



EUROPEAN ECONOMICS LOBBYING-NESTLÉ

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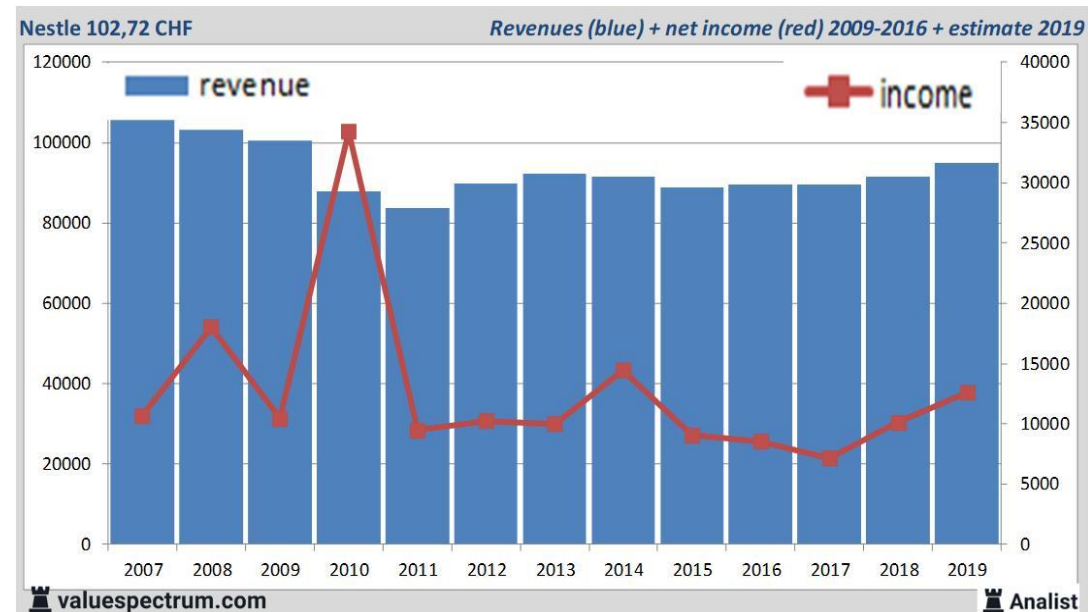
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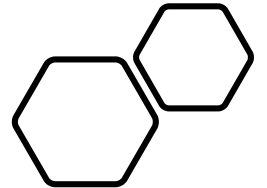


- Nestlé S.A. is a Swiss multinational food and beverage company based in Vevey, Vaud, Switzerland. It has been the world's largest food company, measured by revenue and other metrics, for 2014, 2015 and 2016.
- Their registration number of this company is 15366395387-57
- The organization's fields of interest are European and global





- Nestlé includes 2000 brands all over the world
- Their number of employees is 291 000 (2019)

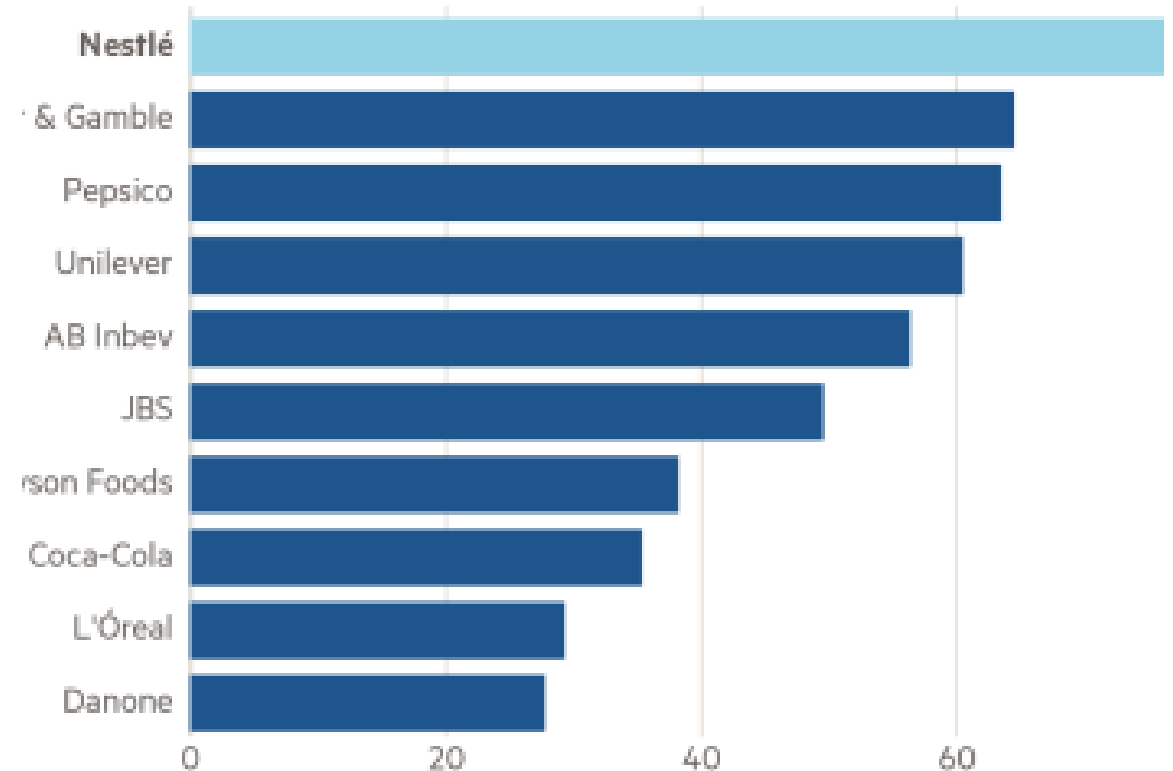


OBJECTIVES

- The main objective is to position itself as a world leader in **Nutrition, Health** and **Wellness**. In addition, being a reliable company for all its stakeholders and a benchmark for financial performance in its sector.
- Besides, their goal is to improve the quality of life and contribute to a healthier future. They want to help shape a better and healthier world. They also want to inspire people to live healthier lives. This is how they contribute to society while ensuring the long-term success of their company. They call this Creating Shared Value, and they incorporate it into everything they do.

Top 10 fast-moving consumer goods companies*

(\$bn), 2017



to tobacco
P&G Strategy Consultants

Expenditure

Financial year: 1 Jan 2019 - 1 Dec 2019

LOBBYING COSTS: 400,000€ - 499,999€

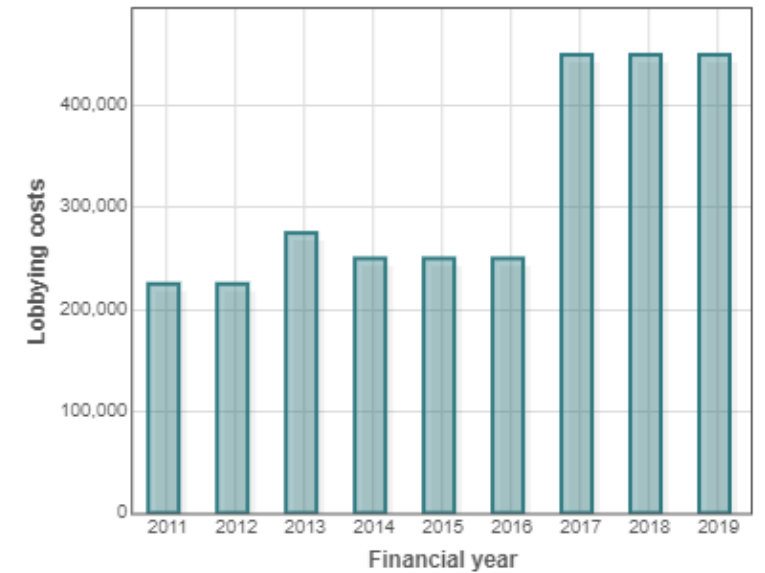
Procurement from EU institutions: 0€

Grants from EU institutions: 0€

Lobbyists with EP accreditation

- Ms Greta Drumstaite
- Robin PRAILLET
- Ms Olivera Medugorac
- Mr Johannes WEBER
- Mr Edoardo CAVALCABO
- Mr Bart Vandewaetere

LOBBYING COSTS OVER THE YEARS:



LOBBYING does not happen overnight I

- Nestlé has a long history and a notoriety of exerting influence over interest groups and regulators.
- For instance, one of the corporation's former CEO Helmut Maucher was president of the International Chamber of Commerce (ICC), which has been labeled as the most powerful lobby group worldwide by Corporate Europe Observatory. Maucher himself stated it was the "only global economic voice without any special interest" organization'. This "voice without any special interest" helped craft the Multilateral Investment agreement which gave corporations the right to sue nation-states



LOBBYING does not happen overnight II



Among the activities listed in the register we see no direct relation with the European parliament. However, we cannot know for sure what ties are held with the European Commission (N/A)



Then there are over fifteen associations (on a European and world level), two think tanks and one platform.



In numbers: half a million euros are invested into these associations only to state that previous figure does not include membership fees and payments to the exact same associations.



Lobbying via Associations

ASSOCIATIONS	LOBBYING EXPENDITURE
Caobisco	€300,000 - €399,999.95
European Breakfast Cereal Association (CEEREAL)	€200,000 - €299,999
Committee of the European Sugar Users (CIUS)	€170,000. 10
European Snacks Association (ESA)	€25,000-€49,999
FoodDrinkEurope (FDE)	€200,000€ - €299,999€
Union of European Soft Drinks Associations (UNESDA)	€699,999



Associations and their consultancies

This associations are working together with several consulting agencies, on which they spend between 9,999€-299,999€ some of them are:

- Fleishman-Hillard
- Grayling
- Landmark Europe
- Weber Shandwick
- BRM-Europe
- Archimede

Nestle's membership in high profile international lobby groups

- **The European Roundtable of Industrialists** Ethical Consumer considered the European Roundtable of Industrialist to be a high-level corporate lobby group which exerted undue corporate influence, at the potential detriment of the environment and human and animal rights.
- **The World Economic Forum** The World Economic Forum is a lobby group which campaigned for greater economic liberalization and deregulation. Ethical Consumer considered the WEF to be a corporate lobby group which lobbied for free trade at the expense of the environment, animal welfare, human rights or health protection.
- **The World Business Council for Sustainable Development.** This was regarded by Ethical Consumer as an international corporate lobby group which exerted corporate influence on policy-makers in favor of market solutions that were potentially detrimental to the environment and human rights.

The background of the slide is a photograph of a ground covered in a thick layer of plastic waste, including crumpled plastic bags, bottle caps, and other debris. In the lower-left quadrant, a piece of white paper with the Nestlé logo (a bird's nest with three birds) and the word "Nestlé" in blue is lying on the ground. The text "Lobbying against their own values" is overlaid on the left side of the image, partially covering the paper.

Lobbying against their own values

- "Plastic waste is one of the biggest sustainability issues the world is facing today. Tackling it requires a collective approach. We are committed to finding improved solutions to reduce, reuse and recycle. Our ambition is to achieve 100% recyclable or reusable packaging by 2025." -*Mark Schneider, Nestlé CEO*
- However, in 2018 Nestle together with Pepsi and Coca Cola urged member states in the Council of the European Union to scrap plans aimed at tackling plastic pollution with a letter signed by Coca-Cola, Nestlé, PepsiCo and Danone urges member states of the Council of the EU to scrap a proposal to force companies to make sure plastic bottle caps are not detachable.
- The European Union considered a plan to introduce so-called mandatory tethered caps, which are fixed to the bottle, by 2025. But Nestle and the other companies claimed that this law "not necessarily lead to the required outcomes". Instead, they suggest a non-binding commitment to recycling 90 per cent of plastic bottles by the same deadline.

Powdered milk by Nestlé

an example of lobbying

- In the 1970s, Nestlé promoted in African countries its powdered milk as a breastmilk substitute
- Nestlé was conducting "aggressive" campaigns towards pregnant women and young mothers in many countries to promote their products through free samples, TV and magazine advertisements, and childbirth preparation classes. While all of these practices are prohibited by the WHO
- Uninformed, often illiterate mothers mixed powdered milk with unsafe water, resulting in the death of many infants
- Outcomes: 1.5 million children die each year according to UNICEF



Get them
while they're
young
an example of food
lobbying

In January 2016, the European Parliament finally rejected the proposal from the European Commission which would still allow 30 per cent of energy in baby foods to come from sugar and it would allow baby foods to be labelled for use from four months of age. According to the WHO this would be unacceptable, because it would encourage the obesity epidemic. If babies are given high-sugar formula and food before six months of age they develop a taste which can contribute to childhood obesity – and may become a lifelong habit. One of the strongest supporter of this proposal was the lobby group SNE (Specialized Nutrition Europe), whose members include Nestle. The aim of the companies is to hook babies onto soft sugary products so that processed foods become the norm.

CONCLUSION- Greenwashing

- Even though, Nestle has a broad CSR programs with a lot of activities and they want to enhance quality of life and contribute to a healthier future, they often forget about their own values when it comes to the policy-making process in Brussel.
- So we assume that part of their commitment of creating a social impact is simply to allure more shareholders.





Conclusion

- Many big companies like Nestle hide behind associations to influence the policy-making process in their own favor.
- Overall, it is shocking to see how much power Nestle has and how much money is involved. In terms of major global development challenges such as climate change, land right and water scarcity they have the potential to change not just the practices of their own business but set the standard for the way in which the rest of the industry approaches.



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