

*A Suggested
Framework
for
Responsibility*

The sponsors¹ of the International Center for Alcohol Policies (ICAP) believe that the alcohol beverage industry has a legitimate and positive role to play in developing alcohol policies, in promoting responsible drinking, and in helping to combat misuse. In an effort to accomplish these goals in emerging markets, they have supported the publication of *Alcohol and Emerging Markets: Patterns, Problems and Responses* edited by Marcus Grant, President of ICAP. The book represents the first attempt by ICAP to assemble the available research data on drinking patterns in Africa, Asia, Latin America, and Central and Eastern Europe. It is also the first step in the process of identifying the most appropriate role for the alcohol beverage industry in dealing with such issues in these societies.

The ICAP sponsors are also committed to revisiting this research, with a view to reporting on how the issues have changed and how the role of the industry has evolved, five years from now. It is hoped that the Framework which follows will provide a useful basis for dialogue, and help to identify areas of possible common ground between the alcohol beverage industry, the public health community, and others with an interest in alcohol policies.

Understanding Perceptions of Alcohol and Patterns of Consumption

Levels and patterns of alcohol consumption vary significantly from one country to another, as do social, cultural and religious attitudes to alcohol beverages. ICAP sponsors recognize that understanding and respecting those differences is a key requirement for carrying out their business responsibly, particularly in developing countries and emerging economies.

For this reason, ICAP sponsors will encourage where possible:

- Efforts to collect data on patterns of alcohol consumption and any associated problems in developing countries and emerging markets.
- Research projects that will provide or supplement such data in situations where they do not exist or are incomplete.

Responsible Promotional and Advertising Practices

ICAP sponsors believe that the right to advertise their brands is a most important commercial freedom, but recognize that they must safeguard this freedom by advertising in a responsible manner. They believe that industry self-regulation through voluntary codes of practice is the most efficient means of regulating drinks advertising and promotional activities, while at the same time protecting the rights of individual companies to communicate with their consumers and to compete for market share. For this reason, ICAP sponsors will encourage:

¹ Allied Domecq PLC, Asahi Breweries, Ltd., Bacardi-Martini, Brown-Forman Beverages Worldwide, Coors Brewing Company, Diageo PLC, Foster's Brewing Group Limited, Heineken NV, Joseph E. Seagram & Sons, Miller Brewing Company, Molson, South African Breweries

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- Strict industry compliance with all existing legislation or self-regulatory codes of practice relating to the advertising and promotion of alcohol beverages.
 - Initiatives aimed at establishing self-regulatory codes in countries where they do not already exist.
 - Efforts to ensure that such codes of practice adequately reflect local culture and values.
 - The development of appropriate enforcement mechanisms to ensure that such codes are adhered to.

Alcohol Education and Initiatives Which Promote Sensible Drinking

Levels of knowledge about the nature and effects of alcohol, and any particular problems associated with alcohol misuse, may vary from one country to another. Initiatives designed to provide information about drinking, or to tackle particular aspects of alcohol misuse, must therefore be adapted to suit local situations. Whilst the alcohol beverage industry has been a strong supporter of such programs elsewhere, there are few current examples of similar initiatives in developing countries and emerging economies. ICAP sponsors will therefore encourage:

- The researching and piloting of such initiatives in a selected number of developing countries and emerging markets.
- The sharing of “good practice” through identifying initiatives that have been successful elsewhere.
- Dialogue with government, public health professionals and other parties to explore possibilities for cooperation and partnership on specific issues or projects.

A Checklist of Related Activities

The checklist that follows highlights ways in which the three key principles might be put into practice. Approaches will vary from country to country depending on the structure of the drinks industry -- for example, the absence or presence of a local trade association, which at the very least provides a forum where the key producers get together to discuss common issues. They will also vary from company to company depending on the nature of their investment in a particular country.

It is worth illustrating such distinctions by reference to a hypothetical country, Begovia. Companies A, B and C are all sponsors of ICAP. Company A distributes small volumes of one of its brands via an independent local distributor and has no employees based in Begovia. Company B sees Begovia as an important and growing export market, but has limited resources in-market, with a general manager and a local sales force.

Company C has a local production facility and a full management team in-market. It would be unrealistic to expect company A to have much influence on how alcohol issues are addressed in Begovia. Company B would support initiatives if managed through an industry body or sponsored via ICAP, but does not have the resources in place locally to lead the industry's efforts. Company C has significant business interests to protect and the resources to lead an industry initiative or to set the standards for others to follow.

The opening items under each of the following headings reflect the activities likely to be undertaken by companies with little investment or resources in any given country; the later items are clearly more applicable to companies with significant levels of investment, or to initiatives undertaken by industry associations. The checklist therefore illustrates a continuum of responsibility, that grows with the scale of the company's business in a given country.

1. Perceptions of Alcohol and Patterns of Consumption

- Monitor any major social or political developments that might have an impact on levels or patterns of alcohol consumption in a given country.
- Require a local agency, manager, or distributor to monitor and report (to the parent company) on health and social issues related to alcohol consumption.
- Include questions relating to social issues, perceptions of alcohol-related problems and so on in market research studies.
- Monitor consumption levels of local alcohols and associated problems as part of company/industry market-research.
- Commission research to provide or supplement data on consumption levels/misuse.
- Share research results with the local public health community/arrange for publication as appropriate.

2. Responsible Promotional and Advertising Practices

- Ensure company compliance with all existing codes of practice/advertising regulations, whether self-regulatory or part of government legislation.
- Where no code/regulation exists, ensure that the parent company gives guidance regarding minimum standards.
- Pay particular attention to developing advertising/promotional activities which are in keeping with local culture, religion, and traditions.
- Establish processes to ensure that joint venture partners, advertising agencies and other local partners know of the parent company's commitment to responsible marketing practices.

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- Respond promptly to criticisms of company advertising/promotional activities, making changes where necessary.
 - Work with international and local companies to establish industry trade associations with responsibility for enforcing self-regulation of advertising and marketing practices.
 - Improve the effectiveness of such codes through regular reviews, updating and amendment as necessary.
 - Involve non-industry organizations (broadcasting authorities, media owners, advertising standards authorities, consumer organizations, etc.) in self-regulatory bodies where this is appropriate/practical.
 - Publish the findings of self-regulatory review bodies if appropriate.

3. Alcohol Education and Initiatives Which Promote Sensible Drinking

- Recognize that the company/industry has a role to play in encouraging responsible use of its products.
- Take steps to establish a company-wide alcohol policy, which aims to educate employees about responsible drinking.
- Ensure that country managers in developing countries and emerging markets know of their parent company's views on responsible drinking and related issues such as drunk-driving.
- Identify priority issues for a given country. Such issues might include the education of young people about moderate drinking or drink-driving, and similar initiatives.
- Identify possible partners for initiatives (other industry players and trade associations, public health professionals, academics, non-governmental organizations, etc.).
- Research and pilot responsible drinking initiatives in such markets, with appropriate local partners.
- Ensure that examples of successful initiatives are shared through ICAP across the industry for possible application elsewhere.

The Suggested Framework for Responsibility is extracted from a paper which appears in the book *Alcohol and Emerging Markets: Patterns, Problems and Responses*, edited by Marcus Grant.

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International Center for Alcohol Polices
1519 New Hampshire Avenue NW,
Washington, DC 20036, USA
Tel: (202) 986-1159 • Fax: (202) 986-2080
<http://www.icap.org>