition or consumer law.

The non-alcoholic beverages industry is committed to responsible sale and promotion of energy drinks in Australia

²³ Ashton A. Food advertising and childhood obesity. *JRSoc Med.* 2004 Feb; 97 (2):51-52. Available from: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1079287>

Energy Drink manufacturers have been at the forefront of responsible sales and marketing practices. In 2011, the industry launched the Energy Drink Industry Commitments²⁴, and over the years have updated and strengthened these Commitments. Most recently in 2018 the latest version was released, with Energy Drink manufacturers committing to:

- not direct any marketing and advertising activities at children;
- not sell energy drinks in primary or secondary schools;
- not promote excessive consumption;
- not market energy drinks as only providing hydration;
- not use labelling to promote the mixing of energy drinks with alcoholic beverages;
- not manufacture or sell energy shots; and
- provide consumers with up-to-date information about energy drinks on the ABCL website.

This is another example of the industry's proactive approach to self-regulating in marketing to children. In addition, industry is generating smaller pack sizes and low and no-sugar options to provide consumers with a choice to suit each occasion. Some of the ABCL's energy drink manufacturers are choosing to display no-sugar options where possible to provide consumer choice, as well as featuring smaller pack sizes in consumer marketing to promote responsible consumption.

The ABCL does not support restricting promotions of food and drinks in the absence of evidence-based research demonstrating a health outcome in relation to weight status and would require careful design and monitoring of its effectiveness. The ABCL strongly rejects blanket restrictions on promotion or policy approaches targeting beverage products, in recognition of the ongoing innovation across the category.

The ABCL supports the continuation of the self-regulatory system as the best method of aligning the industry's advertising and marketing communications with community standards and expectations.

Strategy 1.12 - Enable government agencies, care facilities, tertiary and training institutions, sporting and recreation facilities, and community organisations to lead the way by supporting breastfeeding, providing access to healthy food and drinks, and encouraging more physical activity.

The ABCL rejects the prohibition of beverages such as juice with no added sugar from schools, early childhood settings and vending machines as we recognise the contribution juice has in maintaining adequate fruit and vegetable intake, particularly among children.

²⁴ <https://www.australianbeverages.org/initiatives-advocacy-information/energy-drinks-commitments/>

19. Are there any strategies missing in Ambition 1?

No.

SECTION 5: Ambition 2 – All Australians are empowered and skilled to stay as healthy as they can be.

20. Ambition 2 Strategies are outlined on pages 29-36 of the draft. Do you agree with the Strategies in Ambition 2?

The ABCL supports any endeavours that seek to improve health literacy among consumers as long as those endeavours are supported by research. We support self-regulated responsible marketing strategies and ask for uniformity of standards across multiple discretionary food groups. We support efforts toward establishing healthy behaviours during formative years throughout childhood and teenage years and ask that decision-making may be informed by government in partnership with Industry.

The ABCL recognises the important role in which knowledge and self-determination play when making healthy choices and therefore support consumer education around healthy diets that support consumer choice.

21. Are there any Strategies missing in Ambition 2?

No.

SECTION 6: Ambition 3 – All Australians have access to early intervention and primary health care

22. Ambition 3 Strategies are outlined on pages 37- 41 of the draft. Do you agree with the Strategies in Ambition 3?

No comment.

23. Are there any Strategies missing in Ambition 3?

No comment.

24. What do you think are the 5 most important strategies and the 5 least important strategies, considering all the strategies across each of the 3 Ambitions, to address overweight and obesity?

Most important: Strategies 1.1, 1.4, 1.5, 1.12 and 2.1.

The ABCL provides further information below to support the selection of the five strategies the ABCL deems of greatest importance (and which the ABCL supports in principle) as it relates to the non-alcoholic beverages industry.

Strategy 1.1

The ABCL supports efforts to create a more sustainable food system and cites the FAO's Committee for World Food Security recently ratified Voluntary Guidelines for Food Systems and Nutrition (VGFSyN), as the authoritative UN precedent guidance in this regard. The ABCL supports endeavours to establish a sustainable food system which includes extensive engagement with industry and referencing UN precedent.

Strategy 1.4

The ABCL supports reformulation efforts as part of a much broader holistic approach to achieving a shift in consumer purchasing behaviour, with the exclusion of mandatory reformulation. We encourage the support of additional efforts of ABCL Members such as the introduction of serving size reductions, introduction of low- and no-sugar varieties and responsible marketing and advertising practices. The industry's suite of initiatives under the Pledge, are demonstrably well-received amongst consumers and successful in reducing sugar consumption as is evident in the latest progress report. The introduction of mandatory reformulation targets disincentivises industry and removes choice from consumers. Anecdotal evidence overseas shows that placing restrictions on consumer choice or using other economic tools to mandate sugar reduction in foods and beverages does not yield the seismic shift in consumer purchasing as expected.

Strategy 1.5

The ABCL supports the continuous improvement of the HSR system to better align with the Australian Dietary Guidelines (under review) and the provision of information to consumers on the purpose and intent of the HSR front-of-pack labelling system. The ABCL supports the HSR system as a useful and consumer-friendly tool and as a guide to empower Australians to make informed choices at the time of purchase.

Furthermore, the ABCL believes the Australian Dietary Guidelines should deliver key stakeholders and consumers the scientific, evidence-based direction on what constitutes a healthy diet. This should be the most powerful tool to be used to educate the consumer to make informed purchasing choices. The ABCL's position is that government should aim to focus a large proportion of its resources on progressing the ADG review, as the current dietary guidelines are outdated and do not reflect current evidence-based science or the suite of industry-led initiatives to produce reformulated and innovative products across the non-alcoholic beverages sector.

Strategy 1.12

The ABCL supports an environment that facilitates healthy lifestyles and considers a holistic approach including the contribution of physical activity to developing and maintaining a healthy diet. We deem this strategy of utmost importance since we understand the importance of energy expenditure through physical activity as well as maintaining a healthy diet to achieve an overall healthy lifestyle, in addressing obesity.

Strategy 2.1

The ABCL supports efforts that promote consumer knowledge, skills, and confidence to lead active lives and purchase food and beverages suitable to individual diets. Furthermore, we support these efforts to preserve consumer choice. We recognise the importance of consumer choice and believe education around healthy dietary practices plays a key part in the approach to addressing obesity. Preservation of consumer choice with the support of dietary education will inevitably improve food literacy.

Least important: Strategies 1.3 and 1.6.

The ABCL provides further information to support our selection of the least important strategies (and therefore do not support), relevant to the non-alcoholic beverages industry. It is important to note that many of the strategies listed under Ambitions 2 and 3 are of less relevance to the industry and therefore, have not provided comments to those.

Strategy 1.3

The ABCL notes there is already significant use of economic tools to encourage consumption of unprocessed food and beverages in the form of goods and services tax (GST). The ABCL expresses serious concern about this strategy as we oppose the blunt use of economic tools to shift purchasing behaviour. Anecdotal evidence overseas shows that placing restrictions on consumer choice or using other economic tools to mandate sugar reduction in foods and beverages does not yield the seismic shift in consumer purchasing as expected and has the potential to generate negative consequences that may ensue for both industry and the population. Essentially, the employment of economic tools to shift consumer purchases will enforce additional burdens on lower income consumers with little or no impact on obesity rates.

Strategy 1.6

The ABCL and its Members already adhere to strict 'marketing to children guidelines', codes and best practice. We note the existing self-regulation across the non-alcoholic beverages industry and the broader food industry, for marketing and advertising restrictions. The ABCL acknowledges that while restricting certain advertising from children is responsible and a necessary practice, international examples of advertising bans and restrictions have no impacted obesity levels. The ABCL supports the continuation of the self-regulatory system as the best method of aligning the industry's advertising and marketing communications with community standards and expectations.

SECTION 7: Making it happen

25. Part 4 Making it happen is outlined on pages 45-46 of the draft. Do you have any comments on Part 4 making it happen?

The ABCL supports the holistic approach to addressing obesity and understands the collective responsibility of all the determinants of health. We reiterate that the onset of obesity is attributed to a multitude of psychosocial and systemic factors and that blanket policy attempts to reduce or prohibit the intake of discretionary foods and beverages, is inappropriate to address obesity in isolation. We strongly support the inclusion and increase in physical activity to address obesity prevalence that does not ensue negative consequences for industry and consumers.

The ABCL believes not all economic and social implications of potential policy changes have been considered in the current Strategy. We urge Government to be more explicit about their intended policy changes, as their implementation may yield unintended detrimental social and economic consequences.

We support the inclusion of a diverse diet that enables Australians to make diet-related choices at their own discretion without government abdicating their autonomy to do so. We support the utilisation of empirical research that informs consumers about the nutritional content in beverages. We support and encourage the continuation of sustainable practices performed by beverage companies in their pursuit to become more environmentally sustainable and reject the implementation of policies that impinge on consumer choice autonomy.

26. Do you have any additional comments on the draft Strategy?

No.

Conclusion

The ABCL supports a clear, comprehensive, and multi-sectoral strategy to combat the issue of obesity in Australia. We kindly request that the positions of the non-alcoholic beverages industry noted in this submission are strongly considered in the final review of the Strategy and we welcome all future opportunities to further engage with the Department of Health in the development of the Strategy.

Thank you for the opportunity to provide comments on the Draft National Obesity Prevention Strategy.

Should you have any queries regarding the positions detailed in this submission, please contact:

Ms Cathy Cook
Head of Corporate Affairs
M: 0406 399 211
Email: Cathy@ausbev.org

Ms Lianna McGeary
Technical Scientific and Regulatory Affairs
Manager
M: 0411 957 982
Email: Lianna@ausbev.org