

## Response ID ANON-JN9Z-F83Z-P

Submitted to P1062 - Defining added sugars for claims  
Submitted on 2023-10-08 17:01:30

### 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?

Food industry

If other, please specify:

What is the name of your organisation?

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

The Arnott's Group

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 FSANZ 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?:

The Arnott's Group supports the ability to continue making nutrient content claims on food and beverages, such as 'no added sugar' and 'unsweetened,' based on the addition of ingredients to these products. These claims are valuable tools for both consumers and the food industry, for promoting transparency, aiding consumer choice, and maintaining innovation.

We do not however support fruit, in its different forms, be considered an added sugar when it is reconstituted with water, to its natural state.

2 FSANZ 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. FSANZ 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 Arnott's Group is aligned with the views expressed by the Australian Food and Grocery Council (AFGC) and the Australian Beverages Council Limited (ABCL) on the impact the proposed list will have on added sugar on the Nutrition Information Panel under proposal P1058. Currently under Schedule 4, the definition of 'sugars' does not include honey, malt, malt extracts, concentrated fruit juice. However, in the proposal above it they potentially could be. Considering this, there is a need to clearly separate these from 'added sugars' and as proposed by AFGC it should be amended to:

(c) For the purposes of conditions (a) and (e), added sugars means any of the following derived from any source:

- (i) hexose monosaccharides and disaccharides;
  - (ii) starch hydrolysate;
  - (iii) glucose syrup, maltodextrin and similar products;
  - (iv) a product derived at a sugar refinery (including brown sugar, molasses, raw sugar, golden syrup, treacle);
  - (v) icing sugar;
  - (vi) invert sugar;
  - (vii) sugar and sugar syrup derived from plants
- and the following ingredients derived from any source:
- (i) malt;
  - (ii) malt extracts;
  - (iii) concentrated fruit juice, unless the food for sale is fruit juice;
  - (iv) deionised fruit juice
  - (viii) honey;

Fruit products (such as concentrated juice, concentrated purees, powders etc.) that can be reconstituted with free water to single strength, should be permitted to make a "no added sugar" claim, as it is at its natural strength.

3 FSANZ 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?:

The Arnott's Group is supportive of AFGC and ABCL comments.

4 FSANZ 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?:

The Arnott's Group supports this approach, food and beverages containing low energy sugars should not be permitted to make an "unsweetened" claim, but they should be permitted to make a "no added sugar" claim, as low energy sweeteners are used for the purpose of providing sweetness without the high energy content of traditional sugars.

5 FSANZ 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). FSANZ 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?:

The Arnott's Group is not supportive of this and is aligned with the comments by the AFGC.

The Australian Dietary Guidelines permit the consumption of dried fruit and juices; therefore, it is important consider the nutrient contribution from these sources. It would cause consumer confusion if products that contained these ingredients were classes as sugar and could not make a "no added sugar" claim.

Concentrated fruit juice, concentrated puree's, fruit pastes and fruit powders which have been reconstituted with water to reach single strength, should be permitted to make a "no added sugar" claim.

If reconstituted fruit juices, are considered added sugar and were not permitted to make a "no added sugar" claim, it will mean 100 percent fruit juice

would be regarded the same as drinks with sugar and flavours added as an ingredient. This could act as a demotivator for beverage manufacturers producing 100 percent fruit juices (with concentrates, purees, pulps, fruit powders), which are nutrient dense and more costly to manufacture than fruit drinks with sugar. Sugar is a cheap ingredient used for the sole purpose of sweetening.

Regarding fruit purees, these should be exempt from being classed as added sugar because purees are not concentrated and are similar to blended whole fruit.

6 FSANZ 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. FSANZ 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?:

The Arnott's Group agrees that a fruit product that is the food for sale (e.g. fruit juice) are permitted to make a "no added sugar" claim.

However, we do not support the proposal that a blend or a combination of different fruit products (e.g. fruit juice and fruit puree's) are not able to make a "no added sugar" claim.

Regardless of the different formats, single strength juice and purees (which are not concentrated) should be able to make a no added sugar claim.

Under this proposal, a juice which contains the following:

Reconstituted Apple Juice, Reconstituted Carrot Juice, Banana Puree, Vitamin C, Natural Flavours .

Will no longer be able to make a "no added sugar" claim, which doesn't make sense.

Some fruits cannot be juiced and are only available in puree form such as banana and these are just blended fruit which are not concentrated, and as such should be permitted to make a "no added sugar" claim.

7 FSANZ 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?:

N/A

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 concerns regarding "no added sugar" claims are addressed as per this submission, then in principle this proposal is fine.

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?:

N/A

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?:

The Arnott's Group is not supportive of a two-year transition period with the absence of stock in trade provisions. Such a short implementation time would

have consequences for the business, including increased cost, product write-offs, higher wastage. These would directly contradict sustainability goals that some businesses aim to achieve.

Furthermore, certain products, like UHT-based juices with long shelf lives, would find it challenging to comply without any stock in trade provisions. These products require special consideration due to their extended shelf life.

Any reformulations to current products to meet new requirements to make a 'no added sugar' claim will require product development time, and essential steps such as shelf-life testing, for UHT beverages this can take up to 12 months.

We strongly recommend the consultation considers the cost to businesses, not only as a one-off cost, but as the most recent in a decade of significant mandatory labelling changes.

We recommend is at least three years with a three year stock in trade provision, to limit packaging wastage and cost to the business.

## 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.:

No file uploaded

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.:

No file uploaded

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)?

Yes

If yes, please upload your file here:

Question 13.docx was uploaded

## Additional comments

Comments and other input

Additional comments and input:

Please upload additional files here.:

No file uploaded

## Feedback

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

Very satisfied

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

No

If yes, please provide details.:

**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)?**

Over the past decade, food and beverage manufacturers have borne significant costs of mandatory label changes related to nutrition and health claims standard, Country of Origin Labelling and PEAL and If we include voluntary changes, ones that benefit the consumer, such as Health Star Rating, these changes have cost The Arnott's Group in the range of \$3,500,000 over the time.

The most recent mandatory labelling change for Plain English Allergen Labelling (PEAL), which requires label redesign, will cost the business a minimum of \$2,000,000 for 400 label changes (this excludes internal Regulatory, Legal, and Product Development resource cost).

These changes were timed to meet the implementation timeframes, each mandatory regulatory update required a separate change to labels, they could not be incorporated into any already planned changes, this will be the same for the removal of "no added sugar" claim.