

# Codex Committee on Food Labelling: Discussion Paper on the Labelling of Alcoholic Beverages – August 2024

### **Executive summary**

The global pressure being applied around the world to regulate and implement policies to address alcohol related impacts on public health has been steadily growing for a number of years and is now coming to a head. These efforts are influenced at an international level by organizations such as the World Health Organization (WHO) that are systematically trickling down into national, state and local government positions on how they manage and regulate alcohol and health.

There are a number of broad measures being driven as a means of addressing alcohol related harm including taxation and other fiscal measures, restrictions of sale and promotion, health guidelines and labelling. In particular, labelling is seen by these influencers as an effective mechanism of influencing consumers at point of sale and consumption about the health risks associated with alcohol consumption. However, it also imposes the greatest cost burden on businesses particularly in an international context where producers are having to amend labels for multiple markets.

We have seen these labelling influences already impacting in Australia with pregnancy warnings and soon to be finalised energy labelling requirements being established. We have seen it beginning to impact our international markets as well, such as Irelands cancer warning labels, proposals for graphic health warnings in Thailand and the Europeans Unions recent changes to Nutrition and Ingredient labelling and proposals for broad health warning labelling.

There is now a much broader threat to alcoholic beverage labelling being driven by the WHO through the Codex Committee on Food Labelling (CCFL). This work has the potential to significantly influence wine labeling requirements across the world and impose significant cost burden on Australian wine producers.

At its next meeting in October 2024, CCFL will consider a WHO drafted discussion paper on Labelling of Alcoholic Beverages that is seeking to influence governments to impose mandatory labelling for alcoholic beverages, including, among other things:

- mandatory labelling requirements relating to links between alcohol and cancer, violence, suicide and addiction
- mandatory nutrition-related information e.g. energy value (calories), total sugars, proteins, fat, and
- mandatory health-related information e.g. alcoholic strength, drinking guidelines, and risks of consuming alcohol during pregnancy.

If the CCFL develops new mandatory labelling for alcoholic beverages, it is likely that these will be adopted in a number of export markets and Australian exporters will need to make changes to their labels in order to comply.

The Australian wine sector and our Government needs to understand the significant risk this poses to the viability of our sector and proactively work with international colleagues and other sectors to mitigate the impacts.

The following paper, prepared by Australian Grape & Wine, provides broader information about the CCFL Discussion Paper on the Labelling of Alcoholic Beverages and consideration of next steps for the Australian wine sector.



#### Background

Codex Alimentarius Commission (Codex) is an international body, established by Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO), which maintains a collection of internationally adopted food standards and related texts known collectively as Codex Alimentarius. These food standards are aim at protecting consumers' health and ensuring fair practices in the food trade.

Codex membership is made up of national government representatives which at present has <a href="189">189</a> Codex</a>
<a href="189">Members</a> made up of 188 Member Countries and 1 Member Organization (being the European Union and its 27 Member States). Australia has been a member of Codex since 1963 and participation is led by the Australian Government's Department of Health and Aged Care. Intergovernmental organisations and non-government organisations can also apply to be observers at Codex to attend at put forward views at meeting. There are 240 registered observers including the OIV and FIVS.

The work of Codex to develop and amend its standards is undertaken through a series of 22 active committees meeting virtually and in person. These have varying relevance to wine but key committees of relevance include Codex Committee on Food Labelling (CCFL), Contaminants in Food (CCCF), Food Additives (CCFA), Food Import and Export Inspection and Certification Systems (CCFICS), Pesticide Residues (CCPR) and others.

## Why are Codex outcomes important for Australian wine businesses?

Codex member governments are not obliged to adopt Codex standards into their own regulation and often they do not, particularly when they already possess well established national regulations. In these cases, they are more likely to be used as a reference point or to guide changes and otherwise promote international harmonisation.

In some cases, countries will directly adopt entire Codex standards into their domestic regulation. Some countries are more prone to directly or automatically adopting Codex standards into domestic regulation, particularly if there is an absence of an existing standard in that country. Australia, with its strong existing food and wine regulatory standards, does not directly adopt Codex recommendations. But wine is a complex product to regulate and a number of emerging wine markets, which often don't have their own wine industry to regulate, directly adopt and apply approved Codex standards as they are developed.

For Australian wine, this creates an opportunity where the Codex standards align with our own but also a direct threat if Codex's standards are misaligned or contain burdensome requirements compared to prevailing Australian standards.

For example, a major achievement at meetings of CCFA in 2023 and 2024 led to the long overdue adoption of certain common wine additives which were approved for inclusion in the Codex General Food Standards. This had the effect of aligning a much larger list of common allowable additives in a number of countries which directly adopt Codex standards.

#### Codex Committee on Food Labelling (CCFL) – WHO Alcoholic beverage labelling paper

At present, the most significant piece of work at Codex for the global alcohol sector is the work being undertaken by CCFL on an alcohol labelling paper. The reason this work is so important is that it has potential to establish international standards which will likely be adopted by a number of countries around the world. This work, led by WHO, includes considerations of mandatory labelling requirements relating to links between alcohol and cancer, violence, suicide and addiction, mandatory nutrition-related information as well as other health-related information – e.g. alcoholic strength, drinking guidelines, and risks of consuming alcohol during pregnancy.

This work was first raised at the 44<sup>th</sup> meeting of CCFL (<u>CCFL44</u>), in October 2017, via the presentation of a discussion paper by the WHO on alcoholic beverage labelling. The WHO presentation highlighted the unique potential of labelling to provide accurate information to consumers to protect their health at the points of sale



and consumption, including information on alcohol content, caloric value, ingredients and health risks associated with alcohol consumption. Quoting statistics of annual global deaths attributed to alcohol each year of around three million, the WHO noted it was timely for Codex to initiate the process of developing, in a phased manner, guidance on alcoholic beverage labelling. The item was discussed for future work and despite some concerns raised by members that the work was outside the mandate of CCFL, it was agreed that a discussion paper on alcoholic beverages labelling would be prepared, led by the Russia with assistance of EU, Ghana, India and Senegal.

Hampered by the Covid-19 global pandemic and the ongoing divergence views from Codex member states, no paper was forthcoming from Russia at either of the proceeding CCFL meetings (CCFL45 in 2019 or CCFL46 2021). CCFL46 concluded that the Russian Federation, European Union and India with assistance from WHO and EUROCARE (an public health organisation) would prepare a discussion paper for consideration by CCFL47.

The commencement of the Russia-Ukraine war and continued divergence of views amongst Codex members, meant that the paper was not progressed until <a href="CCFL47">CCFL47</a>, which took place on 15–19 May 2023, in Ottawa. Canada. At CCFL47, CCFL Chair sought to clarify with the members if the item should remain on the CCFL Agenda. There were no offers from members to take the lead on potential new work. The WHO took the floor and recommended that this matter be maintained on the CCFL Agenda and proposed, in the absence of a Codex member to lead the work, that a Circular Letter and Questionnaire could be issued to members and observers to help inform a paper to be presented at CCFL48 in October 2024.

Several members and observers supported the WHO's proposal at CCFL47, however, there was still no member who offered to take up potential new work. Other delegations did not support this proposal and questioned whether this was in line with Codex's established procedures, which require member countries to lead work, as there was no proposal from members. One member stated that since this item had been on the CCFL Agenda for several sessions with no discussion paper presented, it would be best to remove it from the CCFL Agenda. Ultimately, at CCFL47, the WHO's proposal to issue a Circular Letter and Questionnaire was agreed.

In early 2024, the Codex secretariat sent a Circular Letter and Questionnaire (CL) drafted by WHO (<u>CL 2024/13-FL</u>) to Codex member countries and observers for comment to support the development of this paper. The CL asked respondents to rank whether, on a scale of strongly agree to strongly disagree, they agreed with a series of questions of options for inclusion of mandatory labelling requirements. It also sought feedback on preferences for how these mandatory requirements should be adopted within codex standards and the need for revision of definitions in codex. The CL contained some rather leading and concerning language. Australian Grape & Wine provided a response (<u>see response here</u>) to the CL on behalf of the grape and wine sector to our Australian Codex representatives.

## What are the risks of the WHO Alcohol labelling paper recommendations

Using the feedback it received from the CL the WHO prepared and released the <u>Discussion Paper on the Labelling of Alcoholic Beverages</u> (CX/FL 24/48/9) on 9 July 2024 for consideration at the next meeting (CCFL48) from 27 October 2024. The conclusions made in the discussion paper are based on 'strong support' or majority of votes, of respondents supporting a particular aspect of the WHOs CL. It is also important to note that this support is not weighted in any way and each member country or member organizations (EU representing its 27 member states) position is counted as a single vote. There were 50 respondents to the CL in total, 18 of which were from Africa, 5 from Asia, 5 from Europe (including EU), 14 from Latin America and the Caribbean, 4 from North America and the South West Pacific (Australia, Canada, New Zealand and USA) and 4 from the Near East. This means that despite their size and established regulatory systems, the traditional wine producing and importing countries in Europe, North America and the South West Pacific are heavily outnumbered and only represent 18% of the total respondents to the CL.



The Discussion Paper summarises the responses received from the CL and makes a series of recommendations for the Codex members to consider, including:

- a) Developing mandatory labelling requirements tailored to alcoholic beverages and determining the scope of such work considering the respondents' proposals and level of support on:
  - Health-related information;
  - Nutrition-related information;
  - Restrictions on nutrition and health claims;
  - Exemptions; and,
  - Possible links between alcohol and health outcomes.

This recommendation poses significant risk as it opens up the development of a broad range of alcohol specific labelling standards, either within existing or new standards, that are outside of the remit of Codex and potentially will not align with Australia's existing standards. Health policies, such as health warnings, restrictions on heath claims, etc., are not within the remit of Codex's mandate but instead fall within the competency of national authorities. Countries are better equipped to develop policies in this area which can target local circumstances and need, and many have already done so.

- b) Revising the standard definition of food and developing new standard definitions, namely:
  - Revision of the standard definition of "food" to explicitly include alcoholic beverages;
  - Development of a standard definition of "drinks", including alcoholic beverages;
  - Development of a standard definition of "non-alcoholic drinks";
  - Development of a standard definition of "alcoholic beverages".

Consideration of definitions within codex as they relate to alcohol also opens up a range of potential risks. Alcoholic beverages, including wine, are classified as a food at Codex under the current definition of food of the General Standard for the Labelling of Prepackaged Foods (GSLPF):

"Food" means any substance, whether processed, semi-processed or raw, which is intended for human consumption, and includes drinks, chewing gum and any substance which has been used in the manufacture, preparation or treatment of "food" but does not include cosmetics or tobacco or substances used only as drugs.

As such, the labelling of wine is covered by a large number of Codex texts, including:

- General Standard for the Labelling of Prepackaged Foods CXS 1-1985
- Guidelines on Nutrition Labelling (CXG 2-1985)
- Guidelines for Use of Nutrition and Health Claims (CXG 23-1997)

We believe that the current Codex definitions, standards and guidelines address all the mandatory elements necessary to label wine and other foods.



- c) Revising and amending existing Codex standards and related texts to include specific provisions on:
  - Applicability of existing Codex texts to alcoholic beverages.
  - Mandatory labelling requirements tailored to alcoholic beverages developed by CCFL under paragraph a).
  - Revised standard definition and new standard definitions developed by CCFL under paragraph b).
- d) In addition to the option described in paragraph 16 above, CCFL may consider the alternative of developing a new Codex standard exclusively dedicated to alcoholic beverage labelling.

These two recommendations relate back to how the work will be undertaken through Codex and whether it be through amendment to existing standards or development of new standards. In either case it pre-empts the need to develop alcohol specific content that has not been agreed by the membership. This recommendation again supposes that alcoholic beverages are not already covered within the remit of the existing Codex standards, its definitions and guidance.

## Next steps

- The CCFL48 meeting where all of these aspects will be discussed by Codex will occur between 27 October and 1 November 2024. In the leadup it is important that national governments (and the Australian Government) are armed with the correct information to respond to the Discussion Paper and understand the potential significance and impact it could have on the Australian wine industry.
- Australian Grape & Wine is working with a range of national and international stakeholders WWTG, FIVS, OIV, IARD & ABA to seek a coordinated and consolidated response from as many Codex member governments as possible.
- We will also engage the Australian Government on its CCFL position on the alcohol labelling paper in the leadup to the CCFL48 meeting.