



**Submission to Food Standards Australia New Zealand
On
Proposal P1059**

Energy labelling on alcoholic beverages

20 March 2023

1. About us: The Brewers Association of New Zealand

- 1.1 The Brewers Association of New Zealand (Brewers Association) represents major New Zealand brewers and has a core purpose of celebrating beer, its contribution to the economy and to social wellbeing through responsible consumption.
- 1.2 Our members (Lion New Zealand and DB Breweries Ltd) produce approximately 82% of the beer brewed in New Zealand. The brewing industry is a major contributor to the ongoing success of the New Zealand economy – the grain to glass value chain was worth \$3.3 billion in the year ending September 2022. There are over 200 commercial brewing operations throughout New Zealand¹.
- 1.3 Our core principles include:
- a) Drinking beer can add to an adult's enjoyment of life, and as a lower alcohol and natural product, can be part of a balanced lifestyle when enjoyed in moderation.
 - b) Beer plays a positive role in our society and the economy due to its important role in the agricultural, brewing, tourism and hospitality sectors, as well as our culture and heritage.
 - c) supporting targeted efforts by industry, government and the community to reduce alcohol misuse; and
- 1.4 This submission has been prepared on behalf of the Brewers Association of New Zealand by

¹ NZIER Report – Brewing in New Zealand

2. Overview of the Brewers Association position

- 2.1 The Brewers Association supports the mandatory declaration of energy on alcoholic beverages over 0.5% ABV.
- 2.2 The Brewers Association members have a range of products that provide both voluntary Nutritional Information Panels (NIPs) and those present though the Food Code requirements when claims are made. The Brewers Association believes that the provision of energy labelling is consistent with other foods and supports the Australia/New Zealand Ministerial Meeting Policy with the aim which:

“expects food² labels to provide adequate information to enable consumers to make informed food choices to support healthy dietary patterns recommended in the Dietary Guidelines”

- 2.3 However, The Brewers Association does not agree with the 5-line tabular format which requires borders, a heading and the number of servings per package in addition to the information on energy content as prescribed in the proposal. We believe some of the additional space in this design provides superfluous and repetitive information which could be simplified and therefore reduce cost to the industry.
- 2.4 **The Brewers Association supports the following:**
- 2.5 The use of representing energy present in units of kilojoules with kilocalories optional.
- 2.6 The use of a per 100ml measurement and also note that while we do not oppose the use of per serve measurement in conjunction. It should be voluntary. We also acknowledge there is potential for confusion with the standard drink measure.
- 2.7 The proposal that percentage daily intake may be included voluntarily using the prescribed format.
- 2.8 The proposal not to prescribe any additional requirements for legibility or location of energy information on beverages containing alcohol. This aligns with a range of other labelling initiatives which prove to be working well.
- 2.9 The proposal to require energy labelling on beverages that are currently exempt from being labelled with a NIP i.e. standardised alcoholic beverages and beverages containing no less than 0.5% ABV that are not standardised alcoholic beverages.
- 2.10 The proposal to exclude alcoholic beverages that are already labelled with a NIP that complies with Standard 1.2.8 from the scope of energy labelling requirements.
- 2.11 The flexibility in how energy is determined - either by analysis or calculation.

² To avoid doubt, ‘food’ refers to foods and beverages, including alcoholic beverages.

- 2.12 The proposals to retain the permission for the voluntary provision of a NIP on the label of beverages containing alcohol and to exempt beverages containing alcohol that are labelled with a NIP from the proposed energy labelling requirement.
- 2.13 The proposal for a 3-year transitional arrangement.
- 2.14 The proposal to develop a targeted, government-led education and communication campaign as an important strategy to support energy labelling on alcoholic beverages.
- 2.15 This submission should be read in conjunction with BANZ members DB Breweries and Lion New Zealand's submission. This will provide greater detail on individual business costs and impact.

3. Tabular format

- 3.1 In July 2022 FSANZ held stakeholder discussions into the provision of energy labelling for alcoholic beverages. At this meeting FSANZ proposed a range of format option specifically based on current NIP requirements, declaration of average energy content on alcoholic beverages could appear as below.
- 3.2 In these format options FSANZ considered if 'Nutrition Information' and 'Servings per package' and 'Serving size' are appropriate and/or necessary for the declaration of energy content information on alcoholic beverages.

Some examples of other tabular formats are set out below.

Example 1: Change heading to Energy Information

Energy Information		
Servings per package: (insert number of servings)		
Serving size: mL		
	Quantity per serving	Quantity per 100mL
Energy	kJ (Cal)	kJ (Cal)

Example 2: Omit the heading

Servings per package: (insert number of servings)		
Serving size: mL		
	Quantity per serving	Quantity per 100mL
Energy	kJ (Cal)	kJ (Cal)

Example 3: Omit serving information

Nutrition Information		
	Quantity per serving (X mL)	Quantity per 100mL
Energy	kJ (Cal)	kJ (Cal)

Example 4: Omit heading and serving information

	Quantity per serving (X mL)	Quantity per 100mL
Energy	kJ (Cal)	kJ (Cal)

Example 5: Single line

Energy	kJ (Cal) / X mL	kJ (Cal) / 100 mL
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- 3.3 At this meeting there was general consensus from industry that most important information about energy could clearly be discerned in the smaller tabular format. The Brewers Association still supports the provision of information about energy in a clear consistent way across comparable beverages. And believes applying the either examples 4 or 5 fulfils the desired impact of providing this information.
- 3.4 An international example where the single line energy information is in place is Europe. Where the Brewers of Europe have implemented the below example.



- 3.5 The Brewers Association finds it confusing that given the possible approaches previously discussed and the understanding of the impact on label space and its cost and concern for industry, that the largest option presented at the July stakeholders meeting has been chosen.
- 3.6 The Brewers Association has some concerns around the rigidity of the cost benefit analysis for the larger tabular format vs a smaller one. Especially in light of the provision of information being the same. When applying the Marsden Jacob Cost of Labelling Model (COLM) produced for FSANZ and the cost classifications “New text or adding or subtracting

logos which does require changes in the label's internal layout, but not the label's shape or size" and "Substantive additional content which does require changes to both label layout and label shape/size". There is a significant overall cost impost difference between the two of over \$200m based on the estimated number of SKUs impacted.

- 3.7 The Brewers Association would argue that the evidence and rational to support the reasons given is not substantive enough to justify a \$200m cost differential.

Those reasons given are:

- Consumers are familiar with the provision of nutrition information in a NIP. Therefore, a similar, tabular format would likely enable consumers to more easily recognise energy content information on alcoholic beverages and compare it with other foods and non-alcoholic beverages.
- A tabular format with borders and a heading would help consumers distinguish the information from other labelling elements that may compete for their attention.
- A heading would add prominence and make the energy content information look more 'official' which would differentiate it from marketing information.

- 3.8 The Brewers Association notes that the provision of energy labelling is NOT a NIP, it has one specific purpose, to provide energy information. The need to use the NIP format in its totality with the same heading and design is not required for the provision of energy labelling. In contrast if an energy label does in fact completely replicate the format of a NIP, there could be some confusion or a mistaken belief that other nutritional elements such as carbohydrates or sodium are not present at all.

- 3.9 The rational above also states a similar tabular format would give familiarity to consumers. However, the provision of Kilojoules and Calories as a measurement is very specific and can only be compared to other KJ/Cal measurements, which is seemingly quite clear to consumers if they are in fact looking comparatively at figures.

- 3.10 Further, the prominence and ability for attention rational raises the issue around current and future labelling requirements which may also seek to promote attention as the most important factor over and above understanding or use. Where information such as Pregnancy Warning Labels or Standard Drinks are present, focusing on the 'attention' element as being of the highest importance runs the risk of an ever-competing design for attention of a range of factors with arguably varying importance.

- 3.11 The FSANZ policy guideline states that information should be provided on food labels in a format which supports consumers to compare foods.

- 3.12 Provision of energy content information per unit quantity i.e. 100 mL, would enable consumers to compare products, but there is no requirement for it to be in a prescribed format with 5 lines vs the single or two line option previously given as examples.

4. 100ml and serving size.

- 4.1 The Brewers Association agrees in the provision of energy per 100ml as the predominant measure for alcoholic beverages. As this provides comparability with other products, is recognisable to consumers as the standard measurement used and aligns with international examples.
- 4.2 The Brewers Association also supports the ability for the provision of per serving in an energy label, however it is our view that this is a voluntary measure and may be more applicable to products who have serving sizes lower than the 100ml standard measure.
- 4.3 However, The Brewers Association does not support the need to identify servings per package as this is not required to create a comparison if the total volume is present on the container elsewhere and if when the KJs/Cal per serving is present also identifies the serving size in ml. For example:

Energy	kJ (Cal) / per serve (330 mL)	kJ (Cal) / 100 mL
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- 4.4 It should also be acknowledged that the provision of a per serve figure could possibly provide some confusion with the standard drink measure as these may often be different. However, this in our view is one of the reasons a voluntary option for the per serve label is required.