



A SPIRIT OF
Tradition
Growth
Sustainability
Innovation

Civil Dialogue Group (CDG) HOS Spirits Update from spiritsEUROPE

7 April 2022



AGENDA ITEM 4.c.

**No and low alcoholic beverages:
Ongoing developments in the sector – Update from the sector**



No and low alcoholic beverages: Ongoing developments in the sector – Update from the sector

- ◆ Sector discussions on guidance document on now and low alcoholic ‘spirits’ well advanced
- ◆ To reflect technological progress and the fast development of category, our position will be regularly updated
- ◆ Overall Aim: **Protect categories and GIs whilst enabling product innovation**
- ◆ Our objective is to:
 - Promote regulatory clarity
 - Guide the sector towards terms for the description
 - Establish an overview of required legal names, selling names, descriptors
 - Recommend standards for an expanding category



No and low alcoholic beverages:

Ongoing developments in the sector – Update from the sector

Do's & Don'ts

- ✓ No use of/reference to protected spirit drinks categories & GIs
- ✓ Marketing to adult population only
- ✓ Display energy information on label per 100ml & portion
- ✓ Reference 'distilled', 'matured' and 'aged' only if part of manufacturing process
- ✓ Only use accurate descriptions/reflections (e.g. for flavour profiles)



No and low alcoholic beverages:

Ongoing developments in the sector – Update from the sector

Descriptors (excerpt)

- **Process:**
 - Includes distillate/distillation
 - May include maturation, maceration, watery extraction, emulsification
- **'Alcohol-free', 'non-alcoholic':** up to 0.5% ABV
- **'low-alcohol':** 0.5% ABV to 1.2% ABV
- **'0.0%':** 0.05% ABV or lower



AGENDA ITEM 5

**Implementation of spiritsEUROPE's
Memorandum of Understanding on consumer information**

Update from the sector

Memorandum of Understanding



MEMORANDUM OF UNDERSTANDING

ON THE PROVISION OF NUTRITION INFORMATION & INGREDIENTS LISTING
OF SPIRIT DRINKS SOLD IN THE EU

4 JUNE 2019
PARIS

- Continuously growing number of co-signees across membership
- On SME request, special co-signing session for them in Q2
 - 100 SMEs expected to sign
- Interest also by non-members/other sectors





The MoU Commitment

- ◆ *The objective is to ensure that the collective total EU market share (by volume) of products placed on the EU market providing energy information on-label and list of ingredients online will constitute at least:*
 - ◆ **25 % by 31 December 2020 ✓**
 - ◆ **50 % by 31 December 2021 ✓**
 - Based on first estimations, detailed report to follow in Q2
 - ◆ **66 % by 31 December 2022**



Insights on achievements on the second Milestone


- **An increasing number of producers started to report on compliance intent and roll-out**
 - especially also in the SME community across the EU
- **More trade associations keep on signing up to the MoU**
 - Widening of the geographical reach
 - Widening the impact of this landmark co-regulatory initiative in the EU
- **Launch of E-label platform “U-label” end 2021 important driver of MoU**
 - **Push to SMEs interest to implement the MoU**
 - Interest across stakeholders, such as retailers and their associations
 - **26 spirits companies created 367 spirits e-labels in Q1/2022**
 - Regular interaction points organised by spiritsEUROPE to enable all companies to use u-label (peer to peer feedback)
 - Seminars to national associations and their (SME) members

The E-label in detail

AA u-label.com


u-label
Digital Information

ENGLISH






Lough Ree Distillery
BART'S IRISH WHISKEY
Blended Irish Whiskey. Non Chill Filtered and Natural Colour.
Irish Whiskey



 Ireland • 46% vol

bottled for : Lough Ree Distillery • Main Street, Lanesborough, Co Longford, N39 P229, Ireland

RESPONSIBLE CONSUMPTION


responsibledrinking.eu

askaboutalcohol.ie

INGREDIENTS

Whiskey (Cereal distillate and water)



NUTRITION DECLARATION



100 ml = 1053 kJ / 252 kcal


	100ml	30ml
Energy	1053kJ 252kcal	316kJ 76kcal
Fat	0g	0g
of which		
Saturates	0g	0g
Carbohydrate	0g	0g
of which		
Sugars	0g	0g
Protein	0g	0g
Salt	0g	0g

SUSTAINABILITY

ABOUT THE COMPANY

[More info](#)



LOUGH REE
DISTILLERY
LANESBOROUGH
CO. LONGFORD - IRELAND



Run-up to the third milestone of 66% end 2022

- Continue full push and member support for ambitious implementation of MoU commitments
- Accelerate uptake in countries that are behind
- Focus on SMEs
- Report about successful rollout to policy makers (EU & MS level)
- Promote specific voluntary approach enshrined in the MoU as mandatory provisions in the upcoming proposal on food information to consumers that is expected for late 2022 and in ongoing consultations



AGENDA ITEM 6.a

The European Green Deal - Farm 2 Fork
Code of Conduct on responsible business and marketing
Update from the sector

spiritsEUROPE supporting the Code of Conduct

- We welcome the Code which is directed towards the actors 'between the farm and the fork', such as spirit drinks producers
- spiritsEUROPE among the 65 first pioneering companies & associations who have joined the Code of from the start
- In addition, member companies of spiritsEUROPE also put forward individual pledges

Our 2 sectoral pledges:

1. **The provision of digital consumer information by means of an E-Label Platform**
2. **Coordination and support to put in place and monitoring of Responsible Drinking Initiatives (RDIs) in each Member State of the European Union**

 **Report available!**





spiritsEUROPE sectoral pledge #1:

The provision of digital consumer information via an E-Label Platform

Objectives:

- Inform consumers reliably, effectively and efficiently at the point of purchase about the product: contributing to enabling sustainable dietary choices
- Develop a platform for all producers of a.o. spirit drinks at an affordable cost, that allows for the creation of QR-Codes bearing consumer information on
 - Nutrition information & ingredients
 - Responsible consumption information
 - Environmental information

Measurable Targets & Milestones

- E-label platform available before the end of 2021
- Continued improvement as required until 2025 and beyond
- E-label platform accessible and used by non-members of spiritsEUROPE
 - Min. 50 users (companies) of the e-label platform before the end of 2025





spiritsEUROPE sectoral pledge #2:

Coordinate & support the putting in place & monitoring of Responsible Drinking Initiatives (RDI) in each Member State

Objectives:

- Promote the responsible consumption of spirit drinks in all EU Member States
- By 2030, develop and maintain responsible drinking initiatives across all EU member states in all official EU languages
- Make responsible consumption information available at the point of purchase via digital means

Measurable Targets & Milestones:

- Creation/update of (existing) responsible drinking websites by the end 2025 ✓
- Inclusion of responsible drinking messages on e-labels on spirit drinks ✓
- E-labels on spirit drinks feature responsible drinking messages ✓



The Way Forward

- ◆ spiritsEUROPE will continue to promote the Code within its membership with the objective to inspire:
 - Support for the pledges made
 - Support for future pledges
 - Members individual action and support for the Code, perhaps via company-individual pledges



AGENDA ITEM 9

**Covid-19 and its impact on the EU spirit drinks sector –
Update from the sector**



Job losses and declining sales: Covid crisis exerted significant negative impact on Europe's spirits sector

- ◆ COVID-19-related restrictions and lockdowns hit hard in 2020 and did not spare the spirits sector.
- ◆ The collapse of the on-trade business in bars and restaurants, the complete fall off in visitor numbers at distilleries and other major tourist attractions, and the sharp declines in airport sales had an unprecedented impact.
- ◆ For instance, the European travel retail sector reported plummeting sales in airports and duty-free shops, caused by a -70% decrease in passenger traffic in 2020 compared to 2019.



New Impact Report available here:

<https://spirits.eu/upload/files/publications/Covid%2019%20update.pdf>

A new analysis
commissioned by
spiritsEUROPE and carried
out by the Institute of
Advanced Studies in Vienna
(Austria) confirms the
negative impact.

Research Report
Endbericht
February 2022

The economic and ecological footprint
of the spirits sector in the EU, the UK,
Norway and Switzerland

COVID-19 Update

Jan Kluge
Alexander Schnabl

Study commissioned by
spiritsEUROPE

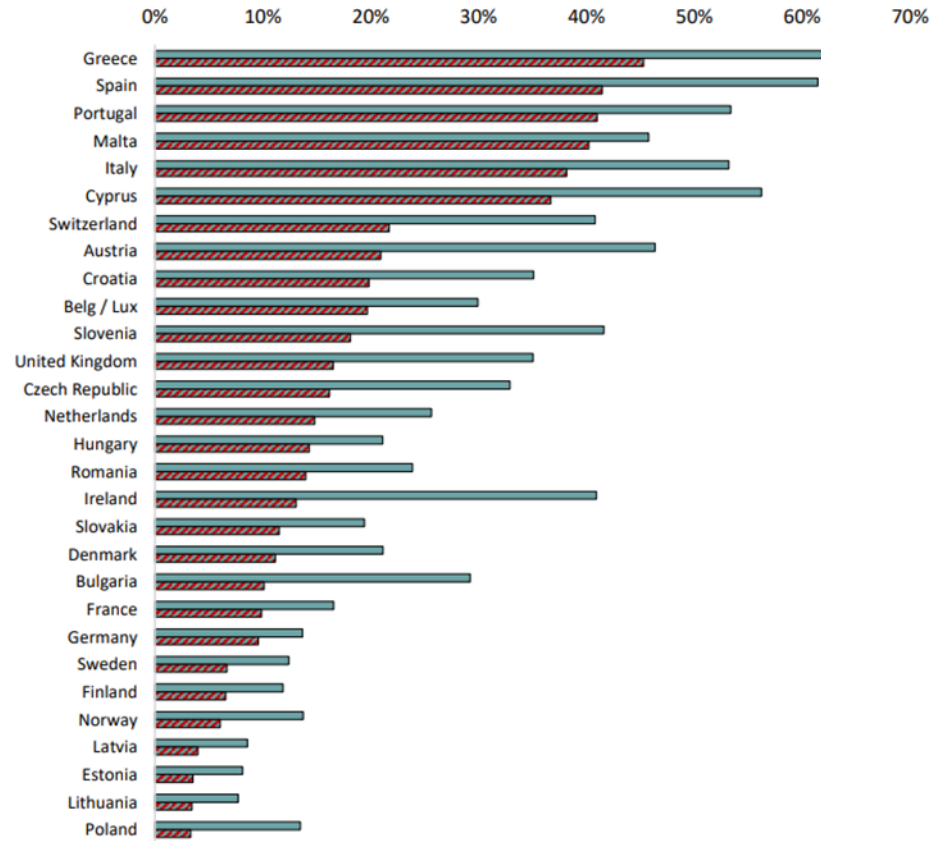




Impact in numbers

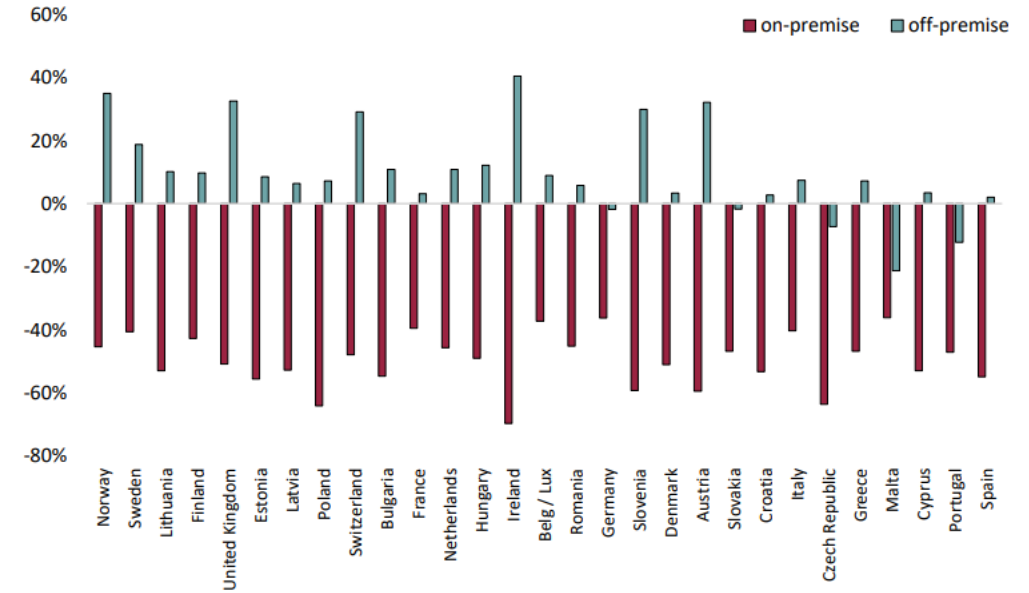
- In 2020, the turnover of European spirits producers declined by -8.9% in EU+ (EU27, UK, Norway, Switzerland)
- The sector's overall economic contribution in Gross Value Added (GVA) fell by almost one quarter (-24%).
- The losses in the on-trade business could not be compensated by off-trade sales in supermarkets and other retailers. In certain European countries such as Germany, Slovakia, Czech Republic, Malta and Portugal, even off-trade sales declined.
- Consumers in southern Europe (especially Spain, Greece, Portugal, Cyprus and Malta) cut their spirits purchases by almost 1/3rd.
- Spirits consumption remained relatively unchanged between 2019 and 2020 in countries such as Norway and Sweden which saw technical increases of about 20%. However, it must be noted that cross-border shopping, which accounts for a considerable share of the overall consumption in these countries, grinded to a near-complete halt during the lockdowns.

Figure 7: On-premise shares 2019 vs. 2020 (volumes)



Source: IWSR (2022).

Figure 8: On- vs. off-premise development between 2019 and 2020 (volumes)



Source: IWSR (2022).