



**Annual Report 2019**



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# Our mission

The Changing Markets Foundation was formed to accelerate and scale up solutions to sustainability challenges by leveraging the power of markets. Working in partnership with non-governmental organisations (NGOs), other foundations and research organisations, we create and support campaigns that shift market share away from unsustainable products and companies and towards environmentally and socially beneficial solutions.

## Our approach is based on two key ideas:



Sustainability is an urgent challenge to which most solutions already exist



Market forces can be leveraged to drive rapid and self-reinforcing change towards a more sustainable economy



**Changing Markets was formed to accelerate this transition.**

## FOREWORD BY OUR DIRECTORS

# The need for accountability is greater than ever

An increasingly turbulent decade ended in 2019. Wildfires raged in several regions of the world, and there were more stark warnings about extreme weather events and the state of our forests and oceans. Meanwhile, politicians rarely took determined action, often only paying lip service to solutions.

All of this highlighted the importance - now more than ever - of accountability. We need to hold those with power to account: corporations, politicians, public institutions and even NGOs. For this reason, in this foreword we address Changing Markets’ work on accountability in 2019, and what we did to make sure the promises corporations made to us in previous years were kept.

It started with Nestlé’s promise to remove sucrose and vanilla flavourings from their infant formulas, together with contradictory nutritional advice, following the revelations in our Milking It campaign. While these promises did not go far enough, and did not address the lack of scientific consistency in the composition and claims of Nestlé’s infant milk products (sold in 40 countries), - phasing out these unhealthy ingredients was a small step in the right direction. However, subsequent research by Globalization Monitor - our partner in Hong Kong - revealed Nestlé is still selling some of the same products, with the same contradictory nutritional advice, in Hong Kong and mainland China: two of their most lucrative markets. Since we have not heard anything more specific from the company since their initial commitment, we decided to publish our findings in a short update report, *Based on science? Revisiting Nestlé’s infant milk products and claims*. This report was covered by *The Guardian*, BBC World Service and several trade publications, and it focused Nestlé’s attention on keeping its promises.

We also kept the commitments made to us by fashion brands and viscose manufacturers under scrutiny. We continuously engaged with them throughout the year, and even extended our annual outreach - from 53 to 91 major fashion brands - to investigate how they deal with their viscose supply chains. While fashion brands are aware that their customers want more environmentally friendly production methods, and more accountability for what happens in their supply chains, they mostly embrace sustainability only very

superficially - with little substance behind their impressive sounding pledges. Although, thanks to our campaign, viscose manufacturing is now firmly on the industry’s agenda as an issue that needs addressing, we are aware that there are limitations to self-regulation. Therefore, we hope that the European Union will address the pollution and lack of transparency in the fashion industry in its upcoming textile strategy.

However, even when there are laws on the books, the question of accountability does not go away. This was demonstrated best by our campaign on food fortification in Mexico. Although the country has good legislation, which obliges all flours to be fortified with essential micronutrients, there were few controls in place to ensure this was actually happening. For this reason, Changing Markets tested over 1,000 samples of flours, breads, tortillas and other flour-based products. Our testing found that only 7% of packaged maize and wheat flour was fortified adequately, and only 14% of bread products and 1.5% of tortilla products clearly met the minimum iron and zinc levels mandated in the flour-fortification regulation.

Similarly, we exposed how, in California - the only state with mandatory recycling legislation for the carpet industry - the industry has obstructed meaningful progress for years. Despite consumers having to pay a small fee for recycling, Carpet America Recovery Effort (CARE) has mismanaged these accumulated funds. We therefore advocated for legislation that takes these funds away from CARE, if they keep missing their targets, and also introduces differentiated fees to give a market advantage to more recyclable carpets.

In 2019 we also launched a major new campaign, Fishing the Feed, which sheds light on the overlooked issue of using wild-caught fish as feed for aquaculture and other farmed animals. Global seafood consumption has doubled over the past 50 years, and roughly half of world fish consumption now comes from aquaculture. Proponents of the industry claim aquaculture has the potential to deliver affordable, healthy protein, and could provide a way to divert pressure from wild fish stocks. However, the industry has a dirty secret: Almost one-fifth of the world’s total catch of wild fish is processed into fishmeal and fish oil (FMFO). We investigated the devastating impacts of FMFO production on marine ecosystems and local communities in India, Vietnam and The Gambia, and shed some light on murky global supply chains, identifying links with some of the biggest European supermarkets and holding these companies to account for what happens in their supply chains. We also exposed the failings of certification schemes, linking this campaign to our previous work on this issue: the False Promise of Certification report, published in 2018.

Fast forward to 2020, and there is more need than ever for focused campaigning organisations like the Changing Markets Foundation. While consumers and citizens expect more action on the environmental and social issues we are facing, there is massive problem with greenwash and a lack of accountability. Exposing greenwash demands skills and resources, as the actors engaged in it have become more sophisticated in their tactics and have, in some cases - knowingly or unknowingly - co-opted the good players. We have seen a proliferation of nice-sounding voluntary initiatives and certification schemes that act as a smokescreen for the industry to continue with business as usual. These initiatives are hugely problematic - not only because they prevent real action but also because they destroy public trust in solutions, and can make people cynical about humanity’s ability to address the major crises we are facing. We need to keep organisations in check and continue pointing out that the Emperor is naked when this is the truth. We will stay committed to this in the next decade.

*Nuša Urbančič, Campaigns Director*  
*Joakim Bergman, CEO*



ANNUAL REPORT · OUR WORK IN 2019



# CHANGING MARKETS IN NUMBERS 2019

## TEN REPORTS

### 4 LANGUAGES



SPANISH



GERMAN



ENGLISH



FRENCH



## Thirteen LAUNCH PARTNERS

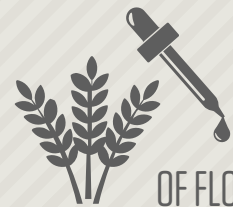
### FOUR PETITIONS

# 466,000

TOTAL SIGNATURES

Rainforest Rescue

SumOfUs



TESTED MORE THAN  
SAMPLES

# 1000

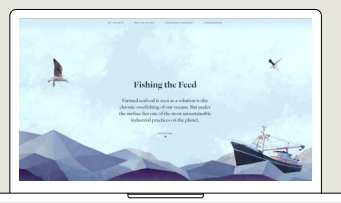
OF FLOUR BASED PRODUCTS SOLD IN MEXICO

### 2 MICROSITES

FISHINGTHEFEED.COM

### 25,400 HITS

DIRTYFASHION.INFO



CAMPAIGNS AND INVESTIGATIONS IN MORE THAN 12 COUNTRIES



FLOUR AND BREAD  
INDUSTRY



CARPETS INDUSTRY



BABY FORMULA  
INDUSTRY



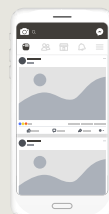
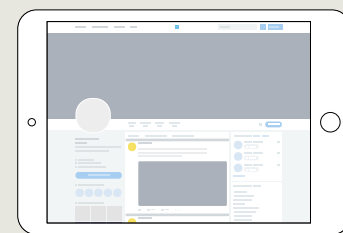
FASHION INDUSTRY



AQUACULTURE INDUSTRY



CEREAL INDUSTRY



# 1.65 MILLION

SOCIAL MEDIA IMPRESSIONS



Forbes

abc NEWS

El Confidencial  
EL DIARIO DE LOS LECTORES INFLUYENTES

The Guardian

The Herald

FRANCE  
24

The Washington Post

VOGUE

The INDEPENDENT

Dagbladet

Daily Mail

BBC

La Prensa

THE TIMES 100

EL PAÍS

Grocer

The New York Times

rfi

over 360 media stories



CHAPTER 01

# Milking It

## The problem

Adequate nutrition during infancy is vital for improving child survival and promoting healthy growth and development. The first two years of a child’s life are especially critical; poor nutrition at this stage increases the risk of illness and death, contributes to illness later in life and limits future potential. In this context, the World Health Organization (WHO) and UNICEF strongly recommend optimal breastfeeding. However, two out of three babies are fed formula, either exclusively or in combination with breastmilk.<sup>1</sup> Manufacturers of infant formula therefore have a huge responsibility to ensure their products are based on the best available science and fairly priced.

Our work in 2018 focused on Nestlé, one of the world’s largest manufacturers of infant formula. *Busting the myth of science-based formula*, published in February 2018, highlighted a number of ways in which Nestlé’s commitment to nutritional science appeared to be little more than a marketing strategy. Some of its products were found to be marketed as better “for babies’ good growth” for not having certain types of sugar and artificial vanilla flavourings, yet many of their other products in mainland China, Hong Kong and South Africa were found to contain these ingredients. In other cases, many of Nestlé’s products were found to be carrying claims of questionable credibility, including products sold in the US, Switzerland, Spain and Hong Kong, which they claimed were modelled after breastmilk but had different nutritional compositions.

Following the publication of our report, Nestlé pledged to remove sucrose from all their milk formulas for babies aged 6-12 months by the end of 2018, to phase out vanilla flavourings in milk formulas for babies under 12 months, and to remove marketing claims regarding the absence of sucrose and vanilla flavourings from the labels of their formula products.<sup>2</sup>

1 WHO (2020) Infant and young child feeding. 1 April.  
[ONLINE] Available at: <https://www.who.int/news-room/fact-sheets/detail/infant-and-young-child-feeding>.

2 Nestlé (2018) What is Nestlé’s position on infant formula marketing?  
[ONLINE] Available at: <https://www.nestle.com/ask-nestle/health-nutrition/answers/changing-markets-foundation-report-infant-formula-marketing>.

Our work in 2019

In January 2019, we worked with Hong Kong-based organisation, Globalization Monitor, to revisit the issue and investigate whether anything had changed in Hong Kong and mainland China - the markets where formula companies make the majority of their profits.

Their research found that Nestlé had failed to fulfil two of its three promises in relation to contradictory nutritional advice and composition. Researchers also found that Nestlé continues to draw comparisons between its products and human milk, which is prohibited by the WHO Marketing Code and problematic from the perspective of the company’s scientific credibility, as formula can never be close to breastmilk. Globalization Monitor research prompted us to further investigate price differentiation, and we discovered huge price differences between Nestlé products - both on the same market and between different markets. Parents in Hong Kong pay up to 4.5 times more than UK parents for comparable Nestlé infant formula.

In April 2019 we published an update report, *Based on science? Revisiting Nestlé’s infant milk products and claims*, in partnership with global campaigning organisation SumOfUs. As part of the media launch, we conducted a consumer survey in the UK and Hong Kong,<sup>3</sup> which found that half of parents in the UK and Hong Kong trust the information provided by baby milk producers, and a massive 86% of Hong Kong and 70% of UK parents would be willing to pay a premium for a formula if they thought it was better for their baby. The revelation that Nestlé continues to provide contradictory advice, and to make claims the WHO Marketing Code prohibits, is therefore hugely problematic.

Our report was launched on the same day as Globalization Monitor’s report, who also held a press conference in Hong Kong. Both reports were shared with stakeholders, including the Baby Friendly Hospital Initiative, the Hong Kong Food and Health Bureau, the Hong Kong Department of Health, the Committee on the Promotion of Breastfeeding and the Consumer Council.

Outcomes and impact

Our research received media coverage in *The Guardian*, *The Sunday Times* and the BBC World Service, which included an interview with Scottish National Party MP for Glasgow Central, Alison Thewliss. It was also covered in trade publications, including *Food Ingredients First*, *Just-Food* and *Nutra Ingredients*, as well as Hong Kong-based outlets *Apple Daily*, *HK01* and *Oriental Daily*.

The launch was supported on social media by UNICEF UK, 1000 Days, Alive & Thrive and First Steps Nutrition, as well as the UK All-Party Parliamentary Group on Infant Feeding. An online petition on the issue by SumOfUs received over 200,000 signatures. Nestlé refused to confront our findings on the BBC but issued a response to the media, stating that the company was “in the process of finding alternatives to vanillin flavours”, as well as removing claims related to the absence of vanillin from relevant product labels.<sup>4</sup>

3 Survey of 1,000 UK parents and 750 Hong Kong parents with children under 16, conducted by Censuswide in April 2019.

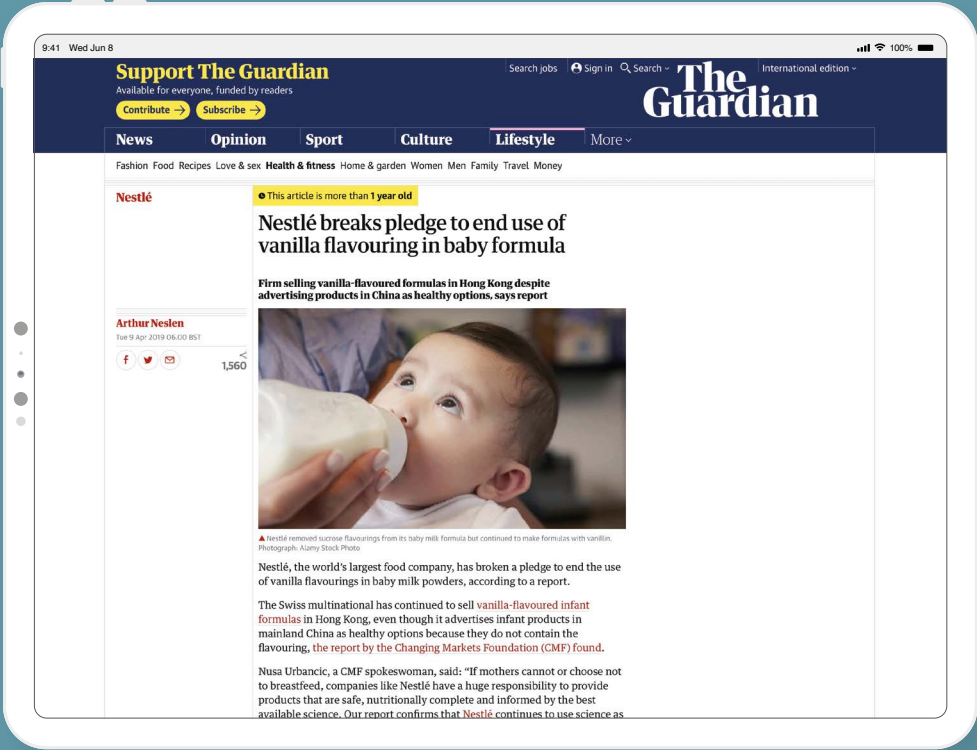
4 Neslen, A. (2019) Nestlé breaks pledge to end use of vanilla flavouring in baby formula. *The Guardian*, 9 April. [ONLINE] Available at: [https://www.theguardian.com/business/2019/apr/09/nestle-breaks-pledge-to-end-use-of-vanilla-flavouring-in-baby-formula?CMP=Share\\_iOSApp\\_Other](https://www.theguardian.com/business/2019/apr/09/nestle-breaks-pledge-to-end-use-of-vanilla-flavouring-in-baby-formula?CMP=Share_iOSApp_Other).

The Guardian

SUE ASHMORE, UNICEF UK’S PROGRAMME DIRECTOR, SAID:

—“We urgently need better legislation to protect families from these misleading marketing claims, and better promotion of evidence-based, unbiased information about infant feeding.”

– The Guardian



[Read the Guardian full article here](#)

NUŠA URBANČIČ A CHANGING MARKETS FOUNDATION SPOKESWOMAN, SAID:

—"If mothers cannot or choose not to breastfeed, companies like Nestlé have a huge responsibility to provide products that are safe, nutritionally complete and informed by the best available science.

Our report confirms that Nestlé continues to use science as merely a marketing tool, valuing higher profit margins over its scientific credibility."

– The Guardian



## CHAPTER 02

# Carpet Recycling

## The problem

In 2019, there was an increasing global focus on the urgent need to address waste; not only single-use plastics - an area of huge public concern over the past few years - but also bulkier items, such as mattresses, furniture and carpet. It is estimated that 11 billion square feet of carpet are sold every year in the US alone; just 5% of this is recycled at its end-of-life, and less than 1% is recycled back into carpet. In Europe, around 1.6 million tonnes of carpet waste are created every year.

The way that carpet is currently designed makes recycling difficult and closed-loop recycling impossible. Carpets are often made from a number of fibres, which cannot be separated. Additionally, carpets can contain a number of toxic chemicals, which both pose a risk to human health and prevent the product from being safely recycled in a circular-economy model.

Carpet needs to be designed for circular economy: mono-fibre, easily separable and non-toxic. It is already possible to create carpet in this way, but, as carpet is a long-life product, the industry needs to take swift action now to transition towards true circular economy.

## Our work in 2019

In 2019, our work focused on continuing to advocate for Extended Producer Responsibility (EPR) legislation for the carpet industry, in the US and Europe, as a solution to the ever-growing waste problem in the sector.

In January 2019, we worked with Eunomia Research & Consulting to launch a policy toolkit for legislators in California, to strengthen the California Carpet Stewardship Plan, and for legislators in other US states looking to introduce EPR bills. We continued to scrutinise the California Carpet Plan (currently run by CARE) and raised our concerns with the state's waste authority, CalRecycle. Alongside numerous environ-

mental NGOs in California, including the National Stewardship Action Council (NSAC) and Clean Water Action, we supported the introduction of Assembly Bill (AB) 729, which outlined a mechanism for retrieving \$15 million in public funds should the CARE plan be disapproved, and introduced differentiated fees to give market advantage to more recyclable carpets.

Our campaign partner, Environmental Advocates of New York, continued to advocate for state-wide EPR legislation, testifying at Senate and Assembly hearings on recycling and EPR and developing a carpet EPR draft bill for the 2020 legislative period. Our campaign partners in Europe continued to advocate for EPR in the largest EU markets; namely, in Germany and the Benelux region.

Following our publication of two reports, in 2018, that exposed the presence of toxic chemicals in a number of carpets sold by the largest carpet producers in the EU and US, in January and February 2019 we sent letters to these producers to highlight the report findings. The letters were co-signed by a number of NGOs, including Zero Waste Europe, Deutsche Umwelthilfe, the European Environmental Bureau and the Women's Environmental Network in the EU, and the Natural Resources Defense Council, Environmental Advocates of New York, Ecology Center and the Safer States Coalition in the US.

In November, we launched a UK-focused report with Zero Waste Europe and the UK Without Incineration Network (UKWIN), which exposed the lack of progress made by the voluntary initiative Carpet Recycling UK (CRUK) since its founding in 2008. In 2018, 400,000 tonnes of carpet were discarded in the UK - equivalent to an area the size of Birmingham. CRUK publicly celebrated that its scheme diverted 44% of this carpet waste from landfill; however, our report found that 73% of the diverted carpet waste was sent to incineration, 22% was downcycled into equestrian products, and just 4% was recycled and 1% reused. The report estimated that the adverse climate impact of greenhouse gas emissions released from incinerating carpets costs UK society £16.5 million per year, and called on the UK government to implement mandatory EPR for the carpet industry to drive closed-loop recycling in the sector.

### Outcomes and impact

The publication of the EPR toolkit in the US drew support from the National Caucus of Environmental Legislators and was covered in a number of media outlets, including *Recycling Product News*, *Waste Advantage* and *Crain's New York Business*. In September, California's Governor Gavin Newsom signed AB 729 into law, allowing the state to retrieve public funds, should the Carpet Stewardship Plan be disapproved, and introducing differentiated fees for more recyclable carpets sold in the state.

Our work on exposing the toxics issue in relation to carpet continued to receive media coverage, including an op-ed piece in the *Mercury News* highlighting the dangers of toxic products like carpets during wild fires, such as those frequently occurring in California. The Ecology Center subsequently launched its own project looking at the presence of PFAS (harmful chemicals) in residential carpets. In September, home-ware store Home Depot announced it would phase out the sale of residential carpets containing PFAS; Lowe made a similar announcement in October, stating it would stop selling residential carpets containing PFAS by January 2020.

Our UK report on CRUK was featured in *The Daily Mail* and *Forbes*, as well as trade publications including *edie*, *Ecotextile News* and *Materials Recycling World*. CRUK issued a response on its website, and UKWIN will continue to engage with the UK government on this issue in 2020.

In the Netherlands, Dutch MP Jessica van Eijs filed a parliamentary motion in December, requesting the State Secretary to install national EPR legislation for all flooring types, starting with carpets. The motion passed, granting the government a mandate to begin negotiations for introducing such legislation in 2020.



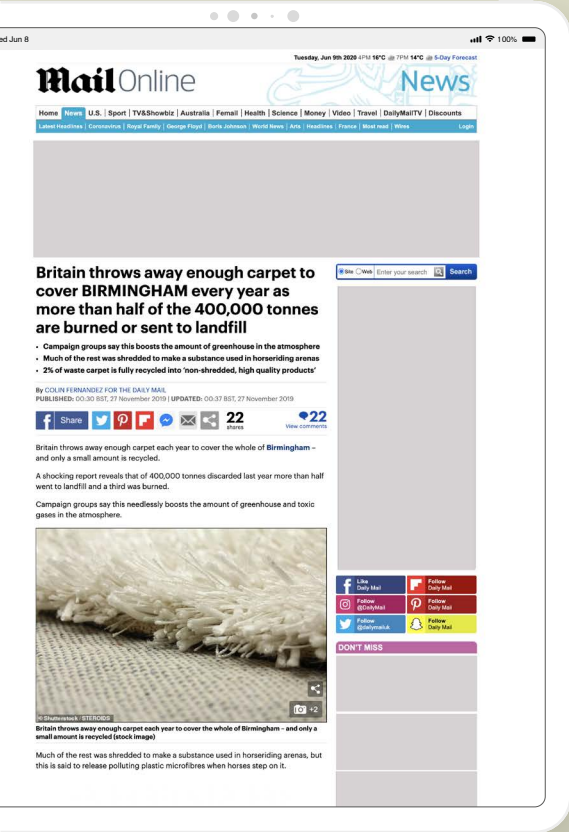
Read the Mail Online full article here

"This new law [AB 729] introduces, for the first time, a mandatory differentiation of carpet recycling fees depending on the financial burden of recycling it and the amount of post-consumer recycled content. This is a huge step forward, as the fee will communicate to consumers which carpet is more environmentally friendly and incentivize producers to design products with recycling in mind."

— Heidi Sanborn, NSAC, Recycling Today

"Rachel Mulrenan, of Changing Markets, said the industry's own body, Carpet Recycling UK, had emphasised that nearly half of its waste was kept out of landfill, but it was in fact engaged in 'mass incineration of valuable resources'. The body was using its 'landfill-diversion rates as a smokescreen' and she called for tougher action to ensure true recycling."

— The Daily Mail





## CHAPTER 03

## Dirty Fashion

### The problem

Viscose is an increasingly popular fibre in the textile industry, and the third most-used fibre after cotton and synthetics. Although it has some advantages over other fibres, the viscose fibre-production process is still largely reliant on a number of toxic chemicals – such as carbon disulphide, sodium hydroxide and sulphuric acid – which, if not managed properly, can be detrimental to the health of ecosystems and people.

Changing Market Foundation's investigations into viscose factories across Asia in 2017 and 2018 – presented in the *Dirty Fashion* and *Dirty Fashion Revisited* reports – highlighted how inadequate chemical management and water treatment have destroyed marine life and agriculture, directly exposed workers and local people to harmful chemicals, and led to severe health problems. The reports also established direct links between the factories investigated and a number of major European and North American brands, revealing that many fashion giants are buying from polluting viscose factories.

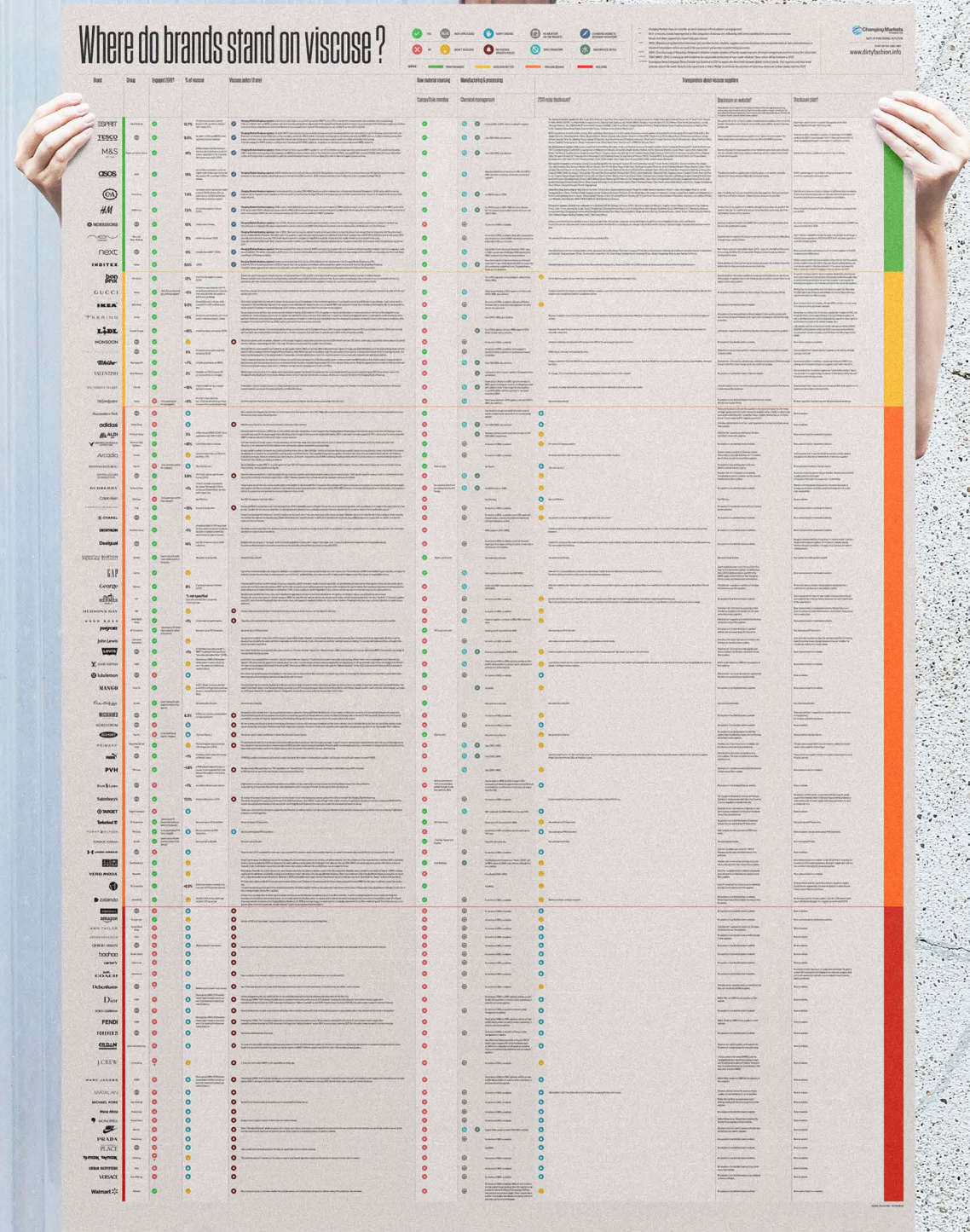
To present a solution to this problem, Changing Markets Foundation launched a *Roadmap towards responsible viscose and modal fibre manufacturing* in 2018, which provided a blueprint for responsible viscose manufacturing. The *Roadmap* outlined a set of principles for brands, retailers and producers to move towards a closed-loop manufacturing system in which emission controls and chemical recovery rates are in line with the best practices.

### Our work in 2019

In January 2019, Changing Markets Foundation, together with the Clean Clothes Campaign, launched findings of an IP-SOS-MORI public opinion poll looking at public perceptions of environmental and labour issues within the fashion industry. The polling, which was carried out in November 2018 in seven countries – France, Germany, Italy, Spain, Poland, the UK and the US – demonstrated that people

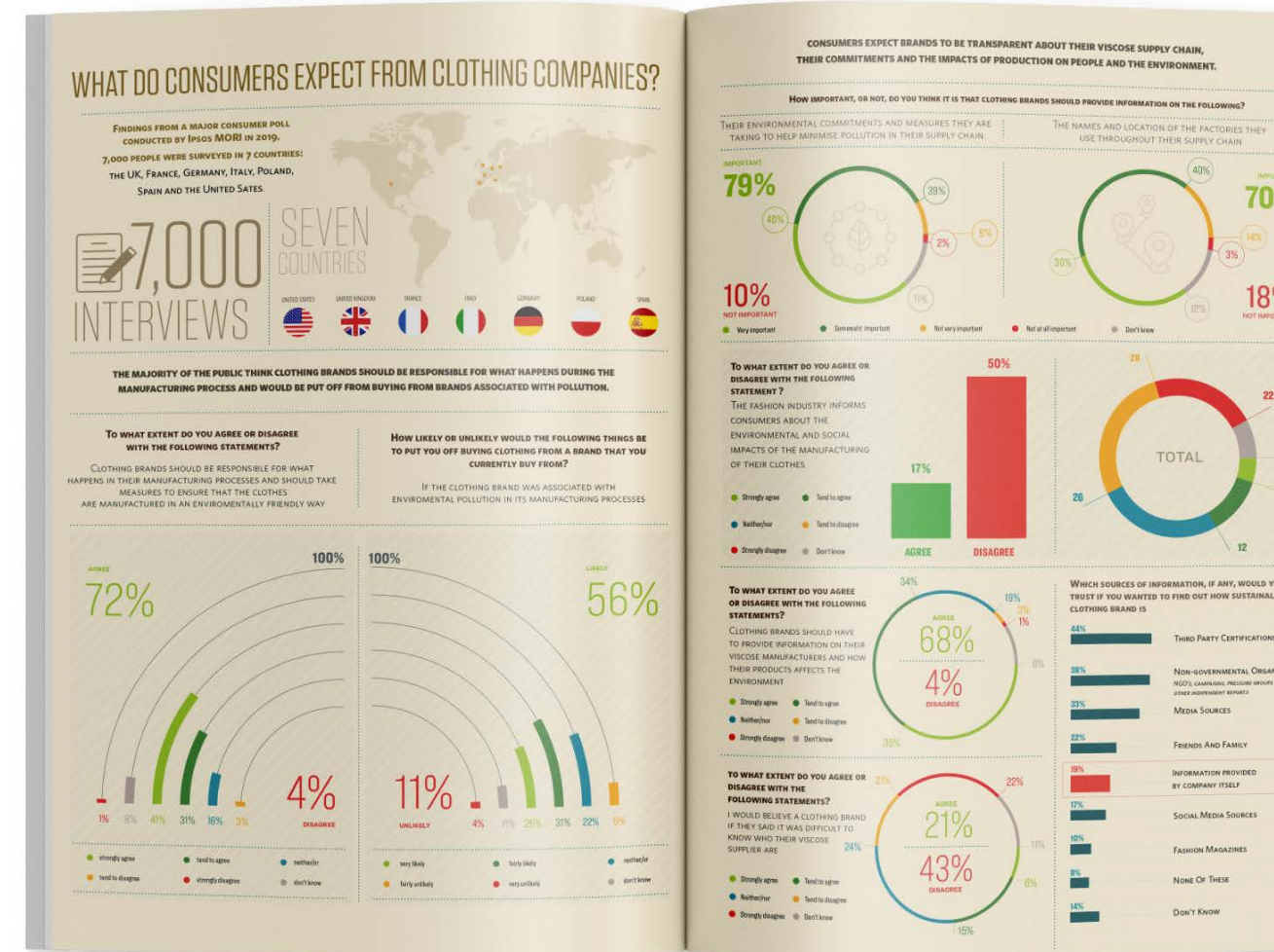






want more information from brands about the treatment of their workers and the environment, and believe brands are responsible for what happens in their supply chains.

In November 2019 we launched our annual update report, *Dirty fashion disrupted: Leaders and laggards revealed*, which examined viscose commitments and actions implemented by 91 global clothing brands and the biggest viscose manufacturers: Lenzing, the Aditya Birla Group, members of the Chinese Viscose







[Read the Reuters full article here](#)

Initiative and ENKA. The report revealed that, while brands and retailers are increasingly making progress towards responsible viscose supply, the majority of brands are still paying lip service to sustainability while failing to take meaningful action. In total, ten major brands and retailers had signed up to the Changing Markets *Roadmap* at the time of the launch.

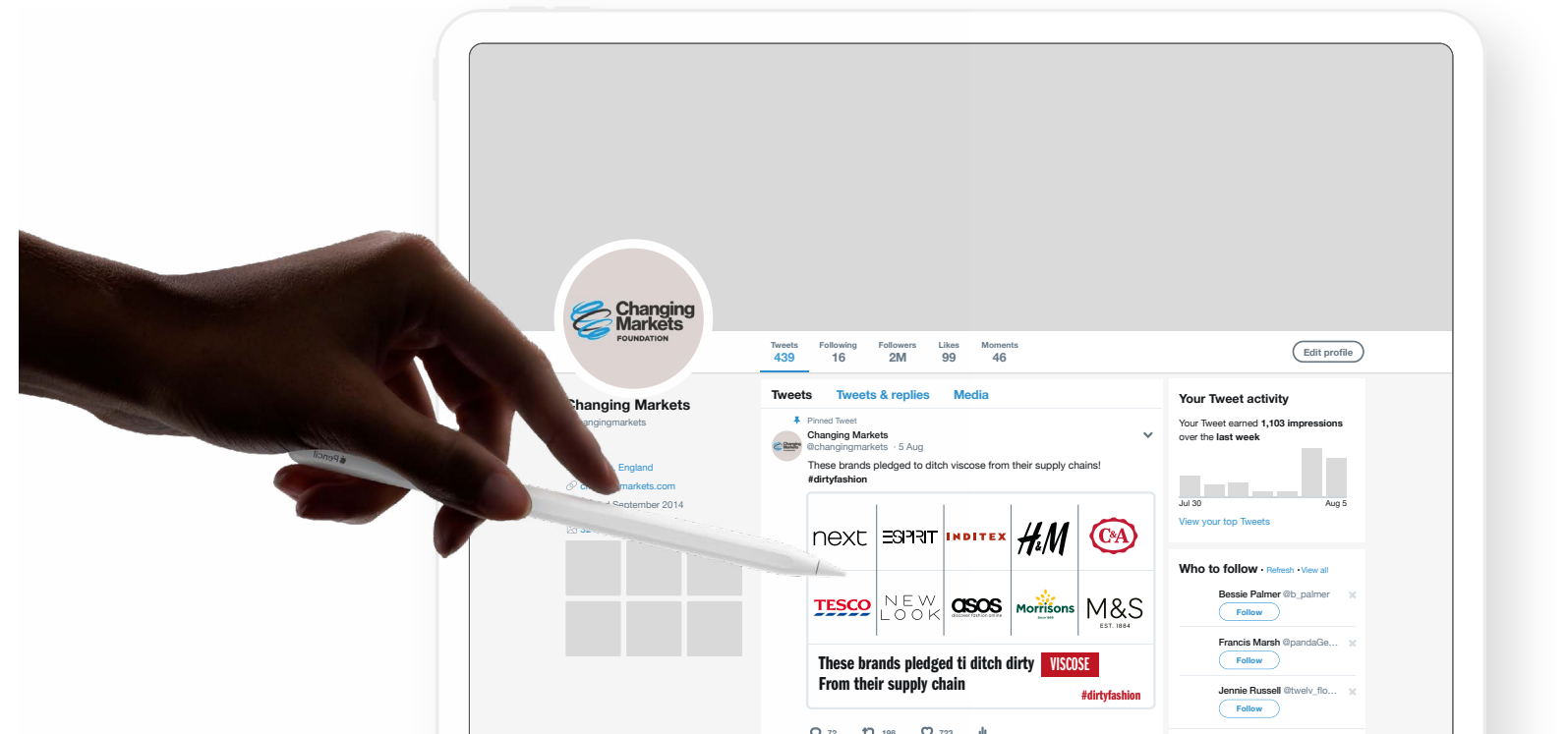
Along with the report, we launched the *Dirty Fashion micro-site* with our partners: Clean Clothes Campaign International, Ethical Consumer and WeMove.EU. The interactive platform presents the challenges of irresponsible viscose manufacturing, shows how brands can play their part by committing to the *Roadmap*, and demonstrates the performance of different brands and viscose manufacturers.

### Outcomes and impact

Before the launch of the Dirty Fashion campaign, little was known about either the environmental impacts of viscose fibre production or the supply-chain links between viscose factories and their customers. The campaign placed the environmental challenges linked to the production of viscose fibre firmly on the industry's agenda, and generated not only serious commitments to responsible viscose from clothing brands and manufacturers but also a higher level of transparency.

As a result of the campaign, ten high street giants - H&M, Marks & Spencer, Inditex, Tesco, ASOS, Esprit, C&A, Next, New Look and Morrisons - committed to our *Roadmap towards responsible viscose and modal fibre manufacturing*, sending a clear message to viscose manufacturers that they expect the industry to move to a responsible viscose production by 2023-25. Throughout the course of 2019, these companies updated their responsible sourcing policies, in line with our *Roadmap*, and started publicly disclosing their viscose suppliers. Four *Roadmap* signatories now publicly list the companies - down to the factory names - that provide them with viscose fibre. All other signatories (apart from Inditex), as well as several other brands, have disclosed the name of at least several of their viscose suppliers on their websites.

Furthermore, major viscose producers have made meaningful commitments and attributed significant investments to cleaning up their viscose production. The Aditya Birla Group and Lenzing, which together represent 37% of



the global viscose market, have committed to achieving closed-loop viscose production - in line with our *Roadmap* - at all their facilities by 2022. ENKA (a German producer of viscose filament yarn) has committed to closed-loop production and disclosed, on its website, how its consumption and emissions data compare with best practice.

The industry-led initiative, Zero Discharge of Hazardous Chemicals (ZDHC), started developing guidelines for man-made cellulosic fibres (MMCF) production, including viscose, modal and lyocell, with the aim of addressing wastewater, sludge/solid waste and air emissions from MMCF production. The draft guidelines make a strong reference to the best practices outlined in the Changing Markets Foundation's *Roadmap*, with a view to pushing ZDHC members to perform in line with the most ambitious and comprehensive standard to address pollution in viscose fibre production.

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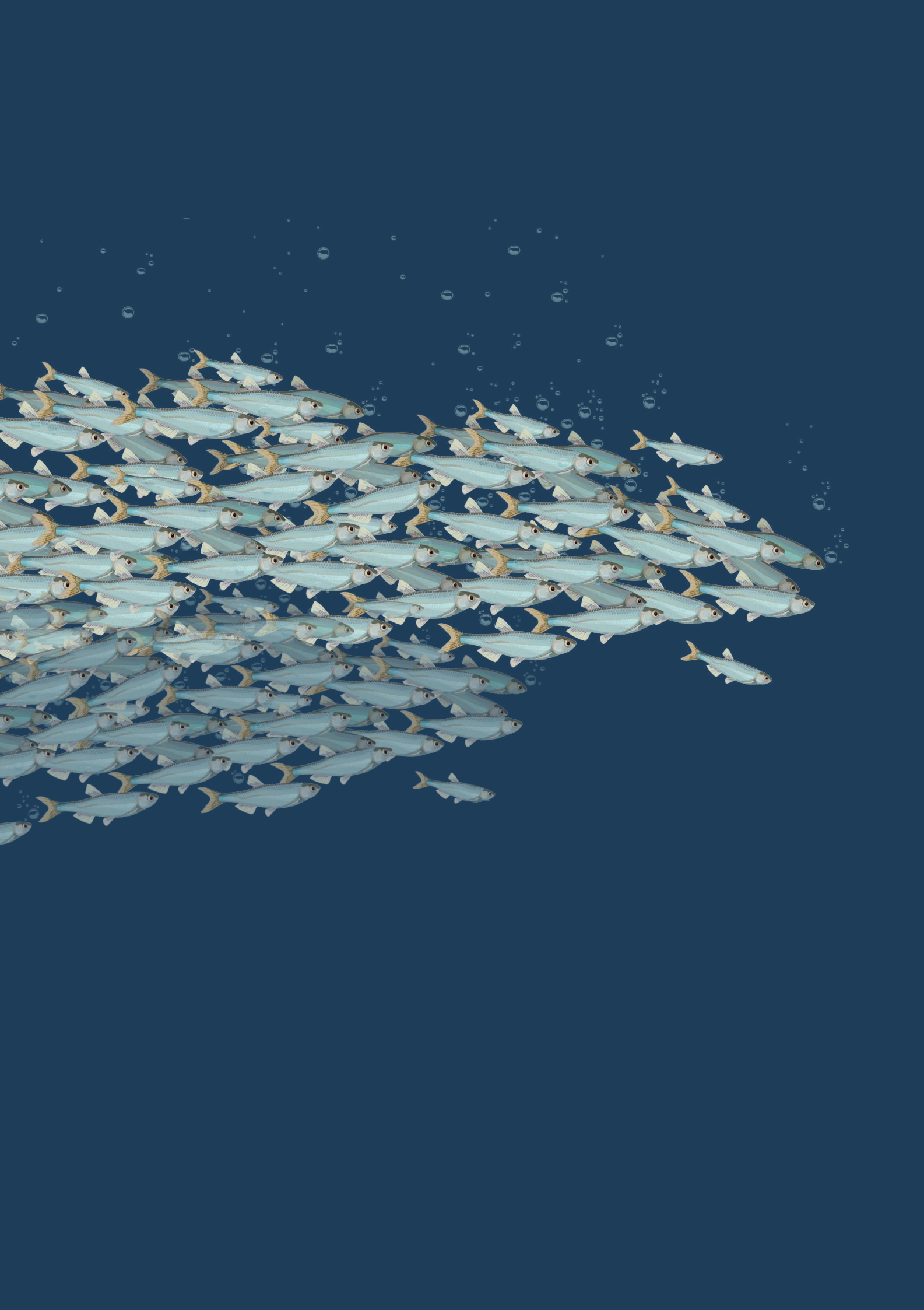
“People expect brands to take responsibility for what happens in their supply chains, both in terms of their workers and the environment,”

URSKA TRUNK, A CAMPAIGN ADVISER FOR THE CHANGING MARKETS FOUNDATION, SAID IN A STATEMENT.

‘All the indications are consumer mindsets are changing: they want more accountability and more information and they are increasingly putting their money where their mouth is.’”







#### CHAPTER 04

## Fishing the Feed

### The problem

2019 saw the launch of our Fishing the Feed campaign to expose the environmental and social impacts of using wild-caught fish to feed farmed fish. Every year, around 20% of the world's total catch of wild fish (e.g. sardines, anchovy) is processed into fishmeal and fish oil (FMFO) or directly used as feed - and the majority of this goes into feeding farmed fish.

FMFO is produced in several locations around the world, mainly in the Global South. In recent years, FMFO factories have mushroomed along the coastline of several West African countries, including Senegal, Mauritania and The Gambia - some of the poorest nations on Earth. The species targeted for FMFO production - oily, highly nutritious fish, such as sardines and mackerel - are a key source of protein and income for vulnerable communities throughout Africa and Asia, and also play a crucial role in marine food webs.





In the context of booming global demand for farmed fish and seafood, our campaign highlights the need for companies throughout the aquaculture supply chain - including major feed producers and supermarket chains - to take action to phase out the use of wild-caught fish for fish farming to prevent the destruction of our precious and finite marine ecosystems.

Our work in 2019

In April, we published *Until the Seas Run Dry: How industrial aquaculture is plundering the oceans*, along with Compassion in World Farming. The report exposed the environmental and social impacts of the use of wild-caught fish to feed farmed fish, based on a comprehensive review of the latest scientific research on the impacts of reduction fisheries on marine ecosystems, an examination of the ‘geographies of destruction’ in which FMFO production take place, and a brief analysis of some of the major corporate players behind the expansion of the aquafeed industry into a multi-billion-euro business.

The report was covered by media outlets across Europe, and shared thousands of times on social media. We were later invited to present our findings to the European Commission’s Aquaculture Advisory Council.

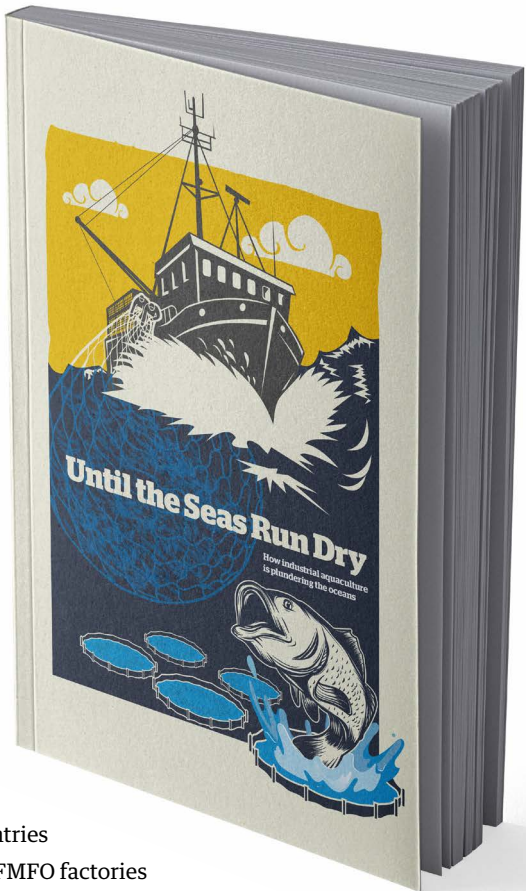
We subsequently investigated three global FMFO hubs - The Gambia, India and Vietnam - and found widespread evidence of unsustainable fishing to supply feed ingredients for the global market, including top UK and European retailers. In The Gambia, fish processed into FMFO at just one plant accounted for approximately 40% of the country’s total reported catches in 2016, revealing the massive scale of the industry. In Vietnam and India, we found that target fish stocks had collapsed - partly as a result of overfishing for FMFO production - and fishermen were in despair about the future.

As well as being an ecological disaster, the situation we witnessed in all three countries had all the makings of a food-security catastrophe; fish catches were dwindling and FMFO factories were pricing local communities out of the market. For example, despite The Gambia possessing some of the world’s richest fishing grounds, fluctuating populations of the bonga fish (also known as shad) often used to produce FMFO had driven prices up by 50% - an increase keenly felt in the local fish markets our investigation team visited.

We published our research in October in the form of our *Fishing for catastrophe* report, the first to comprehensively map global FMFO supply chains. Our findings were picked up by media outlets around the world, including the BBC World Service, the UK’s *Independent*, Norway’s *Dagbladet*, Spain’s *El País* and Radio France Internationale. In Scotland, which has one of the world’s largest salmon-farming industries, our report made the front page of *The Herald*.

Alongside the report, we launched our *Fishing the Feed* microsite with our coalition partners: UK-based campaign group, Feedback; global animal-welfare charity, Compassion in World Farming; Spain’s porCausa Foundation; and Norway’s largest environmental organisation, *Framtiden i våre hender* (Future in our Hands). The platform uses an engaging animated narrative to tell the story of how the global aquaculture industry, through production of FMFO, is precipitating the collapse of fish stocks and compromising food security.

Read *Until the Seas Run Dry* full report here



Shocking images from our investigations in Vietnam, The Gambia and India

Outcomes and impact

In August, UK retailer Tesco announced it was updating its own-brand farmed-salmon standards with targets to reduce the amount of wild-caught fish fed to the salmon it sources.

In October - days after the launch of our *Fishing for catastrophe* report - India’s Marine Products Export Development Authority announced a moratorium on the registration of new FMFO factories, with effect from January 2020.



The Herald



Public-facing performance in Broadway market

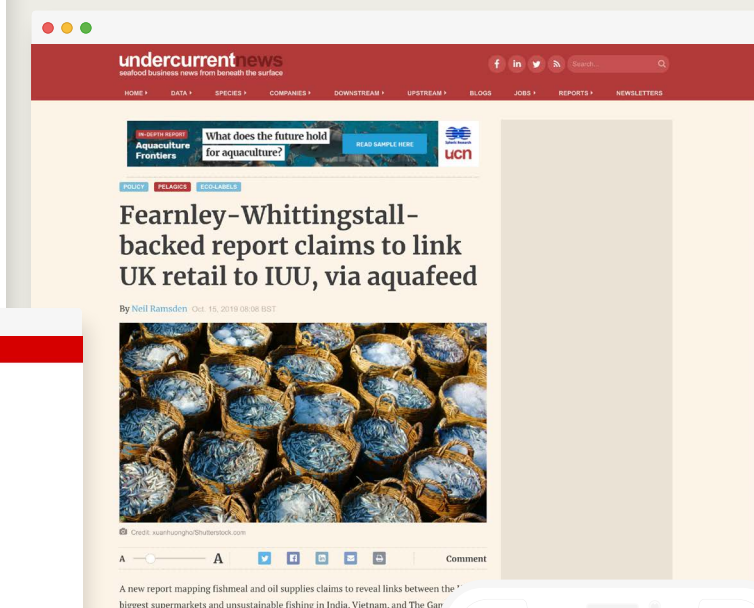
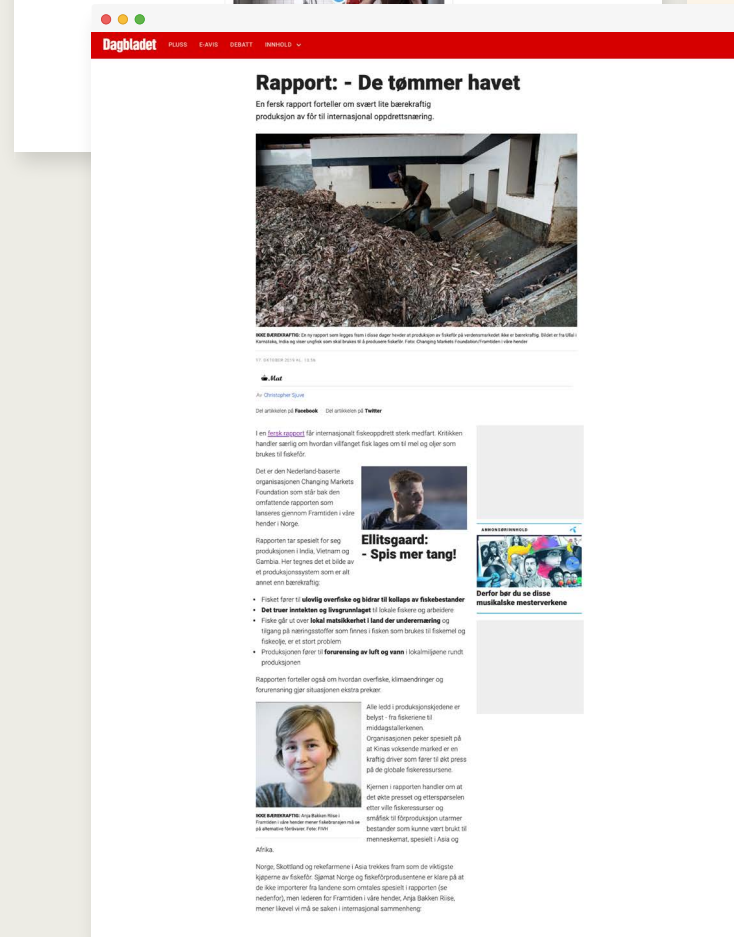
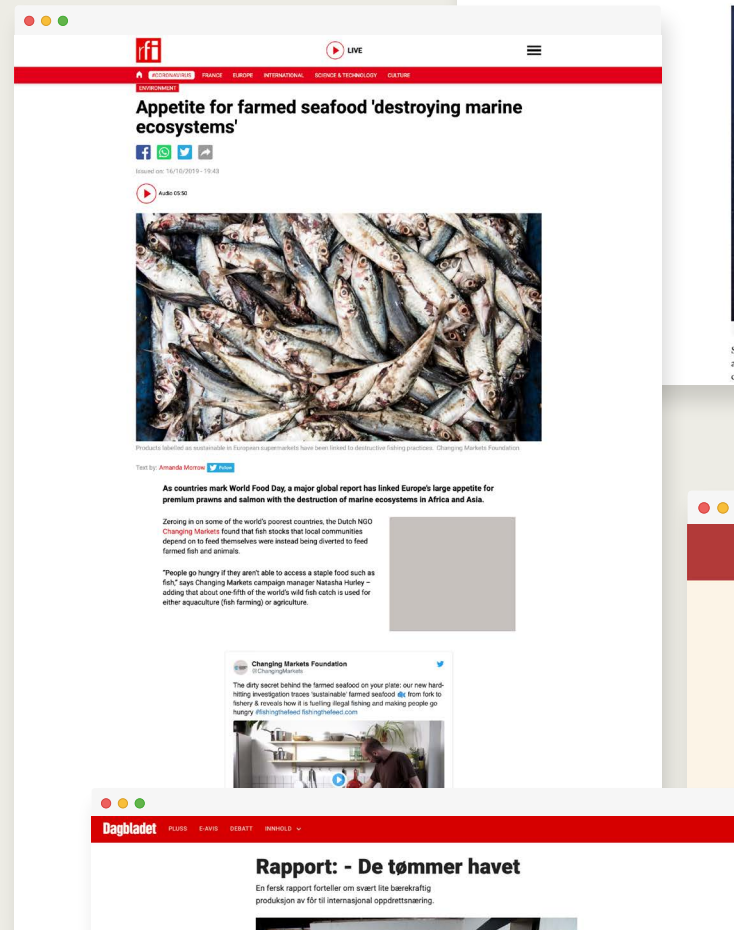
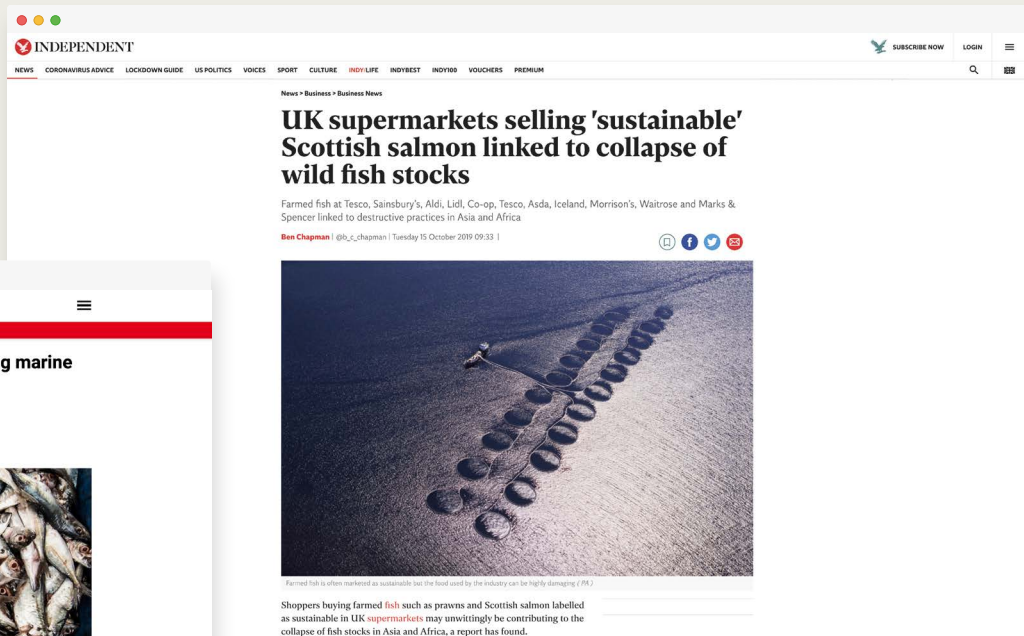




Read Independent full article here

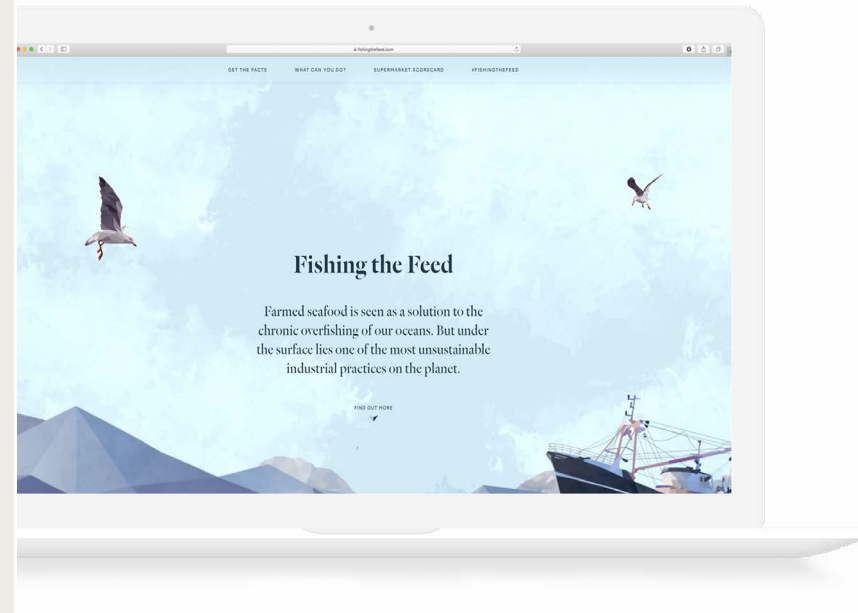
Read Rfi full article here

Read the Dagbladet full article here



Read Undercurrent full article here

Read El Pais full article here



At the same time, Norway-based Skretting - one of the world's largest aquafeed producers - announced the allocation of \$2 million to enable the development of alternative aquaculture feed ingredients in 2020, acknowledged the fundamental need to overcome the reliance on formulating feeds from finite marine ingredients, and welcoming the exposure of "potentially unsustainable practices" in its supply chain.

Our work will continue into 2020 to ensure aquafeed companies and retailers act on our findings and take meaningful measures to eradicate the use of wild-caught fish from their supply chains.

FEED  
BACK

RETHINK  
FISH

COMPASSION  
in world farming  
civf.org

Framtiden i  
våre hender

porCausa  
investigación, periodismo y migraciones

“

"NATASHA HURLEY FROM CHANGING MARKETS, SAID:

'Shoppers across the UK are totally unaware that the seafood they are buying has a dark secret. The boom in aquaculture, to match the global demand for premium seafood products such as salmon, is fuelling illegal and unsustainable fishing practices which are stripping the oceans bare.'

- The Independent

"The report has been backed by a familiar face to the UK seafood industry; television chef Hugh Fearnley-Whittingstall. 'I saw for myself while making my Fish Fight programs that fishmeal for the aquaculture industry - producing UK supermarket favorites like prawns and salmon - is being sourced in a way that is devastating to the marine environment, and to the wild fish stocks that make up much of the feed,' he said.

'It's increasingly clear that even products certified as sustainably produced are based on aquaculture that is sourcing fishmeal in deeply irresponsible ways. The bottom line is that we need to stop taking wild fish out of the ocean to feed farmed fish, before it's too late.'

- Undercurrent News

The INDEPENDENT



## CHAPTER 05

## Food Fortification

**The problem**

In 2019, the international organisation Food and Agricultural Organisation reported that one in five deaths globally are associated with poor diets, meaning our diets are now deadlier than diseases like malaria, tuberculosis and measles.<sup>5</sup> Poor-quality diets are not only linked to the rise in obesity but also contribute to micronutrient deficiencies – a lack of vitamins and minerals essential for good health. Globally, more than 2 billion people suffer from deficiencies of micronutrients such as iron, iodine, folic acid and vitamin A, causing serious health and economic impacts.

In Mexico, many adults and teenagers do not get enough iron, zinc, calcium or magnesium in their diet. A shocking nine out of

5 Global Plan on Agriculture and Food Systems for Nutrition. (2018) *Preventing nutrient loss and waste across the food system: Policy actions for high-quality diets*.  
**[ONLINE]** Policy Brief No.12, November. Available at: <http://glopan.org/sites/default/files/Downloads/GlopanFoodLossWastePolicyBrief.pdf>.



ten women are not getting enough iron.<sup>6</sup> One in four children suffer from anaemia, and at least half of these cases are attributable to iron deficiency. Anaemia has consequences for all stages of life. In children, it can cause delayed physical and mental growth. For adults, it can cause depression, fatigue, loss of productivity and disability.<sup>7</sup> It also doubles the chance of death for pregnant women.<sup>8</sup>



6 Rivera, J.A., Pedraza, L.S., Aburto, T.C., Batis, C., Sanchez-Pimienta, T.G., Gonzalez de Cosio, T., Lopez-Olmedo, N. and Pedroza-Tobias, A. (2016) Overview of the dietary intakes of the Mexican population: Results from the National Health and Nutrition Survey 2012. *The Journal of Nutrition*, 146(9): 1851-1855.  
[ONLINE] Available at: <https://www.ncbi.nlm.nih.gov/pubmed/27511939>.

7 Ramírez, P.M. (2018) Ensanut 2018: El Panorama de la Salud y Nutrición en México. *Conacyt Agencia Informativa*, 26 November  
[ONLINE]. Available at: <http://conacytprensa.mx/index.php/ciencia/salud/24904-ensanut-2018-salud-nutricion-mexico>.

8 Daru, J., Fernández- Félix, B.M., Vogel, J., Oladapo, O.T., Morisaki, N., Tunçalp, Ö., Torloni, M.R., Mittal, S., Jayaratne, K., Lumbiganon, P., Togoobaatar, G., Thangaratnam, S. and Khan, K.S. (2018) Risk of maternal mortality in women with severe

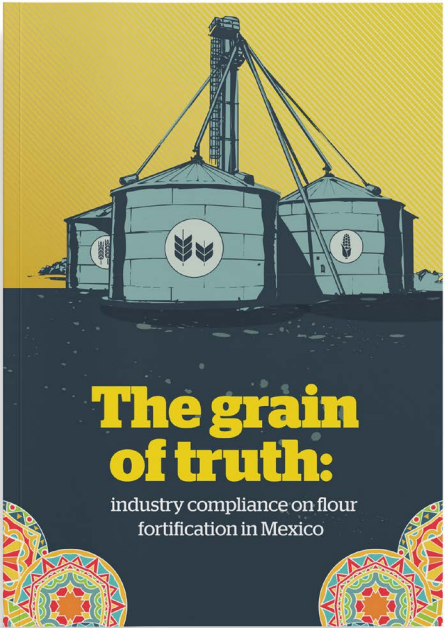
The best long-term solution is to ensure all people have access to a diverse range of healthy, natural and nutritious food. At the same time, food fortification - the addition of micronutrients to foods to correct or prevent deficiencies - is a complementary and effective tool, when implemented properly. For this reason, the law in Mexico mandates flour companies to fortify wheat and maize flours with iron, zinc, folic acid and other B vitamins.

Our previous investigations with our Mexican partner, Proyecto Alimento, highlighted significant gaps in the monitoring and enforcement of the mandatory flour-fortification legislation in Mexico, and raised questions about how the law is being implemented.<sup>9</sup> Our analysis of the labels of popular brands of flour in Mexico revealed two-thirds of maize flour companies are using a less bioavailable type of iron to fortify their products, which jeopardises the effectiveness of the fortification programme.<sup>10</sup>

Our work in 2019

In 2019, our campaign continued to focus on exposing the lack of industry compliance with Mexican legislation, but it also looked at voluntary fortification by big multinational companies: Kellogg's and Unilever.

In February, we launched a third report, *The grain of truth* - the first independent testing of the fortification of wheat and maize flour products sold in Mexico. We tested a total of 343 samples from 61 wheat and maize flour products for levels of iron and zinc. Our findings revealed that only 7% of packaged maize and wheat flours are fortified according to the law (4 out of 61 products). This is a huge failure on the part of the majority of companies to fortify correctly. Despite maize representing three-quarters of the grain market in Mexico, none of the maize flour companies seem to be fortifying adequately; they either use the wrong type of iron or are not doing enough to ensure the correct levels of iron and zinc are being added to their products.



Our fourth report, *Daily bread*, launched in May 2019, uncovered the results of independent testing of over 500 samples from 43 different bread products and 69 different tortilla products sold by market-leading companies in Mexico, including Bimbo, Gruma and Walmart. We found only 14% of breads (6 out of 43 products) and just over 1% of tortillas (1 out of 69 products) clearly met the levels of iron and zinc mandated in the flour-fortification regulation, indicating that food processors are not using adequately fortified flour to make their products.

The campaign called on the flour industry to follow the law, and on the food-processing industry to ensure the flour they buy to make their products is adequately fortified. Furthermore, the campaign asked the new government to take a fresh look at the behaviour of the food industry, and to take corrective action to guarantee that people in Mexico get essential nutrients and vitamins through their staple foods.

anaemia during pregnancy and post-partum: A multilevel analysis. *The Lancet Global Health*, 6(5): 548-554  
[ONLINE]. Available at: [https://doi.org/10.1016/S2214-109X\(18\)30078-0](https://doi.org/10.1016/S2214-109X(18)30078-0).

9 Changing Markets (2018) *Sorting the wheat from the chaff: Food fortification in Mexico*.  
[ONLINE] Available at: <http://changingmarkets.org/wp-content/uploads/2018/09/FOOD-FORTIFICATION-IN-MEXICO-SP.pdf>.

10 Changing Markets (2018) *Micronutrient deficiencies in Mexico: Ironing out the kinks*.  
[ONLINE]. Available at: <http://changingmarkets.org/wp-content/uploads/2018/11/Ironing-out-the-kinks-WEB-FINAL.pdf>.





Campaign video showing Kellogg's removal of micronutrients from its cereals in Mexico.



trients to its plain cornflour in Mexico (Maizena Natural), and testing revealed Unilever's flavoured cornflours sold in Mexico (Maizena Sabores) contain neither all the micronutrients stated on the label nor the right quantities.

### Outcomes and impact

The findings continued to receive widespread attention from prominent journalists throughout Mexico, including coverage in major news outlets - such as the biggest print outlets, *Reforma* and *Zócalo*. The February and May report launches combined generated almost 90 media pieces across print, radio and online outlets.

We also took a deep dive into two multinational food companies and their voluntary commitments to improve global nutrition via fortification of their products. In February 2019, we launched the report *Cereal offender: is Kellogg's breaking its breakfast promises?* alongside partners Proyecto Alimento and SumOfUs. Kellogg's is the market leader in Mexico for breakfast cereals and claims to fortify its products in line with population needs. However, our investigation of labels from breakfast cereals sold in Mexico in 2013 and

2018 revealed Kellogg's has removed two-thirds of micronutrients from their most popular cereals over the past five years, despite deficiencies of these nutrients remaining high in the Mexican population.

In November we launched a follow-up report, *Corn fakes*, with partners Just Economics, Proyecto Alimento, SumOfUs and the ContraPeso Coalition. This went even further to show that, for every dollar that Kellogg's saves by de-fortifying cereals, it destroys at least three dollars in value to Mexican society.

In September, in partnership with Proyecto Alimento and Contra Peso Coalition, we revealed results of our testing of 84 samples of Unilever's Maizena cornflour products sold in Mexico. The report, *Maizena's missing micronutrients*, highlights a glaring lack of consistency between Unilever's global commitments on fortification and its business practice. Although the company claims to fortify its cornflour products in Latin America, Unilever is not adding any micronu-



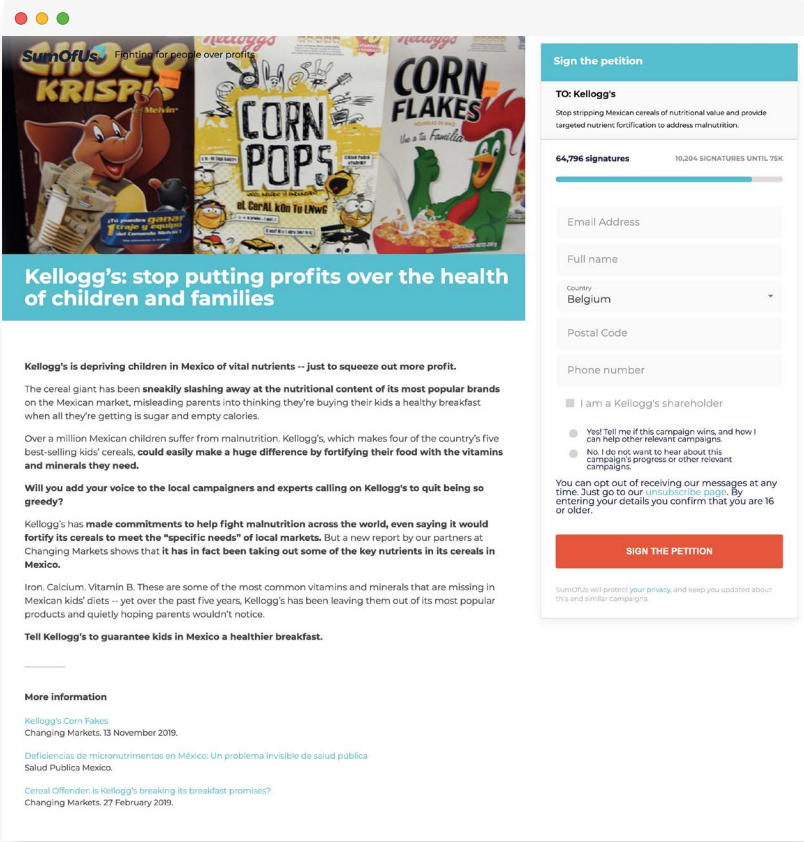
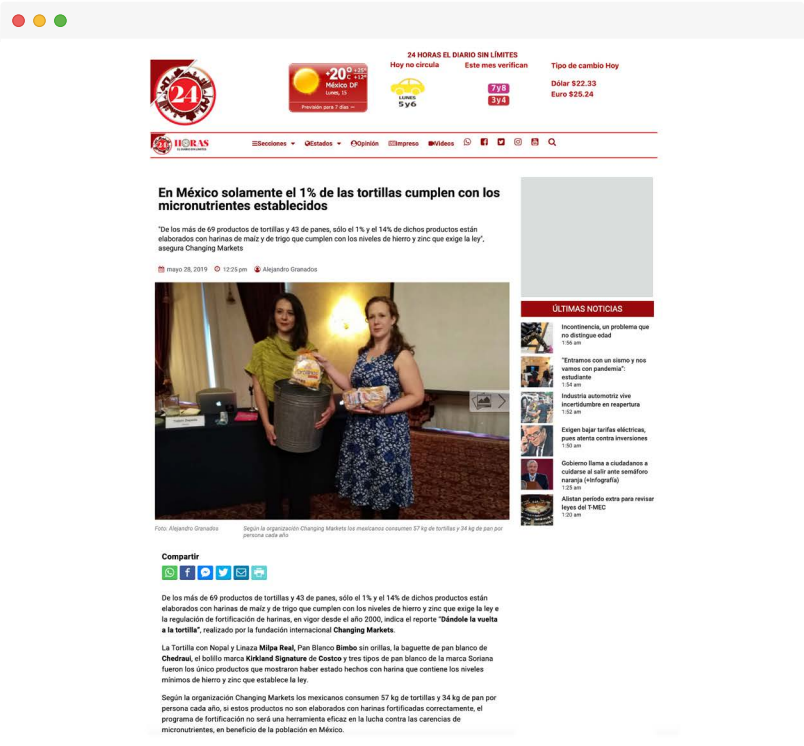


Read 24 Horas full article here

The campaign was widely talked about on social media. It received a positive reception from many organisations working in Mexico and globally in the area of nutrition and fortification; for example, El Poder del Consumidor, Alianza por la Salud, ContraPeso Coalition, Mexican National Institute for Public Health, Pan-American Health Organisation, Food Fortification Initiative and the Global Alliance for Improved Nutrition. Our partner organisation, Proyecto Alimento, also ran a successful digital campaign reaching out to their followers on Facebook and Twitter.

Letters were sent to relevant ministers within the new government, and test results were sent to the maize and wheat industry associations and the retailer's association. A number of government officials attended our press conferences, including representatives from the Ministry of Health and the Federal Commission for the Protection against Sanitary Risk. As a result of our engagement with the new government, we met with Dr Hugo López-Gatell Ramírez (Undersecretary of Health Prevention and Promotion) and Dr Ruy Ridaura (Director of the Centre for Prevention and Disease Control) to discuss our test results and recommendations.

As a consequence, fortification was added as a priority issue within the *Grupo Intersectorial de Salud, Bienestar y Sistema Agroalimentario (GISA)* - a



cross-government group set up by the Ministry of Health to look at priorities for health, food, agriculture and welfare in Mexico. Our research was raised in a speech in Mexico's parliament by the Undersecretary, who also highlighted the opportunity for the new government to ensure proper fortification. The call to strengthen the regulation and the monitoring of flour fortification

in Mexico received further support from parliamentarian Carmen Medel and the Parliamentary Front Against Hunger.

Our reports on Kellogg's circulated on the press wires in the US, and generated considerable media interest in Mexico, which prompted a response from the company. While Kellogg's responded, their statement was insubstantial and failed to address crucial points. There has been strong support from the general public on this issue; a petition launched by SumOfUs, calling for Kellogg's to stop putting profits over the health of children and families, reached 64,000 signatures. Together with partner organisations, we asked eight of Kellogg's most responsible investors to reconsider their investments in the cereal giant, because its short-sighted business model puts profits before the wellbeing of Mexican people.



“

EL DEMÓCRATA

“Queda claro que no podemos confiar en que las grandes compañías de alimentos usen harinas fortificadas de forma adecuada para sus productos de tortilla y pan.”

— Yatziri Zepeda, Proyecto Alimento, quoted in El Demócrata

“Nuestra investigación revela que cuando se trata de micronutrientes esenciales, compañías como Bimbo, Gruma y Walmart, están ofreciendo migajas.”

— Alice Delemare Tangpuori, Changing Markets Foundation, quoted in La Prensa

La Prensa

ANNUAL ACCOUNT

INCOME € 1,799,498

THESE FINANCIAL ACCOUNTS COVER THE PERIOD JANUARY 2019 TO DECEMBER 2019

INCOME



THE INCOME RECEIVED BY THE FOUNDATION IS FROM THE FOUNDERS. THEY GENERATE THEIR FUNDS FROM VARIOUS BUSINESS ACTIVITIES INCLUDING INVESTMENTS, BOOK ROYALTIES, SPEAKING FEES AND CONSULTING TO COMPANIES THAT HAVE LEADING SUSTAINABILITY PERFORMANCE. 15% OF THE INCOME RECORDED IN 2019 RELATES TO MONIES RECEIVED IN PREVIOUS YEARS WHICH WAS SUBSEQUENTLY REALISED AND SPENT IN 2019.

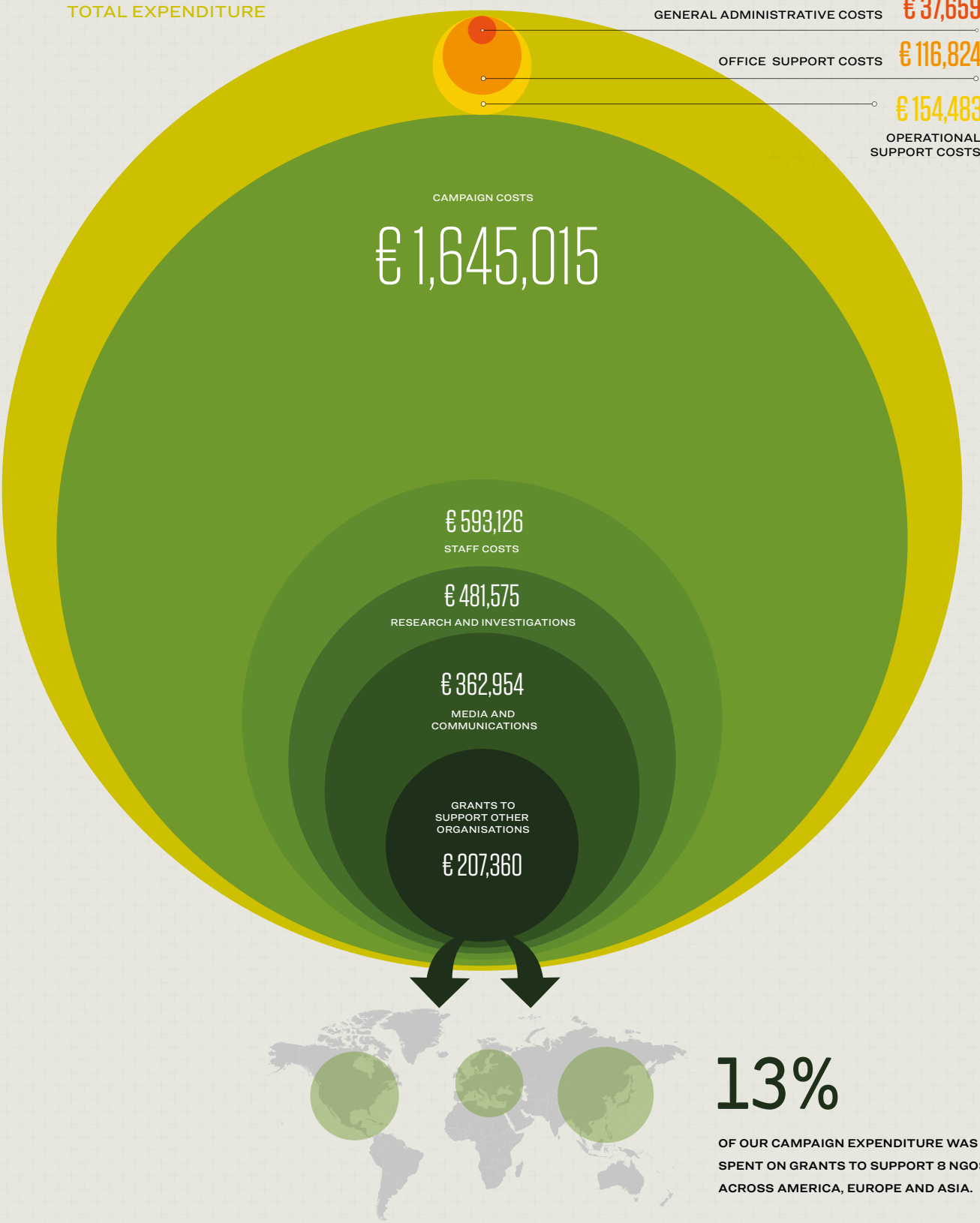
85% INCOME RECEIVED IN YEAR

UNSPENT MONIES PREVIOUSLY RECEIVED 15%

INCOME

TOTAL EXPENDITURE € 1,799,498

TOTAL EXPENDITURE



13%

OF OUR CAMPAIGN EXPENDITURE WAS SPENT ON GRANTS TO SUPPORT 8 NGOS ACROSS AMERICA, EUROPE AND ASIA.







**NATASHA HURLEY**  
CAMPAIGN MANAGER

Since joining the Changing Markets Foundation in 2015, Natasha has played a pivotal role in running our pharmaceutical, fashion and fisheries campaigns. Prior to working at Changing Markets she spent four years at the Environmental Investigation Agency in London, where she was a campaigner on climate change. As EU Policy Advisor at Carbon Market Watch, she played an instrumental role in the campaign to ban environmentally unsound carbon offsets from the EU Emissions Trading System. Her previous roles included three years at a leading public affairs consultancy and a spell with the EC in Brussels.



**RACHEL MULRENAN**  
CAMPAIGNS ADVISER

Rachel joined the Changing Markets team in February 2017. Prior to this, she worked in the Public Relations and Advocacy Team at Girlguiding (a UK-based youth charity) and for The Week magazine (a current affairs weekly digest). She holds a first-class degree in History from the University of Manchester and a postgraduate qualification in Journalism from the National Council for the Training of Journalists. In 2019, Rachel worked on the nutrition, fortification, carpets and fisheries campaigns.



**ALICE DELEMARE TANGPUORI**  
CAMPAIGN MANAGER

Alice joined Changing Markets in April 2017 from Bond, the network for international development organisations, where she led a programme of work to build public support for tackling global poverty. An expert in campaigning and coalition-building, she has convened UK-wide coalitions on issues ranging from the sustainable development goals and the effectiveness of aid, to gender equality and electoral reform. At Changing Markets, Alice has worked on our nutrition, fortification and plastics campaigns.



**ELAINE GIRVAN**  
FINANCE AND ADMIN DIRECTOR

Elaine looks after the financial and administration aspects of Changing Markets. She joined Changing Markets in July 2017, having previously worked as a systems accountant in a number of not-for-profit organisations, including the National Theatre and the Alzheimer's Society. As a trained accountant, she has spent much of her career helping and advising organisations on ways to improve their business and financial operations, as well as providing support as they carry out their day-to-day financial activities. After relocating to the Netherlands in 2014 Elaine took the opportunity to return to study; in February 2017 she completed an MSc in Sustainable Development, with a focus on Environmental Governance, at Utrecht University.



**NUŠA URBANČIČ**  
CAMPAIGNS DIRECTOR

Nuša oversees strategy and implementation for all Changing Markets campaigns, investigations and media work. She joined Changing Markets in April 2015 from Brussels-based NGO Transport & Environment, where she worked as the Programme Manager of the Energy and Fuels programmes for over six years, advocating for more climate-friendly European policy and leading the fuels team. Born and raised in Slovenia, Nuša started her Brussels experience in Greenpeace's Renewable Energy team. Nuša has an MA in International Relations from the University of Ljubljana and an LLM in Human Rights from London University, which she completed part-time alongside working at Changing Markets.



**JOAKIM BERGMAN**  
FOUNDER & CEO

Joakim studied law but soon after landed at Greenpeace, where he discovered his passion for campaigns. As Campaign Director of Greenpeace Sweden in the early 1990s, he was involved in some of the organisation's earliest innovations in market campaigns, including on its PVC campaign and its campaign against chlorine bleaching in the pulp and paper industry. He went on to various roles in Greenpeace, including CEO of Greenpeace Sweden, Deputy CEO of Greenpeace International and Board Member of Greenpeace USA and Central and Eastern Europe. In 1996, Joakim established and ran a solutions-focused market campaigning business in Sweden, advising NGOs and progressive companies.



**GEORGE HARDING-ROLLS**  
CAMPAIGNS ADVISER

George joined Changing Markets in June 2019 after nearly four years working at international sustainability non-profit, Forum for the Future, as a Senior Strategist, where he worked on strategic communications and headed up their digital team. He has also held roles at Charitarian, a Beijing-based philanthropy network, and Jellyfish, a leading digital marketing agency. An expert in digital campaigning, George holds a first-class degree in Chinese and French from the University of Edinburgh. In 2019, George worked on the fortification, fashion, fisheries and plastics campaigns.



**URŠKA TRUNK**  
CAMPAIGN MANAGER

Urška joined the Changing Markets team in January 2017 from the Brussels-based NGO Carbon Market Watch, where she worked as the Climate Finance Policy Officer advocating for more effective and accountable use of climate finance. Her background is in European policy and she holds a master's degree in European Politics and Policies from Katholieke Universiteit Leuven. At Changing Markets, Urška has worked on our fashion and fisheries campaigns.



**ELAINE GIRVAN**  
NORTHERN IRELAND



**JOAKIM BERGMAN**  
SWEDEN



**URŠKA TRUNK**  
SLOVENIA



**NUŠA URBANČIČ**  
SLOVENIA



**XIMENA BANEGAS**  
BOLIVIA



**PAUL GLIDING**  
AUSTRALIA

## OUR PEOPLE

~200 YEARS

COLLECTIVE CAMPAIGNING EXPERIENCE

6 DIFFERENT LANGUAGES SPOKEN



**XIMENA BANEGAS**  
CAMPAIGNS ADVISER

Ximena joined Changing Markets in November 2019 to work on our plastics campaign, having previously worked on campaigns on climate change and recycling in Bolivia, banning shark fin soup in China, anti-trafficking in South East Asia and the latest against deforestation for the agro-cattle industry in the Amazon Rainforest and Chiquitano dry forest. She has worked previously at Amigos Richmond Latino Center, where she fundraised and managed educational, health and outreach programs for Latino youth in the United States. Born and raised in Bolivia, Ximena holds a liberal arts degree in International Relations and Business & Non-profit Management from Earlham College.



**PAUL GILDING**  
FOUNDER

Paul is an independent author, strategy advisor and entrepreneur for a sustainable economy. He has worked with the boards and executives of many leading global companies, including Unilever, BHP Billiton, DSM, Ford and DuPont, and is a widely recognised global authority on the economic and business implications of sustainability and climate change. He is a Fellow at the University of Cambridge's Institute for Sustainability Leadership, where he researches and teaches on the inevitable global economic transformation around sustainability.



LANGUAGES



**NATASHA HURLEY**  
UNITED KINGDOM



**GEORGE HARDING-ROLLS**  
UNITED KINGDOM



**RACHEL MULRENAN**  
UNITED KINGDOM



**ALICE DELEMARE TANGPUORI**  
UNITED KINGDOM



REYKJAVIK  
ICELAND

