

We refer FSANZ to the calculations of labelling costs set out by FSANZ in Attachment D to P1049 – Carbohydrate and Sugar Claims which better addresses labelling costs for beer.

On an assessment of total beers in the market 7440[1] the cost to the broader brewing industry for label changes could be as much as \$120, 654, 480.[2] This highlights the imperative of ensuring any

transition period or relabelling is timed with other regulated changes such as those that may arise from Energy Labelling Consultation and Carbohydrate and Sugar Claims.

As noted in the FSANZ Modelling[1] that supports the dollar amounts presented in Attachment D to P1049 – Carbohydrate and Sugar Claims, Table 1 – actual re-labelling costs vary greatly including:

- whether the change required is simply removal of text or other information or the addition of substantive impact which does require changes to both label layout and label shape/size.
- The transition time available – varying from very high costs at less than 12 months and moderated costs between 3-5 years of transition.[2]

It should be noted that actual relabelling costs can greatly vary according to individual circumstances. Relabelling certain SKUs may cost notably less or notably more than these averages.

Response ID ANON-JN9Z-F8F7-6

Submitted to P1062 - Defining added sugars for claims
Submitted on 2023-10-05 19:49:23

Complete your submission

Your details

What is your name?

Contact person:

[REDACTED]

What is your email address?

Email address:

[REDACTED]

What is your telephone number?

Telephone:

[REDACTED]

Which one of the following groups do you most affiliate with?

Other (please specify)

If other, please specify:

Food & Bevaerage

What is the name of your organisation?

Please write N/A if this does not apply.:

Braeside Brewing Co

What is your position title?

Please write N/A if this does not apply.:

[REDACTED]

Are you the contact person for your organisation?

Yes

If you are not the contact person for your organisation, please provide an alternative contact and details. If not applicable, please leave blank.

Contact person's name:

Email address:

Telephone:

Position title:

Have you read the P1062 – Defining added sugars for claims call for submission paper?

Yes

Confidential information

All submissions will be published, including redacted versions of confidential submissions. We will not publish material that we accept as confidential. Does your submission contain confidential information?

No. My submission does not contain confidential information.

Proposed changes to 'no added sugar(s)' claim conditions

1 FSA NZ proposes to continue to set 'no added sugar(s)' claim conditions based on the addition of ingredients to foods (see section 5.2 of the Call for submissions document).

Do you have any comments on this approach?:

We accept and agree that there should be clarity as to whether a food or beverage manufacturer can make a claim of 'no added sugars.' However, the basis for that regulation is to ensure accurate and clear information to consumers to make informed decisions. If the definition of Added Sugars applies to beer, any definition of 'adding' that does not also explicitly address the removal of sugar (through conversion to alcohol during fermentation) will confuse rather than support consumers to make informed choices and a level playing field for manufacturers.

2 FSA NZ proposes a food displaying a 'no added sugar(s)' claim must not contain an 'added sugars' as an added ingredient including an ingredient of a compound ingredient. FSA NZ proposes defining 'added sugars' for this claim condition (see section 5.2.1.4 of the Call for submissions document).

Do you have any comments on this approach or the defined added sugars (see below)?:

The definition is incomplete and inadequate as it fails to explicitly address the situation in which the production method includes fermentation changing sugars to alcohol. This would result in a lack of clarity for industry, government and create further confusion for consumers about the energy make-up of beer.

Either beer should be excluded from any definition and conditions associated with Added Sugars or the definition needs to explicitly address the issue of fermentation.

3 FSA NZ proposes 'no added sugar(s)' and 'unsweetened' claims are not permitted on foods containing the hexose monosaccharide D-tagatose, as an ingredient, consistent with existing claim conditions in the Code. As D-tagatose is a hexose monosaccharide, it is captured in the definition of 'added sugars' (see section 5.2.2 of the Call for submissions document).

Do you have any comments on this approach?:

No. This is unlikely to impact the production of beer.

4 FSA NZ proposes foods containing low energy sugars (mono- and disaccharides), as ingredients, listed in subsection S11—2(3) of Schedule 11 not be permitted to display 'unsweetened' claims (see section 5.2.2 of the Call for submissions document).

Do you have any comments on this approach?:

No. This is unlikely to impact the production of beer.

5 FSA NZ proposes a food displaying a 'no added sugar(s)' claim must not contain the fruit products listed below as an added ingredient (including as an ingredient of a compound ingredient). FSA NZ proposes to exempt fruit products which are lemon or lime fruit (see section 5.3 of the Call for submissions document).

Do you have any comments on this approach or the fruit products listed?:

Some of these fruit products are used in the production of beer, overwhelmingly prior to any fermentation.

The definition of Added Sugars is incomplete and inadequate as it fails to explicitly address the situation in which the production method includes fermentation changing sugars to alcohol. This would result in a lack of clarity for industry, government and create further confusion for consumers about the energy make-up of beer.

Either beer should be excluded from any definition and conditions associated with Added Sugars or the definition needs to explicitly address where the issue of fermentation.

6 FSA NZ proposes a fruit product which is the food for sale (e.g. fruit juice) be permitted to make a 'no added sugar(s)' claim. This includes when the food is sold as a singular fruit (e.g. apple juice) or a blend of different fruits (e.g. blend of fruit juices), providing the food contains no 'added sugars' or other products identified in claim conditions, as added ingredients. A blend or combination of different fruit products (e.g. fruit juice and fruit purée) will not be permitted to make the claim. FSA NZ also proposes to clarify that fruit does not include legumes, fungi, herbs, nuts and spices for the purpose of the claim conditions (see section 5.3 of the Call for submissions document).

Do you have any comments on this approach?:

Beer is a product made with a number of contributing ingredients. This does not relate to beer and we have no comment.

7 FSA NZ proposes 'no added sugar(s)' claims are not permitted when the concentration of sugars in the food is increased from the hydrolysis of carbohydrates during food manufacture, except when the sugars concentration in cereal-based plant milks made using hydrolysis is $\leq 1.5\%$ (and the product otherwise meets claim conditions) (see section 5.3.2 of the Calls for submissions document).

Do you have any comments on this approach?:

The goal of these legislative changes is to create consistency for consumers. Provided something meets all definitions and conditions then claims should be allowed.

8 FSANZ proposes to maintain the existing condition that a food displaying an 'unsweetened' claim must meet the conditions for a 'no added sugar(s)' claim, noting that the amended 'no added sugar(s)' claim conditions will apply (see section 5.4 of the Call for submissions document).

Do you have any comments on this approach?:

If the definition of Added Sugars addresses all of the issues noted in our attached paper, we have no issues with the consistency of applicability to the term 'unsweetened'.

9 FSANZ proposes to maintain the existing condition for intense sweeteners, sorbitol, mannitol, glycerol, xylitol, isomalt, maltitol syrup or lactitol. FSANZ proposes a food containing low energy sugars (mono- and disaccharides) listed in subsection S11—2(3) of schedule 11, as an ingredient (including an ingredient of a compound ingredient), not be permitted to display an 'unsweetened' claim (see section 5.4 of the Call for submissions document).

Do you have any comments on this approach?:

No. We have not comments on this issue.

10 FSANZ is proposing a two-year transition period to allow producers, manufacturers and importers time to make any required labelling changes for products carrying 'no added sugar(s)' or 'unsweetened' claims to comply with the new claim conditions (see section 7 of the Call for submissions document).

Do you have any comments on this approach?:

As FSANZ have identified that the requirements for 'Added Sugar' claims will be aligned with the resulting decision around 'sugar and carbohydrate claims' which is due to be determined in June 2024 any implementation times should be aligned.

As noted above, alignment of transition timelines across all ongoing labelling consultations affecting beer is one mechanism that will reduce the cost challenges from small brewers and make implementation successful.

Data and evidence

11 Do you have any data or are you aware of published data on the number of products with 'no added sugar(s)' or 'unsweetened' claims in Australia and/or New Zealand (see data used for this proposal at section 3.1 of the Call for submissions document)?

No

If yes, please upload your file here.:

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12 Do you have any evidence or are you aware of published literature on consumer understanding of and responses to 'no added sugar(s)' or 'unsweetened' claims on food products (see evidence used for this proposal at section 3.2 of the Call for submissions report and Supporting Document 1)?

No

If yes, please upload your file here.:

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13 Do you have any data or know of any published data on the costs of labelling changes per stock keeping unit or package type (see data used for this proposal at Attachment E to the Call for submissions document)?

No

If yes, please upload your file here:

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Additional comments

Comments and other input

Additional comments and input:

Yes. Our responses should be read in conjunction with the attached paper.

Any changes that may be required in regards to added sugars, should also only be applicable to brews/batches that produce of 500 cases p/a. Anything less than that will become financially unaffordable for most breweries.

It is our view that the only pathway available that balances the policy objectives of the interrelated consultations, while making the implementation possible our business and the 600+ other small brewery businesses, is to:

- Exempt beer from the definition of Added Sugars or, if determined Added sugars must apply, have a definition of added sugars that explicitly address the fermentation process.
- Where a NIP is required, adopt a recipe-based calculation methodology for any NIP that is clearly defined.

- Where a NIP is required, that NIP is available to be accessed via QR code or digital linking.
- Have a single aligned transition timetable with sufficient time to build capacity amongst small producers, test new methodologies etc.

Please upload additional files here.:

No file uploaded

Feedback

What is your level of satisfaction with using this platform to complete your submission?

Satisfied

Do you have any feedback you would like to provide to FSANZ regarding this new platform?

No

If yes, please provide details.:

Q11-

No. We are not appropriately funded or resourced to undertake large scale data research. Our limited research has not identified any independent beer making this claim.

Q12-

No. We are not appropriately funded or resourced to undertake significant research of this nature. It is our expectation that any recommendations by FSANZ are evidence based and, as such, have gathered all objective evidence in coming to its recommendations.