



20 March 2023

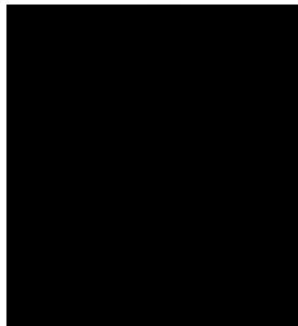
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Dear Sir/Madam

Attached are the comments that the New Zealand Food & Grocery Council wishes to present on *Proposal P1059 – Energy labelling on alcoholic beverages – Targeted stakeholder consultation*.

Yours sincerely





Proposal P1059 – Energy labelling on alcoholic beverages – Targeted stakeholder consultation

**Submission by the New Zealand Food & Grocery
Council**

20 March 2023

NEW ZEALAND FOOD & GROCERY COUNCIL

1. The New Zealand Food & Grocery Council (**NZFGC**) welcomes the opportunity to comment on *Proposal P1059 – Energy labelling on alcoholic beverages – Targeted stakeholder consultation (the Consultation Paper)*
2. NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over \$40 billion in the New Zealand domestic retail food, beverage and grocery products market, and over \$34 billion in export revenue from exports to 195 countries – representing 65% of total good and services exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. Our members directly or indirectly employ more than 493,000 people – one in five of the workforce.

COMMENTS

3. NZFGC acknowledges the work of FSANZ conducted in Stage 1 of this Proposal to identify the problem: “*Unlike most other packaged food and beverages, labels on most packaged alcoholic beverages do not provide information about energy content to enable consumers to make informed choices in line with dietary guidelines*” (section 2, Consultation Paper). The reason that packaged alcohol has historically not been labelled as are other packaged food is that the more alcohol takes on elements of other packaged foods, the more ‘normalised’ as a food it becomes.
4. NZFGC acknowledges that the consumer in the 2020s is more health conscious than previously and that the provision of energy information could be helpful. However, a common fallacy is that alcohol is a major contributor to increasing rates of obesity. Over the past four decades we understand that while obesity levels have risen substantially, alcohol consumption in Australia and New Zealand has declined by some 25%. Maintaining a healthy body weight is a laudable outcome to aspire to but alcohol consumption is not necessarily a key contributor.
5. In relation to energy labelling of alcohol and format, we note that since energy labelling of alcohol is not mandatory anywhere else overseas (section 3.3, Consultation Paper) neither therefore is the format. Mirroring the nutrition information panel (**NIP**) format, is, in the absence of any other models, a fair starting point. However, in our view it is only a starting point and other factors should be considered in relation to proposing appropriate and meaningful text for the consumer.

Q1. For the declaration of energy content information only, is the heading Nutrition and/or Energy Information appropriate for alcoholic beverages?

6. Alcohol is not generally consumed for its nutrition. While there are varying views on its health benefits these are related more to health effects, not to nutrition. Therefore, having the text ‘Nutrition Information’ is a misnomer and should not be used.
7. A heading ‘Energy Information’ for the provision of energy content of packaged alcohol is unnecessarily repetitive. Energy content as a singular consumer information element on packaged alcohol is self-evident without the need for a heading. If, as is proposed in the Consultation Paper, consumers “prefer energy content information that allows them to understand the implications of drinking a serve of alcohol (e.g. a glass of wine, bottle of beer)” (section 3.4 Consultation Paper), then so long as the information is provided in a manner that is easily compared to other packaged alcohol (and to packaged food if useful to the consumer), then the consumer need is satisfied.

Q2. Are the additional lines in the header (i.e. servings per package, serving size) necessary when declaring energy content information only?

8. Four of the five examples in the Consultation Paper provide for an additional line in the header for quantity per serving size. The last example (Example 5) presents a single line:

Energy	kJ (Cal) / X mL	kJ (Cal) / 100 mL
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9. NZFGC would support the use of an energy icon along the lines of that used the Health Star Rating system on the basis that it is simple, recognisable and as useful to the consumer as a line of data. As well it would sit comfortably with the other icons carried by alcohol eg the pregnancy warning, standard drinks etc. While we support a single line if the NIP approach is pursued, a colocation of information in the form of icons has great resonance. A single line is preferred if an icon is not pursued however, we would not want to see it boxed. This is proposed on the basis of flexibility, space and simplicity of reproduction or over-sticking imported product. As well, in terms of the hierarchy of information provided on packaged alcohol, standard drinks and ABV are considered more important and neither information set is boxed. Boxing energy gives it a primacy that is not in the consumer's best interests in relation to responsible drinking.

Q3. Do you support the proposed quantities to be declared i.e. per 100 mL and per serving (as determined by the manufacturer)?

10. NZFGC does not support the term 'per serve' being applied when millions of dollars have been spent on educating consumers about 'standard drinks'. Since the number of standard drinks is a mandatory requirement on packaged alcohol in Australia and New Zealand, the energy information should not be "/ X mL" but rather "/ standard drink". The term 'standard drink' has broad global acceptance and broad recognition by consumers. It is seen as important information for the consumer to assist the consumer reach decisions on their approach to drinking. The proposal to use 'per serve' is an unnecessary, slavish adherence to the terminology of the NIP when logic suggests a more sensible alternative.

Q4. Are the proposed quantities to be declared suitable for all categories of alcoholic beverages e.g. wine, spirits etc?

11. The declaration of energy per 100 mL for all packaged alcohol other than spirits does not present risks for consumer understanding. We agree, however, that the declaration of energy content information per 100 mL on spirits is problematic because they have a mandated higher alcohol by volume (**ABV**) than other alcoholic beverages and are generally consumed in much smaller serves. It could mislead consumers into believing that spirits should be consumed in 100 mL portions. We note that 100ml might represent three, four or even more standard drinks in that measurement, depending on the alcoholic strength of the beverage. We think a lesser declaration than 100 mL would be more sensible for spirits and more aligned with safe drinking recommendations.

Q5. Should energy content information on spirits be declared on a per serve (e.g. 30 mL) basis only?

12. NZFGC supports a position that the energy content information on spirits should be declared on an amount that is substantially less than 100mL. We would support the generally agreed serving of spirits as being 30mL.

Proposed Options

13. NZFGC suggests that an additional option should be considered whereby energy content information to be provided in a format that conveys required elements of information rather than in a prescribed format. In this way, labelling on imported product might still meet the mandatory requirements even if the format is slightly different. With imported packaged food in the general food supply, technical non-compliances are common in relation to mandated formatting. To mandate the format simply perpetuates common and frequent issues experienced now.

Q6. Can you offer any information or views about the costs and benefits that should be considered?

14. The costs model applied to the last alcohol labelling issue (pregnancy labelling) did not factor in the technical and consequential cost impacts of labelling on outer packaging. It will be important for this to be considered in a costing of the proposals. It would also be important to cost sequential changes to labelling instead of combining a number of changes. If FSANZ was aware of non-food changes rolling through, especially recycling changes, it would be helpful to coordinate with those as well.

Transitional arrangements

15. We note that FSANZ intends to consider a number of factors when considering transitional arrangements for which we are appreciative. FSANZ also states that it “intends to align any transition periods that may result from this proposal or P1049 to allow labelling changes to be made concurrently” (section 8 Consultation Paper). As identified in the above, it is not just labelling changes associated with food standards that might be considered but the changes in environmental requirements and particularly recycling that might be factored in.

Conclusion

16. NZFGC supports clear and transparent labelling that assists consumers reach decisions about their health and wellbeing. There are six key elements to our comments:

- NZFGC would support the use of an energy icon along the lines of that used the Health Star Rating system or a single, unboxed line of data for energy information
- NZFGC does not support the term ‘per serve’ being applied
- The declaration of energy per 100 mL for all packaged alcohol other than spirits does not present risks for consumer understanding
- A lesser declaration than 100 mL would be more sensible for spirits and more aligned with safe drinking recommendations. We would support the generally agreed serving of spirits as being 30mL
- NZFGC suggests that an additional option (or a variation) be considered whereby energy content information is provided in a format that conveys required elements of information rather than in a prescribed format
- An alignment of transition period with other labelling changes coming through would be strongly supported as would alignment with non-food labelling that is in train.