

Response ID ANON-JN9Z-F83K-7

Submitted to P1062 - Defining added sugars for claims
Submitted on 2023-10-06 18:27:12

Complete your submission

Your details

What is your name?

Contact person:

[REDACTED]

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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.:
Kellanova trading as Kellogg (Aust) Pty Ltd

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?:

Kellanova trading as Kellogg (Aust) Pty Ltd appreciates the opportunity to provide comment on Food Standards Australia New Zealand's (FSANZ) Added Sugar Labelling Stakeholder Discussion Questions

Kellanova is the largest breakfast cereal manufacturer in Australia and has the greatest share of the breakfast cereal category sitting at over 45% of the cereals in the market. We have a 90+ year-old manufacturing facility in Botany, NSW, ensuring that the majority of our cereals are made in Australia, sourcing many of our ingredients, including grains, from Australian farmers. We manufacture many established cereal brands at Botany such as Nutri-Grain®, Sultana Bran®, Just Right®, Special K®, All Bran®, Coco Pops®, Rice Bubbles®, Corn Flakes®, Guardian® and Sustain®. In addition, Kellanova also manufactures a range of snacks including iconic brands like K-Time®, LCM's® POP-TARTS® and Pringles®.

Kellanova strongly supports the overall direction and comments of the Australian Food and Grocery Council (AFGC) response to the Added Sugar Labelling Stakeholder Discussion Questions. Kellanova, along with other food industry members, worked closely with the AFGC on the comments provided to all questions and therefore are fully aligned with the information they have supplied on behalf of food industry.

Kellanova (previously Kellogg Company) continues to support the ability to make claims such as 'no added sugars' and 'unsweetened' on food products based on the addition of ingredients to food.

Kellanova is of the view that, when it comes to 'added sugars', there is potential for confusion, given 'added sugars' are treated as both ingredients and nutrients; and currently two proposals are tasked with defining the ingredient (P1062) and the nutrient (P1058).

With this in mind, Kellanova seeks clarity on the integration of P1062 - Defining added sugars for claims and Proposal P1058 - Nutrition labelling about added sugars. We support the AFGC position that the definition of 'added sugars' for the purposes of a claim in P1062, is not automatically applied for the purposes of labelling in P1058 without further stakeholder consultation.

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)?:

Kellanova supports FSANZ proposal to define ingredients that would constitute 'added sugar' as it pertains to an 'added sugars' claim. This provides clarity for manufacturers as to what constitutes a sugar as this can be broad and potentially misunderstood.

Sugar is defined in the ANZFSCL Std 1.2.7, Std 1.2.8 and schedule 4 as mono and disaccharides. Therefore, it must be recognized that the proposed list in the draft standard comprises of food ingredients that contain sugar, i.e. mono and disaccharides at varying levels.

Examples of ingredients with varying levels of sugar (mono- and disaccharides) on average;

- (i) Maltodextrin contains 4g sugar per 100g
- (ii) Malt extract contains 43g sugar per 100g
- (iii) Glucose syrup (41 DE) and brown rice syrup contains 21.5 g sugar per 100g
- (iv) Honey contains 82.5 g sugar per 100g
- (v) Molasses contains 46 g sugar per 100g
- (vi) White sugar contains 99.9g sugar per 100g

In this instance, for the purposes of a claim of 'no added sugars', Kellanova supports the whole ingredient is considered to be an 'added sugar' in most instances. However, for the purposes of quantification for labelling (P1058), only the mono- and disaccharide content should be counted in the calculation of 'added sugar' to avoid over estimation in the final food by weight. There is the potential for added sugars to be calculated at a higher level than total sugars. This needs to be considered when aligning P1062 and P1058.

Kellanova supports, in principle, the list of food ingredients in the draft standard, but would ask FSANZ to consider exemptions where :

(i) any of the listed ingredients are used as a processing aid. In many cases the ingredient will not appear in the ingredients declaration unless required to do so by Std 1.2.3- 4. Mandatory declarations of certain foods Clause (5) part (c). When used in small quantities as processing aids, these ingredients contribute minimal sugar or energy to the final product. Examples included below.

(ii) fruit juice concentrates are used as a natural colour e.g. blackcurrant concentrate. These colours are used in very small quantities, have no function in the final food other than naturally colouring the food and contribute minimal sugar or energy to the final product . These ingredients play an important role as natural colours helping food manufacturers to avoid the use of artificial colours.

Examples of food ingredients containing sugar used as a processing aid.

1. Maltodextrin when used as a processing aid, generally as a carrier.

In these instances, of which there are many, maltodextrin does not function as sugar in the final food and the levels present are low. Therefore maltodextrin has no dietary significance in terms of energy and/or sugar contribution.

Example 1: Maltodextrin as a processing aid in a flavour in a Kellogg's product

- (i) The flavour uses maltodextrin as the carrier which is present at 95% of the flavour
- (ii) The total sugar content of the flavour is 3g/100g
- (iii) The flavour is added to the food at a rate of 0.67% in the finished food
- (iv) The sugar contribution of maltodextrin in the finished food is 0.019g/100g

Example 2 : Maltodextrin as a processing aid in vitamin and mineral premixes in a Kellogg's breakfast cereal

- (i) The cereal contains 0.037% vitamin and mineral premix
- (ii) Maltodextrin is used as a carrier and is present in the finished food at 0.00372%
- (iii) The sugar contribution of maltodextrin in the finished food is 0.00015g/100g

Example 3: Maltodextrin and glucose syrup as processing aids in natural colour in a Kellogg's product

- (i) Green colour uses glucose syrup and maltodextrin as carriers for the natural colour ingredients
- (ii) The total sugar content of the colour is 6g/100g.
- (iii) The colour (including glucose syrup and maltodextrin) is present in the finished food at 0.014%.
- (iv) The sugar contribution of maltodextrin and glucose syrup, combined, in the finished food is 0.0008g/100g

From the examples provided we have demonstrated that, when used as processing aid, these sugar-containing ingredients have negligible impact on the energy and sugar contribution to the final food. For that reason, Kellanova would ask FSANZ to consider an exemption for ingredients in the proposed list when used as a processing aid.

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?:

Kellanova does not support FSANZ's proposed approach to include D-tagatose within the definition of 'added sugars'. Kellanova recommends low energy sweeteners, including D-Tagatose, be excluded from the definition of 'added sugars' due to the reduced dietary energy contribution and the lessened glycemic effect of these ingredients, compared to other mono- and disaccharides.

In addition, for consistency, all ingredients listed in subsection S11-2(3), which includes D-Tagatose, should be permitted to carry a 'no added sugar' claim. These ingredients exhibit reduced dietary energy contributions, and reduced glycemic effect compared to other mono- and disaccharides.

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?:

Kellanova supports the proposal that foods containing all low energy sweeteners listed within subsection S11 – 2(3) used to provide sweetness, are not permitted to carry 'unsweetened' claims.

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?:

Kellanova supports the decision to align P1062-Defining added sugar for claims with the Australian Dietary Guidelines (ADG). ADG Guideline 2 encourages the consumption of fruit in the form of fresh, canned, juice or dried fruit provided there is no sugar added. While fruit juice and dried fruit should be consumed in smaller quantities, they are considered core foods that provide beneficial nutrients.

Kellanova supports the proposal not to include dried fruit, whole, cut or chopped, in the definition of 'added sugar' for the purposes of a 'no added sugar' claim.

Kellanova does not support the inclusion of single strength fruit juice, fruit puree and fruit pulp in the definition of 'added sugars'. This does not align with the ADG or recognize their position as core foods.

Kellanova would also make the following additional comments:

- (i) Methods of preparation such as chopping, drying, cutting, pulping, pureeing, grinding, juicing etc., should not be a determinant of whether the ingredient is considered 'added sugar'. These preparation techniques do not change the nutritional value of the fruit, nor add additional sugar. ADG Guideline 2 encourages the consumption of fruit for its nutritional qualities.
- (ii) To provide clarity for industry, there should be definitions for ingredients such puree, paste or pulp, particularly in relation to their presence in food for the purposes of a claim. These terms are used broadly and often interchangeably between manufacturers and food ingredient suppliers for the same or similar preparations. It is of note, that pastes, have not been addressed in the proposed list. We would not consider 100% fruit pastes as 'added sugars'.
- (iii) Kellanova does not support the proposed standard S4-3 (table entry dealing with added sugars) No added (a)(ix) where a blend or combination of two or more fruit ingredients, that singularly are not considered 'added sugar', are not permitted to carry a 'no added sugar' claim. The purpose of blending two or more fruit ingredients can be for a variety of reasons, including flavour and consumer variety. Blending is not always for sweetness, or an indicator of a higher sugar content in the final food.

(iv) Consumers may use 'no added sugar' claims to distinguish between foods that are sweetened with fruit rather than with refined sugars. Removing the claim on products containing, single strength juice, fruit purees, fruit pastes and fruit pulp, may remove their ability to distinguish between products that are sweetened naturally with fruit and those with refined sugars. This may then reduce their ability to choose to their preference and/or make a healthier food choice.

6 FSNZ 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. FSNZ 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?:

Kellanova, along with other food industry members, worked closely with the AFGC on the comments provided to this question. We agree with the science and rationale that supports the response from the AFGC and are therefore aligned and supportive of the information they have supplied on behalf of food industry.

Further to the AFGC response, we would suggest that permitting a 'no added sugar' claim on fruit drinks that have simply been diluted with water or mineral water would help consumers make better choices in this category. Consumers will be able to determine, with the presence of a 'no added sugar' claim, that these fruit drinks are a healthier choice, sweetened with fruit, rather than similar drinks sweetened with added sugars.

7 FSNZ 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?:

Kellanova, along with other food industry members, worked closely with the AFGC on the comments provided to this question. We agree with the science and rationale that supports the response from the AFGC and are therefore aligned and supportive of the information they have provided on behalf of food industry.

8 FSNZ 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?:

Kellanova supports the maintenance of the existing condition where, for a food to display an 'unsweetened' claim, the food must also meet the claim conditions for a 'no added sugar' claim.

9 FSNZ proposes to maintain the existing condition for intense sweeteners, sorbitol, mannitol, glycerol, xylitol, isomalt, maltitol syrup or lactitol. FSNZ 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?:

Kellanova supports the FSNZ approach to maintain the existing condition where foods containing low energy sweeteners including sorbitol, mannitol, glycerol, xylitol, isomalt, maltitol syrup and lactitol are not permitted to display an 'unsweetened' claim.

10 FSNZ 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 understanding that the food industry regularly changes labels is not reflective of procedure in Kellanova. Under normal circumstances, labels would change in response to updated nutrition information, ingredients or allergens and these occur from time to time.

However, due to several regulatory requirements in recent years with short implementation timeframes, we have had to undertake label changes and pack updates for Plain English Allergen Labelling, Health Star Ratings and Country of Origin Labelling which affect all SKUs in the portfolio, of which each change came with a different implementation timeframe. The result becomes constant revision of pack artwork and project management across the business to ensure we are meeting time frames for each change individually. In large portfolios, this is resource intensive and becomes expensive. With the pending P1058 proposal, there are likely to be more complex label updates for the food industry.

To reduce cost and complexity we request that FSNZ consider increasing implementation times to allow manufactures to combine many changes into a single label update, particularly when there are many regulatory changes in the plan. Given this, we would also advocate for an enduring stock in trade provision. We note that there is no food safety risk with the proposed changes and, consequently, no risk to the consumer with an increased implementation timeframe.

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)?

Yes

If yes, please upload your file here.:

P1062 Question 11 Kellanova Response.docx was 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:

P1062 Question 13 Kellanova Response.docx was uploaded

Additional comments

Comments and other input

Additional comments and input:

Standard Drafting

Kellanova recommends that, given there is potential for confusion, the wording and format of the proposed draft variation in the table in Section S4-3 be reconsidered for improved clarity and ease of interpretation and application.

The drafting of the proposed amendment mixes definitional with operational subclauses in Column 4. The definitional subclauses do not follow the head words in that they are not conditions to be met and this makes the proposed variation difficult to follow. Kellanova submits that the format and wording of the proposed variation be clarified to separate definitional from operational provisions.

For example, proposed subclause (a) in relation to 'no added' sugars claims is operational, in effect, but includes the phrase 'added sugars'. The definition for 'added sugars' is then provided in (c). This definitional clause does not align with the subclause's head words and should be separated out. Subclauses (d) and (i) are similarly problematic.

Proposed condition (b) is operational and repeats what has already been stated in (a)(ix). The effect of this subclause is therefore unclear as to whether it is meant to add to subclause (a) in any way. Proposed condition (e) may be better located at the start of the subclause list.

Proposed condition (h) should not be separate to subclause (g) condition, but rather be a sub-section of (g).

More generally, the language in the draft variation is unclear whether it references sugar as a nutrient or as an ingredient.

Consumer Education around 'added sugars'

It is important that consumers understand how to read nutrition labels and understand claims that are made on food packaging. FSANZ have noted in the call for submission document that there was "significant variation and uncertainty in consumer understanding of whether particular ingredients are added sugar and whether they are prohibited on foods bearing no added sugar claims" and in addition, that "consumers commonly understand added sugar to be sugar that is added during manufacturing or food preparation". It is therefore very important that consumers benefit from any label changes particularly where understanding may be limited. This indicates that there will a considerable amount of consumer education that will be required as no added sugar labelling changes are implemented.

Please upload additional files here.:

No file uploaded

Feedback

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

Unsatisfied

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

Yes

If yes, please provide details.:

Documents should be able to be uploaded with all formatting included this includes bolding, italics and underlining.

Formatting helps make responses easier to read for the end user and helps the submitter make important points clear.

P1062 Defining added sugars for claims.

Question 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)?

Kellanova conducts annual product reviews in key categories relevant to the business. In 2023, a cross sectional review of products in the breakfast category and snack bar category in major Australian supermarkets recorded usage of “no added sugar” claims in both categories. The information is presented in the tables below. Our review failed to find any use of “unsweetened” claims in this annual review.

A summary of the data is presented below.

BREAKFAST		
	Count of Category	Number of Claims "NO ADDED SUGAR"
Biscuits & Bites	19	3
Bran Sticks	3	
Breakfast Beverage	27	2
Breakfast Biscuit	19	
Bubbles & Puffs	14	
Clusters	38	2
Extruded Shapes	41	
Flakes	58	
Granola	33	2
Hot Cereal	80	8
Muesli	84	4
TOTAL	416	21

SNACKS		
	Count of Category	Number of Claims "NO ADDED SUGAR"
Biscuit Style/Cookies	5	
Bites/Balls	2	
Bubble/Puff Bar	8	
Cereal Bar	6	
Cheese/Crackers Snack	9	
Confectionary Like Bar	9	
Fruit Based Compressed Bar	1	
Fruit Snack	23	4
Nut Bar	41	
Nut Butter Muesli Bar	8	
Oat Base Muesli Bar	26	
Oat Muesli Bar	10	
Oat Slice	18	
Pressed Bar	5	2
Protein Muesli/Nut Bar	41	1
Seed Snap	1	
Snack Meat	3	
Soft Bakes Filled	7	
Soft Bakes Unfilled	11	
TOTAL	234	7

P1062 Defining added sugars for claims.

Question 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)?

Kellanova supports the results detailed in the FSANZ '*Cost of changing labels for diverse food and drink packaging types*'. We note that, while we were not a participant in this survey, the cost-per-SKU information is aligned with the costs our business incurs when changing labels on our products.