

10 March 2023

Submission

Subject: Industry Comments on the Food Standards Australia and New Zealand P1059 Proposal

The World Spirits Alliance represents the views and interests of the spirits sector at the global level. Our members include 15 associations of spirits producers and 11 international companies from all regions of the world, including Spirits & Cocktails Australia and Spirits New Zealand.

We welcome the opportunity to comment on the P1059 proposal on energy labelling on alcoholic beverages from the Food Standards Australia and New Zealand (FSANZ), which was released on 16 January 2023. Australia and New Zealand combined, represent important markets for the global spirits industry. In 2021, the region of Australasia generated 5.4€ billion in sales of spirits products, most of which related to the markets in Australia and New Zealand.

We are concerned by some of the provisions contained in the P1059 proposal on energy labelling of alcoholic beverages, which would likely generate additional administrative burden for both importers and producers and could lead to consumers' confusion. We would therefore recommend that FSANZ should:

- Focus on measuring units that would better take into account likely consumption patterns and allow for more meaningful comparison between alcoholic beverages. Using 100 mL as a compulsory reference risk creating confusion amongst consumers.
- Consider making more use of the benefits that e-labelling could provide for consumers and refrain from introducing overly prescriptive formats for the provision of energy information to consumers.
- Reconsider the requirement to place a full NIP on the back of the pack when showing front of pack calorie claims.

Given the fact that labelling changes are always time-consuming, we consider the commitment from FSANZ for a three-year transition period for the introduction of new labelling requirements, with provisions for stock exhaustion for products already on the market, as the minimum required. We would be very grateful if FSANZ could extend this transition phase.

You will find below more detailed comments and recommendations on the proposal.

1) Comments on the new information requirements for consumers

Measuring units should allow for more meaningful comparison and better take into account likely consumption patterns

The P1059 proposal makes the case for expressing the energy content in quantity per 100 mL and per serving, along with number of servings per package. The reason behind this decision is that, allegedly, 100mL allows an easy comparison of energy content between different products and helps to understand the nutritional implications of the consumption of such product.

It is inappropriate to require this information be provided in terms of a 100ml measurement as this is not a standard serving size for spirits and potentially a serving size that exceeds Australian drinking guidelines for single occasion risk in respect of high ABV spirits. Requiring calorie information to be provided in terms of a 100ml measurement is therefore at best unclear and confusing for the consumer, and at worst could be interpreted as suggesting this is an appropriate measure for that spirit, thereby inadvertently promoting harmful consumption. While we recognise that the 100ml measure is standard for other, non-alcoholic beverages when displaying calorie information, for the alcohol sector this remains an inappropriate measure given the potential risks to consumers from overconsumption. Indeed, in some instances, 100mL could account for more than four standard drinks of certain high ABV spirits. We therefore believe that energy information should only be provided in terms of a single standard serve.

We are also concerned that applying the threshold of 100 mL to all spirits will not reflect the diversity of categories and characteristics that customers can find among our products. Each alcoholic beverage has its own container size and alcohol percentage and will be consumed differently. In this regard, it is unjust, for instance, that both beer and spirits express their energy content by 100mL when, in the majority of occasions, a customer is very likely to drink considerably more than 100mL of beer and equally likely to consume considerably less than 100mL of spirits. Expressing energy in quantity per 100mL standard will very likely mislead customers as to the real nutritional impact of different alcoholic beverages.

In Australia and New Zealand, it is a requirement to label the number of standard drinks in a container, with a single drink containing 10g of ethanol, while a single serve is based on the volume of spirit served, as outlined above. The number of standard drinks in a container may therefore differ from the number of standard serves in the container, depending on the strength of the product. An additional request to express number of servings per container will increase the likelihood of confusion among customers, with a considerable share of costumers unable to fully understand the differences between figures. Moreover, figures will have to vary according to the type of bottle and the type of spirit, adding more logistical and economic costs for operators. We therefore believe the requirement to also label the total number of standard serves in a bottle should be removed to avoid such confusion.

Need to avoid excess or repetition of data on the label

Currently in Australia alcoholic beverages are not required to be labelled with energy content information in a nutrition information panel (NIP) unless a nutrition content or health claim is made. With proposal P1059, FSANZ is proposing to provide mandatory energy content information on beverages containing alcohol through a truncated NIP on the back label.

However, the current requirement to label beverages containing alcohol with a full NIP if a nutrition content claim is made would remain in place. We disagree with this obligation, and we request that when an energy content claim is made for instance on the front label, this should be reflected in a truncated NIP in the back label (as proposed by P1059) and not in a full NIP.

2) Comments on the proposed labelling format

While we share the desire to provide customers with accurate and reliable information regarding the product they are consuming, we firmly believe that there are more engaging formats that could be used to meet this objective.

Merits of digital information tools

We note that the size and format of the proposed label is the largest of the five options previously proposed, and are concerned about the demand this would have on labelling space on the back label of the bottle, where space is already limited. While on-label nutritional information is by definition limited by the size of the container itself, leaving customers with isolated and out-of-context nutritional data, digital tools would allow for better comparison & more thorough information provision. Through a QR Code, accessible by any person with a smartphone, there are no limits on the information that can be provided to customers. Moreover, customers can compare that nutritional data with similar products, international references on nutrition and the national health guidelines from their country. Customers can also obtain the necessary background and information on the measuring principles for the product at hand, in this case spirits, and the reasons behind their adequacy.

Need to avoid imposing an overly-prescriptive format

Our members are also concerned by the prescriptive nature of the format chosen for provision of on-label information, which is overly prescriptive in light of the intended objective. Should the provision of nutritional information be mandated, operators should have flexibility as to how to display such information.

