

GMA

Representing the Makers of the World's Favorite Food, Beverage and Consumer Products



Latin America: En Fuego!

Challenges and Opportunities in Growing Markets

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The Association of Food, Beverage
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Agricultural 
Outlook Forum
The Changing Face of Agriculture

www.gmaonline.org

Critical Markets

- **580 million:** population of Latin America
- **4.28%:** average GDP growth between 2004 – 2012
- **\$42 billion:** total processed food exports; *25% to Latin America (2012)*
- **Processed Food Exports to Latin America:**
 - *16% growth in 2012*
 - *5% growth in 2013*



Public Policy Landscape in Latin America

- Obesity and other Non-Communicable Diseases (NCDs) are on the rise in Latin America
 - *Diabetes rate in Mexico 14%, Brazil 9%*
 - *Obesity rate in Mexico is 32.8%*
- Science has lost its place at the table.
- NGOs are pushing an anti-packaged food and beverage, and anti-multinational company agenda.
- Policymakers implementing discriminatory and unwarranted labeling requirements, advertising and marketing bans, and taxes.

Fanning the Flames: Combative Narratives



WHO Global Action Plan

*Consider economic tools that are justified by evidence, and may include **taxes and subsidies**, that create incentives for behaviors associated with improved health outcomes, improve the affordability and encourage consumption of healthier food products and **discourage the consumption of less healthy options**.*



DG Margaret Chan

*As the new publication makes clear, it is **not just Big Tobacco** anymore. Public health must also contend with **Big Food, Big Soda**, and Big Alcohol. All of these industries fear regulation, and protect themselves by using the same tactics.*

*I am deeply concerned by two recent trends. The first relates to **trade agreements**...*

*The second is **efforts by industry to shape the public health policies** and strategies that affect their products.*

Status of Anti-Obesity Policy Challenges in Latin America



The First Flame



Draconian Law Passes in July 2012: Local industry ill-prepared and with little political sway

Above: Chilean Ministry of Health's first labeling proposal.

Leveraging Trade Agreement Commitments

Nov. 2012- USG Bilateral Intervention → Industry Meeting with MOH
Granted

March 2013- USG Delivers Demarche, 6 Countries Intervene at WTO TBT Committee, USG Intervenes at TPP Singapore Negotiations
→ MOH's stop-sign proposal is rejected by President Piñera.
→ President Piñera begins overseeing process with MOH, MOE, MOFA.

April- May 2013- USG Delivers 2nd Demarche; USG intervenes at Lima TPP Negotiations; USG supports MOE Counterproposal; USG intervenes with Chilean MOE, MOA, MOFA.
→ MOH's 2nd and 3rd harmful proposals rejected by President

June 2013- 11 Countries Intervene at WTO TBT Committee, US Ambassador sends Letter to MOH in support of US industry, USG engages MOA in Cabinet-Level Meetings
→ MOA included in Cabinet meetings to represent industry
→ MOH's 4th proposal rejected.
→ USDA Training Agriculture Attaches on Labeling Issues

Chile



Final logo (Dec. 2013)

Flash Fire: Mexico

Legislative Proposal: 1 peso per liter tax on sweetened beverages

External Forces

- **Bloomberg Foundation:** Pours \$10 million into Mexico
- **PAHO:** Pressuring Local Governments
- **WHO DG:** Equating Big Food and Drinks to Big Tobacco

Outcome:

- 1 peso per liter tax on **sweetened beverages**,
- 8% discriminatory **food** tax,
- 16% VAT on **pet food** and **chewing gum**.

5 Alarm Fire: Ecuador

*Communications
Law
Advertising
Restrictions*



*GMO Warning
Labeling*

*Traffic Light
Food Labeling*

*Certificates of
Conformity*

*Frozen French
Fry Regulation*

*Artificial
Sweetener
Warning
Labeling*

Inferno



Evo Morales (Bolivia), Rafael Correa (Ecuador),
and Hugo Chavez (Venezuela)