

Response ID ANON-JN9Z-F83C-Y

Submitted to P1062 - Defining added sugars for claims
Submitted on 2023-10-07 17:50:36

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?

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[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.:

Mars Australia

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?:

Mars Australia supports FSANZ position to continue to set 'no added sugar' claim conditions based on the addition of ingredients to foods.

Mars Australia acknowledges that P1058 Nutrition labelling about added sugars is in progress. We would like FSANZ to provide clarity on how P1062 will impact concurrent P1058. We are concerned that FSANZ will adopt the definition of 'added sugars' from P1062 and apply it to P1058, without adequate 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)?:

Mars Australia encourages FSANZ to review the proposed claim wording. The proposed definition for the 'added sugars' claim is ambiguous and may cause confusion with the consumer. For example, it is not clear that ingredients that contain sugar (Honey) are not sugar as defined in Standard 2.8.1 and Schedule 4.

Schedule 4 claim conditions currently distinguish Honey from other sources of sugar.

We welcome the FSANZ position to exclude vegetable products (juice, pulps, and purees) from the scope of P1062 Defining added sugars for claims. Mars Australia requests FSANZ clarify that vegetable pastes are excluded from the scope of P1062 Defining added sugars for claims. Vegetable pastes, such as Tomato paste, are not added to a product for the purpose of sweetening. Vegetable pastes are included in product formulation for its nutritional benefits, as a characterising ingredient and for other non-sweetening purposes.

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?:

Mars Australia does NOT support the FSANZ approach to include D-tagatose in the definition of 'added sugar' for claims. Using D-tagatose in application provides minimal energy contribution to the diet.

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?:

Mars Australia supports the FSANZ approach that foods containing low energy sugars (mono- and disaccharides) are not permitted to make an unsweetened claim.

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?:

Mars Australia does NOT support the FSANZ proposed approach, that a food displaying a 'no added sugar' claim must not contain the fruit products as listed, as an added ingredient (including as a component of a compound ingredient), except for lemon and lime concentrates.

Fruit Juice – Single Strength

Mars Australia agrees that both fruit juices when concentrated should contribute to an 'added sugar' claim.

However, we believe that when these ingredients are used in an application when there is enough free water to reconstitute back to a single strength fruit juice, that it should NOT contribute to the 'added sugar' content. These ingredients are not used to provide sugar in an application (ie. For sweetening purposes) – rather to provide the fruit or vegetable nutritional content, or to provide the flavour of the fruit or vegetable.

For example, Mars Food & Nutrition Australia uses pineapple juice concentrate in Sweet & Sour Sauce, to provide a pineapple flavour to the sauce along with the nutrients that come from using pineapple juice, not to add sugar content/sweetening. If the intention was just to add sweetness to the product, then it would be more cost effective and otherwise efficient to increase sucrose content and, add a pineapple flavour (losing any additional nutritional value of the juice). In this instance, there is enough free water to reconstitute this back to single-strength Pineapple Juice (from concentrate) in the ingredient list. We do not believe this should contribute to the 'added sugar' claim.

Puree

Puree is single strength in nature (unless stated as concentrated in the ingredients list) As a single strength fruit product, we believe that it should NOT contribute to 'added sugar' content for claims. In application, these ingredients are used to as a base for a recipe, as a characterising ingredient, or for its nutritional content. As a minimally processed food, purees maintain the basic properties of a whole fruit which can be used to produce nutrient dense foods, contributing to consumers fruit intake. This ingredient is not added to provide sweetness. If the intention was to provide sweetness or add sugar, then it is more effective and cost efficient to increase sucrose content and add flavour.

For example, Mars Food and Nutrition Australia uses single strength Mango Puree in Mango Chutney as a characterising ingredient at 26%. More cost-effective ingredients such as sugar and golden syrup are used in the recipe to add sweetness to this product, at the detriment of the nutritional

make-up of the product.

Concentrated Puree

Mars Australia agrees that concentrated fruit puree should contribute to an 'added sugar' claim.

However, when concentrated puree is used in application where there is enough free water to reconstitute it to single strength puree, that it should NOT contribute to the 'added sugar' claim. As a minimally processed food, purees maintain the basic properties of a whole fruit which can be used to produce nutrient dense foods, contributing to consumers fruit intake.

Paste

Mars Australia agrees that concentrated fruit paste should contribute to an 'added sugar' claim.

However, when paste is used in application where there is enough free water to reconstitute it to single strength, that it should NOT contribute to an 'added sugar' claim. In application, these ingredients are used to as a base for a recipe, as a characterising ingredient, or for its nutritional content. This ingredient is not added to provide sweetness. If the intention was to provide sweetness or add sugar, then it is more effective and cost efficient to increase sucrose content and add flavour.

For Example, Mars Food & Nutrition Australia uses Pear Paste in Moroccan Chicken Cooking Sauce. This paste is rehydrated from 9% to 27%, and this ingredient forms the base of our sauce, as a characterising ingredient along side the nutrients that come from using pear paste. This ingredient is not added to provide sweetness. If the intention was to provide sweetness or add sugar, then it is more effective and cost efficient to increase sucrose content and add pear flavour, at the detriment of the nutritional make-up of the product.

Powder

We believe that powdered fruit should be treated in the same way as our suggested approach for concentrated juices. If there is enough free water available to reconstitute the powdered fruit back to single strength, or the instructions are provided for consumers to reconstitute the powdered to single strength (with water), it should NOT be included in qualifying an 'added sugar' claim.

The Australian Dietary Guidelines recommends that the population consume a variety of fruit (including minimally processed forms with no added sugar or salt). Reconstituted fruit juices, puree, pastes and single strength puree will provide consumers with a variety of affordable products that can facilitate a balanced diet.

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?:

Mars Australia does NOT support the FSANZ approach to exclude a product for making a no 'added sugar' claim when a blend or combination of different fruit products is used if there is adequate free water to reconstitute a juice, puree, paste or powder to single strength. Please refer to our comments provided in response to question 5 for further detail and examples.

We welcome the FSANZ position to exclude vegetable products (juice, pulps, and purees) from the scope of P1062 Defining added sugars for claims. Mars Australia requests FSANZ clarify that vegetable pastes are excluded from the scope of P1062 Defining added sugars for claims. Vegetable pastes, such as tomato paste, are not added to a product for the purpose of sweetening. Vegetable pastes are included in product formulation for their nutritional benefits, as a characterising ingredient and for other non-sweetening purposes.

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?:

Mars Australia seeks clarity on the wording of the proposed claim requirement. It is not clear whether this requirement applies to all foods intending to make a 'no added sugar' claim, or whether this requirement only applies to cereal based plant milks when the sugar concentration resulting from hydrolysis is $\leq 1.5\%$ (and the product otherwise meets claim conditions).

We do NOT support the FSANZ approach if the claim requirement is intended for all foods seeking to display a 'no added sugar' claims (with the exception of cereal based plant milks as described). The production of glucose resulting from the hydrolysis of starch in the presence of heat, water and acid is unintentional and a by-product of the manufacturing process, therefore should not be defined as an added sugar.

For example, a recipe base sauce that contains a small amount of starch to thicken the product and improve mouthfeel, will hydrolyze in the presence of organic acid (acetic, citric), water and heat ($>100^\circ\text{C}$). Glucose derived from the hydrolysis of starch is unlikely to impact the nutrition panel, or provide significant contribution to energy or sweeten the product.

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?:

Mars Australia supports the FSANZ approach that existing claim conditions are maintained for a food displaying an 'unsweetened' claim must meet the conditions for 'no added sugar'.

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?:

Mars Australia supports the FSANZ proposal to maintain the existing claim requirement that low energy sweeteners sugars and intense sweeteners are not permitted to make an unsweetened claim.

We support the approach that these ingredients are permitted to make a 'no added sugar' claim.

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?:

Mars Australia does NOT agree with the two year transition period and no stock in trade period. We strongly encourage FSANZ to consider a more pragmatic and longer implementation of P1062 – Defining added sugar for claims with P1058 – Nutrition labelling for added sugars. Manufacturers are still undergoing label updates to implement PEAL and have recently undergone implementing label updates for amended Health Star Rating requirements. These changes have, and in future will continue to affect all products in the market.

The rolling implementation of proposals that affect labelling over the last 4 to 6 years (CoOL, HSR, PEAL, ARL) costs industry significant resource that is better directed to product innovation providing consumers with healthier products, participation in reformulation programs and other voluntary schemes. We strongly encourage that FSANZ adopt a holistic view of the regulatory environment and upcoming regulatory changes, and where possible, combine or align implementation timelines with other regulatory and voluntary changes.

As this proposal does not affect food safety, we recommend that a five year transition period with two year stock in trade is provided. This will allow industry to implement several regulatory and voluntary label changes.

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:

P1062 Question 13 - Label Costs Mars Australia.docx was uploaded

Additional comments

Comments and other input

Additional comments and input:

About Mars Australia

Mars Australia is a private, family-owned business, operating across six manufacturing sites (five based in regional areas) across New South Wales, Victoria and Queensland and two office locations in New South Wales and Victoria. A proud and committed member of Australia's food manufacturing industry, we established operations in Australia over 100 years ago and have since become a leading food manufacturer in Australia, while exporting products to New Zealand and other Asian markets. Since our establishment in Melbourne in 1915, we have grown to employ almost 2,000 Associates (our employees) Australia-wide. Our Australian operations have grown to become one of the top ten markets globally for Mars Inc., delivering an annual turnover of \$1 billion.

By way of an overview, our business comprises four key operating segments: Mars Pet Nutrition, Mars Wrigley, Mars Food, and Royal Canin, which includes iconic brands such as BEN'S ORIGINAL™, DINE®, DOLMIO®, EXTRA®, ECLIPSE®, KAN TONG®, M&Ms®, MALTESERS®, MARS®, MASTERFOODS™, MY DOG®, PEDIGREE® and WHISKAS®. Our well-loved and iconic brands can be found in nine out of ten Australian households.

Mars Australia is guided by Five Principles – Quality, Responsibility, Mutuality, Efficiency and Freedom - which are at the core of every decision made and every product put into the market. In essence, these principles seek to reinforce our desire to positively impact the community at large by providing nutritious, affordable, well-enjoyed and unique products to our consumers and to positively shape both local and regional economies in providing employment opportunities. These principles inform the way we do business and ensure we put the consumer first in all that we do.

Introduction

Mars Australia welcomes the opportunity to provide written comments on the FSANZ Proposal Defining Added Sugars for Claims.

Mars would like to note our involvement in and support for the submission and positions put forward by the Australian Food & Grocery Council (AFGC) of which Mars Australia is an active member.

Our written response complements the AFGC's submission by answering the questions which directly relate to our product portfolio and possible impacts, along with areas where we have specific global and domestic expertise and examples as Mars Australia.

Mars appreciates the opportunity to contribute to this consultation and would be grateful for further opportunities to engage constructively with FSANZ on the definition of added sugars during the consultation period.

Other Comments

Single strength fruit puree is a key ingredient for the innovation of healthier products in the discretionary/ snacking food categories. We are concerned that the restriction of fruit purees for no added sugar claims (and nutrition labelling) will unintentionally lead to healthier products where manufacturers reduce fruit in order to meet the claim requirements and lower the sugar content on the nutrition label and replace them with ingredients of lower nutritional density.

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.:



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)?

Mars Food and Nutrition Australia participated in the FSANZ label cost survey associated with P1058 – Nutrition labelling for added sugars.

In Summary, over a 2 year period:

- > 3 million in resource costs
- \$7 000 - \$9 000 in actual label update costs (per label)

This covers all stages of the artwork process, including administrative activities, label re-design, developing proof and files, engraving plates and cylinders, colour matching, reviewing label samples and printing.