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Meeting of the CDG HOS – SPIRIT DRINKS

Thursday 7 April from 09:30 to 13:00

Chair: AGRI.E.2

Delegations present: All Organisation were present, except BEUC, Birdlife, ECVC, EFFAT, EFNCP, TomatoEurope, PAN Europe and SACAR

1. Approval of the agenda and of the minutes of previous meeting

The agenda was approved without changes.

No additional point was proposed for discussion under AOB.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

A. Spirit Drinks Regulation - Commission's Guidelines on certain labelling provisions - EC update

DG AGRI E2 informed that the Commission Notice Guidelines for the implementation of certain labelling provisions of Regulation (EU) 2019/787 of the European Parliament and of the Council of 17 April 2019 on the definition, description, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs, the protection of geographical indications for spirit drinks, the use of ethyl alcohol and distillates of agricultural origin in alcoholic beverages, and repealing Regulation (EC) No 110/2008 had been **published in the OJ C 78 of 18 February 2022** (ref. 2022/C 78/03).

The document is available in 24 languages on <u>EUR-Lex - 52022XC0218(01) - EN - EUR-Lex (europa.eu)</u>.

The audience raised no questions.

B. Spirit Drinks: secondary legislation (in particular on Ethyl Alcohol of Agricultural Origin) – EC update

DG AGRI E2 explained that the **Delegated Regulation** amending the definition of and requirements for ethyl alcohol of agricultural origin had just passed the

public consultation and concluded the TBT notification and that the act would be adopted by the COM and submitted to the co-legislators for the 2-month scrutiny period right after the Easter holidays.

The COM informed also that the **Implementing Regulation** on the reference method for the analysis of ethyl alcohol of agricultural origin had received blocking remarks from certain custom authorities in the framework of the interservice consultation because of certain inconsistencies in the proposed methods of analysis. Consequently, the COM had decided to put this act on hold pending the resolution of such inconsistencies, which may take some time and cause the adoption and the publication of the Implementing Regulation at a later stage with respect of the Delegated Regulation.

The audience raised no questions.

C. No and low alcoholic beverages:

a) Study by DG AGRI – EC update

DG AGRI E2 reminded of the external study commissioned by DG AGRI focusing on beverages emulating spirit drinks but having a low or no alcohol content (LNA) and informed that also LNA beverages emulating aromatised wine products had been added to the scope.

The consultant in charge of the study is the Italian ARETE Srl, associated with a large number of other companies and free-lance consultants all over the EU. The contract had been signed at the end of 2021 and works were planned to be finalised by the end of 2022.

The study aims at mapping the existence of the above-mentioned products on the market as well as past and possible, future trends, examining the production processes and labelling methods used, assessing the level of consumers' understanding and acceptance of these products, and mapping possible national rules in place. The objective is to determine the possible need for any production and labelling rules at the EU level on the matter.

LNA beer and wine were also included in the scope of the study as terms of comparison given a) the presence on the market for some time of LNA beer due to the absence of EU rules limiting their production and labelling practices and b) the likelihood of a more frequent appearance on the market of de-alcoholised and partly de-alcoholised wines since the adoption of specific legislative provisions in the context of recent the CAP reform allowing their marketing.

spiritsEUROPE thanked the COM for the study and confirmed to have been contacted in view of the ongoing surveys.

Eurocare asked to be involved in the study and to be informed of its outcome.

The COM replied that the final report will be published and available to the general public by the end of 2022.

b) ALHAMBRA Project – EC update

The COM presented updates on the project ALHAMBRA carried out by HADEA: budget, timeline, when it started, objective and the five related tasks (see enclosed presentation for further details).

The COM explained that, in spite of some overlapping areas, the objectives of this project were different from those of the AGRI study. In fact, while the latter aimed at ensuring a playing level field for producers and fair conditions for consumers in the interest of the integrity of the Single Market, the goal of the ALHAMBRA project related rather to DG SANTE's specific public health policy priorities, including the possibility to reduce the availability of alcoholic beverages for consumers.

spiritsEUROPE commented that the COM should be careful with hinting that low/no alcohol drinks may substitute alcoholic beverages in the future.

c) Ongoing developments in the sector – Update from the sector

spiritsEurope informed about the efforts undertaken within the sector to establish internal rules in terms of low/no alcohol drinks with a view to protecting tradition while allowing innovation. As a result, after years of internal exchanges, guidelines were provided to operators of the sector, mainly indicating do's and don'ts and allowing descriptors for labelling (see enclosed presentation for further details).

The COM asked if the purpose of this document was to provide guidance in the absence of rules at EU level and, in that case, if the intention was to share them broadly among producers.

spiritsEurope answered that the document was intended as a collection of good practices and a temporary way to fill the legislative gap and that it was envisaged reaching the maximum number of stakeholders by making the document publicly available on their website.

D. Implementation of spiritsEUROPE's Memorandum of Understanding on consumer information – Update from the sector

spiritsEurope informed that the 2019 Memorandum of Understanding (MoU) was continuously growing in terms of subscribers, explained its objectives and the achievements in 2020 and 2021 as well as the goals for 2022. spiritsEurope also presented a set of labels already existing on the market and detailed the concept of the U-label (see enclosed presentation for further details).

Eurocare asked about the scientific basis for the development of the information that goes on the E-label and if the information is the same for all different sectors, particularly concerning the calculation of the calories indicated on the label.

spiritsEurope replied that they had developed guidance for the members and that for most distillates, the calories content is quite the same for products with the same alcoholic strength. They committed to provide information to Eurocare.

The COM stated the framework for spirit drinks was already very strict, determining the ingredients that were allowed, while for the determination of the

nutrition declaration, the same method used for all foodstuffs would be valid for spirit drinks, too.

E. The European Green Deal - Farm 2 Fork:

a) Code of Conduct on responsible business and marketing – update from the sector

spiritsEurope informed about the Code of Conduct on responsible business and marketing, pledges the sector did, objectives, targets, and milestones in the way to reach them (see enclosed presentation for further details).

b) Sustainability criteria in GIs – EC update

DG AGRI F3 presented the legislative proposal on GIs that will replace the current Regulation (EU) No 1151/2012, and informed about its adoption and consequent submission to the co-legislators on 31/03/2022.

The proposal has consequences for the spirit drinks sector and introduces some novelties. All specificities with regards to the spirit drinks will remain in the spirit drinks Regulation. However, the registration, amendment and cancellation procedures will now figure only in the new Regulation. The same goes for the rules on protection that will be common to all sectors. The provisions for the control will be harmonised for agricultural products and spirit drinks, while the wine products will not be affected by these changes due to the specificities of the sector.

The proposal contains an Article on sustainability concerning all sectors, which will be a complete novelty for the spirit drinks sector, and rather an update on what is currently being done in the wine and food sector. It provides that the producer groups can decide, on a voluntary basis, on the sustainability outcomes. If a producer group so decides, it will update the product specification. This modification will be considered as a standard amendment, meaning that the MSs, and not the COM will approve the amended product specification in order to achieve a higher sustainability outcome.

The same Article also provides for the possibility for the COM to get delegated powers from the co-legislators with regard to specifying in the delegated act the requirements for sustainability. This will give the possibility to detail what is expected in terms of sustainability for the producer group if it decides to act in that area. The producer groups can also grant the power to the COM to provide in the implementing act how these sustainability undertakings should be presented.

The COM is looking forward to working with the co-legislators, and informed that the first meeting in the Council working party will be on 29 April. The rapporteur of the Parliament is MEP Paolo De Castro (COMAGRI).

spiritsEurope representative expressed satisfaction with the COM's approach and indicated that their organisation has been committed to increased sustainability of the spirit drinks sector.

c) EU Promotion Policy and the role of spirits drinks – EC update

DG AGRI F1 reminded that the review of the promotion policy had been announced in the F2F strategy. Some disagreement had risen about how to

implement policy options, while there was consensus on sustainable practices and information for consumers.

To date, the regulatory scrutiny board had been passed, with a proposal foreseen to be submitted to the co-legislators by the end of June 2022.

spiritsEurope highlighted the importance of promotion policy for the sector and the need for an inclusive policy about spirit drinks and for sustainability criteria.

F. Europe's Beating Cancer Plan – EC update

DG SANTE's Cancer Task Force presented the update on the implementation of the Europe's Beating Cancer Plan, its pillars and its coherence with health and agriculture policies (see enclosed presentation for further details).

DG AGRI E2 asked for links between this plan and ALHAMBRA project.

DG SANTE replied that ALHAMBRA project had started before the Beating Cancer Plan but there were nonetheless synergies between the two. The interest of DG SANTE is on the health aspects related to the consumption of low/no alcohol products and in view of the substitution of alcohol-containing products.

spiritsEurope asked to what extent Covid-19 had made the cancer situation in Europe worse, especially regarding missed screening and how is this had been taken into account. spiritsEurope also asked how baselines and progress lines were evaluated from a scientific point of view and how substitution of alcohol products could be reached.

DG SANTE replied that Covid-19 had impacted the whole health system all over Europe but results on the size of the impact cannot be provided since the crisis has still not ended. MSs had informed the COM that screenings had been reduced during the Covid-19 crisis. DG SANTE also added that it could not be stated that there is a safe level of alcohol consumption. The aim of the Beating Cancer Plan was to provide scientific-based information on the impact of alcohol consumption and on the link between alcohol and cancer.

Eurocare asked spiritsEurope which kind of scientific evidence they considered valid with respect to moderate drinking (e.g. WHO scientific information).

spiritsEurope replied that science was a process marked by open debate and highlighted the complexity of the topic and stated that they were looking forward to take part into the debate on ALHAMBRA project. For spiritsEurope it was important to separate experience from opinion and that a balance had to be found and a comparative study with scientific opinion about the responsible consumption of alcohol was needed.

DG SANTE stated that a conflict of interest was visible with the participation of the alcohol industry in the debate about responsible consumption of alcohol and alcohol harm.

spiritsEurope replied that transparency was important and that they were open for debate, stating that the term "conflict of interest" is an inflammatory one because the sector was already doing much for the responsible consumption of alcohol.

Eurocare stated that independent scientific bodies such as WHO or IARC were aware of the scientific process and should be trusted in terms of scientific evidence.

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

spiritsEurope updated the audience on the ways the sector had been hit by Covid-19 and the report they had published in February 2022. They pointed out to the change of contexts of consumption and the decrease of turnover of the sector in the EU (see enclosed presentation for further details).

The audience raised no questions.

H. Revision of the Packaging and Packaging Waste Directive: Implications of the spirit drinks sector – EC update

DG ENV B3 presented the current revision of the packaging and packaging waste directive (1994/62), explaining that packaging played a major role in handling, transportation, safety of goods and consumer information.

However, its ever-increasing amount of waste is a major concern. Packaging is not only growing, but is less and less easy to recycle, leading to the increase cost and loss of natural resources. Finally, the packaging legislation, which sets out the conditions for packaging to be placed on the EU market, is insufficiently clear as to exact content of these conditions making it difficult for the economic operators and competent authorities to perform inspections and enforce the EU legislation.

In this context the COM is engaged in reviewing the Packaging and Packaging Waste Directive, to make operational the Green Deal and CEAP 2.0's focus on packaging waste prevention, reuse, design for high quality recycling and the use of recycled content. The COM is considering measures addressing a definition of recyclable packaging and design for recycling criteria, (mandatory) targets for waste reduction and recycled content for specific plastic packaging categories and a European labelling system for sorting of packaging waste. There will be also further enabling measures, such as mandatory deposit and return system for recycling of plastic bottles and aluminium cans.

The COM is currently finalising the impact assessment and the proposal is planned to be tabled at the end of June this year.

spiritsEurope asked for possible guidelines for the implementation of the essential requirements and to the nature/level of harmonisation of the labelling requirements under consideration in the revision process. DG ENV B3 explained that it was focusing on making the legislation and the requirements clearer and more operational, which will also help and guide the enforcement authorities. As regards labelling, DG ENV B3 is considering setting up a fully harmonised system in the areas of sorting instructions, as well as labelling of reuse and recycled content, also highlighting the importance of the upcoming Green Claims initiative.

I. AOB

None

4. Next meeting

The next CDG HOS – Spirit Drinks meeting is scheduled for 4th November 2022. The final date and time will be confirmed by DG AGRI.

5. List of participants

See Annex

(e-signed)

Michael SCANNELL

List of participants—Minutes Meeting of the CDG HOS — SPIRIT DRINKS 07 April 2022

MEMBER ORGANISATION	Number of Persons
European agri-cooperatives (COGECA)	2
European Council of Young Farmers (CEJA)	1
European farmers (COPA)	3
European Public Health Alliance (EPHA)	1
FoodDrinkEurope	8
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	1
	Total: 16