

CATEGORY REPORT

RESPONSIBLE LABELLING (5%)



Providing transparent, comprehensive, and easily understandable information about the nutritional composition and relative healthiness of companies' products, through government-endorsed labelling, can help guide consumers' choices towards products that contribute to healthier diets; help ensure fairer practices in the food trade; and incentivise companies to reformulate their products to compete on healthiness.¹

Providing comprehensive back-of-pack (BOP) information that adheres to Codex Alimentarius Guidelines on Nutrition Labelling (CAC/GL 2-1985) is a minimum standard expected of food and beverage companies. The World Health Organization (WHO) also recommends the inclusion of interpretive front-of-pack (FOP) labelling, which makes it easier for consumers to quickly and easily understand, at-a-glance, a product's relative healthiness without requiring extensive nutritional knowledge.¹¹

However, there is currently a lack of international endorsement for a specific standardised FOP labelling system. An appropriate system should be underpinned by a nutrient profiling model (NPM) that has been developed or adopted by independent government actors, rather than an industry body. Consumer education, led by non-industry actors, is also key.

WHAT DOES GOOD PRACTICE IN RESPONSIBLE LABELLING LOOK LIKE?

The company has the following in place, across all its markets:

COMPREHENSIVELY ADOPTS ALL GOVERNMENT ENDORSED FRONT-OF-PACK (FOP) LABELLING SYSTEMS across its (applicable) portfolio in markets in which it is active, where these labels are endorsed for voluntary adoption.

PROVIDES COMPREHENSIVE BACK-OF-PACK (BOP) NUTRITION INFORMATION according to the Codex Alimentarius guidelines (CAC/GL 2-1985), including expressing nutrients per 100g/ml, on all products in all markets where regulation is less strict and this action is allowed.

REPORTS ON ITS BOP AND FOP COMMITMENTS and the status of implementation per market.

FOLLOWS THE CODEX ALIMENTARIUS GUIDELINES FOR USE OF NUTRITION AND HEALTH CLAIMS and publishes its commitment. This includes only placing nutrition/health claims on products that meet the definition of 'healthy' according to an internationally recognised government-endorsed nutrient profiling model (NPM).



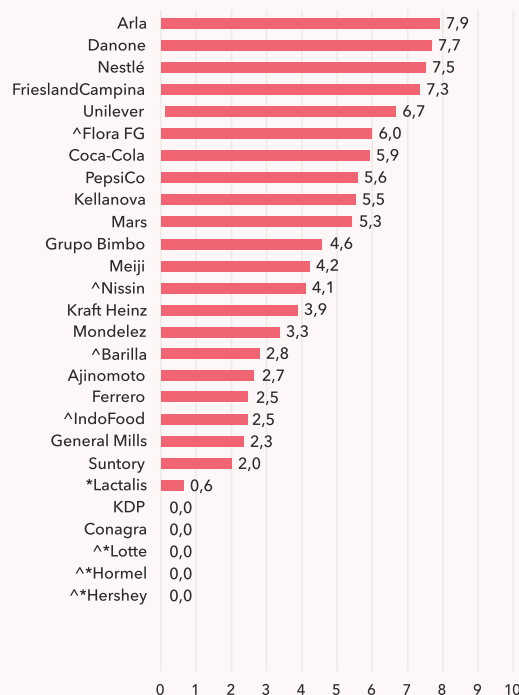
WHO recommends that, ideally, FOP labels be mandatoryⁱⁱⁱ – yet the organisation has counted at least 28 governments that have formally endorsed an interpretive FOP labelling system for voluntary adoption by companies.^{iv}

FOP labelling systems take a number of different forms. ‘Endorsement’ systems, the most common type of voluntary government-endorsed FOP labelling system (adopted by 16 governments^v) – such as the Nordic ‘Keyhole’ and ‘Healthier Choice’ in various South-East Asian markets^{vi} – only signpost products that meet a binary ‘healthier’ threshold. As such, they may be interpreted like health or nutrition claims.^{vii} On the other hand, warning labels, such as the ‘stop sign warnings’ in Chile, indicate that products are ‘unhealthy’ if they exceed a threshold for one or more negative nutrients. Such labels are currently mandatory in all markets in which they have been adopted.^{viii}

Other FOP labelling systems indicate a spectrum of relative healthiness, combining both positive and negative signposting. These include ‘summary’ systems, combining a range of nutrient criteria, which have been government endorsed in 10 markets on a voluntary basis. For instance, Nutri-Score in Belgium, France, Germany, Luxembourg, Netherlands,^{ix} Spain, and Switzerland; the Health Star Rating (HSR) in Australia and New Zealand; and the Traffic Light system in the United Arab Emirates. Another type is the multiple (nutrient-specific) Traffic Light FOP labelling, which has been endorsed, for voluntary adoption, by four governments (Mongolia, Russia, Saudi Arabia, and the UK).^x When the adoption of ‘negative signposting’ FOP labelling systems is voluntary, there is evidence that companies frequently choose not to comprehensively adopt such systems across their portfolios, or at all, given that they would negatively signpost products that contain excessive amounts of nutrients of concern.^{xi}

Another important element of responsible labelling is the use of health and nutrition claims. These are often used on product packaging and in marketing communications to suggest or imply a relationship between a food (or a constituent of that food) and health, to influence purchasing behaviours and food preferences.^{xii} When claims are used on products with high levels of nutrients of concern, this can result in a ‘health halo effect’, which encourages consumers to misunderstand and overestimate a product’s

RESPONSIBLE LABELLING SCORES PER COMPANY (/10)



* Did not provide information to ATNI
^ Not assessed in 2021

nutritional quality and healthfulness. This leads to higher consumption of such products, and thereby greater risk of adverse health effects.^{xiii}

The responsible labelling category assesses the extent of companies’ uptake of voluntary government-endorsed FOP labelling systems – especially those that include ‘negative signposting’ elements – as well as their alignment with Codex for BOP labelling and approach to health and nutrition claims.

**THE ADOPTION OF
VOLUNTARY FOP
LABELS BY COMPANIES
IS LIMITED AND
INCONSISTENT**

MAIN FINDINGS

Fourteen governments have formally endorsed, on a voluntary basis, the use of an FOP labelling system that involves an element of 'negative signposting'. The evidence shared by the 26 companies active in these markets^{xiv} revealed varying degrees of adoption that, overall, is limited and inconsistent. The lack of uptake by a number of major industry players risks reducing the effectiveness of these voluntary FOP schemes in enabling consumers in these markets to make better-informed choices.

Around two-thirds of the companies assessed have committed to displaying comprehensive BOP nutrient information, in line with Codex Alimentarius Guidelines, where regulation is less strict and this is allowed. However, many of these choose to display figures as 'per serving' rather than 'per 100g/ml', which makes it more difficult for consumers to compare product healthiness across products.

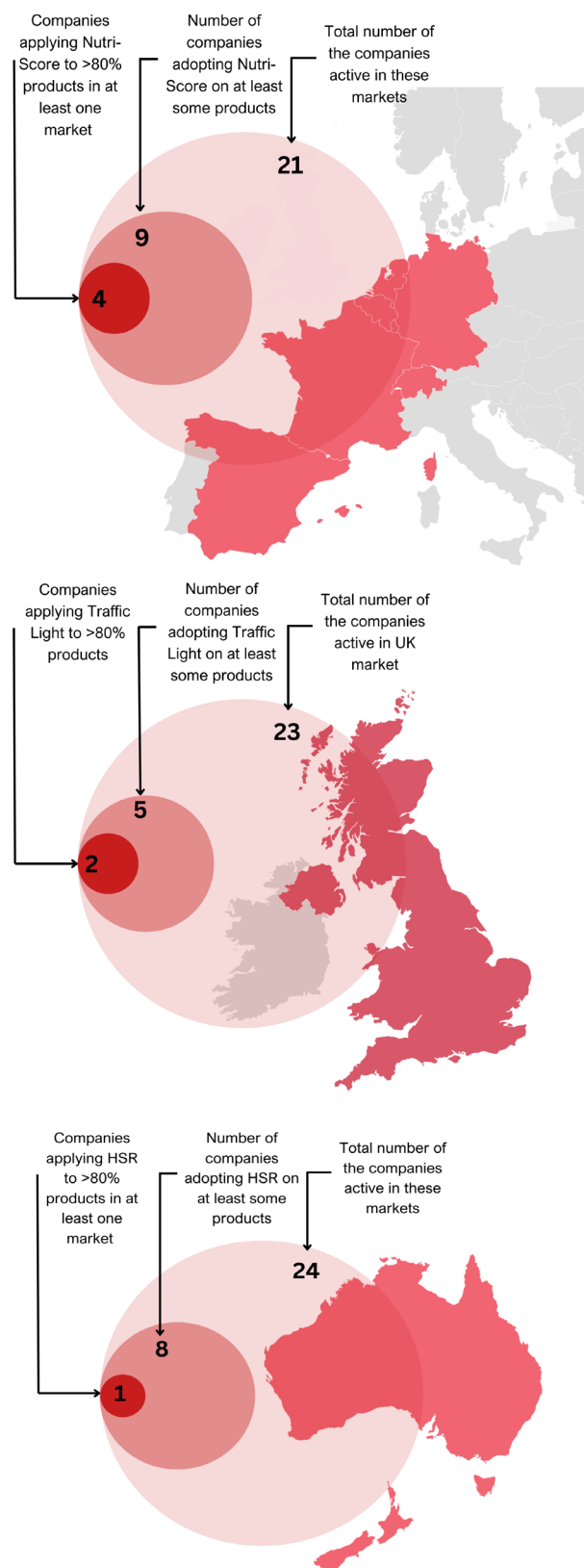
Twenty-five of the 30 companies assessed do not have a policy to prevent health and nutrition claims being made on products that are considered 'unhealthy' according to formal nutrition criteria. Of the five that do, only Arla bases its definition of 'healthier' on nutrition criteria that are aligned with an internationally recognised/government-endorsed NPM.

Uptake of voluntary government-endorsed FOP labelling systems: Of the 26 companies present in the 14 markets with government-endorsed voluntary FOP labelling systems involving a 'negative signposting' element, 11 provided evidence that they implement at least one of these labels in at least one market, for at least part of their portfolios.^{xv} Most evidence of participation was found for Nutri-Score, HSR, and the UK Traffic Light. The majority of companies active in these markets did not share evidence of participating in any systems, as shown on the right. Seven additional companies shared evidence of only participating in voluntary FOP 'endorsement' systems.

Only seven companies shared evidence of comprehensively applying FOP labelling with 'negative signposting' across their portfolios in at least one market, and none shared evidence of doing so comprehensively in all such markets. For example, only three companies shared evidence of applying Nutri-

Score to >80% of their products in three or more of the seven European markets that have endorsed the FOP labelling system; this figure was one company for HSR in Australia (none in New Zealand); and two for the Traffic Light system in the UK.

FIGURE F.1.



In many cases, companies indicated that they do not apply the FOP label to their entire portfolio in a market, instead applying them to select ranges of products or specific brands. In other cases, there was a lack of evidence of comprehensive implementation, with some companies indicating that this is not tracked by them.

BOP nutrition information: The Codex Alimentarius Guidelines (CAC/GL 2-1985) stipulate that key nutrients (energy value, protein, total carbohydrates, total sugars, total fat, saturated fat, and sodium) should be displayed on a per 100g/ml basis (with 'per serving' being an optional addition), to enable consumers to better compare products and inform their purchasing decisions. Nine of the 30 companies assessed publicly state or provided evidence that they provide BOP nutrition information according to, or in line with, these guidelines, across all markets where regulation permits.

A further 10 companies commit to providing information on all key nutrients according to Codex Guidelines, but on a per serving basis (and on a 100g/ml basis only in specific markets (beyond regulation)). For example, whereas the seven assessed companies that are members of the International Food and Beverage Alliance commit to displaying these key nutrients either 'per 100g/ml' and/or 'per serving', of these, only Coca-Cola shared evidence of providing per 100g/ml information across all applicable markets, and Grupo Bimbo and PepsiCo in some. Others shared evidence that they only apply per 100g/ml in markets where this is a legal requirement, such as the European Union.

The responsible use of nutrition and health claims:

12 companies commit to follow the Codex Alimentarius Guidelines for Use of Nutrition and Health Claims - the international standard for ensuring that claims are accurate, evidence-based, and not misleading - in all markets for which such claims are not regulated or regulation is less strict. Of these, Conagra, Danone, and Meiji have implemented this commitment since the 2021 Global Index.

Just four out of 26^{xvi} companies have a policy stipulating they will only place claims on products that meet a definition of 'healthier', according to the company's definition (Arla, Danone, FrieslandCampina, and Kraft Heinz).



Of these, Danone and FrieslandCampina have introduced or formalised this practice since the 2021 Global Index. While Arla uses its own nutrition criteria, it's benchmarked against the HSR 3.5 cut-off (a government endorsed definition of 'healthier'), and the company has found that its own model can be considered to be overall as strict.^{xvi}

Danone uses the HSR NPM to determine which claims can be placed on products, but uses the threshold of 2.5 stars, instead of the commonly accepted 3.5 stars, to consider a product 'healthier'.^{xviii}

KEY RECOMMENDATIONS FOR THE SECTOR

An increasing number of governments are adopting mandatory nutrition labelling requirements regarding BOP and FOP nutrition labelling and health and nutrition claims. However, all companies have significant scope to adopt (or improve their) minimum global standards for labelling across all markets where such labelling requirements have not been enacted.

Companies are strongly encouraged to:

1 Evaluate

- Map all markets in which they are active that have government-endorsed FOP labelling systems, including those that negatively signpost unhealthy products, and the extent to which they currently apply these FOP systems to their portfolios in these markets.
- Map all markets they are active in whereby BOP labelling requirements are less strict than the Codex Alimentarius Guidelines (CAC/GL 2-1985) and additional BOP labelling is permitted.

2 Transform

- Adopt a comprehensive nutrition labelling policy, which includes a commitment to:
 - Display all BOP nutrition information according to Codex Alimentarius Guidelines (CAC/GL 2-1985), including displaying all key nutrients per 100g/ml, wherever permitted;
 - Adopt all voluntary government-endorsed FOP labelling systems comprehensively across their portfolios;
 - Refrain from adding additional FOP elements that might distract or confuse consumers, and modify the effectiveness of the government-endorsed label, in all markets with mandatory or voluntary labels.
- Adopt a policy to not use nutrition or health claims on products that are not considered 'healthier' according to an internationally recognised or government-endorsed NPM, while also following the Codex Alimentarius Guidelines for Use of Nutrition and Health Claims.

4 COMPANIES HAVE A POLICY STIPULATING THEY WILL ONLY PLACE CLAIMS ON PRODUCTS THAT MEET A DEFINITION OF 'HEALTHIER'

3 Disclose

- Publish their labelling policy and annually disclose the company's implementation progress for both BOP and voluntary FOP labelling, including at the market-level for voluntary government-endorsed FOP labelling systems.

NOTES AND REFERENCES

- ⁱ World Health Organization (2022) Nutrition Labelling: Policy Brief, Geneva: World Health Organization. Available at: <https://iris.who.int/bitstream/handle/10665/355295/9789240051324-eng.pdf?sequence=1> (Accessed: 29/10/2024); Roberto. C.A., Ng, S.W., Ganderats-Fuentes, M., Hammond, D., Barquera, S., Jauregui, A., and Smith Taillie, L. (2021) 'The Influence of Front-of-Package Nutrition Labeling on Consumer Behavior and Product Reformulation', Annual Review of Nutrition, volume 41: 529-50. Available at: <https://doi.org/10.1146/annurev-nutr-111120-094932> (Accessed: 29/10/2024); World Cancer Research Fund International (2019) Building Momentum: Lessons on Implementing a Robust Front-of-Pack Food Label, London: World Cancer Research Fund International. Available at: <https://www.wcrf.org/wp-content/uploads/2021/03/PPA-Building-Momentum-2-WEB.pdf> (Accessed: 29/10/2024).
- ⁱⁱ World Health Organization (2019) Guiding Principles and Framework Manual for Front-of-Pack Labelling for Promoting Healthy Diets, Geneva: World Health Organization. Available at: https://cdn.who.int/media/docs/default-source/healthy-diet/guidingprinciples-labelling-promoting-healthydiet.pdf?sfvrsn=65e3a8c1_7&download=true (Accessed: 29/10/2024).
- ⁱⁱⁱ World Health Organization (2019) Guiding Principles and Framework Manual for Front-of-Pack Labelling for Promoting Healthy Diets, Geneva: World Health Organization. Available at: https://cdn.who.int/media/docs/default-source/healthy-diet/guidingprinciples-labelling-promoting-healthydiet.pdf?sfvrsn=65e3a8c1_7&download=true (Accessed: 29/10/2024).
- ^{iv} World Health Organization (2024) Front-of-Pack and Other Interpretive Nutrition Labelling. Available at: <https://gifna.who.int/summary/FOPL> (Accessed: 29/10/2024).
- ^v Without an additional mandatory FOP labelling system also in place, such as Singapore and Thailand.
- ^{vi} World Health Organization (2024) Front-of-Pack and Other Interpretive Nutrition Labelling. Available at: <https://gifna.who.int/summary/FOPL> (Accessed: 29/10/2024).
- ^{vii} Kelly, B., Ng, S.H., Carrad, A., and Pettigrew, S. (2024) 'The Potential Effectiveness of Front-of-Pack Nutrition Labeling for Improving Population Diets', Annual Review of Nutrition 44, no. 1: 405-40. Available at: <https://doi.org/10.1146/annurev-nutr-011224-030917> (Accessed: 29/10/2024).
- ^{viii} World Health Organization (2024) Front-of-Pack and Other Interpretive Nutrition Labelling. Available at: <https://gifna.who.int/summary/FOPL> (Accessed: 29/10/2024).
- ^{ix} As of 1 January 2024, according to the Dutch National Institute for Public Health and the Environment (RIVM) (Arla (2024) Arla's Health Star Rating. Available at: [<https://www.rivm.nl/en/food-and-nutrition/nutri-score>] (<https://www.rivm.nl/en/food-and-nutrition/nutri-score>) (Accessed 29/10/2024)) As of 23 October 2024, this has not been counted in WHO's Global database on the Implementation of Nutrition Action (GIFNA) (World Health Organization (2024) Front-of-pack and other interpretive nutrition labelling. Available at: [<https://gifna.who.int/summary/FOPL>] (<https://gifna.who.int/summary/FOPL>). (Accessed: 29/10/2024))
- ^x World Health Organization (2024) Front-of-Pack and Other Interpretive Nutrition Labelling. Available at: <https://gifna.who.int/summary/FOPL> (Accessed: 29/10/2024).
- ^{xi} Pan American Health Organization (2020) Front-of-Package Labeling as a Policy Tool for the Prevention of Noncommunicable Diseases in the Americas. Available at: <https://iris.paho.org/handle/10665.2/52740> (Accessed: 29/10/2024).
- ^{xii} Kaur, A., Scarborough, P., and Rayner, M. (2017) 'A Systematic Review, and Meta-Analyses, of the Impact of Health-Related Claims on Dietary Choices', The International Journal of Behavioral Nutrition and Physical Activity 14: 93. Available at: <https://doi.org/10.1186/s12966-017-0548-1> (Accessed: 29/10/2024).
- ^{xiii} Sundar, A., and Kardes, F.R. (2015) 'The Role of Perceived Variability and the Health Halo Effect in Nutritional Inference and Consumption', Psychology & Marketing 32, no. 5: 512-21. Available at: <https://doi.org/10.1002/mar.20796> (Accessed: 29/10/2024).
- ^{xiv} Campbell's, Keurig Dr Pepper (KDP), Mengniu, and Yili do not have significant presence in any markets with voluntary FOP systems.
- ^{xv} These findings are based on evidence shared by the companies or found on their websites, and have not been independently verified. This means that the absence of evidence should not be considered as definitive proof of companies' non-participation in FOP labelling schemes per market.
- ^{xvi} Campbell's, Nissin, Mengniu, and Yili indicated that the use of health and nutrition claims are regulated in all of their markets.
- ^{xvii} Arla measured the share of its sales volume from 'healthier' products using their own model (Arla's nutrition criteria) at 71.5%, and at 75.9% using HSR ≥ 3.5 (Arla (2024) Arla's Health Star Rating. Available at: [<https://www.arla.com/498b37/globalassets/pdf-files/nutrition/arlans-health-star-rating.pdf>] (<https://www.arla.com/498b37/globalassets/pdf-files/nutrition/arlans-health-star-rating.pdf>) (Accessed: 29/10/2024)).
- ^{xviii} Miller Dunford, E., Cobcroft, M., Thomas, M., and Wu, J.H. (2015) Technical Report: Alignment Of NSW Healthy Food Provision Policy With The Health Star Rating System, Sydney: NSW Ministry of Health Available at: <https://www.health.nsw.gov.au/heal/Publications/health-star-rating-system.pdf> (Accessed: 29/10/2024).