

## RESPONSE TO COVID-19:

# GUIDANCE NOTE ON FINANCIAL CONTRIBUTIONS OR CONTRIBUTIONS IN-KIND FROM FOOD AND BEVERAGE COMPANIES

## Version 2

(29 April 2020)

**Purpose of this note:** UNICEF Country offices have requested guidance on whether to accept financial contributions or contributions in-kind from food and beverage companies in the context of the response to the COVID19 pandemic. This guidance describes the context, provides recommendations to mitigate risks and steps for implementation<sup>i</sup>. It was developed by UNICEF Nutrition Programme and Private Partnerships teams.

**Target audience:** UNICEF regional and country offices, national governments and partner organizations

**Contact person:** PD-Nutrition ([jjjewell@unicef.org](mailto:jjjewell@unicef.org)), PFP/PASS ([cbarcaro@unicef.org](mailto:cbarcaro@unicef.org)) and relevant Regional Nutrition Advisor

### Context

Protection, promotion and support for healthy diets that are nutritionally adequate and affordable is critical for women and children at any time and core to UNICEF nutrition programming. It is important for women and children to consume sufficient nutrient-rich foods, including eggs, fish, dairy, poultry and meat, as culturally appropriate, as well as fruits, vegetables, wholegrains and seeds. It is also essential that children continue to have access to safe, free and palatable drinking water, especially in areas that lack safely managed services. Highly processed foods and beverages high in saturated fats, free sugars and/or salt (hereafter “unhealthy foods”) are associated with overweight and obesity, as well as diet-related noncommunicable diseases. In addition, in low- and middle-income contexts, their consumption can displace more nutritious foods and is associated with inadequate micronutrient intakes, which can contribute to poor growth outcomes. As such, consumption of unhealthy foods should be limited as part of a healthy diet<sup>ii</sup>.

During the COVID19 pandemic access to nutritious foods may be more difficult for many families due to loss of income, food supply disruption, possible price hikes for nutritious foods, or containment measures including confinement, physical distancing and quarantine. While the global supply of nutritious foods is currently considered to be good, some countries are likely to face significant challenges in securing access to this food for all children in the right quantity, frequency, and diversity. At the same time, purchase and consumption of unhealthy foods may increase due to convenience, perceived affordability and long shelf life. In addition, opportunities for mobility and physical activity are limited, which could result in an energy imbalance and rapid weight gain if combined with an unhealthy diet. UNICEF will be supporting national governments to mitigate the impact of COVID-19 and ensure that children and women have continued access to nutritious, safe, and affordable diets.

During emergencies, financial contributions and contributions in-kind (CIK) from the private sector can provide important support to UNICEF nutrition programmes and may help by addressing identified needs for specific goods and services for children. Business can contribute by providing much needed resources, by channeling important messages through their networks, or adapting their production and innovation processes to secure

supply of essential goods. However, it remains important that any engagement with business in this context is aligned with UNICEF programme priorities and advocacy positioning around nutrition. For this reason, UNICEF principles and related due diligence for corporate fundraising and CIK remain in place in the COVID19 emergency response, albeit through a streamlined and accelerated process<sup>iii</sup>.

UNICEF acknowledges the important role of the food and beverage sector in maintaining the movement of nutritious, safe, affordable and sustainable food along the food chain, from farm production to the communities that need it; a protracted pandemic could quickly put a strain on the food supply chains and create major issue in food access for vulnerable groups. However, it is also important to acknowledge that engagement with the food and beverage sector is, by its nature, sensitive in view of its proximity to UNICEF programming priorities and the harmful impacts that some food and beverage sector practices have on children.

During the COVID19 emergency an impact-focused and a risk-informed approach to engagement with the food and beverage sector is a must. It is important to ensure that any possible financial contributions or CIK from the food and beverage sector adhere to UNICEF policies, are needs-based rather than donor-driven, guarantee adequate nutritional quality of the diet, and minimize reputational risk to the organizations involved.

## Recommendations

- **Do not engage in cause-related marketing on foods and beverages<sup>iv</sup>.** As per current policies, UNICEF does not engage in food and beverage product-based fundraising activities (known as cause-related marketing) or direct logo association with food and beverage brands. These criteria remain valid in the context of the COVID19 response because of the importance of not endorsing or being perceived as endorsing a specific brand or product. Promotional cause-related marketing with companies with a diversified product portfolio (e.g. manufacturing and selling other goods besides food and beverages) shall focus on non-food product ranges only.
- **Foods and beverages high in saturated fats, sugar and/or salt should not be sought or accepted as CIK for distribution.** These foods do not meet [WHO recommendations](#) for a healthy diet and may undermine local food use and recommended dietary practices and contribute to expand the consumption of unhealthy foods. In most countries, donations of food items for distribution are not a priority for UNICEF nutrition programming in response to COVID19. Conditions under which CIK of food items from food and beverage companies might be considered in the future include:
  - There is an identified need for donations of food
  - The company does not substantially focus on/is not strongly associated with unhealthy foods. PD Nutrition will help the PASS/due diligence team make this judgement on a case-by-case basis, taking account the company product portfolio and sales data. This will be done in conjunction with the technical assessment already done by supply and operations colleagues<sup>v</sup>.
  - The company commits to only provide healthy food options, in line with WHO Recommendations for a healthy diet, including diverse perishable and non-perishable items or meals consistent with the following elements:
    - ✓ Fresh, frozen or tinned fruits and vegetables, with no or minimal added salt or sugar
    - ✓ Tinned or dried pulses and legumes (e.g. beans, lentils), with no or minimal added salt or sugar
    - ✓ Tinned oily fish (e.g. tuna, mackerel, salmon), preferring those in packed in water rather than oil
    - ✓ Unsalted nuts
    - ✓ Potatoes, bread, rice, pasta or other starchy carbohydrates or tubers; choosing wholegrain versions where possible
    - ✓ Unsaturated fats and oils (e.g. sunflower, soybean, canola and olive oils) are preferable to saturated fats (e.g. butter, palm and coconut oil, ghee or lard)
    - ✓ Limited amount of salt and high-sodium condiments or sauces (e.g. soy sauce, fish sauce and bouillon) and no salty snacks
    - ✓ Limited added sugar and no soft drinks or confectionery
    - ✓ Safe and palatable drinking water as the preferred beverage

- **Other forms of market/consumer facing engagements with food and beverage companies (e.g. high visibility grant contributions, CIK for non-food items or services, joint activities) are highly sensitive and may undermine UNICEF's current programming and credibility in maternal and child nutrition. Any possible engagements such as these should be strictly evaluated on a case-by-case basis, considering potential risks, the company portfolio and sales data.** Engagement with food and beverage companies, especially those whose core business involves the production, marketing or distribution of unhealthy food (e.g. fast-food companies, soft drinks, confectionery and snack manufacturers), may damage UNICEF and its partners' reputation with host governments, donor governments and communities. It may also appear to contradict ongoing work for the prevention of overweight in children and adolescents.
- **In line with existing UNICEF policies, companies that manufacture BMS should continue to be excluded from any CIK, funding engagements or co-branded partnerships. Donations of breastmilk substitutes (BMS), complementary foods and feeding equipment, including bottles and teats, should not be sought or accepted for distribution.** Donation of BMS by manufacturers has been shown to increase the use of substitutes and reduce breastfeeding. In circumstances where the use of BMS is required, they should be purchased, distributed and used according to strict criteria<sup>vi</sup>. Read the [Operational Guidance for Infant Feeding in Emergencies](#) for more information.
- **UNICEF should continue to advocate for access to nutritious, safe, affordable and sustainable diets during the COVID19 and provide guidance to countries.** At country level, continuity of critical services should be ensured, wherever possible. For example, UNICEF will work with the World Food Programme (WFP) to provide access to nutritious food for women and children through [school feeding and other food assistance programmes](#) and will support cash-based and other safety-net and social protection programmes to increase access to nutritious diets by vulnerable children and families. It is recommended that countries do not provide unhealthy foods as part of alternative arrangements for school feeding programmes or as part of expanded social protection measures, and avoid partnerships with food and beverage companies whose core business involves the production, marketing or distribution of unhealthy food in maintaining these services. Technical support to countries should help identify and inform government counterparts regarding the risks associated with accepting donated supplies of unhealthy foods in emergencies and/or partnering with companies whose core business involves the production, marketing or distribution of unhealthy foods. Organizations working on the emergency response at country level may consider joining forces to issue tailored guidance to governments on this issue, especially around ensuring access to nutritious foods under alternative approaches such as expanded food assistance via social protection programmes, community-based provision, take-home rations, home delivery or vouchers.

## Implementing the guidance

As the lead agency for nutrition sector/cluster coordination at country-level, UNICEF must play a key role in ensuring adherence to these principles in its guidance to countries and support for resource mobilization.

- **The organizational processes and responsibilities for vetting corporate donors remains with the PASS/due diligence team under the stewardship of PFP. The PASS/due diligence team will liaise directly with the Regional Nutrition Advisor and Programme Division Nutrition Section (PD Nutrition) when a potential risk is identified.**
- **In parallel, UNICEF country offices should alert their Regional Nutrition Advisor and PD Nutrition at the earliest possible opportunity in relation to any potential engagement with food and beverage companies during the emergency response, to assess that the engagement is in the best interest of children.**
- **CIK should only be considered when responding to specific needs and requirements identified by Programme/Operations colleagues or Supply Division.** This is important to remain focused on desired

impact, but also to avoid spending precious time and resources on donor driven opportunities that do not meet real needs or mandate.

- Circumstances under which CIK of *food* might be accepted have been described above. In cases where a food and beverage company offers financial support or CIK for *non-food* items, eligibility shall be considered based on an identified supply financing gap or need (e.g. necessary equipment, such as soap, hand sanitizer, face masks, or logistics), an assessment that the company has a comparative advantage, no suitable alternative donors exist, and there is good evidence that not accepting the contribution would do harm to children. In addition, the quality of CIK for non-food must be established and meet Supply Division criteria. Assessments will be made on a case-by-case basis by PASS/due diligence; where PASS/due diligence determines that the risk is high (e.g. accepting hand sanitizer from a beverage company), they will consult with PD Nutrition and Supply Division.
- **Corporate emergency donations do not generally constitute partnerships, they are considered contributions. As such, any engagements with food and beverage companies in the context of COVID19 should be structured and communicated accordingly.** Overall, there shall be no partnership language and no association with any other work or dialogue the company may be having with UNICEF. The terms of agreement will be negotiated on a case-by-case basis, including agreement on:
  - ✓ Mitigating any risks relating to publicity; companies may be asked to minimize public communication
  - ✓ Avoiding co-branding of donations/in-kind contributions
  - ✓ Clarifying that there is no expectation from any side regarding future engagements.

## ENDNOTES

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<sup>i</sup> This interim note has been developed specifically to respond to circumstances arising as part of the Covid19 emergency. It is intended to provide guidance on new/arising situations. UNICEF is in the position of updating its organizational position on engagements with the food and beverage industry.

<sup>ii</sup> Examples of unhealthy foods include, but are not limited to, candy, potato or corn chips, soft drinks such as soda or chocolate-flavoured milk, instant noodles, biscuits, cookies, wafers, cakes, pizza, pies or burgers and other fast foods.

<sup>iii</sup> A 24-hour turnaround usually applies to due diligence for emergency grants or CIK

<sup>iv</sup> Exception may apply to water, but this will be considered on a case by case basis

<sup>v</sup> Process efficiency will remain of primary concern, especially given the emergency context

<sup>vi</sup> World Health Assembly Resolutions have clarified that in instances where children require BMS in the health care system, they should be purchased. WHA Resolution 47.5 stated that Governments must take measures “to ensure that there are no donations of free or subsidized supplies of breastmilk substitutes and other products covered by the International Code of Marketing of Breastmilk Substitutes in any part of the health care system”; WHA Resolution 63.23 emphasized “the need to minimize the risks of artificial feeding, by ensuring that any required breast-milk substitutes are purchased, distributed and used according to strict criteria”.