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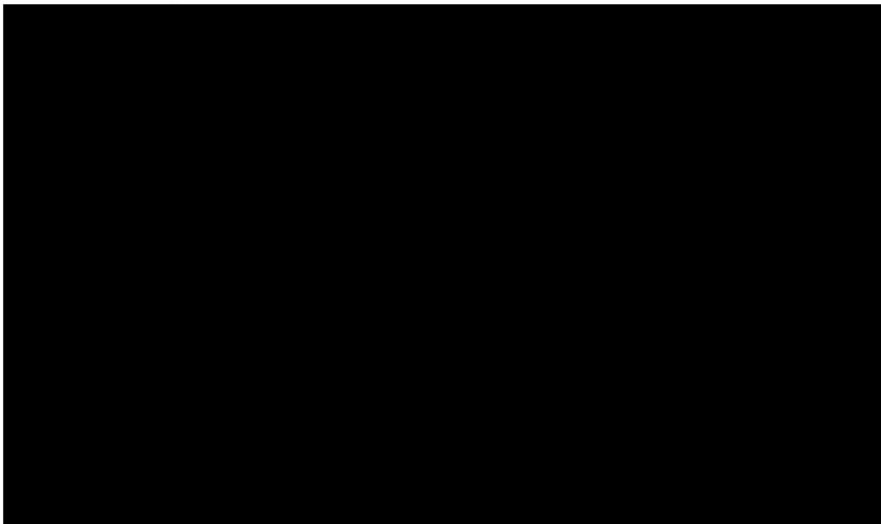
Tēnā koe

Proposal P1049 – Carbohydrate and sugar claims on alcoholic beverages

The Public Health Agency welcomes the opportunity to comment on FSANZ's proposal P1049 – Carbohydrate and sugar claims on alcoholic beverages - and acknowledges the comprehensive analysis and engagement FSANZ has undertaken to inform this proposal.

Please find enclosed the Public Health Agency's submission on proposal P1049. If you would like to discuss this submission please contact 






Public Health Agency submission on Proposal P1049 - Carbohydrate and sugar claims on alcoholic beverages

The Public Health Agency

The Public Health Agency (PHA) was established on 1 July 2022 as a business unit within Manatū Hauora (the Ministry of Health). The PHA provides public health leadership across the health and disability sector and beyond and influences the wider determinants of population health to enable people, their whānau and environments to be healthy and improve their wellbeing. We welcome the opportunity to support and shape FSANZ's proposal 1049 – Carbohydrate and sugar claims on alcoholic beverages - from a public health and equity perspective.

Summary of submission

- The PHA supports clarifying requirements in the Australia New Zealand Food Standards Code in relation to nutrition content claims about components of carbohydrates, such as sugar, as this will help reduce confusion for food enforcement agencies and industry.
- The PHA does not support FSANZ's proposal to amend the Code to explicitly permit voluntary nutritional content claims about sugar in alcoholic beverages. We are concerned that sugar and carbohydrate claims may detract from other more important pieces of labelling, such as pregnancy warnings or energy labels. We note the available evidence suggests such labelling misleads consumers into believing that low sugar alcoholic beverages are generally 'healthy' and are a healthier alternative than low-energy and low-alcohol beverages. Given this, the PHA prefers Option 3 (*remove the permission to make content claims about carbohydrates*).
- The PHA supports the proposal to explicitly prohibit claims about specific types of sugar, such as fructose, and to prohibit claims about other carbohydrates, for example fibre. However, we consider it more logical to explicitly prohibit *both* claims about sugar in general and specific types of sugars and other components of carbohydrates.
- The PHA has concerns with FSANZ's cost-benefit analysis. Namely, we believe the public health risks have not been thoroughly identified and the benefit of informed choice for consumers and costs to industry to alter labels is over-stated.
- We strongly recommend FSANZ considers consumer testing and other measures to reduce the potential risk of harm to consumers if this proposal proceeds. For example, including a mandatory statement which alerts consumers to the fact that sugar does not reflect total energy or alcohol content of an alcoholic beverage.

Public health risks associated with P1049

The PHA shares the Food Ministers' Meeting concerns that '% sugar free' claims are misleading, and may give the impression that some types of alcohol are a healthier choice for consumers. We are particularly concerned about the risk of harm to communities with lower levels of health literacy.

We acknowledge that consumers value information about sugar in alcoholic drinks, however the limited evidence suggests that people make inaccurate assumptions about sugar in alcoholic drinks. For example, FSANZ's Consumer Literature Review for P1049 (January 2023) noted studies where consumers mistakenly perceived low-carbohydrate beer to be healthier than low-alcohol strength beer and another study where young females misinterpreted sugar claims on ciders and ready-to-drink beverages (RTDs) to be lower in alcohol.

The potential for claims to mislead consumers and give rise to inaccurate assumptions by consumers is concerning given the growing body of evidence demonstrating the widespread harmful impacts of alcohol.

We are also concerned that permitting sugar claims may also detract from other important pieces of information on the labelling, such as the total energy and alcohol content, and pregnancy warnings. The consumer literature review outlines findings that consumers do not understand that most of the energy in beer comes from the alcohol content itself.

If FSANZ proceeds with the proposal to provide permission to make nutrition content claims about carbohydrate and sugars on alcoholic beverages, we would strongly recommend consumer testing before the final proposal is presented to Ministers for a decision. This is particularly important for communities with lower levels of health literacy and communities disproportionately affected by alcohol-related harm to ensure alcohol-related inequities do not increase. We would also recommend that constraints are introduced to minimise the harm caused by these claims, for example including a cautionary statement that sugar claims do not reflect the total energy content of the alcoholic beverage.

FSANZ's consideration of costs and benefits

We have concerns with FSANZ's overall consideration of costs and benefits for Option 2 *(to include an express permission in the Code to make nutrition content claims about sugar)*, as we consider that the costs to public health significantly outweigh any benefits to industry or consumers. We also consider that the public health benefits of Option 3 *(to remove the permission to make content claims about carbohydrates)* far outweigh the costs to industry. Option 3 is therefore our preferred option.

FSANZ's cost-benefit analysis has assumed that allowing nutrient claims about carbohydrates and sugar will enable consumers to make informed choices. However, as the available evidence in the consumer literature review suggests, consumers do not understand the sugar claims and their impact on the overall nutrition of the beverages. This suggests consumers are not making informed choices. This aligns with advice we understand the staff from the Commerce Commission of New Zealand provided to the Ministry for Primary Industries (MPI), that information may be literally correct but can still provide an overall misleading impression. Therefore, we do not agree that enabling informed choice can be considered a benefit of Option 2, nor can limiting informed choice be considered a cost of Option 3.

Additionally, FSANZ has not identified the health risks associated with Option 2. There are risks that consumers will inaccurately perceive these drinks to be healthier options, and that this may influence their consumption or other dietary patterns or physical activity. These behaviours are risk factors for alcohol-related harms and non-communicable diseases, which will have high costs to the health system and to the overall wellbeing of individuals. While we acknowledge the risk of content claims labelling on alcohol products impacting consumer behaviour is not well researched or documented, the limited evidence does suggest the risk is real.

A benefit of Option 3 is that it minimises the health and other alcohol-related harms associated with Option 2 outlined above. This has not been considered by FSANZ. Option 3 is also consistent with taking a precautionary approach.

We consider that costs to the industry of re-branding, advertising and defending market shares, as well as changing labels have been overstated. The Ministry for Primary Industries has advised that in New Zealand, industry were advised that permissions for these claims may change when P1049 was first introduced in 2018. Therefore, industry who introduced sugar and carbohydrate claims since 2018 did so at their own risk. Additionally, if P1059 proceeds, changes to labelling will be required for industry, so additional costs of removing labelling for carbohydrates and sugars, if undertaken at the same time, are negligible.