
Report from a roundtable meeting with economic operators on harmful use of alcohol



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Department of Mental Health and Substance Abuse
World Health Organization

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Summary report of the meeting with economic operators

Introduction

This meeting was part of the World Health Organization's broad consultation process for preparing a draft global strategy to reduce harmful use of alcohol. Representatives of 28 economic operators participated in the round table meeting along with members of the WHO secretariat.

Dr Ala Alwan, WHO Assistant Director-General, welcomed participants. In his introductory presentation he described the World Health Assembly resolution WHA61.4 which requested WHO to prepare a draft global strategy. He stressed that the strategy must be based on available evidence and existing best practice, that it should address various policy options, and that it should take different national, religious and cultural contexts into account.

The meeting was chaired by Dr Benedetto Saraceno, Director of the WHO Department of Mental Health and Substance Abuse, who explained that the round table had been called to review ways in which economic operators could contribute to reducing the harmful use of alcohol.

The representatives of the economic operators then introduced themselves in turn. A number of the economic operators gave prepared statements.

Reducing harmful use of alcohol

The meeting focused on economic operators' potential to contribute to reduce harmful use of alcohol in three areas: (i) production, distribution and availability of alcohol beverages, (ii) marketing practices, and (iii) pricing mechanisms. Some of the points made are listed below.

Production, distribution and availability of alcohol beverages

- Young customers must be required to provide proof of age, whether in bars, restaurants or stores.
- Most persons consuming alcohol under the legal age obtain their alcohol from family or friends.
- Economic operators¹ do not encourage sales to the underaged or the intoxicated and do not wish to see their products used in this way.
- Servers and sellers of alcohol must be trained not to serve the underaged or the intoxicated.
- Training of bar and store staff could become a requirement for obtaining a licence to sell alcohol.
- Existing programmes that encourage enforcement of laws on underage consumption and purchase should be replicated in other contexts.
- Efforts should be stepped up to discourage driving by persons over the legal limit.
- In some places illegally or informally produced alcohol represents a large proportion of the alcohol consumed, but there is little or no control of the illegal or informal sector.
- Both businesses and consumers are harmed by counterfeit products of low quality that are not produced according to normal safety standards and quality controls.
- It is important that countries should set and enforce standards for different types of alcohol drink in order to reduce the risk of contamination with harmful substances.
- Economic operators wish their products to be appreciated for quality rather than cheapness.

¹ Participant economic operators. See annex 3.

- Lower-alcohol drinks have been produced in response to consumer demand and encouraging more people to use them could help reduce intoxication. However, a number of countries have legal standards for alcohol products.
- Licensing restrictions are culturally sensitive and the evidence for their effectiveness in reducing harmful use of alcohol is mixed.
- Law enforcement is a key and must back up other efforts to reduce the harmful use of alcohol.

Marketing practices

- Marketing of brands is important for competition.
- Economic operators support government frameworks for advertising which support self-regulation and which ensure that the advertising is truthful and not misleading.
- Many companies have self-regulatory codes that prohibit marketing that targets the underaged, encourages excess, depicts drunkenness, suggests that alcohol improves physical or mental performance, implies that drinking leads to social or sexual success, or links drinking with violence.
- Current self-regulatory codes could be shared with countries that have no restrictions.
- Governments could be encouraged to work with industry to develop such local codes of marketing.
- Product marketing, including labels and packaging, can be used to promote responsible drinking and avoidance of harm.
- Self-regulation should apply not just to producers but also to advertising agencies, the media, retailers, and leisure/entertainment venues.
- There is unlikely to be one approach to marketing that suits all countries and cultures.
- Too many limitations on advertising may lead to competition based on price.
- No responsible company would knowingly advertise through a channel where a substantial proportion (which typically needs to be defined in context) of those reached would be under age, being cognizant of local legal drinking ages.

Pricing mechanisms

- The experience of economic operators is that when prices are raised there may be a temporary slow-down in sales, but this will normally recover as moderate drinkers pay more for their drinks or consumers shift to less expensive products or venues, or even to illicit products.
- Problem drinkers faced with price increases simply consume cheaper brands or illicit alcohol.
- Young people usually obtain alcohol from the family so price rises are unlikely to affect them directly.
- In many markets, producers are prevented from collaborating to fix price increases.
- In many markets the producer cannot legally dictate the final selling price of the product. Thus, the use of price reductions on alcohol beverages as promotional tools – whether in stores and supermarkets or in clubs and bars – cannot be prevented by producers.
- Economic operators are concerned at commercial activities that might associate their products with excessive consumption. Their businesses are based on long-term moderate consumption of alcohol and not on excess.
- Participant economic operators generally focus on profitability, brand equity and market share, and decisions that affect sales volumes are taken in that context. They often focus on selling high-quality, premium brands, and establishing a customer base for those brands.

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Other issues

Economic operators stressed the importance of education in reducing the harmful use of alcohol. They referred to educational campaigns for young people and for their parents that aim to reduce underage drinking, to consumer education that encourages responsible drinking and discourages excessive use, and to the education of sales and serving staff. Most manufacturers of alcohol beverages mentioned they had web sites for their customers. Those web sites attract persons who like their products and can also be used for messages that promote responsible drinking.

Full report of the meeting with economic operators

1. Introduction

Opening of the meeting

The meeting was opened at 09:00 by Dr Benedetto Saraceno who described it as a “round table” between representatives of the World Health Organization and economic operators. Dr Saraceno explained that the main focus of the meeting was to review ways in which economic operators could contribute to reducing the harmful use of alcohol. The meeting would focus on the potential contribution in three areas, namely (i) production, distribution and availability of alcohol beverages, (ii) marketing practices, and (iii) pricing mechanisms. The scope and purpose (Annex 1) and the programme of the meeting (Annex 2) are attached to this report.

Dr Saraceno said that WHO would not issue a press release about the meeting but that the report of the meeting would be available on the WHO web site and would be part of a package of information provided to participants in WHO regional consultations.

Introduction of participants

Dr Saraceno introduced Dr Ala Alwan, Assistant Director-General, and other staff of the WHO secretariat. The representatives of the economic operators and others present then introduced themselves in turn. A list of the persons present at the meeting is attached as Annex 3.

Welcoming address from WHO

Speaking on behalf of the WHO Director-General Dr Margaret Chan, Dr Alwan thanked participants for responding to WHO's invitation to attend the meeting and for their willingness to cooperate in the process of assisting WHO to prepare a draft global strategy to reduce harmful use of alcohol. Dr Alwan described the World Health Assembly resolution WHA61.4 (see Annex 4) which called on WHO to prepare a draft global strategy. He stressed that any strategy must be based on available evidence and existing best practice, that it should address various policy options, and that it should take different national, religious and cultural contexts into account.

Dr Alwan pointed out that the harmful use of alcohol is estimated to be responsible for 4.4% of the global burden of disease, that alcohol-related harm attracts a great deal of attention, and that there are differing views on what is the best way forward. It was hoped, he said, that dialogue would produce some “realistic approaches”.

Dr Alwan thanked those who had already contributed to the public hearing that was being conducted on the WHO web site. He said it would be necessary for the parties to work together even beyond drawing up the draft strategy as the overall goal was both to reduce harmful use and to protect at-risk populations.

Update on implementation of the WHA resolution

Dr Vladimir Poznyak explained that the World Health Assembly resolution (WHA61.4) titled “Strategies to reduce the harmful use of alcohol” mentions not only the need for a strategy but also the process that WHO is to use to prepare one. Thus, the resolution asks WHO to “collaborate and consult with Member States, as well as consult with intergovernmental organizations, health professionals, nongovernmental organizations and economic operators on ways they could contribute to reducing harmful use of alcohol”. WHO had opted for a two-stage process.

The first stage of the implementation was a broad consultation process consisting of a web-based public hearing from 3 October to 15 November 2008, the present round table with

economic operators, a further round table with nongovernmental organizations and health professionals on 24-25 November, and a consultation with intergovernmental organizations in early 2009. The next step would be the collaboration with the Organization's Member States on the drafting of the strategy and would consist of six regional technical consultations with WHO's Member States during January-April 2009, followed by the drafting of the strategy by the WHO secretariat in consultation with the Member States.

Dr Poznyak said that the draft strategy would be prepared and made available in the six official languages of WHO (Arabic, Chinese, English, French, Russian and Spanish) for submission to the 126th session of the WHO Executive Board in January 2010. Following their discussions, the members of the Executive Board would decide whether to request changes or whether to recommend the draft strategy for approval by the 63rd World Health Assembly in May 2010.

Discussion

Several questions were raised concerning the process, and in particular the terminology used. It was explained that that the strategy had been requested by WHO's Member States and that, following discussions with stakeholders, it would be drafted for those Member States. "Round table" meetings were being held with economic operators, and with NGOs and professional associations, whereas "consultations" would be held with intergovernmental organizations as part of the United Nations system.

2. General statements from industry representatives

The representatives of economic operators were invited to make statements to the meeting. Statements were made on behalf of the following:

- 1) Anheuser-Busch Companies, Inc.
- 2) Cerveceros Latinoamericanos
- 3) Comité Européen des Entreprises Vins (CEEV)
- 4) Copa-Cogeca joint statement on behalf of the Committee of Professional Agricultural Organisations in the European Union and the General Confederation of Agricultural Cooperatives in the European Union
- 5) EuroCommerce
- 6) European Spirits Organisation (CEPS)
- 7) Global Alcohol Producers Group
- 8) InBev
- 9) International Center for Alcohol Policies
- 10) SABMiller
- 11) The Brewers of Europe
- 12) World Brewing Alliance
- 13) World Federation of Advertisers
- 14) World Spirits Alliance
- 15) World Wine Trade Group

The full text of the above statements is contained in Annex 5.

3. Contributions to reduce harmful use of alcohol in selected areas

Production, distribution and availability of alcohol beverages

Statements on this topic were made on behalf of Cerveceros Latinoamericanos, the Global Alcohol Producers Group, and the Industry Association for Responsible Alcohol Use. The full text of these statements is contained in Annex 6. In addition there was a broad discussion involving the group of participants.

During the discussion, a number of areas were raised as targets for potential actions to reduce the harmful use of alcohol. These were: underage persons, intoxicated persons, illegally produced alcohol, quality standards, low-alcohol products, licensing restrictions, law

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enforcement, and seller and server training. These areas are interrelated and it was generally agreed that actions to reduce the harmful use of alcohol can be effective only if supported by an appropriate legal framework.

Underage persons

Round table participants agreed that they neither encourage nor wish to encourage the use of alcohol products by persons under the legal age for drinking. In bars, restaurants and other places where alcohol beverages are consumed, participants agreed that legal proscriptions on underage drinking must be enforced effectively. Thus they referred to the importance of ensuring that bar and restaurant staff know the rules and understand that it is their responsibility to uphold them. They also recognized the importance of requiring young customers to provide proof of their age.

Young people may buy drinks containing alcohol in stores, and therefore it was felt that staff in stores selling alcohol beverages must also be expected to take seriously their responsibility not to sell alcohol to underage persons and, if unsure, to ask for appropriate proof of a person's age. Participants pointed out that prevention of the sale of alcohol to customers in bars, restaurants and stores is not entirely the responsibility of the producers. The owners and management of the venues serving or selling the alcohol beverages must also play their part by making sure that legal requirements are respected.

While round table participants supported the existence of legal age limits for alcohol consumption and for the purchase of alcohol, they emphasized that most persons consuming alcohol under the legal age obtain their alcohol from family or friends. In this regard, it was stressed that education of parents on the harmful use of alcohol is an important element in ensuring that young people do not consume alcohol while under age and that, once they reach the legal age, they do not consume it in a manner liable to lead to harm.

Several existing programmes that encouraged enforcement of laws on underage consumption and purchase were recommended as possible models for replication in other contexts.

Intoxicated persons

There was overall agreement that efforts should be made to make it an unacceptable practice to sell alcohol to intoxicated persons, as this increases the risk of harm. Economic operators made it clear that they discourage sales to persons who are intoxicated, and that they do not wish to see their products used in that way, but that they have limited or no control over what the seller or server does with their products. As in the case of underage customers, it was stressed that the retail trade bears the direct responsibility for the sale of alcohol to the consumer.

With regard to persons with a blood-alcohol level that would render them unsafe to drive, the economic operators represented at the round table supported efforts to discourage driving by persons over the limit. In some cases economic operators have even funded breathalyzer tests and training in how to use them.

Illegally produced alcohol

Many participants at the round table meeting raised the issue of illegally produced alcohol. The extent of use of illegally produced alcohol varies from location to location. In some places illegally or informally produced alcohol represents a large proportion of the alcohol consumed. While there are regulations concerning the production and sale of commercially produced alcohol beverages, there is often little control of the illegal or informal sector.

Informally produced alcohol beverages may be made in the home for consumption by family and friends. Illegally produced alcohol is also manufactured informally without controls but is normally intended for sale. Economic operators said that the lack of controls on illegally produced alcohol put the consumer at risk since it is manufactured in an unsafe environment. Reference was made to cases of poisoning from low-quality illicit alcohol.

Illegally produced alcohol is often a cheaper option than commercially produced drinks, and there is a potential problem that if the prices of commercially produced alcohol drinks rise too high the customers may switch to the illegally produced variety. In a number of developing countries, wealthy consumers prefer commercially produced alcohol beverages and purchase them according to brand preference while poorer consumers often use illegally produced drinks.

The issue of counterfeit products was also raised. These products which appear to be particular brands of alcohol beverage are copies and the contents are illicitly produced without recourse to normal standards and controls.

Economic operators stressed the need for a clearer picture of the extent of illegal alcohol production worldwide, for the enforcement of laws against it, and for campaigns to raise public awareness of the potential dangers of drinking illicit alcohol beverages.

Quality standards

Several participants raised the issue of quality standards in the production and bottling of alcohol drinks. Such standards ensure that the customer receives a product manufactured from specific quantities of specific ingredients according to relevant safety standards. The importance of countries setting and enforcing standards for different types of alcohol drinks was stressed since this would reduce the risk of contamination with harmful substances.

In general, the economic operators emphasized their wish to have their products appreciated for quality rather than cheapness. Their business was damaged, and consumers harmed, by counterfeit products that were of low quality and were not produced according to agreed safety standards. It was recommended to train government personnel in taking appropriate actions to better identify counterfeit alcohol products.

Low-alcohol products

It was mentioned that economic operators have developed beer, wines and spirits with lower alcohol content. These drinks were produced in response to consumer demand and are marketed to consumers in the same way as drinks with the usual alcohol level. Encouragement to use the lower-alcohol products could help reduce intoxication. However, a number of countries have legal standards for alcohol products (such as specifying the alcohol content of spirits and beers, and prohibiting interference with the fermentation of wine).

Licensing restrictions

The round table expressed a general support of licensing restrictions, and concern when these were not enforced (a participant reported that in one country 60-70% of alcohol sold was via illicit outlets). There are licensing restrictions – limits on when, where, how, and sometimes what can be sold – in most countries. However, it was pointed out that such restrictions are culturally sensitive and that the evidence for their effectiveness in reducing harmful use of alcohol was mixed. There was also a warning that if licensing laws are too strict, there tends to be a shift to illicit products and to the black market as the source of alcohol.

Law enforcement

In discussing possibilities for reducing the harmful use of alcohol through measures related to production, distribution and availability, an issue that was strongly emphasized was the need for effective law enforcement. Whether in preventing sales to underage persons in drinking establishments and retail outlets, in enforcing drink-driving and drunkenness laws, in preventing the illegal production and sale of alcohol, in enforcing quality and safety standards in production and distribution, or in making sure that licensing laws are obeyed, law enforcement was referred to as a key element that must back up other efforts to reduce the harmful use of alcohol.

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Seller and server training

The training of persons who sell and serve alcohol to the general public was raised as an important element in encouraging responsible drinking practices and in furthering compliance with licensing restrictions. Persons selling alcohol in stores and those serving it in bars and similar establishments should be trained to identify the underaged and the intoxicated and to deal with such persons in an appropriate manner. It was stressed that, to be effective, any training needs to have the support of the management of the venue and should be backed up by law enforcement.

It was suggested that having appropriately trained staff could become a requirement for obtaining a licence to sell alcohol, whether for consumption on or off the premises.

Marketing practices

The discussion on this topic focused on the advertising and promotion of alcohol drinks. Formal statements were made on behalf of the Global Alcohol Producers Group (2 statements), Cerveceros Latinoamericanos, and the World Federation of Advertisers. The full text of these statements is contained in Annex 7. In particular, it was made clear that economic operators favoured self-regulation of marketing based on a clear legal framework

Self-regulatory codes of marketing

Participants in the round table meeting stated that marketing of brands is important for competition, that they fully support government involvement in frameworks to ensure that advertising is truthful and not misleading, and to support effective advertising self-regulation. These codes already prohibit any kind of marketing that targets underage customers, encourages excessive drinking, depicts drunkenness, suggests that alcohol improves physical performance or mental abilities, implies that drinking alcohol results in social or sexual success, or associates drinking with violence. It was also stated that marketing codes do not permit non-users of alcohol to be presented negatively.

Although most international companies see themselves as responsible and therefore follow a marketing code even in countries where much more freedom in marketing is permitted, the discussion showed that it is not certain that many local alcohol producers do the same.

It was recommended that the elements of the current self-regulatory codes of economic operators (and groups of economic operators within the industry) should be shared with countries that have few safeguards in place, and that the proposed global strategy should ask governments to work with industry to develop codes locally for both foreign and local producers. It was stated that product marketing, and even labels and packaging, can also be used to encourage responsible drinking and the avoidance of harm.

There was a further comment that self-regulation should apply not just to the producers of alcohol beverages but also to advertising agencies, media companies (how is the consumption of alcohol beverages portrayed on television or in movies?), retailers (is marketing at point of sale in line with the producer's code of marketing practice?), and leisure/entertainment venues (what attitudes to the consumption of alcohol do their promotional activities encourage?).

Global marketing standards adapted to specific cultures

Several participants stressed that while there is a need for globally consistent standards of marketing, there is unlikely to be one approach to marketing that suits all countries and cultures. Too many limitations on advertising, which economic operators say is used to promote specific brands rather than simply alcohol consumption, may lead to a situation where the only means of competition between brands is the price.

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Another participant stressed that, even if some underage persons do see alcohol brand advertisements, it should not be possible for them to obtain those products if parents respect the legal drinking age for their children and retail sellers respect the law on not selling to minors.

Statements specifically on this topic were made on behalf of Cerveceros Latinoamericanos and InBev. These statements are contained in Annex 8.

While it might be expected that increasing the prices of alcohol beverages will reduce overall consumption, several participants said that this was not their experience when prices were raised for commercial reasons. While there might be a temporary slow-down in sales, this will normally recover as moderate drinkers pay more for their drinks. On the other hand, economic operators argued, problem drinkers faced with price increases are likely simply to consume cheaper brands. Young people usually obtain their alcohol from within the family so price rises are unlikely to affect them directly. It was stressed that in many markets producers are prevented from collaborating to fix price increases.

A number of speakers further stated that steep price increases may lead to a shift to drinking illicit alcohol beverages and could result in increased smuggling, counterfeiting and illegal production.

Round table participants were asked their views on the use of price reductions on alcohol beverages as promotional tools – such as special-offer discounts or loss leaders in stores and supermarkets, flat-price events where people pay one price and drink as much as they want, or “Happy Hour” cut-price drinks in clubs and bars.

While the economic operators made it clear that promotional activities of this kind were not their business – and that in many countries the producer was not legally entitled to dictate the final selling price of the product – several participants expressed concern at commercial activities that might associate their products with excessive consumption of alcohol. They stressed that their businesses were based on the long-term moderate consumption of alcohol and not on excessive consumption.

Economic operators said they recommend prices for their brands but do not have control over retail reductions. Several participants said that economic operators generally focus on profitability, brand equity and market share, and decisions that affect sales volumes are taken in that context. They often focus on selling high-quality, premium brands, and establishing a customer base for those brands. While it was acknowledged that many retail promotions may be acceptable, one participant stated that loss leaders “harm our brands”. Another commented that it was not necessarily better to sell more and that companies often prefer to sell at a higher price to maintain their business advantage.

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4. Other issues

Participants in the round table meeting were invited to raise other issues that were not on the agenda but that they felt might be relevant. There were a number of queries about the process of developing the draft strategy, and a discussion on the role of education in reducing harmful use of alcohol. A number of other issues were raised briefly but there was little time for discussion on them.

Education

Two statements on education were presented to the round table meeting by participants. The statements from Cerveceros Latinoamericanos (on education, information, and evidence-based policy making) and from the Brewers Association of Japan (on consumer education) are included in Annex 9. Both of these statements stressed the importance of education in reducing the harmful use of alcohol, and the statement by the Brewers of Japan describes how campaigns to prevent underage drinking – organized by the brewers with the endorsement of government ministries and the involvement of a variety of stakeholders – have been successful in achieving their goal.

Participants briefly discussed educational campaigns aimed at encouraging responsible drinking. In addition, several participants raised the issue of education at various points in the meeting – education of consumers, of children, of parents, and of sales and serving staff. No one questioned the value of education in reducing the harmful use of alcohol, though it was stressed that education cannot be effective without a sound legal framework and the support of other sectors of society.

General discussion

A question was raised about how to introduce brands of alcohol beverages into new markets with low levels of alcohol use. It was felt that it was extremely difficult to talk about responsible drinking with persons who had never consumed alcohol or who had drunk only alcohol beverages brewed in the home. There was a comment that the usual approach to a new market was to study the drinking culture (beer, wine, spirits, patterns of drinking) before launching a product there. In a place with no pattern of using alcohol, a company would probably hesitate before trying to introduce its brand.

Most manufacturers of alcohol beverages mentioned they had web sites for their customers. Those web sites attract persons who like their products and, it was said, can also be used to communicate messages in favour of responsible drinking.

There was a query from an economic operator about the definition of the harmful use of alcohol. The response from WHO was that the secretariat builds its work on alcohol following the guidance provided by Member States. The term "public health problems caused by harmful use" in WHO documents is consistent with the term agreed by Member States in governing body meetings and documents to describe the negative public health effects of alcohol consumption. A definition also exists in the *International Classification of Diseases and Related Health Problems, 10th revision*, which describes harmful use as a pattern of use that is causing physical or mental damage to health, which is a narrower definition and is used in more technical documents.

A further query related to how WHO might identify what is a "best practice" in reducing the harmful use of alcohol and what is not. The response was that it was not possible to predict at this stage what best practices might be, or even if they would be included in the draft strategy, but that the identification of best practices would be based on their evidence base and cost-effectiveness in terms of outcome, adaptability to different cultures, as well as safety and ethical considerations.

The point was made by WHO that, although companies now produce and promote low-alcohol products, the overall strength of alcohol beverages has increased in the past two decades. And on the issue of packaging, it was stated that in some countries drinks are generally made

available only in large containers rather than in the small ones that are typical in developed countries.

On the issue of whether governments that sell alcohol beverages would be asked their views, WHO staff responded that the Organization made no distinction between governments that sold alcohol and those that did not. Representatives of WHO Member States would be able to make their contributions during the regional consultations.

5. Concluding session

Dr Poznyak explained once more the process for developing the draft strategy and for reporting on the round table discussions. The report of the round table would be prepared by the WHO secretariat and a draft would be circulated to all participants. Dr Poznyak asked those present to check their own contributions which would be annexed to the report but which would be edited in order to comply with WHO style. He stressed that the final report was intended to be the secretariat's report on the round table meeting and not a report of the round table participants to WHO. The report of the round table meeting between WHO and economic operators would be posted on the WHO web site and included in the information package for the regional technical consultations.

The view was expressed that some important issues had been touched on but that there had been no time to delve more deeply into them. Participants expressed an interest in being involved in the regional consultations that would be arranged by the WHO regional offices for the Organization's Member States in its six regions. Dr Poznyak explained that the strategy process involved WHO and its 193 Member States, though WHO had been asked to obtain the views of a wide range of stakeholders in order to inform the strategy process. For this reason WHO had arranged the round table with economic operators. Economic operators who had not yet made submissions to the online public hearing were encouraged to do so.

In response to a further question, it was explained that the round table meeting with NGOs and professional associations would have the same format and that the report of it would similarly be posted on the WHO web site. The consultation with intergovernmental organizations would be somewhat different, but it was anticipated that the report of that consultation would also be posted on the WHO web site.

Dr Rekve of WHO commented that the meeting had helped to clarify the different levels of commercial involvement in the production, marketing and pricing of alcohol beverages. While many people see just one "alcohol industry", it was clear that there are several industries with different roles and different interests.

Dr Poznyak closed the meeting at 17:00 by expressing thanks to those who had attended for assisting WHO in its preparatory work for the global strategy. The many specific examples that had been shared by participants were very helpful to WHO, he said. He expressed the hope that the consultations would be ongoing. He also assured participants that the materials presented by the economic operators would be made available to those involved in further consultations in the strategy process.

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WORLD HEALTH
ORGANIZATION

**WHO ROUND TABLE MEETING WITH
REPRESENTATIVES OF ECONOMIC OPERATORS ON
WAYS THEY COULD CONTRIBUTE TO REDUCING
HARMFUL USE OF ALCOHOL**

THURSDAY 6 NOVEMBER 2008

Venue: Salle C - WHO Headquarters, Geneva, Switzerland

SCOPE AND PURPOSE

On 24 May 2008, the 61st session of the World Health Assembly adopted an important resolution on "Strategies to reduce the harmful use of alcohol". The resolution calls for the development by 2010 of a draft global strategy to reduce the harmful use of alcohol that is based on all available evidence and existing best practices and that addresses relevant policy options. In addition the WHO Secretariat requested to collaborate and consult with Member States, as well as consult with intergovernmental organizations, health professionals, nongovernmental organizations and economic operators on ways they could contribute to reducing harmful use of alcohol. It is as a part of this latter request that the Secretariat of the World Health Organization is inviting selected representatives of economic operators to a round table meeting in Geneva on 6 November 2008.

The meeting will have a global focus and the major umbrella organizations and companies operating at Global level will be invited. To ensure broad representation, national and regional organizations with an international presence may also be invited from sectors where no major global actors have been identified.

The main objective of the round table meeting is to explore the ways in which economic operators can contribute to reducing harmful use of alcohol. The main focus of the meeting will be on the areas of production, distribution, availability, price and marketing.

The round table meeting does not imply collaboration or partnership between WHO and the economic operators, but the outcome of the meeting can be taken into consideration, where relevant and appropriate, in the process of developing the global strategy on harmful use of alcohol.



WORLD HEALTH
ORGANIZATION

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PROGRAMME

9:00 – 9:45	Introduction Opening of the meeting Introduction of participants Welcoming address from WHO Update on implementation of the WHA resolution "Strategies to reduce the harmful use of alcohol" by the WHO Secretariat Discussion
9:45 – 10:30	General statements from industry representatives Prepared statements limited to 5 minutes per entity
10:30 – 11:00	Coffee break
11:00 – 11:30	General statements from industry representatives (continued) Prepared statements limited to 5 minutes per entity (continued) Discussion
11:30 – 12:30	Contributions to reduce harmful use of alcohol in selected areas: Production, distribution and availability of alcohol beverages Marketing practices Pricing mechanisms
12:30 - 13:30	Lunch
13:30 - 15:30	Contributions to reduce harmful use of alcohol in selected areas (continued) Discussion
15:30 – 16:00	Coffee break
16:00 - 16:45	Other issues
16:45 – 17:00	Concluding remarks and closure of the meeting



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LIST OF PARTICIPANTS

ECONOMIC OPERATORS

Anheuser-Busch Companies, Inc.

Ms Carol Clark, Vice President Corporate Social Responsibility
Ms Anne Gianino, Senior Director of International Affairs

Bacardi-Martini Ltd

Mr Fredrick Wilson III, Senior Vice President, Legal Affairs Bacardi USA
Mr Chris Searle, Executive Director

Beam Global Spirits and Wine

Mr John Walter, Director of Corporate Affairs, International

Brewers Association of Japan (on behalf of Asahi Beer)

Mr Masaaki Hori, Managing Director of Brewers Association of Japan
Mr Hidetoshi Ohkubo, General Manager, Corporate Social Responsibility Management
Section, Corporate Social Responsibility Department, Sapporo Breweries Ltd
Mr Kazuo Owada, Manager, General Affairs Section
Personnel & General Affaires Department, Kirin Brewery Company Ltd
Mrs Yuriko Sakata, Interpreter

Brown-Forman

Mr Mark H. Smith, Vice President, Director of Global Public Policy

Caribbean Breweries Association

Mr Noel DaCosta, Director, Corporate Relations

Cerveceros Latino Americanos

Mr José Manuel Juanatey, Secretario General

Comité Européen des Entreprises Vins (CEEV)

Mr George Sandeman, Vice-President and Chairman of Wine, Health and
Social Aspects Commission

Constellation Brands

Mr James P. Finkle, Senior Vice President/External Affairs

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World Spirits Alliance

Dr Monica Gourovitch, Senior Vice President for Scientific Affairs,
Distilled Spirits Council of the United States
Mr Campbell Evans, Director, Government and Consumer Affairs,
Scotch Whisky Association.

Worldwide Brewing Alliance

Mr David Long, Chairman of the WBA, Director, Brewing, British Beer & Pub Association

World Wine Trade Group

Mr Bruce D Walker, Executive Vice President, Government and Industry Relations
Vincor Canada
Mr Robert G. Kalik., Member, WWTG

WHO SECRETARIAT

Dr Ala Alwan, Assistant Director-General, Noncommunicable Diseases and Mental Health

Mr David Bramley, Temporary Adviser, Rapporteur

Dr. Vijay Chandra, Regional Adviser, Mental Health, WHO Regional Office for South-East Asia, New Delhi

Dr Nicolas Clark, Medical Officer, Management of Substance Abuse, Department of Mental Health and Substance Abuse

Dr Alexandra Fleischmann, Scientist, Management of Substance Abuse, Department of Mental Health and Substance Abuse

Dr Melechidzedek Khayesi, Technical Officer, Unintentional Injuries Prevention, Department of Injuries and Violence Prevention

Dr Vladimir Poznyak, Coordinator, Management of Substance Abuse, Department of Mental Health and Substance Abuse, Noncommunicable Diseases and Mental Health

Mr Dag Rekve, Technical Officer, Management of Substance Abuse, Department of Mental Health and Substance Abuse, Noncommunicable Diseases and Mental Health

Ms Cecilia Rose-Oduyami, Coordinator, Department for Governing Bodies and External Relations

Dr Benedetto Saraceno, Director, Department of Mental Health and Substance Abuse, Noncommunicable Diseases and Mental Health

Mr Steven Solomon, Principal Legal Officer, Governing Bodies and Public International Law

Dr Maged Younes, Director, Department for Governing Bodies and External Relations

SIXTY-FIRST WORLD HEALTH ASSEMBLY

WHA61.4

Agenda item 11.10

24 May 2008

Strategies to reduce the harmful use of alcohol

The Sixty-first World Health Assembly,

Having considered the report on strategies to reduce the harmful use of alcohol and the further guidance on strategies and policy element options therein;

Reaffirming resolutions WHA32.40 on development of the WHO programme on alcohol-related problems, WHA36.12 on alcohol consumption and alcohol-related problems: development of national policies and programmes, WHA42.20 on prevention and control of drug and alcohol abuse and WHA57.16 on health promotion and healthy lifestyles;

Recalling resolution WHA58.26 on public-health problems caused by harmful use of alcohol and decision WHA60(10);

Noting the report by the Secretariat presented to the Sixtieth World Health Assembly on evidence-based strategies and interventions to reduce alcohol-related harm, including the addendum on a global assessment of public health problems caused by harmful use of alcohol;¹

Noting the second report of the WHO Expert Committee on Problems Related to Alcohol Consumption² and acknowledging that effective strategies and interventions that target the general population, vulnerable groups, individuals and specific problems are available and should be optimally combined in order to reduce alcohol-related harm;

Mindful that such strategies and interventions must be implemented in a way that takes into account different national, religious and cultural contexts, including national public health problems, needs and priorities, and differences in Member States' resources, capacities and capabilities;

Deeply concerned by the extent of public health problems associated with harmful use of alcohol, including injuries and violence, and possible links to certain communicable diseases, thereby adding to the disease burden, in both developing and developed countries;

Mindful that international cooperation in reducing public-health problems caused by the harmful use of alcohol is intensifying, and of the need to mobilize the necessary support at global and regional levels,

¹ Documents A60/14 and A60/14 Add.1.

² WHO Technical Report Series, No. 944, 2007.

1. URGES Member States:

- (1) to collaborate with the Secretariat in developing a draft global strategy on harmful use of alcohol based on all evidence and best practices, in order to support and complement public health policies in Member States, with special emphasis on an integrated approach to protect at-risk populations, young people and those affected by harmful drinking of others;
- (2) to develop, in interaction with relevant stakeholders, national systems for monitoring alcohol consumption, its health and social consequences and the policy responses, and to report regularly to WHO's regional and global information systems;
- (3) to consider strengthening national responses, as appropriate and where necessary, to public health problems caused by harmful use of alcohol, on the basis of evidence on effectiveness and cost-effectiveness of strategies and interventions to reduce alcohol-related harm generated in different contexts;

2. REQUESTS the Director-General:

- (1) to prepare a draft global strategy to reduce harmful use of alcohol that is based on all available evidence and existing best practices and that addresses relevant policy options, taking into account different national, religious and cultural contexts, including national public health problems, needs and priorities, and differences in Member States' resources, capacities and capabilities;
- (2) to ensure that the draft global strategy will include a set of proposed measures recommended for States to implement at the national level, taking into account the national circumstances of each country;
- (3) to include full details of ongoing and emerging regional, subregional and national processes as vital contributions to a global strategy;
- (4) to collaborate and consult with Member States, as well as consult with intergovernmental organizations, health professionals, nongovernmental organizations and economic operators on ways they could contribute to reducing harmful use of alcohol;
- (5) to submit to the Sixty-third World Health Assembly, through the Executive Board, a draft global strategy to reduce harmful use of alcohol.

Eighth plenary meeting, 24 May 2008
A61/VR/8

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Annex 5: Introductory statements by economic operators

Statement on behalf of Anheuser-Busch

Good morning. My name is Carol Clark, and I am vice president of corporate social responsibility for Anheuser-Busch. I am joined here today by my colleague Amie Gianino who is our senior director of international affairs. We very much appreciate the opportunity to share our views with you.

At Anheuser-Busch, our philosophy is that we brew our beers to be enjoyed responsibly by adults. Our responsibility efforts date back nearly a century when we had a marketing campaign in the early 1900s with the tagline “Budweiser means moderation”. Today our current theme is “Responsibility matters”, which is implemented through our responsibility programmes and our advertising and marketing efforts in the more than 80 countries where Budweiser is sold around the world. In the past 25 years, Anheuser-Busch and our wholesalers have invested more than US\$ 750 million in initiatives to help prevent alcohol abuse, including underage drinking and drink-driving. While that work has included many successful efforts, I would like to touch on just three initiatives today.

At the college level in the United States, physicians and health educators are effectively implementing an approach called social norms marketing to help reduce high-risk drinking among university students. With the social norms approach, student surveys are conducted to get campus-specific data about actual student drinking behaviours, which generally show that, in fact, students drink moderately, infrequently or not at all. This information is then communicated to students to help dispel the misperception that abusive drinking is the norm. By sharing the actual drinking norms, students’ perceptions change, and their drinking behaviours become safer as well.

The success of these programmes has been documented in peer-reviewed journals – most recently, a July 2008 article in the *Journal of American College Health* authored by physician Dr. Jim Turner, director of student health services at the University of Virginia. Among students at UVA, Dr. Turner’s study showed that 51% of respondents reported no specific negative consequences of drinking – including drinking and driving, alcohol-related injury/fighting, taking sexual risks and missed classes – as compared to 33% reporting no specific negative consequences five years prior, before the social norms approach was implemented at the university. The research also indicated that, for all undergraduates, the likelihood of experiencing *none* of the 10 alcohol-related consequences increased by 113% following implementation of the social norms campaign.

Social norms programmes are experiencing similar success at other universities in the United States, and Anheuser-Busch has provided funding support for this work at nine colleges, including the UVA programme. While we provide funding, we do not have any involvement in the content or direction of these campaigns. They do not feature our name, our brands or contain any reference at all to our company. Universities in Denmark and the United Kingdom are also using social norms techniques, and all of these efforts will be showcased in a social norms forum Anheuser-Busch will be hosting on 31 March in Brussels next year as part of our commitment as a member of the EU Alcohol and Health Forum.

A second effort that has been very successful is brief, targeted interventions by medical professionals to identify and reduce alcohol abuse. Although many physicians often treat the medical conditions that result from alcohol abuse, they often do not intervene early on and talk with patients about their drinking patterns. Helping physicians receive additional training on how to identify potential signs of alcohol abuse can make a significant impact in preventing or lessening the severity of abuse.

For the past decade, Anheuser-Busch has provided financial support to a programme that does just that. The Alcohol Medical Scholars Programme at the University of California-San Diego is led by professor and physician Dr. Marc Schuckit, a member of the WHO Expert Advisory Panel on Drug Dependence and Alcohol Problems. The mission of this programme is to expand and promote optimal education in medical schools regarding the identification and care of people with alcohol use disorders and substance-related problems.

Using a “train-the-trainer” approach, Dr. Schuckit selects junior faculty members from medical schools around the United States to be part of this two-year programme. Meeting in-person twice a year and with additional conference calls, the Alcohol Medical Scholars learn approaches for incorporating education about alcohol and drugs into the curriculum of their medical schools, teaching techniques, and lecture skills. The physicians then, in turn, go back to their medical schools and use their skills to help further educate other physicians.

More than 60 physicians from 43 medical schools across the United States have participated in the programme, with physicians from Canada, Germany, Iceland, Italy, and the Republic of Korea also participating. Earlier this year, during a six-month sabbatical at Stellenbosch University, Dr. Schuckit offered elements of the Scholars programme to physicians at the two medical schools in Cape Town, South Africa.

And the presentations and lectures prepared by the scholars have an even broader reach outside their medical school walls. Their work is posted on the Alcohol Medical Scholars web site, www.alcoholmedicalscholars.org. This site receives more than 12 000 monthly visitors who speak more than 25 different languages. More than 2000 presentations and lectures are downloaded every month. It is this kind of best-practice sharing that is critical in furthering the education of medical professionals and encouraging them to do the brief interventions that can truly make a difference in helping prevent potential alcohol abuse.

Another important programme supported by our company is the Best Bar None initiative begun by the Greater Manchester Police eight years ago in the United Kingdom. This programme has not only documented positive results, but also illustrates the importance of teamwork in addressing these issues. Best Bar None is a responsible retailing scheme now being used in more than 80 town centres across the United Kingdom. Anheuser-Busch was the first alcohol beverage company to support this effort, and that sponsorship continues today in Manchester and Croydon. Our involvement in these efforts began not only with a monetary contribution to the Best Bar None scheme, but also with extended dialogue with the Greater Manchester Police as they developed and implemented a holistic, social norms approach to solving numerous antisocial issues in their town centre. A study released earlier this year by the UK government found that alcohol-related violence in Croydon was down 13%, and city leaders credit the City Centre Safe initiative, of which Best Bar None is a part, with helping bring about this decline.

Through this programme, producers, retailers, law enforcement, and elected officials work together to recognize those retailers who operate safe, responsible premises. And the programme also helps identify those retailers who are not up to par so remedial actions may be implemented to help them raise their standards and become safer operators. Over the past eight years, many other producers – several who are here today – have also joined in supporting Best Bar None.

At the end of the day, the employees of Anheuser-Busch are no different than the employees of the WHO or anyone else. We all have children, we all drive the same highways, and we all want alcohol abuse issues to be solved. By focusing on locally-based, targeted interventions over the past 25 years, our company has helped make a significant difference in the fight against alcohol abuse, and we will continue our efforts to be part of the solution. We thank you, again, for this opportunity to share our work, and we look forward to continuing to consult with WHO as it develops the alcohol strategy.

Statement on behalf of Cerveceros Latinoamericanos

Cerveceros Latinoamericanos appreciates the opportunity of contributing in accordance with the request made by the World Health Assembly (WHA) to the Director General in its Resolution WHA61.4 regarding the development of a global strategy to reduce harmful alcohol consumption. We believe it is crucial that conversations and cooperation among all stakeholders take place, both to understand a very complex problem and to ensure effective, sustainable approaches and public policies.

The WHA stated the importance of reflecting all different national, regional, religious and cultural contexts, as well as the resources and capabilities of Member States and other

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stakeholders which could contribute to achieving the goals. Cerveceros Latinoamericanos is proud to be considered an active part of the solution to the problem of harmful consumption of alcohol, and is already working on concrete issues and interventions.

We believe that all efficient strategies to reduce harmful alcohol consumption-related damage should:

- be aimed at harmful consumption and not general consumption;
- be focused on changing harmful consumption patterns in specific ways (for instance, accidents, violence, or underage consumption);
- be based on robust and sufficient scientific knowledge about consumption patterns, their motivation, intentions, causes and consequences;
- be subject to evaluation;
- be applicable in specific situations, in critical times;
- promote cooperation among all sectors and stakeholders involved (governments, civil society, academic and research centres, alcohol industry) and successful experiences must be shared;
- promote the change of harmful patterns within a society that is well informed about the consequences of that type of consumption and that is also motivated to change and enforce alcohol regulations and
- allow local adjustments based on the resulting evaluation and experience.

Cerveceros Latinoamericanos is highly committed to the protection of at-risk populations, youngsters and those affected by the harmful drinking of others. We are working to provide our clients, consumers and society with our best practices in order to assure that our products do not contribute to social or individual problems caused by the harmful use of alcohol.

Cerveceros Latinoamericanos believes it has competencies and good practices to share with all stakeholders who are actively participating in the search for an appropriate solution to the harmful use of alcohol.

We are an organization that has been able to increase and maintain our leadership to attract our members in the whole region, to achieve a long-term sustained effort and full commitment towards developing effective interventions in each of the member countries. This has also enabled us to share knowledge and experiences, and to be able to replicate our success and best practices.

We have thus become a strategic ally for all actions aimed at responsible versus harmful use of alcohol.

Our most relevant measures include the following:

We are sponsoring scientific research on Latin American alcohol consumption patterns and harmful use and motivation. The research will be developed by an independent, autonomous, international and regional organism, the Facultad Latinoamericana de Ciencias Sociales FLACSO. The results of this study will provide knowledge on the drinking patterns in several Latin American countries and identify harmful uses and their characteristics. On the basis of this evidence, it will be possible to recommend more accurate strategies and develop more assertive policies that take into account local drinking contexts and patterns.

We are establishing and nurturing self-regulation systems in all our member countries, as well as promoting their adherence and success in order to prevent harmful patterns of drinking. This strategy is being successfully implemented in many regions and countries. However, it is necessary to evaluate the results in Latin America and establish clear mechanisms to improve the strategy's influence.

We are developing and implementing programmes aimed at preventing underage alcohol consumption and promoting assertive decision-making for young people and pregnant women, informing them about the risks of alcohol consumption in their particular circumstances. Argentina, Brazil, Colombia, Costa Rica, Chile, Mexico and Venezuela have already implemented this kind of programme. Some programmes are developed in association with academia (Universidad Católica Andrés Bello, Venezuela, Universidad de Monterrey, Mexico, Universidad de Costa Rica, Costa Rica). Independent evaluations show very encouraging results.

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The EU wine sector

The wine sector permeates many levels of European life, contributing significantly to society in socioeconomic, environmental and societal terms. The European Union is the world's leading producer, consumer, exporter and importer of wine². In fact, Europe produces over half of the world's wine, and wine production is an essential economic and labour-intensive activity for many regional economies.

The sector contributes some €15 billion annually to the EU economy. With more than €6 billion annual exports, the EU wine sector contributes to a surplus of €3 billion to the EU balance of trade.

In 2004, wine production represented 5.4% of the EU's agricultural output and for some southern European economies it accounted for approximately 10% of the value of agricultural production; that was the case for Austria, France, Italy, Luxembourg, Portugal, Slovenia and Spain. Vine-growing and wine production also plays an important role in the level of activity and employment in rural areas of many EU Member States and their regions.

The EU wine sector is extremely atomised in comparison with other food and drinks industries. The wine sector comprises an overwhelming majority of small producers. In 2005 there were 1.3 million holdings with vineyards for wine production in the EU-25. The average size of EU wine holding was 2.6 hectares in 2005. For instance, in France alone (2007) there were 109 000 holdings in total, 44 000 of them with less than 2 hectares. Producers who produce less than 1000 hectolitres (133 000 bottles) amount to more than 80% of holdings, and 50% of the annual harvest.

Those 1.3 million holdings with vineyards for wine production in the EU-25, represent more than 20% of all EU farms.³ Those farms, occupying more than 3.4 million hectares of land, accounted for approximately 20% of the total employment in EU agriculture, employing over 3 million people, with the family labour force being still very prevalent. Alongside the permanent jobs, there is also seasonal employment in the harvest. Mediterranean countries (France, Greece, Italy, Portugal and Spain) employ 84% of the total labour force used on holdings with vineyards.⁴

In 2005, specialized wine farms, for which vine-growing is the most important agricultural activity, numbered about 500 000 and employed less than 500 000 AWU. They represent roughly one third of all wine holdings and of the total labour force respectively, but account for 70% of the area under vines. These holdings and the workers on them are the most dependent on vine-growing, although this activity is not necessarily the sole activity in their case either. On the other hand, focusing only on this category of holdings would be to completely neglect the importance of vine-growing as a complementary economic activity in non-specialized wine farms.

The socioeconomic dimension of vine cultivation extends beyond the agricultural activity in the vineyards and must also take into account the production of wine not taking place directly on the farm – i.e. in cooperative cellars or in private wineries. This production contributes to the

² The European Union occupies a leading position on the world wine market, accounting for:

45 % of wine-growing areas;

65 % of production;

57 % of global consumption;

70 % of exports in global terms.

³ Bulgaria and especially Romania have an extremely large number of holdings with vineyards (about 1.1 million, of which almost 90% are in Romania), employing a huge agricultural labour force (about 150 000 AWU in Bulgaria and 700 000 in Romania). These figures are remarkable, particularly in relation to the relatively limited extent of the area under vines in the two new EU Member States, and can be explained by the particularly small and fragmented structure of vine-growing holdings (0.36 hectare vineyards per farm in Bulgaria and 0.17 hectare in Romania) and the highly inefficient use of labour (3 and 4 AWU per hectare vineyard respectively). Furthermore, less than 10% of Bulgarian and Romanian holdings with vineyards are specialized in vine-growing, whereas the figure for the rest of the EU is 35%. Finally, *Eurostat* data indicate that a large part of the wine production is intended for family consumption only.

⁴ Italy employed the highest number, with 455 000 AWU (33% of the EU-25 total), followed by Portugal with 227 000 units (17%). Together, these two countries account for half of the total labour force employed in vineyards. Employment is also significant in France (13%), Spain (11%) and Greece (10%).

economy and employment in the wine regions⁵, since wine production generally takes place close to the area where the grape is produced, for reasons that are both technical and legal.

Also indirect economic activities linked to wine production – such as trade and marketing of wine, production (of oak casks, bottles, labels, capsules, corks etc.), development of wine tourism (hotels, bars, restaurants, etc.), and distillation of wine and wine by-products, etc., also contribute to the rural development of wine regions, to the extent to which they are carried out within the production areas. This will mainly depend on the characteristics of each individual industry in the different wine regions.

The wine sector also makes considerable contributions to the environment. Where vines grace the landscape, the wine sector helps to sustain the fabric of rural societies, maintaining a way of life that is central to the very notion of European identity. Vineyards ensure human presence in fragile areas that often lack other real economic value. Vines planted on hillsides help limit soil erosion and can also provide fire protection since the low density of their rootstocks help to restrict the spread of fire. As the wine sector adds value to landscapes and contributes to its preservation, the European Landscape Convention also accords a particular relevance to vineyards. Furthermore, based on the European Landscape Convention provisions regarding the protection, management and planning of landscapes, numerous studies have been developed to highlight the value, to set codes of best practices, to preserve the environment and to promote vineyard landscapes as a label of quality tourism.

The wines

A natural agricultural product

Wine is a natural, agricultural product recognized by the EU treaties and defined in the EU legislation as a “product obtained exclusively from the total or partial alcoholic fermentation of fresh grapes, whether or not crushed, or of grape must”. (Council Regulation 479/2008).

Strictly regulated

The raw material cannot be anything other than grapes. The alcohol that it contains is basically the result of fermentation. Adding water is not allowed. All the parameters in this definition of wine are themselves fully defined, regulated and controlled in the framework of the Common Agricultural Policy (CAP) by an extremely comprehensive 40-years-old Wine Common Market Organisation which was recently reformed by the European Council on 29 April 2008. It covers production disciplines, oenological practices, manufacturing methods, and means of presentation and labelling of wines, and is aimed at ensuring that consumers are properly protected and informed, whilst allowing for the proper functioning of the internal market, namely:

- soils and production areas;
- authorized vine varieties and conditions for their indication on the label;
- winemaking methods, oenological treatments allowed and conditions of use;
- the sales definition, including the alcoholic strength, dosage, vintage and variety for each qualities/types of wines and
- harmonized labelling regarding the different characteristics and qualities.

⁵ According to the results available from the Structural Business Statistics, in 2004 there were about 76 000 persons employed in the activity of wine production in the EU, corresponding to approximately 8600 cooperative cellars or private wineries. The highest number of employed persons was registered in Spain, with 23 400 units (31% of the total), followed by Italy with 16 400 units (22%) and France with 13 100 (17%). Together, these three countries represent 70% of the total labour force employed in wine-making activities outside farms. The employment level in Portugal (10%), Hungary (7%) and Germany (5%) is also significant. As for the two newest Member States, Romania employed 4300 persons, which represents a level comparable to that of Germany and Hungary, while data for Bulgaria are not available. Employment in wine-making structures is related to the overall level of wine production in the different countries, but it also reflects the organization of their wine market chain and their production structures. Looking at the trend in the number of persons employed in cooperatives or wineries in the three most important wine countries (France, Italy and Spain), the time series of the results from the Structural Business Statistics since 1995 shows a substantial degree of stability in the number of workers, or even an increase in Spain.

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Wine is not the result of fixed manufacturing recipes

As an agricultural product, wine changes from one year to another depending on the characteristic of the harvest. Each wine, even from the same producer and from the same *terroir*, is unique. Soil, weather, geology, varieties, and the style of winemaking employed, are all decisive yet variable factors that give each wine a unique character. Wine is not made in an entirely consistent way each year. Winemakers have to take account of the characteristic of that year's harvest and deploy the appropriate oenological practices and treatments. The use of oenological practices is only allowed to facilitate the expression of the basic product qualities. The substances used, naturally present in musts and wines, are mainly corrections to the natural composition aimed at a final product of better quality.

Wine regions in Europe, and in other wine-producing regions of the world, produce an endless variety of superb products. While wine remains a natural product, technological innovations have provided for better hygiene and control of the production process, contributing to the production of wines suited to the palate of contemporary consumers.

Wine and wine products are integral to European life and culture

As an enduring cultural symbol of European living, the role of wine has evolved over time, changing from an important source of nutrition to a cultural complement to food and conviviality, tasted in moderation, and compatible with a healthy lifestyle. While the art of viticulture has evolved, wine remains a food integral to dietary benchmarks (as for instance the so called "Mediterranean diet"), or it tends to be invariably associated with gastronomy, history, local quality products and dignified social settings. Wines and wine products are enjoyed by millions in Europe and around the world, often providing the focus to landmark celebrations as well as being savoured with good food.

If Europeans' cultural appreciation of wine reflects the diversity of the European experience, *savoir-vivre* and culinary habits, one principle that has remained unchanged is the European tradition of presenting and communicating wine, which focuses on the origins, heritage and viticulture. Despite the differences in consumption patterns across the EU, moderate consumption remains the general norm and only a minority of people misuse wine. In fact, overall consumption of wine in Europe has declined as patrons increasingly choose higher quality wines.

Statement on behalf of Copa-Cogeca

Presentation of COPA and COGECA: the voice of European farmers and their cooperatives

COPA (Committee of Professional Agricultural Organisations in the European Union) and COGECA (General Confederation of Agricultural Cooperatives in the European Union) are the organizations which represent the vast majority of farmers and their cooperatives in the European Union. These organizations represent 15 million people working either full-time or part-time on EU farm holdings and more than 40 000 cooperatives. They have 76 member organizations from 25 EU Member States. Their aim is to defend the general interests of agriculture.

Understanding the European wine sector: an important agricultural product

Copa-Cogeca has been invited to participate in this consultation because, in the European Union, wine is an agricultural product. It is mostly made by farmers and their cooperatives. This is why it is included in the common agricultural policy (CAP).

The EU Legislation on wine is one of the most comprehensive in the CAP. Among other subjects, it covers the processing (wine-making practices that can be used), the alcoholic degree, the labelling and the presentation of the products.

Furthermore, the wine sector is a very important sector from an economic and social point of view in the European Union. This is because the EU is the world's largest wine producer, consumer, exporter and importer. It accounts for approximately 59% of the world's wine-

growing areas, 67.6% of global wine production, 67.8% of consumption and 70.8% of world exports, according to estimates for 2007.

Yet it is at regional level that wine-growing plays a key role, as most of the vineyard areas are concentrated in certain regions. These regions are structured and have developed around grape and wine production. Vine-growing represents approximately 44% of the value of agricultural production in Languedoc-Roussillon (France), 26.4 % in Rhineland-Palatinate (Germany) and 24.1% in Abruzzos (Italy).

Production is structured around small-scale family farms (approximately 71% of holdings growing grapes for wine have less than 5 hectares) and compared to other crops, vineyards are highly labour-intensive.

Wine-making is also an important source of employment, as it takes place near to the production area. In most cases it is carried out by the producer, on the holding, or in a cooperative's cellar, with the grapes having been produced by the cooperative's members. This structure of production means that the added value of the products remains in the production regions.

Vines have an average life span of 45 years and vineyards have contributed to shaping European landscapes in areas of production for decades. The pleasant views that they offer form the basis for the tourism industry linked to the landscape, the culture and the gastronomy of wine-producing areas.

Some European wine-producing regions have been named as world heritage sites by UNESCO: Saint-Emilion and the Loire Valley in France, Cinque Terre in Italy, and Valley of Haut Douro in Portugal.

Vineyards contribute towards preventing soil erosion and they ensure human presence in areas that are amongst the most fragile from an environmental point of view and often lacking any real economic alternative.

Health problems related to consumption of beverages that contain alcohol: tailor-made action for an effective solution

Copa-Cogeca welcomes WHO strategies to reduce the harmful use of alcohol, as it constitutes an important and complex issue which must be dealt with.

Copa-Cogeca agrees with WHO in that the problem to be addressed is harmful consumption. Alcohol consumption habits for the majority of the European population do not lead to negative effects on health. Therefore, as the title of the WHO Strategy indicates, measures put in place should aim at reducing the harmful use of alcohol, and not at reducing global alcohol consumption.

Global measures aimed at reducing global consumption of beverages with alcohol would penalize consumers whose drinking habits are not harmful as well as economic operators (farmers and their cooperatives, trade). More importantly, these types of measures have proven ineffective or little effective at addressing the problem identified and might even have negative implications.

High taxation and prices lead to "alcohol tourism", cross-border trade and a black market and will not result in higher health awareness. Availability restrictions provoke the development of alternative ways of obtaining these products such as stocking up on alcohol beverages and internet trade where the protection of minors is difficult to control.

Copa-Cogeca agrees with the WHO in that interventions aimed at reducing the harmful use of alcohol must take into account different national, religious and cultural contexts. Indeed, consumption patterns are linked to cultural and social issues within the different countries. Even within the EU there are big differences in terms of harmful alcohol consumption and policies put in place to reduce it. According to WHO data⁶, wine-producing countries have less harmful alcohol drinking patterns. However, they do not apply very restrictive alcohol policies.

6 Alcohol in Europe report, WHO, June 2006.

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Consumption patterns are also linked to the type of product consumed, the occasion, the age and socioeconomic status of the consumer. For Copa-Cogeca it would be more appropriate to speak about “beverages that contain alcohol” than about “alcohol”. This is because consumers do not ask for a glass of “alcohol” when they go to a restaurant nor buy a bottle of “alcohol” in the supermarket. Alcohol is just one component of the beverage they buy. Beverages that contain alcohol (wine, beer, whisky, etc) are very different one from the other.

For Copa-Cogeca there is just one type of measure that should be addressed to consumers whose drinking habits are not harmful; it should aim at preventing them from developing harmful consumption patterns. This objective cannot be achieved through restrictive policies. It can only be achieved through education that raises awareness on health problems related to the misuse of beverages containing alcohol. As explained before, this type of measure should take into account national and cultural contexts, the type of product consumed, the age of the consumer, etc.

Finally, Copa-Cogeca is very much concerned about the problem of harmful consumption of beverages containing alcohol and is willing to be part of the solution. This is why it is implementing the programme “Wine in moderation” (www.wineinmoderation.eu) which aims at promoting moderation and responsibility in wine consumption.

Statement on behalf of EuroCommerce

First of all, EuroCommerce would like to thank WHO for inviting us to participate in this round table meeting on ways of reducing harmful use of alcohol.

Developments and initiatives at WHO level have important consequences for public health policy developments in Europe. We appreciate the relevance of WHO recommendations and welcome the consultation with all relevant international stakeholders when developing a global strategy on harmful use of alcohol.

What is EuroCommerce?

Established in 1993, EuroCommerce represents the retail, wholesale and international trade sectors in Europe. Its membership includes commerce federations in 30 countries, European and national associations representing specific commerce sectors and individual companies.

Our mission is:

- to promote the visibility and defend the interests of commerce vis-à-vis the European Institutions;
- to raise awareness among European Union (EU) decision-makers of the impact of future legislation on commerce;
- to improve the quality of legislation so as to reduce costs and uncertainties for businesses;
- to keep members informed of EU developments impacting on their daily activities;
- to raise awareness of membership on political issues at EU level (e.g. on the alcohol dossier).

Retailers and alcohol

Overall, the commerce sector represents the interface between the manufacturing sector and the 450 million consumers across Europe. As such, commerce has a shared responsibility in promoting healthier lifestyles and regrets that too little is done, at least at EU level, to develop consumer education.

While moderate consumers represent the majority of alcohol consumers, alcohol abuse is the cause of a large percentage of disease and death.

Retailers share the concern of governments and health authorities. As the link between industry and consumers, they have been involved in numerous voluntary initiatives to promote responsible consumption and to tackle alcohol misuse. However, we regret that too little attention is drawn to consumer education and would like to invite you to reflect on the following question: why would two persons living in the same environment, subject to the same

availability of alcohol, not necessarily have the same attitude towards alcohol? In our view, education is key and hope that those concerned with education – public authorities, NGOs, etc. – will address this important issue.

EU Alcohol and Health Forum

At European level, in June 2007 EuroCommerce became a member of the EU Alcohol and Health Forum, a common platform established by the European Commission for all relevant stakeholders willing to step up actions that can help reduce alcohol-related harm.

EuroCommerce has made a commitment to raise awareness amongst the membership and encourage members to contribute to policies aiming at reducing alcohol-related harm. This is carried out through the dissemination of information on the work of the forum, by facilitating dialogue and cooperation between EuroCommerce members and other members of the forum, and by disseminating within membership best practices in terms of consumer information.

In addition to it, three of EuroCommerce members are already directly involved in the forum in the following areas:

- enforcing of age limits for selling and serving of alcoholic beverages;
- developing information programmes on the effect of harmful drinking;
- developing efficient common approaches to provide adequate consumer information.

Across Europe

Given the many different drinking cultural habits and drinking patterns across Europe, no single approach to alcohol policy is likely to succeed uniformly in every country. Flexible strategies are needed.

The commerce sector fully supports the global objective to fight against alcohol-related harm and misuse of alcohol, but national legislation varies from one country to another (e.g. minimum age to buy alcohol) and actions from retailers consequently vary too.

Assuming their role, retailers are undertaking a considerable number of initiatives in their field of activity, such as:

- preventing sales to the underaged;
- providing in-store and/or online information for customers;
- supporting public information campaigns;
- limiting the display of alcoholic drinks to specified areas in shops.

In order to be effective, all these measures need to be adapted to the specific national and local context and to the size of shops and to be targeted at educated consumers.

In a demand-driven economy, addressing consumer demand issues by curbing supply is just not appropriate. On the contrary, efforts should aim at reducing consumer demand and one effective way to do this is through education.

Final remarks

Reducing alcohol-related harm requires a broad societal commitment and a concerted effort by all relevant stakeholders. All parts of society – e.g. schools, authorities (especially those dealing with youth protection) also at regional and local level, legislators, science, parents, producers, media, the hospitality sector, retail etc. – have a role to play within their field of activity.

Education is key in influencing perceptions, needs, demands and ultimately the behaviour of consumers. Retailers are committed to abide by ethical principles in marketing and in raising consumer awareness. They will continue to assume their role, but all initiatives can only bring added value if accompanied by proper educational schemes by those responsible for the delivery of educational programmes. Therefore, consumer education, starting at an early stage, should be a top priority.

Statement on behalf of the European Spirits Organisation – CEPS

The European Spirits Organisation – CEPS is the representative body for the spirits industry at the European level. Its membership comprises 36 national associations representing the industry in 29 countries, as well as a group of leading spirits-producing companies.

Reducing alcohol-related harm is one of the European Union (EU) spirits industry's key objectives which it seeks to implement via a host of targeted initiatives. To demonstrate its commitment to the fight against alcohol misuse, the European Spirits Organisation adopted its Charter on Responsible Alcohol Consumption in November 2005. The charter includes six commitments which the EU spirits industry has committed to implement in all CEPS member countries by the end of 2010. The commitments are:

- Where permitted under national law, 75% of EU spirits advertising will include a clearly visible responsible drinking message.
- Where relevant, national codes of conduct on responsible marketing, incorporating the principles enshrined in the European Forum for Responsible Drinking common standards on commercial communications will be introduced in all CEPS member countries.
- The same rules applicable to the marketing of existing spirit drinks will apply to product development.
- CEPS members will work with national authorities to ensure the better enforcement of minimum purchase age legislation by, for example, supporting more server training schemes and awareness campaigns.
- CEPS members will continue to work with national authorities on better communicating on the dangers of drinking and driving.
- CEPS members will work with national authorities and other stakeholders to increase consumer awareness and understanding of what responsible drinking means and the dangers of irresponsible alcohol consumption.

Each year, a report on the progress made on our charter, independently audited, is made public. The 3rd year progress report will be published on 26 November this year.

The European Spirits Organisation - CEPS also welcomed the European strategy to tackle alcohol-related harm adopted in 2006 which represents a balanced approach to tackling alcohol-related harm across Europe, identifies specific areas for action, recognizes the role of the industry, and fosters partnership with other stakeholders via the Alcohol and Health Forum, where CEPS plays an active role.

The EU experience makes clear that the issue of alcohol-related harm is complex and there is no "one-size-fits-all" approach. The European Spirits Organisation – CEPS believes that successful strategies to address alcohol-related harm need to be culturally relevant, targeted to address risky drinking patterns, and look at how to ensure proper enforcement of existing rules. It has been demonstrated that better consumer information, education and awareness campaigns constitute an important component of effective approaches to tackle alcohol misuse, as does proper implementation of industry's commitments to responsible marketing via self-regulatory codes and enforcement mechanisms.

Statement on behalf of the Global Alcohol Producers Group

Good morning, my name is Mark Leverton and I am representing Diageo, a leading producer of beer, wine and spirits. Today, however, I am speaking on behalf of 16 leading beer, wine and spirits companies who almost four years ago formed the Global Alcohol Producers Group. These companies are: Asahi, Bacardi, Brown-Forman, Constellation, Diageo, Fosters, Heineken, InBev, Beam Global Spirits and Wines, Kirin, Molson Coors, Pernod Ricard, Sapporo, Suntory, Synergy and the UB Group. The GAP Group companies have joined together to more effectively interact with WHO and other key stakeholders and to make a contribution to tackling the problem of the harmful use of alcohol.

The GAP Group has been supportive of WHO as it has moved forward in the past three years to fashion a mandate to have this organization create a global strategy to reduce the harmful

use of alcohol. We have worked closely with the secretariat, with this organization's regional offices and with many Member States urging them to produce an effective global strategy to deal with the harmful use of alcohol. We look forward to participating in today's consultation. It is our hope that our discussion will be frank, that information and views which are conveyed by GAP members will be helpful and that this session will constructively further the secretariat's work.

The fact that we are here today is the result of both the will of the Member States as expressed in World Health Assembly resolution WHA61.4 and the publicly stated view of Dr. Chan that the private sector has an important role in working with WHO in an appropriate manner to help it devise policies to improve global health. We, of course, accept the challenge before us to assist you in devising strategies which can be of help to Member States, communities and people. As companies which spend substantial resources each year combating alcohol abuse in messages to consumers and in partnerships with numerous and diverse stakeholders in countries all over the world, your success is important to us as the abuse of our products causes harm to our businesses.

The secretariat faces a considerable challenge in fashioning an effective global strategy which devises cost-effective, pragmatic strategies based on sound science and evidence to solve complex problems deeply rooted in both human behaviour and unique national and cultural contexts. We view this consultation as the start of a process of sharing views, information and experiences with you which we believe can aid WHO in achieving an outcome which can make a difference in terms of public health outcomes.

Every single company in our group has a strong public track record of working to reduce the harmful use of alcohol in countries where we produce and sell our products. The number of projects, programmes, partnerships and campaigns for responsible drinking number in the thousands and are far too numerous to recount here today. During the course of today's roundtable, we will provide specific examples of the substantial variety of programmes the industry has embarked upon in this critical area. Some companies have also provided details via your web-based public hearing.

Our work on harm reduction emerges from core principles to which all of us subscribe and which guide our work in efforts to combat harmful use. I would like to recount these six core beliefs:

- First, we believe that all alcohol beverages should be effectively and appropriately regulated by governments – not only in developed country markets, but in markets of developing countries and emerging markets as well.
- Second, we strongly support greater cooperation against harmful use by all facets of our industry – producers, distributors, retailers, advertising firms and the media, and pledge ourselves to work to foster greater cooperation among these groups toward that goal.
- Third, we strongly oppose marketing or sale of our products to underage youth and wish to work with various stakeholders on the serious global problem of underage consumption and binge drinking.
- Fourth, we view drunk driving as an extremely serious offense and support education, prevention and treatment programmes as well as strong legal penalties and tough enforcement against those who drive drunk.
- Fifth, we discourage misuse of alcohol by pregnant women and look to partner with other stakeholders in efforts to curb such consumption.
- Sixth, we understand the health and social impacts that chronic, excessive alcohol misuse can have on families and individuals and commend many government and health organization efforts such as brief interventions and treatment programmes that seek to prevent those who have trouble controlling the amount they drink from drinking at all.

These principles are embedded in our efforts to combat harm and will serve to guide us as we embark on new and innovative programmes in the years ahead.

At this early point in our dialogue today, I believe it might be helpful if I were able to provide a perspective of some of the “realities” rooted in our business and from our global experience as producers of alcohol beverage products. This is the perspective of producers, which might

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differ from other sectors of our industry, in particular retailers, although we do of course have experience and observation of the retail environment in which our products are sold and consumed.

There are five which I would like to highlight:

First, over half of the alcohol consumed worldwide comes from the informal or illicit sector. I mention this point not to obscure the role of branded products, but to underscore the need for the Global Strategy to address in a serious fashion an enormous and complex problem which is often hidden from view and very difficult to solve. We should also be mindful that in the current economic crisis, with less money in their pockets, people will be driven towards cheaper alternatives such as illicit or counterfeit products.

Second, the abuse of alcohol is a deeply complex subject. To begin to develop effective solutions to harmful use, the patterns of abuse and their impact need to be understood and put in context. For example, our experience of observing consumer behaviour in the marketplace is backed up by ample evidence that broad price increases on alcohol products have minimal impact on consumption in general or by those who abuse alcohol.

Third, specific and effective interventions which target various aspects of harmful use such as server training to prevent drunk driving, illegal consumption by underage youth and dangerous levels of intoxication can be effective if well designed and implemented with care and adequate resources. I hope we can thoroughly discuss this approach today.

Fourth, while the alcohol industry supports effective and appropriate regulation, history has shown that excessive regulation of alcohol beverages can have extreme adverse consequences by increasing crime rates, undermining already stressed economies, elevating health risks for consumers and ultimately not reducing harmful use.

Fifth, the sale of commercial alcohol products supports jobs and income in many countries in key sectors such as tourism, agriculture, hospitality and retailing. The very substantial tax revenues generated by this significantly contribute to public health systems. We recognize these points do not address harmful drinking but they are important issues which governments need to take into account, particularly in these times of economic difficulty.

I believe it is fair to say that the preponderance of the numerous initiatives taken by the GAP companies and other stakeholders towards reducing harmful alcohol use have occurred primarily in developed countries. There is no doubt that we in the industry are taking steps to supplement these activities in developing countries where we do business. We recognize that the pace by which harm reduction initiatives reach these countries must be increased.

Finally, let me be clear that the GAP companies are not here to say that the status quo is acceptable. If we felt that way, we would never have supported WHO in its goal of creating a global strategy. We know that harm from alcohol misuse needs to be addressed more effectively by governments, the private sector, communities and by individuals. We know that we can do more and that others must be asked to do more as well. We take such a challenge seriously and remain committed to it even in these economically challenging times which are causing great uncertainty for our businesses. But we also do not believe that there are simple answers and easy solutions. So let us work together in good faith, in a transparent and fair way so that the global strategy can achieve goals which will genuinely improve people's health.

Statement on behalf of InBev

InBev is a brewery with origins going back to a small town in the Low Countries in 1366 (a time when it was safer to drink beer than it was to drink water). Today, InBev has breweries in 30 countries where we brew about 200 local beers, and we also have two global brands which we sell around the world. Although our roots are European, we now have important markets in China, Russia and most of South and North America. We employ about 88,000 people. Needless to say that it is important to us that our business *is* and *remains* sustainable.

I would like to thank you for inviting us here today. This is an important debate as it is very much in our company's interest – with a view to ensuring that sustainability – to see alcohol-related harm successfully diminished.

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Statement on behalf of the International Center for Alcohol Policies

Mr. Chairman,

Thank you for giving me the opportunity to speak. I will be brief. There are three short points that I wish to make on behalf of the International Center for Alcohol Policies (ICAP).

First, although we are of course very pleased to be able to participate in this round table meeting, it is important to make it clear that ICAP is not, in the normal sense of the expression, an economic operator. We are an international alcohol policy think-tank that happens to be supported financially by 11 of the major global drinks companies. Regardless of the source of our funding, we are committed to an evidence-based approach to analysis and to the highest standards of objectivity in our various reports and publications. All our efforts are devoted to achieving balance in alcohol policy and, to this end, we vigorously promote multi-stakeholder partnerships involving both the public and private sectors.

Secondly, in keeping with this approach, we are pleased to have facilitated the preparation of six papers that have been submitted on behalf of the companies sponsoring ICAP to the web-based consultation process that you have set up to inform the development of the draft global alcohol strategy. These papers have been authored by individuals with special expertise in the technical areas they address, and have also involved extensive interaction with representatives of our sponsoring companies. The papers address production, distribution, availability, price and marketing, as well as describing opportunities for partnership and programme development. They are therefore highly relevant to the topics on today's agenda and are offered as a considered and comprehensive contribution to the strategy development process. There is a consistent theme that runs through all six papers, namely: that reasonable regulation provides a context for alcohol policy, that excessive regulation often has unintended negative consequences, that industry has an impressive record of past and current action to reduce the harmful use of alcohol, and that there are opportunities to do a great deal more in the future, often in partnership with other stakeholders such as governments and NGOs.

Finally, Mr. Chairman, I would like to assure you and, through you, the Member States of this Organization, that we stand ready to cooperate with you in any way that we can as you proceed with the preparation of the draft global strategy. Your task is not an easy one. You will be confronted with many competing perspectives. I simply want to assure you that ICAP is a resource on which you should feel free to draw, both formally and informally, during this demanding process. Like you, we share a vision of a world in which the burden of health and social problems linked to harmful use of alcohol is significantly reduced.

Marcus Grant, President ICAP

Statement on behalf of SABMiller plc

Good morning. WHO has been given an important task in developing a global strategy to reduce the harmful use of alcohol, and we are grateful to have the opportunity to be here today. My name is Kristin Wolfe and I am the Head of Alcohol Policy for SABMiller plc. SABMiller is headquartered in the United Kingdom and has business operations in over 60 countries spanning six continents. Many of our breweries have long, rich histories, including that of our oldest brewery, Grolsch, which has been in existence for over 300 years. Our roots, however, are African and it is in the context of emerging markets that I wish to focus my remarks in the limited time provided.

Emerging markets have unique needs, as they face a broad range of challenges. SABMiller works in partnership with other stakeholders, including governments, to develop and implement cost-effective solutions to respond to local challenges. One of these challenges is reducing the harmful use of alcohol – something we help address every day, both directly and indirectly.

Indirectly, we bring important benefits to the markets in which we do business, by running successful, ethical companies. We produce high quality products that serve as an alternative to illicit and informally-produced alcohol, which is widespread throughout developing markets.

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WHO and its Member States have taken on an important task in developing a global strategy to reduce the harmful use of alcohol. If done well, the global strategy can lead to real solutions to real problems. These problems manifest differently among regions and states. The strategy must not impede WHO Member States' flexibility to develop national alcohol policies that respond to their specific circumstances.

To be done well, it must be done together.

SABMiller is committed to working with WHO, its Member States and other stakeholders – not only in these early steps of developing an effective global strategy – but also in the years to come, working in partnership to promote and facilitate its successful implementation.

Thank you for your consideration.

Statement on behalf of The Brewers of Europe

Firstly, thank you to WHO for inviting us to this consultation, which we hope and expect will not be our last involvement in the development of a global strategy. I must emphasize the importance of the consultation becoming a continuous dialogue if the drafting of a strategy that will have a real effect is to succeed. The Brewers of Europe are therefore ready to contribute in any way possible, and we hope that our contribution will have an impact on the ongoing process. What the different parties can do to contribute to reducing alcohol misuse is very much dependent on who they are.

The Brewers of Europe, whose WHO task force I chair, brings together the national brewing associations from 26 European countries. Our national associations' members are the brewing companies themselves, and we therefore represent between 95% and 98% of the European Union's beer production, which is brewed by around 3000 breweries, mostly small businesses.

We believe alcohol misuse is best tackled through differentiated targeted interventions, especially designed to reach the recipients and carrying clear and simple messages. The interventions should involve partnerships with a wide range of stakeholders, including the brewing sector. A good and effective initiative in this respect is the EU Alcohol and Health Forum, launched at the initiative of the European Commission and based on an action-oriented, multi-stakeholder approach that commits the national associations to work towards an achievement of the purposes of the forum. The forum has had a strong impact on the national initiatives on reducing alcohol-related harm because of the commitment of the national associations. While the forum is only just over a year old, we feel that such an approach should be considered as a template for similar platforms at all different levels.

The Brewers of Europe believes that the most effective approach to tackling alcohol-related harm needs to reflect the diversity of societies, cultures and traditions of the different countries. The purpose of the Alcohol and Health Forum is therefore to be fulfilled differently by each national association, so it relates to the local initiatives especially designed to deal with the national problem areas. It is for this reason that the 25 commitments filed by The Brewers of Europe to the Alcohol and Health Forum relates to local initiatives. It is at the local level that our national associations are, and will continue to be, involved in initiatives targeted at reducing alcohol-related harm.

These national commitments work to address issues as diverse as de-normalising the binge drinking phenomenon in Finland, discouraging drink-driving in Denmark, and at the same time shoring up national self-regulation systems on alcohol marketing and advertising in each and every Member State of the EU. There are 25 commitments made and fulfilled so far. And since the forum was established only one year ago, the range and the possibilities of this forum are yet to be seen.

An important feature of our commitments is the number and diversity of partnerships with those wishing to support, finance and associate themselves with these commitments. Partners include governments (at national, local and regional levels), national road safety authorities, driving schools, the police, young adult volunteers, health and medical associations, consumer groups, self-regulatory organizations, other NGOs, the media, and other parts of the industry.

While our national associations are operating at the national level and thus directly involved in local campaigns, The Brewers of Europe, as a European umbrella, also has a role to play at supranational level. The Brewers of Europe helps, for instance, to identify and facilitate the sharing of best practices – a particular example being through the independent monitoring and evaluation of our forum commitments – and it produces toolkits and guidelines for our members and other interested parties. Furthermore, the Brewers of Europe actively work to enhance international relations by, for example, contributing to the Worldwide Brewing Alliance's reports and by assisting the European Commission with its work.

The Brewers of Europe also founded in 2003, and continues to fund, the European Research Advisory Board, an independent alcohol research foundation which was established to fund biomedical and psychosocial research into beer and other alcoholic drinks.

A more detailed view of the Brewers of Europe's idea of an effective strategy and on ways that we can contribute to the reduction of harmful use of alcohol can be seen in our submission as a part of the web consultation.

Finally, I would like to emphasize the importance of a continuous dialogue between WHO and economic operators during the entire process, if the drafting of a global alcohol strategy is to become a success.

Statement on behalf of the World Brewing Alliance

The Worldwide Brewing Alliance (WBA) is an unprecedented forum which brings together trade bodies representing brewers of all sizes from around the world.⁷ The Alliance currently represents 88% of global beer production, and is still expanding.

The WBA is opposed to the irresponsible consumption of its members' products. It is a fully committed partner in searching for appropriate, targeted and balanced solutions.

The prime objective of the WBA is to act as a conduit for exchanging examples of best practice concerning corporate social responsibility initiatives. These encompass: alcohol and society, food safety, and environmental issues.

The Alliance evolved from meetings between anglophone brewing associations that came together some 30 years ago primarily to fund biomedical and psychosocial research on the effects of alcohol on human health. Brewing companies provided research funding at arm's length and facilitated annual meetings for the medical community to discuss and formulate a consensus on the key medical impacts of alcohol.

As an adjunct to those meetings, the sponsoring trade bodies seized the opportunity to collaborate on how best to tackle issues of common interest around the world, not least the impact of alcohol on society.

As language has all but disappeared as a barrier to fostering close working relationships between stakeholders, the WBA has reached out to include associations from other major brewing nations. This has facilitated the exchange of good practice on a very wide platform.

Numerous examples of commitments funded by brewers, either individually or through their trade bodies can be found in the first and second editions of the Worldwide Brewing Alliance publication *Global social responsibility initiatives*.⁸ We also meet regularly to encourage and assist members to commit to effective long-term initiatives.

To give an example of best practice transfer, the Brewers Association of Canada has for many years partnered with professional organizations to support medical research and raise

⁷ The Australasian Associated Brewers inc., The Beer Institute of the USA, The Brewers Association of Canada, The Brewers of Europe (whose membership encompasses 26 European brewing trade associations), The British Beer and Pub Association, China Brewing Industry Association, Cerveceros Latinoamericanos (whose membership includes South American Brewers and trade associations), The Japanese Brewers Association, Korea Alcohol & Liquor Industry Association, and The Union of Russian Brewers.

⁸ The first edition of *Global social responsibility initiatives* published by the WBA in 2003 listed more than 360 initiatives from 34 countries. The second edition published in 2007 included more than 570 initiatives from 46 countries.

awareness about foetal alcohol spectrum disorder (FASD). This approach was shared recently with The Brewers of Europe who were inspired to produce a toolkit for their member associations advising how this concept might be adapted for other regions. This recommendation has been embraced by one of its member associations, Assobirra from Italy, who now have introduced their own programme to raise awareness, and this is currently undergoing follow-up assessment as a specific EU Alcohol and Health Forum commitment.

Since 1998, the WBA has regularly produced a report on drinking and driving.⁹ These reports cover initiatives in which associations and companies have invested resources and effort. The reports demonstrate the importance the brewing sector places on this area and serve to inspire additional involvement.

An example of such inspiration is the spread of designated driver campaigns which are prevalent across Europe and North and South America.

As well as providing inspiration to brewing associations and their members to develop their own tailored interventions, this activity has enabled the WBA to take a view on the types of initiative that have been successful and to analyse the factors behind that success.

This has led to the conclusion that interventions which are targeted at problem drinkers have been more effective than measures which are aimed at the population as a whole and that, in order to be successful, a concept needs to be tailored to the local culture, customs, traditions and the legislative environment.

Statement on behalf of the World Federation of Advertisers

Thank you for the invitation to take part in this important meeting. The World Federation of Advertisers, representing the voice of marketers worldwide, welcomes the opportunity to support efforts promoting responsible consumption of alcohol.

The WHO report on *Strategies to reduce the harmful use of alcohol* identifies irresponsible marketing of alcoholic beverages as a policy concern, particularly in the context of irresponsible alcohol consumption among young people.

It is a concern which WFA takes very seriously.

We feel WFA is well placed to contribute to WHO reflections on this issue. We are already playing an important role in supporting WHO efforts to find effective solutions to the challenge of growing obesity rates. We are actively involved in collaborative partnerships with governments, stakeholders and industry partners. We therefore feel WFA is well placed to help WHO formulate policies that make use of effective collaboration to respond to concerns around irresponsible marketing of alcoholic beverages.

Across all sectors, the industry is committed to responsible marketing through what is commonly known as “effective self-regulation”. Three elements are central to what we mean by this:

- a clear legal framework to set the context in which self-regulation operates;
- a set of shared values of openness, responsiveness and accountability;
- a continuing effort to extend the coverage of self-regulatory systems both geographically and in terms of new marketing channels such as the internet.

It is an ambitious vision, and it is not without challenges. We look forward to discussing with you how further progress can be made. Multi-stakeholder discussions, such as our meeting today, offer a valuable opportunity for refining and advancing our collective thinking.

But we are convinced that the model of effective self-regulation is highly relevant for our discussions on responsible marketing. It is an important way in which the industry can support the aims of WHO in the context of encouraging responsible alcohol consumption.

I will be happy to elaborate on this later when we talk specifically about marketing. Again, thank you for the opportunity to take part in this important discussion.

⁹ The 2008 report includes details from 53 countries (12 more than the 2005 report).

professionals with evidence-based resources that make them better able to promote the alcohol guideline to assist them in answering questions that their patients may have on alcohol and provide them with tools to identify and reduce alcohol abuse. NIAAA has emphasized the critical role that health care professionals play in communicating about responsible beverage alcohol consumption or abstention. For example, “Your patients look to you for advice about the risks and benefits associated with drinking. Research, in fact, demonstrates that simply discussing your concerns about alcohol use can be effective in changing many patients’ drinking behavior before problems can become chronic.” (NIAAA, 2003)

2. We Don’t Serve Teens

We Don’t Serve Teens is a national campaign to prevent underage drinking. Most teens who drink get alcohol from “social sources” — at parties, from older friends, from their parents’ cabinet. Teen drinking is linked to injury and risky behaviour. We Don’t Serve Teens provides resources to help highlight this issue and to reduce teen drinking by stopping teens’ easy access to alcohol. The Federal Trade Commission, the nation’s consumer protection agency, prepared and maintains www.DontServeTeens.gov. Multiple partners in this initiative include NGOs, government agencies, law enforcement and multiple segments of the beverage alcohol industry. In September 2007, one of the largest ever public service campaigns was developed to provide adults with tools and education regarding restricting teen access to alcohol through We Don’t Serve Teens. This partnership accomplished 1.1 billion media impressions with a market value of US\$ 9 million through advertising in newspapers, magazines, billboards, sports stadiums, public transportation, television and other venues. This is a continuing campaign that has received national recognition and governmental awards.

The third example is from Scotland:

3. The Scottish Alcohol Awareness Week

The Scottish Alcohol Awareness Week brought together a diverse group of stakeholders from producers, health professionals, government and the retail trade. There have been two successful awareness weeks so far. By agreeing to unite around a common theme, they have been able to extend far further than before messages on responsible drinking, and to achieve a reach to consumers far beyond any previous government public health campaign on any topic.

These are but a few examples. WSA members are committed to building on this work and will continue to build effective partnerships with WHO Member State governments around the globe to develop and implement programmes.

WHO can be most helpful in establishing a matrix of possible tools to prevent and reduce harmful drinking. Such an approach would particularly help countries select strategies according to their needs and cultures, and allow them to benefit from the evidenced-based approaches and partnerships available.

Statement on behalf of the World Wine Trade Group

Good Morning. My name is Bruce Walker. I am present chairman of the industry section of the World Wine Trade Group and the immediate past chairman of the Canadian Vintners Association.

The World Wine Trade Group is a unique plurilateral forum where both industry and government meet together (and in parallel) to further worldwide economic and regulatory cooperation for trade in wine. Present members of the World Wine Trade Group, or WWTG as we are known, include Argentina, Australia, Canada, Chile, New Zealand, South Africa, and the United States. Observer countries have included Brazil, Georgia, Mexico and Uruguay.

The WWTG was built on a very simple concept – mutual recognition, acceptance and cooperation. We exchange information about our respective wine industries and, when desirable, we coordinate efforts among member governments to improve the wine trade throughout the world. These efforts have resulted in the conclusion of two international

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- strict advertising and marketing codes of practice;
- enforcement against and prevention of underage drinking;
- reduction/elimination of drinking and driving;
- promotion of dietary guidelines (healthy lifestyle);
- retail staff and licensee “server training” certification;
- advocacy for moderate, responsible wine consumption.

The success of the WWTG since its formation in 1998 has been grounded in the understanding that each member wine-producing country is unique. While our principles revolve around mutual recognition and cooperation, our success evolves from mutual respect. It is this respect for the uniqueness of each member's culture, political organization, wine market, consumer population and its laws and regulations that has enabled our respective industries and governments to work together toward common goals. It is my hope that we can bring some of these lessons to today's round table.

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Annex 6: Statements on the production, distribution and availability of alcohol beverages

Statement on behalf of Cerveceros Latinoamericanos

Product strength

As economic operators we take into account a public health perspective in the production and distribution of alcoholic beverages in several ways. For this reason, we have developed a varied portfolio of beverages that includes nonalcoholic and low alcohol content beers, which bring different choices for consumers.

Prevention of sales to underage and at-risk groups

Through media campaigns and on-premise activities, we encourage retailers not to sell our product to underage people and to act according to local law. Moreover, we support and promote education among adults to prevent underage alcohol consumption. However, we believe that to have a real impact on this issue it is necessary to work together with the government, NGOs and parents to create awareness about the physical and psychological risks of underage drinking.

Counterfeits, smuggling and other interaction with the illicit market

The industry can aid the local authorities with technical resources to identify contaminated or tainted alcohol products. With this specific effort, we can help reduce the health problems that emerge when bad production habits or uncontrolled alcohol-producing organizations arrive on the scene.

Our industry in Latin America has contributed to the fight against smuggling and to the understanding of the illicit market in some countries.

Prevention of sales to intoxicated or at-risk people

Training our clients and public servers (bartenders) on how to identify intoxicated costumers has also been a fundamental part of our initiatives in order to prevent negative social and physical consequences of alcohol abuse.

We also aid authorities to enforce compliance with legislation by providing breathalyzers and training on how to use such devices. This is one of the other initiatives we are implementing as an industry.

We have published guidebooks and developed campaigns about the risks of drinking and driving. Finally, we have begun implementing educational programmes within the company, making sure that our workers and their families are the first to promote the responsible consumption of our products by their own actions and behaviours.

Statement on behalf of the Global Alcohol Producers Group¹⁰

The economic and social impact of alcohol production

Commercial alcohol production can and does have substantial positive economic and social impact. Both in developed and developing countries, it provides employment opportunities and stable incomes to many people and a significant source of public revenue to governments.

Agricultural products such as cereals and grapes are the base ingredient of alcohol production. This requirement often offers opportunities to source agricultural products locally, thus benefiting rural communities who are engaged in farming activities.

The second important raw material for alcohol beverage production is, of course, water and here too production companies are able to work with local communities to maintain safe and reliable sources of drinking water.

¹⁰ Statement given by Mr Sietze Montijn from Heineken on behalf of the group.

Packaging, transportation, and other services bring additional benefits to local communities, both in terms of raw materials, infrastructure, and employment opportunities. We have developed a model to measure the economic impact.

As well as their economic benefits, all these activities also contribute positively to social development and provide resources for public health investments. This is consistent with the “social determinants of health” approach, developed and promoted by WHO, as alcohol production helps to alleviate poverty and improve the local physical environment

In addition, local production of branded products is likely to reduce the production of noncommercial alcohol, thus increasing local revenue and reducing the public health risks associated with contaminated drinks.

Quality control and safety programmes

Quality control and safety programmes are a significant part of any production process. A company’s “licence to operate” is granted and may be supervised by government, and is based on compliance with government regulations. The licence will generally cover all aspects of the quality and safety programmes. Brand manuals define hundreds of quality and safety checks.

Such safety and quality checks are often absent in the unregulated informal market

This leaves illicit products – from counterfeits to homebrews – vulnerable to possible contamination or adulteration. From a production point of view, most health-related issues arise from poor-quality alcohol produced in an unsafe environment.

All major producers of beer, wine, and spirits have developed strict quality and safety controls and are willing to share their expertise with governments.

Lower-alcohol products

Industry members have met the new consumer demand for low- and mid-strength alcohol beverages. Although specific definitions may vary by market or country, “regular-strength” alcohol content is generally as follows: 4.6–6.0 % of alcohol by volume (ABV) for lager beers, 12–15.0% ABV for wines, 37.5–40.0% for spirits, and at least 15% and above for liqueurs

Drinks with lower alcohol content are produced in each of the major beverage alcohol categories – beer, spirits, and wine. However, legal product standards (defining, among other things, alcohol content of different spirits and beer types and forbidding intervention in the wine fermentation process) may limit a broad trend of lowering alcohol content.

Counterfeiting prevention

Although counterfeiting – as well as product contamination and adulteration that often accompany it – is primarily an economic issue for the beverage alcohol industry, they are also areas with strong public health implications. It is well known that counterfeit beverages are not subject to the same quality and safety standards as branded alcohol. Industry members have worked with anti-counterfeiting programmes in over 20 developed and developing countries, training government officials to identify counterfeit products, and continue to develop and employ new technology in their efforts to reduce counterfeiting

Opportunities for multi-stakeholder partnerships

Production is usually a locally-based operation with many technical resources. This expertise is available and could be consulted when local officials are confronted with technical issues.

However, long-term contribution cannot be sustained in a vacuum. For example, producers are willing to assist governments in developing quality and safety procedures and training police and quality assurance inspectors, but this process cannot be sustained without a strong and effective enforcement mechanism. Governments have to institute a clear regulatory system.

Some of the following areas should be considered for multi-stakeholder cooperation:

- maintain reliable and safe sources of drinking water;
- where appropriate, train local farmers to grow crops that can be used as ingredients;

- develop simple, rapid tests to identify contaminants in beverages as we have done for methanol;
- collaborate in the provision of training in quality control to help legitimate small producers make safe products;
- consider how best to take into account potential public health implications when developing new products;
- provide resources to help local authorities identify sources of contaminated or counterfeit product;
- inform the population about potential risks for contamination and the health consequences of consuming toxic beverages.

Statement on behalf of the Global Alcohol Producers Group

My name is Rick Wilson from Bacardi, a global spirits and wine producer and distributor of such brands as Bacardi rum, Dewar's scotch, Bombay gins, Grey Goose vodka and Martini & Rossi vermouth and sparkling wines. I am presenting today on behalf of the GAP Group of companies and will discuss areas where the distribution sector can contribute to the reduction of the harmful use of alcohol.

Alcohol distribution typically involves three major tiers: production, wholesaling, and retailing. The retail tier – including both on-premise and off-premise venues – forms the main interface between alcohol producers and consumers, and comprises the final link in the distribution chain. We encourage you to obtain information directly from retailers themselves, but we will provide you with our view on the retail tier, a tier that varies greatly in size and sophistication from small “mom and pop” shops to large regional and international players like Wal-Mart and Tesco.

We believe that alcohol producers can work with governments, retailers, and community groups to implement harm reduction strategies within many retail and hospitality sectors. However, when analyzing alcohol distribution policies and programmes, there are four key issues to consider:

- Significant cultural and drinking practice variations exist in places around the world where alcohol is distributed and policies need to take this into consideration to be effective.
- Like all public policies, alcohol distribution policy strategies can have both intended and unintended outcomes; a comprehensive assessment of any given measure must consider both.
- Most retailer-focused policies to reduce harm target all consumers, including the majority who drink responsibly.
- Alcohol distribution does not occur in a vacuum; the success or failure of interventions at this level often relies on the broader legal framework and support from all stakeholders, including industry members, governments, law enforcement, and the community.

Now, I would like to discuss three major ways in which a public health perspective can be addressed at the retail level: 1) direct retailer efforts themselves, 2) licensing restrictions, and 3) seller and server training.

Retailer efforts

Retailer strategies that are well supported, solidly researched, and backed by complementary activities in other areas (e.g. consumer education and law enforcement) are generally more successful than those occurring in isolation.

First, point-of-sale advertising is a visible marketing strategy targeting consumers at the point of purchase. In addition to complying with numerous laws and regulations regarding advertising and trade practices, we apply principles of self-regulatory codes to materials placed at the retailer shops in order to encourage responsible consumption and discourage irresponsible activities. We believe that the further down the distribution chain the legislation and codes apply, the more responsible these advertising and promotional efforts will be.

Second, partnerships between alcohol producers and retailers have been developed in many countries to address specific aspects of alcohol distribution. Some partnerships also involve other stakeholders, such as government and community leaders. Examples include “Cops in Shops” and “We Don’t Serve Teens” programmes used in the United States. These types of programmes partner with local or federal enforcement agencies to target the prevention of sale of alcohol to minors and intoxicated individuals.

These types of retailer measures and programmes aim to directly influence consumer behaviour around alcohol at the point of purchase. They can also reduce the potential liability for retailers. We encourage more development and use of these programmes.

Licensing restrictions

Effective licensing strategies can target specific alcohol-related problems, are culturally sensitive, and have the broad support of government, law enforcement, local communities, and others.

Most governments apply some form of licensing restrictions to alcohol-serving establishments, including when (the days and times), where (the number of venues able to sell alcohol in a particular area), how (the physical environment and hospitality practices), and what alcohol can be sold (e.g. wine, beer, spirits, and pre-mixed drinks).

While jurisdictions differ in their approach to licensing practices, most measures intend to reduce antisocial behaviour, violence, and crime. Typical conditions required to obtain the license to sell alcohol include age, lack of prior criminal record, the payment of a fee, and approval from the community or the law enforcement authorities.

I will tell you, however, that the evidence in support of licensing restrictions is mixed. Some studies have found that extending the hours and days of alcohol sales has resulted in an increase in drink-related problems; others report little or no increase in harm. Research from several countries has linked the density of alcohol retail outlets with some alcohol-related social problems, but this relationship depends on location, context, and drinking culture. In addition, severe restrictions may shift demand to the black market, boosting crime and the popularity of noncommercial beverages. Addressing harmful drinking in such cases requires greater community involvement in the regulation and administration of licenses and an increased focus on skills training and culturally-appropriate harm-reduction practices.

The main stakeholders in developing and implementing effective licensing are governments, law enforcement, and retailers; effective measures require their input and the ongoing support of producers. Law enforcement and customs/border control can help minimize the black market. Governments in neighbouring jurisdictions can work together to synchronize regulations to reduce the potential for illicit cross-border trade.

Seller and server training

There is good evidence that training programmes for alcohol sellers and servers can be successful in minimizing harm when they are of high quality and are combined with strong support from venue management and effective law enforcement.

Many programmes aim to educate and train sellers and staff at alcohol-serving establishments about standard drink sizes, proper identification checking, recognizing inebriation, not overserving, and dealing with individuals who have consumed too much alcohol. Bacardi, as an example, has partnered with the International Bar Association in putting together training manuals for barmen/bartenders on how to serve alcohol products responsibly.

The main emphasis of these efforts is to avoid serving alcohol to minors and intoxicated patrons, thereby reducing the incidence of alcohol-related problems, specifically violence, antisocial behaviour, and alcohol-impaired driving. These programmes can also reduce liability for the retailer.

Although research shows that the main sources of alcohol for young people are family and friends, retail venues play a significant role in supplying alcohol to this segment of the population. Strategies that rely solely on the ability of servers to estimate the age of the purchaser are less successful than those emphasizing the need to actually check the age of all customers who could potentially be underage. We must point out, however, that law

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enforcement measures on underage purchasing and drinking need to be implemented carefully, as there is some evidence that they can result in young people being reluctant to call the police or ambulance services for alcohol-related problems.

Governments, too, can strengthen the role of seller and server training programmes by the following examples:

- making it a licensing requirement that serving staff be properly trained;
- developing national standards for training programmes and accrediting individual programmes;
- directing law enforcement agencies to monitor breaches of licensing regulations and impose sanctions;
- supporting retailers to provide server training for their staff;
- providing incentives or recognition for alcohol establishments that are examples of best practice.

In conclusion, properly researched and analyzed retailer programmes, licensing restrictions and server training are good examples of initiatives that can be applied at the retail tier that can influence drinking patterns and the impact of alcohol misuse in the community. The retail sector is key in developing and implementing these types of initiatives, along with other stakeholders such as industry members, government, and the community.

Statement on behalf of the Industry Association for Responsible Alcohol Use

Reasonable regulations concerning alcohol availability are a necessary component of any balanced alcohol policy. How this balance is created will vary depending on socioeconomic circumstances and culture but can be achieved by complementing population-level regulations with targeted measures for high-risk individuals, settings and behaviours.

When addressing or considering availability of alcohol beverages, it is critically important to keep in mind that in many African countries (and South Africa in particular) the majority of alcohol beverages are in fact sold through illegal outlets and that therefore the usual prohibitions like no sale to underage or intoxicated persons are all that more difficult to enforce.

While availability may be restricted by either physical or economic means, I intend to deal with two central issues – legal age limits, and noncommercial alcohol.

Legal drinking age

Setting minimum age limits for the consumption and purchase of alcohol can only be effective when this control-based approach is not impractical and is backed by strong enforcement and targeted interventions focused on young people.

As a vast majority of underage drinkers obtain alcohol from social sources, drinking it in their own or someone else's home, greater attention to reducing access to all substances from social sources is needed. Parental modeling is crucial.

Requiring proof-of-age identification for service or purchase of alcohol is essential. Personnel in serving establishments must be trained to identify minors and effectively enforce minimum age limits. Alcohol producers can contribute to this strategy by training both on-premise and off-premise staff to enforce age-limit laws and by sponsoring in-store awareness campaigns. This, however, is not the sole province of producers, who are not directly involved in the sale and service of alcohol and therefore, all industry stakeholders – including in particular the retailers – must be active.

Monitoring licensed premises, sometimes undercover, is an important intervention and, as in the case of the US Century Council's "Cops in Shops" programme, presents an opportunity for a partnership between industry and the police. Another approach, the MillerCoors Respect 21 programme in the United States, relies on the involvement and collaboration of parents, retailers, producers, and communities in curbing the provision of alcohol to minors, whether through sales or social access.

In terms of strengthening positive parenting, a novel approach has been adopted by a group of schools in Cape Town, South Africa, where parents are obliged to sign a pact that they have

read and understood a guide produced by a panel of psychologists, educators, and medical practitioners (including Dr Charles Parry) to encourage a dialogue between parents and children, and that they will make every effort to follow the guide principles. The media can also be a useful conduit and in this regard, and the guide has now in fact been serialized in two South African daily newspapers which has significantly extended its reach.

Young people's drinking patterns are changing internationally. They mirror social transformations, increased purchasing power, the evolving role of young people in society and, in some instances, their growing social disenfranchisement. The industry will continue to support educational initiatives across the globe, using media relevant to young people, particularly web-based programmes, to demonstrate how "uncool" underage drinking is and to emphasize the risks it may carry.

Noncommercial alcohol

In some countries, the formal market – which is the market that the alcohol producers here in this room represent – accounts for less than half of all alcohol consumption. For this reason, an effective strategy to reduce the harmful use of alcohol must address the noncommercial sector.

The term "noncommercial alcohol" refers to beverages that are not reflected in official statistics (e.g. sales, revenue, or trade figures), and are traditionally outside government control. This includes the informal market, typified by low-quality, home-produced alcohol, which in some cases has been linked to contamination and health problems, as well as illicit alcoholic beverages, which includes product that is illegally distributed through smuggling or is counterfeit and passed off as legitimate commercial product.

A number of interventions can help reduce the harmful impact of noncommercial alcohol if undertaken by governments, NGOs, and industry members working individually and in partnership:

- ICAP and interested parties from WHO and public health to develop and pilot an international methodology to gauge noncommercial alcohol production, consumption, and outcomes so that the interaction between policies and drinking can be better observed and evaluated, and cross-country comparisons can be made.
- Industry to work with researchers to monitor quality of noncommercial alcohol in countries in Africa and in India, for example, where the biggest problem with dangerous concoctions exists.
- To the extent that countries have laws against the production and sale of noncommercial alcohol, including counterfeit alcohol products, those laws should be enforced, including inspections and seizures by law enforcement. Here the major producers can play an important role in assisting governments to identify illicit and smuggled products and to prevent their sale.
- Provide consumer education and information about noncommercial alcohol, raising awareness about potential risks and drinking patterns, and undertake broad public campaigns to raise awareness about existing laws, enforcement, and possible punitive measures.
- Set and enforce standards for commercial alcohol production, distribution, retail, and consumption, particularly in developing countries.
- Where appropriate, institute competitions and awards for quality as incentives to legal home-producers to raise and maintain the standards of their beverages.
- Encourage commercial producers (e.g. through tax incentives) to provide affordable alternatives to illicit alcohol.
- Offer training, incentives, and funding to assist noncommercial producers to establish alternative income-generating businesses.

In summary, addressing noncommercial alcohol is in the best interest of governments, law enforcement, and the industry. As a result, there is ample room for cooperation and initiatives based on partnership and directed at a common goal.

Annex 7. Statements on marketing practices

Statement on behalf of Cerveceros Latinoamericanos

How can economic operators ensure that the content, placement and frequency of marketing practices are culturally sensitive and do not have unintended outreach consequences?

We believe that this is achieved by promoting the development of self-regulation codes of behaviour across the region to which all incumbent parties should strongly adhere. These codes should evolve into systems that include appropriate conflict resolution mechanisms, transparency, outcome measurements, impact follow-up and third-party participation. We also collect evidence on successful best practices regarding society participation, consumer information and sponsorships.

Statement on behalf of the Global Alcohol Producers Group

I am Barton Alexander, Global Vice President for Alcohol Policy and Corporate Responsibility for Molson Coors Brewing Company, an international brewer headquartered in Montreal, Canada and Denver in the United States. Our products including Coors Light, Molson Canadian and Carling, are currently available in over 30 markets around the world.

I appreciate the opportunity to be here again before the World Health Organization to present industry views on the global strategy to reduce harmful drinking.

Today, I am speaking on behalf of the companies who are members of the Global Alcohol Producers Group. We are 16 global beer, wine and distilled spirits producers who wish to work with WHO and its Member States to promote policies and practices that reduce harmful drinking. In my comments, I will refer to our collective companies as the GAP Group.

As global producers, we are well aware that the marketing of alcohol has become a subject of intense interest by the public health community. It is a complex subject in terms of the diversity of industry marketing practices, how various industry sectors self-regulate, how governments regulate the marketing function and the precise impact of marketing on consumers.

Commercial communications play a fundamental role in the efficient functioning of free market economies by promoting competition and encouraging innovation. The effects of marketing are outlined in the ICAP Paper on Marketing, submitted as part of the online consultation. Suffice it to say that there are myths and misunderstandings as to the impacts of commercial communications on brand choice, consumption levels and harmful drinking.

We also recognize that a significant amount of global alcohol consumption is illicit production or unbranded commodity alcohol that is not advertised. We all need to consider this reality when we evaluate the potential impacts of marketing controls.

Our message on marketing will strike a familiar theme of this roundtable discussion. We fully support an appropriate governmental framework for product advertising and marketing, including regulation of truthful and accurate communication. Once that framework is established, self-regulatory and co-regulatory mechanisms provide the best approach to target the specific issues related to alcohol, a product that is legal in most Member States, and one that may be consumed responsibly and beneficially – or misused harmfully. To be effective, alcohol regulation and self-regulation must reflect the unique culture, institutions, drinking patterns and concerns in Member States. Finally, excessive restrictions on marketing can and will have unintended and negative consequences and therefore are counterproductive.

There is no doubt that the large-scale global alcohol beverage producers represented by the GAP Group companies have accepted the basic premise that we will undertake a wide range of measures to self-regulate and control various aspects of our marketing practices and lead in the effort to bring smaller producers along.

It might be helpful to briefly review what is now occurring in alcohol marketing to illustrate how the global players in the industry have implemented and continue to support robust and effective self-regulation.

- First and foremost, all GAP Group companies have adopted stringent codes of responsible marketing, as individual companies and in coordination with competitors through sector trade associations and industry social aspects organizations. These codes prohibit the targeting of minors, any encouragement to drink excessively, depictions of intoxication, or suggesting that drinking improves sexual success, physical performance or mental ability, among other issues. They generally apply to all marketing materials, whether placed in traditional media, executed as part of sponsorships, or utilizing the internet and other forms of social media.
- Second, in many developed country markets, GAP Group companies have instituted mechanisms to insure compliance with codes of conduct involving various sanction mechanisms, including pre-placement reviews of marketing and independent third-party monitoring as well as take-down procedures in the case of code violation. In the UK, retailers can be instructed to remove products which violate co-regulatory codes. The specific content of these codes and enforcement procedures vary by market, reflecting the different cultural contexts, drinking patterns, and issues and concerns in that Member State.
- Third, recognizing that underage persons cannot be removed entirely from exposure to mass media advertising targeted to adult consumers, the GAP Group companies have, in many measured mass media markets, instituted prohibitions on advertising in media programming where the ads will reach a substantial percentage of viewers or listeners who are below legal drinking age. In most cases, these rules are also applied to live sponsored events such as concerts and to nontraditional media.

While these initiatives have been undertaken, the GAP companies believe that more could and should be done in the marketing arena to enhance the progress that has been made. There are five points we would like to emphasize:

- First, there is no doubt that the self-regulatory codes which companies and industry groups subscribe to are quite prevalent and most developed in the Americas, Europe and Japan. We believe that discussions with WHO and other stakeholders may help to create the environment for phased extension and customization of codes and enforcement procedures as are appropriate for the issues and concerns in developing countries. The GAP Group companies are prepared to work actively with Member States to towards this end.
- Second, we believe it would be appropriate for WHO in its global strategy to request that governments work with our industry in markets where these codes and programmes have not been developed in order to put in place the necessary legal and administrative structures which can facilitate the creation and operation of self-regulatory organizations.
- Third, both industry and governments have to work together to see to it that local and regional producers join in self-regulatory initiatives which are being supported by global producers. The exclusion of local entities defeats the purpose of these initiatives. We believe WHO should encourage the inclusion of local and regional companies of all sizes in self-regulatory initiatives at the national level.
- Fourth, self-regulatory initiatives should also affect the operation of other stakeholders beyond producers to include advertising agencies, media companies, retailers and the hospitality industry. These entities are all engaged in the marketing of alcohol beverage products in various ways and their cooperation and inclusion is absolutely essential.
- Fifth, we recognize that there are those who are ideologically opposed to the marketing of alcohol. Let me just say that the industry also makes effective use of marketing techniques to further and deepen its commitment to responsible drinking. Campaigns for responsible drinking tied to brands and unbranded social marketing campaigns targeting specific groups and focusing on such issues as drunk driving are another important benefit of marketing. For example, some producers, including Molson Coors, are using promotional materials and even product labels to call attention to responsible drinking web sites with information on preventing alcohol misuse and on government drinking recommendations.

- Finally, we urge caution in proposing strategies that urge across-the-board limitations on alcohol beverage product marketing. Excessive limitations will have unintended and negative consequences, including the commoditization of alcohol beverages, with competition focused on lower pricing rather than the quality and distinctive attributes of product brands. Stringent marketing restrictions constrain competition, favouring large, established brands and limiting the entry of new, smaller players into the marketplace. Excessive restrictions also may eliminate – for the industry and the public health community – the very communication tools that may help us to make real progress on responsible drinking on a mass level

In conclusion, the GAP Group companies fully expect that the WHO global strategy will deal with the complex issues related to the marketing of alcohol. We fully intend to work closely with the World Health Organization with this goal: to share a full and accurate understanding of how and where product marketing is used, what product marketing can and cannot do, and the impacts of marketing on various groups of consumers. And we commit to further and continued progress: to share and expand our best practices, in cooperation with Member States and other stakeholders in the developed and developing world.

I'm sure that my colleagues from around the world will be sharing their national and regional experiences as this roundtable discussion continues.

Thank you very much.

Statement on behalf of the Global Alcohol Producers Group

My name is Gaye Pedlow and I am Alcohol Policy Director for Diageo, but I am speaking today on behalf of the Global Alcohol Producers Group.

I would like to add to the comments made by Bart Alexander by making the following observations.

There are essentially two main ways in which alcohol producers, such as those in the GAP Group, can see to it that their marketing activities are in line with the public health goals outlined in the main question posed by WHO for this session.

First, through a commitment to comply with all existing laws and regulations regarding alcohol marketing. That is something which all GAP Group members strive to do. But there are limitations as to how much can be achieved through regulations and legislation. So while this commitment is necessary, it is not sufficient on its own.

The second way is to ensure that industry self-regulation, or co-regulation, is robust, effective and culturally sensitive.

In terms of content, Bart has already referred to some of the most common provisions that exist in most self-regulatory codes of practice. To expand on that, most codes would prohibit the following:

- targeting minors (under legal purchase age);
- encouraging excessive drinking;
- depicting intoxication;
- associations with violence;
- implications that alcohol consumption improves physical performance or mental abilities;
- implications that alcohol consumption ensures social or sexual success;
- depictions of alcohol consumption in unsafe situations (for example, just before getting into a car).

It is the view of the GAP Group that all these requirements are aligned with public health goals and can help protect at-risk groups.

Therefore, the question that needs to be answered is not whether self-regulatory codes address public health issues, but how we can see to it that they are implemented in the most effective way. This should be a “win win” situation for all concerned.

For this reason, GAP Group members have reached a common view of what effective self-regulation should look like. It should:

- be inclusive of all industry players;
- cover all media;
- address both content and placement;
- set clear standards that are well publicised;
- require training for brand and agency staff;
- require pre-placement review, whether internal or external;
- enable independent monitoring through regular publication of findings;
- incorporate an independent complaints resolution process;
- require timely removal of noncompliant marketing.

But it is also important for us to consider exactly what it is that self-regulation can or should be expected to achieve. There are some key myths about self-regulation that the GAP Group believes need to be acknowledged.

First of all there is the misperception that self-regulation can fix all the problems associated with alcohol misuse – it can't. Its role is to see to it that brand marketing activities do not even unintentionally promote misuse of alcohol; that is not the same thing. Self-regulation is an essential part of the picture when it comes to attempts to minimize alcohol misuse, but it is not sufficient on its own.

Second, there is the myth that self-regulation is just the industry sitting in judgement on itself; it isn't – and it shouldn't be.

Third, there is the belief that codes of practice do not address public health concerns; we would argue that they do.

Fourth, there is the claim that self-regulation is incapable of moving quickly enough to remove advertisements or products in a timely way. But it can do this – in fact, it can move much faster than a system that relies on drawing up legislation or using the courts to rule on complaints about marketing practices. And a self-regulatory code can be updated quickly and with the minimum of fuss, whereas making changes to existing legislation or pursuing cases before courts can be a long and complicated process.

Finally, there may be those who believe that GAP Group companies are, for some reason, opposed to working with governments and other stakeholders to extend and improve self-regulatory systems in parts of the world where they are inadequate or do not exist. That is absolutely not the case – in fact, the reverse is true. We very much welcome such opportunities.

Self-regulation does not stand still; it continues to evolve in order to reflect changes in societies and cultures around the world. In March 2006, when the GAP Group last made a presentation to WHO on self-regulation, we used a powerpoint presentation to report on recent developments in self-regulation around the world. Work has continued since that time to update, strengthen and expand the geographical and media remits of our self-regulatory codes, in line with best practice principles. I would like to conclude by asking other colleagues here today to share their views on how self-regulation has evolved in the past few years, whether at company level, or at national or regional levels.

Statement on behalf of the World Federation of Advertisers

As I explained earlier this morning, WFA takes very seriously the concerns about irresponsible marketing practices which have been expressed in the WHO report on Strategies to reduce the harmful use of alcohol. What I would like to do now is share with you in more detail our views on how effective collaboration with the industry can support the aims of WHO in this field.

Self-regulation doesn't mean no regulation

We typically refer to industry efforts to promote responsibility in marketing communications as "self-regulation". However, the terminology may be misleading. Self-regulation doesn't mean "no regulation".

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On the contrary, we know that self-regulatory initiatives are at their most effective when they are integrated into a clear legal framework.

This finding is at the heart of the conclusions of the European Union (EU) Advertising Roundtable, hosted by the European Commission to agree a best practice model of self-regulation among public health groups, consumer NGOs and the industry.

This approach was last year formalized in the new EU law governing advertising on television and other audiovisual media. Under this law, EU governments are now required to encourage the use of self-regulatory systems wherever these can help achieve the law's objectives.

A legal framework which complements, reinforces and ultimately backs up the self-regulatory system is therefore an integral component of what we call effective self-regulation.

Self-regulation is evolving in line with consumer expectations

Self-regulation in the advertising industry has undergone significant change in recent years. We are conscious that society's expectations of what it means to be responsible in marketing are evolving – and we are working to make sure that self-regulatory systems continue to respond to these expectations.

As a result, major reinforcements of self-regulatory systems have already taken place across Europe, based on the common model of effective self-regulation laid down by the EU Advertising Roundtable.

Central to this model is a commitment to openness and responsiveness of the self-regulatory systems. This includes consulting with stakeholders outside of the industry on both the content of rules and how these are enforced. Today, self-regulation systems in two-thirds of the EU Member States actively involve non-industry representatives in their operation. Efforts are ongoing to extend this further.

A second critical element is accountability. It is very important to provide trusted and verifiable data on how well self-regulation systems are delivering. Specifically in the context of alcohol advertising, independent monitoring of industry compliance with the rules has consistently shown compliance rates above 95%. Equivalent exercises for other sectors, such as food and non-alcoholic beverages, show similar results.

Third, self-regulatory systems need to keep pace with technological developments. Internet, mobile phones and other digital media are fast becoming mainstream marketing channels. It is important that self-regulation covers advertising on these channels just as it does on TV, radio and print.

Need for global consistency

There is now a convergence of views across the advertising industry worldwide on this model of responsive, accountable and effective self-regulation.

Of course, self-regulation systems in the mature (and biggest) advertising markets from North America to Western Europe have taken the lead. Advertising self-regulation in these markets has been embedded into consumer protection frameworks for decades.

But many of the important emerging markets, too, have established self-regulatory systems that are now being fully integrated into the global network. Central and Eastern Europe has caught up at breathtaking speed and is now largely on a par with Western Europe.

Brazil, one of the top 10 advertising markets in the world, and many other Latin American countries, set up their self-regulation systems 20–30 years ago. Together, they have since handled thousands of cases.

Self-regulation also has a long tradition in parts of Asia. The self-regulation system of the Philippines was set up in 1975, and in Singapore in 1973. However, there remains work to do in other markets.

The industry is committed to making progress on global coverage of effective self-regulatory systems, and will be investing time and resources to this end in the years ahead.

Yet different local political and economic realities will require a flexible and pragmatic approach which is relevant in the local context. We hope to build on the partnership with WHO and other stakeholders to help formulate a meaningful approach for making progress.

Focus on partnership and collaboration

The challenges of making responsive, accountable and effective self-regulation in the advertising industry truly global require us to work closely with partners inside and outside of the industry.

Collaborative approaches such as our round table meeting today are of tremendous importance in this regard. They will help creating a shared understanding of how industry-driven initiatives in the advertising sector can be best used in support of our collective efforts to promote responsible consumption of alcohol. The experience of the EU Platform on Nutrition and the EU Alcohol Forum certainly confirms the value of such multi-stakeholder approaches.

I look forward to a constructive round of discussions today and a close and sustained dialogue with the industry, WHO and the other stakeholders as we move forward.

Statement on behalf of Cerveceros Latinoamericanos

Given that alcohol beverages are normal goods, how could different pricing mechanisms contribute to reduce harmful use of alcohol?

Another way to reduce harmful use of alcohol is by applying different pricing mechanisms according to the type of alcohol beverage in terms of the product strength or alcohol content. As stated by the World Health Organization in its *Global Status Report: Alcohol Policy*, 2004, such differential taxation schemes can contribute to lower the risk of high blood alcohol levels by discouraging the use of spirits in some countries. The report states: “The official policy of the pricing system is to steer people towards a particular type of low-alcohol or non-alcoholic beverage, in order to substantially reduce risky or high blood alcohol levels, i.e. discourage spirits drinking and encourage beverages with lower alcohol content (Holder et al., 1998). One example can be found in Switzerland, which has a special tax on spirits. Overall, the evidence, although not conclusive at this stage, suggests that furthering beverages of lower alcohol content can be an effective strategy to reduce the level of alcohol consumed and the associated harm (Babor et al., 2003)”

The increase in uniform alcohol taxation has been questioned since it may stimulate the use of unregistered alcohol and the development of illegal groups which will harm society in many ways that are more difficult to control and prevent.

Statement on behalf of InBev


We often hear suggestions that raising the price of alcohol will automatically reduce the level of alcohol-related harm.

Of course, as producers, we have some experience with prices that have gone up – for different reasons. We have concluded that raising the price has little or no impact on harmful use of alcohol. There are several reasons for this:

- We know from experience that – although there may be an effect in terms of consumption levels (at least a temporary effect) – alcohol consumption will fall by a smaller proportion than the price increase (i.e. demand is relatively “inelastic”).
- We also know that, when prices rise, it is especially those consumers who already have a responsible and moderate drinking pattern who drink less to a greater extent than heavy/dependent problem drinkers. This raises issues both of equity for responsible consumers and of effectiveness on addressing problem drinking.
- When faced with commercial price increases, problem drinkers will substitute less expensive brands for more expensive brands. They will also “save money” by, for instance, drinking more at home.

The apparent ineffectiveness of price measures against harmful use must be weighed against their often negative, unintended consequences:

- Higher prices on legitimate commercial products and venues often cause consumers to shift towards informal and/or illicit supplies and venues, which can be unsafe and even deadly.
- Price measures can also increase crime and corruption – e.g. tax avoidance, smuggling and illicit sales and production – and hurt public revenues, commercial employment and choices available to responsible consumers even while raising enforcement, health and social costs.
- Consumers have many options to substitute products, brands and venues (including to informal, home-based and/or illicit/smuggled sources) when faced with formal price measures in complex markets involving a relatively easy-to-produce commodity.
- Substantial cross-country analytical and anecdotal evidence exists that consumers (especially heavy and/or dependent drinkers) make substitutes when faced with price measures.

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- There is uncertainty (diverse findings and less evidence) around the question of the impact of price measures on young people and in developing country contexts.
 - In any case, many options exist for those who would harmfully use alcohol, regardless of formal price measures. For example, young people who are affected by price can take up less expensive forms of alcohol. Much of young people's alcohol comes gratis from social sources such as parents, friends and other adults.

Annex 9. Statements on other issues

Statement on behalf of Cerveceros Latinoamericanos

Education

Education on responsible consumption is one of the core mechanisms that can contribute to changing harmful drinking patterns. We have developed synergies with government, NGOs and academia for the development and implementation of programmes targeted at teachers, youngsters and parents, with the final purpose of preventing the risks and negative effects of alcohol misuse. We encourage the measurement of the results of all programmes by independent third parties.

Information

We can effectively communicate scientific evidence on risks of harmful consumption and contribute to guiding informed decisions based on truthful and consistent evidence.

Evidence-based policy-making

We believe that all scientific evidence should be taken into account for public policy development. Current policies are often based on region-specific evidence that may not be applicable to other drinking patterns in other cultures and contexts. There is also limited proof on intervention efficacy as well as scarce measurement of many potential effective programmes. Therefore, we need to collect new and updated evidence of different sources, including case studies and historical analysis. Such information should be appropriately stored and shared so that methodologies and common indicators can be applied.

Since the harmful use of alcohol is a very complex and multidimensional problem, we as Cerveceros Latinoamericanos are committed to collaborate and participate with other stakeholders to reach more effective and successful solutions. We are open to establishing new partnerships and reallocating resources to further improve available strategies to achieve greater impact in the reduction of the harmful consumption of alcohol.

Statement on behalf of the Brewers Association of Japan

We should like to present about consumer education, especially focused on underage drinking, carried out in collaboration with various stakeholders. We believe that consumer education is an important factor in reducing the harmful use of alcohol.

Japanese brewers have been producing education/information materials such as textbooks and videotapes warning of the harm of underage drinking, and have been donating them to junior high schools, high schools and public organizations on request for more than 10 years.

In addition to the activities of individual brewers, we work together as the Brewers Association of Japan (BAJ). We should like to introduce two activities that have been organized in Japan for the past several years in order to combat underage drinking problems and which have been constructive and successful. They are the STOP! Underage Drinking campaign, and the poster and slogan campaign for students.

We would like to stress the importance and the value of the involvement of economic operators in these two campaigns.

The characteristics and the biggest contributing factors of the success of the campaigns can be described as the collaboration of key stakeholders. While economic operators have been the central force in taking the project forward, the plan has been strongly supported and endorsed by the Ministry of Health and Welfare, the National Tax Agency, the Ministry of Education and Culture, and by schools, trade associations and public health sectors.

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Organizations, individuals, stores and supermarkets that agree with these objectives are welcome to participate in the project. Participants utilize a symbolic “STOP! Underage Drinking” logo. They make use of various “STOP! Underage Drinking” tools such as badges and POP materials, and display them in the store.

To check the performance of the campaign, we conduct consumer surveys twice a year. The awareness of our activities has increased steadily. According to our last research conducted in April 2008, 87% of underage persons were familiar with the project's symbol compared to 49% in 2005. And 88% of those under age have awareness that underage drinking is bad and illegal, compared to 76% in 2005. Additionally, 88% of adults (N=600) have a feeling of guilt about prompting underage drinking, compared to 79% in 2005.

The poster and slogan campaign started in 2003 by asking junior high school and senior high school students to create enlightening posters and slogans designed to prevent underage drinking. More than 10 000 students and many schools take part in this campaign every year.

The campaign has been very successful and effective because of the direct involvement of the target audience, and because the campaign lets them send their own messages to their peer group.

As the result of our continuous activities in cooperation with associated stakeholders, we have successfully obtained positive effects in the main areas of harmful use of alcohol in the country.

These statistics show that our activities have been contributing positively to preventing underage drinking.

Thank you.



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