

spiritsEUROPE second implementation report on the sectoral commitments submitted in the framework of the EU code of conduct for responsible business and marketing

April 2023



On 5 July 2021, the <u>EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES</u> (hereinafter called 'the Code') was officially launched at a high-level celebratory <u>event</u> with the support of Commission Executive Vice President Timmermans, Commissioner Kyriakides (Health and Food Safety) and Commissioner Breton (Internal Market). The Code is the first deliverable of the EU Farm to Fork Strategy and sets out 7 aspirational objectives, supported by targets and indicative actions, that set out a common aspirational agenda for food businesses towards sustainable food systems.

On the day of the launch of the Code, spiritsEUROPE, who proudly represents one of Europe's most valuable agri-food export sectors and, with it, the interests of 31 associations of spirits producers as well as 11 leading multinational companies, together with 65 signatories 'from farm to fork', co-signed the Code on behalf of its membership and <a href="mailto:mai

spiritsEUROPE welcomes the EU COM's initiative to develop the Code with the EU food and drinks sector as one of the first deliverables of the Farm to Fork Strategy. As the Code is directed towards the actors 'between the farm and the fork', such as spirit drinks producers, spiritsEUROPE felt especially compelled to actively contribute to the Code right from the beginning and to commit to undertake to tangibly improve and communicate on our sector's sustainability performance, especially as regards environmental and social sustainability.

When signing the Code, spiritsEUROPE put forward two sectoral pledges. Individual spirit drinks producing companies from the spiritsEUROPE membership added to these pledges by making additional commitments individually – see here. spiritsEUROPE endorses the Code's aspirational objectives and submitted – in support of its membership – the following two pledges, both including specific measurable targets and milestones:

PLEDGE 1:

The provision of digital consumer information by means of an E-Label Platform Measurable targets:

- ✓ The development of an e-label platform before the end of 2021 and continued improvement as required until 2025 and beyond
- ✓ Cost structures that are non-prohibitive also for SMEs
- ✓ E-label platform accessible and used by non-members of spiritsEUROPE

Milestone:

✓ E-label platform before the end of 2021 and continued improvement as required until 2025 and beyond

PLEDGE 2:

Coordinate and support the putting in place and monitoring of Responsible Drinking Initiatives (RDIs) in each Member State of the European Union

Measurable targets:

- ✓ Creation/update of (existing) responsible drinking websites.
- ✓ Inclusion of responsible drinking messages on e-labels on spirit drinks

Milestones:

- ✓ Creation/update of (existing) responsible drinking websites by the end 2025
- ✓ E-labels on spirit drinks feature responsible drinking messages
- ✓ E-label platform before the end of 2021 and continued improvement as required until 2025 and beyond

Back in 2022, spiritsEUROPE was already pleased to report that the six targets as well as the milestones committed to when submitting the pledge to the European Commission had been reached. Further progress have been made as the detailed reporting per pledge below demonstrates.

Pledge 1 - The provision of digital consumer information by means of an E-Label Platform¹

To inform consumers reliably, effectively, and efficiently at the point of purchase about the product they may consider buying and thereby contributing to enabling sustainable dietary choices is one of the core objectives of spiritsEUROPE and its members. Many of our activities are informed by this intention and it was in this spirit, that the e-label platform "U-Label" was launched on 30 September 2021 (press release here), reaching the milestone committed to by the sector in the pledge under the Code.

The e-label platform named <u>'U-label'</u> provides EU consumers with full and multilingual product information (energy, list of ingredients and nutritional information) at the click of a button in a marketing free, secure way. It allows space to communicate health messages to consumers. It is the first practical sector wide application of e-labelling in Europe.

U-label allows small and large companies – also outside the membership of spiritsEUROPE - to easily start building their digital information strategy and meet consumer expectation at a non-prohibitive cost. We consider the platform to be a leading example of successful efforts towards more transparency and digital consumer information.







THE HARVEST -

Source: http://rec.u-label.com/qr/C42f0501d31ce

When developing U-label, it was one of the focus points to create a platform that is democratic and open to all – also in terms of cost-structures, which are designed in way that they are not-prohibitive - also not for SMEs. For non-members to spiritsEUROPE, access costs to U-label vary from 250 EUR/annually for the basic package to 2,500 EUR/annually for the premium package.

¹ jointly with CEEV, who will submit a pledge on the E-label Platform, too

Improvement of U-Label in 2022 to respond to user needs, technological developments, and legislative requirements.

1) Single QR code to serve as digital one-stop shop for nutrition & recycling information

U-Label partnered with the Italian-based <u>Giunko</u> to ensure consumers can access digital information about product packaging and recycling in Italy as of 1 January 2023. It was when products placed on the Italian market have to inform consumers about the identification and classification of the product packaging, i.e., the nature of the packaging materials used and their disposal. Italian authorities allow producers to convey this information digitally via an e-label, accessible by scanning a QR code on the bottle with a smartphone.



Thanks to the collaboration between U-Label and Giunko a single QR code on the bottle is featuring both the nutrition declaration and list of ingredients (as provided by the U-label Platform) and the disposal information of all packaging components (as provided by Giunko). Since rules on waste sorting change from city to city in Italy, the QR code provides geolocalised information for each product in order to convey the correct information everywhere to consumers who are in Italy. No doubts, no mistakes, no fines!

2) Interoperability achieved between u-label and GS1 database (GTIN)

Ahead of the disappearance of barcodes, and the inclusion of the GTIN number into the QR code, U label has become compliant with GS 1 digital link The GS 1 Digital Link standard extends flexibility of GS1 identifiers by making them part of the web From now on, U label QR code are now the unique gateway to multiple information like product promotion information, manufacturer reference, which improve supply chain traceability information, business partner APIs, and more.



Progress to-date

To successfully continue disseminate information about the U-label platform, spiritsEUROPE organizes meetings with members to improve the user-interface of the website.

Face-to-face meetings are taking place to convince new comers.

Regular presentations are made during the annual membership meetings (AGMs, board meetings, working group level and in bilateral meetings conducted in cooperation with the national spirits trade associations). Dedicated meetings took also place with Food and Drinks association on Member State and EU-level as well as retail organisations.

- ✓ Mid-March 2023, data shows that 87 companies producing spirit drinks have registered to ulabel, compared to 26 companies in March 2022, an increase of 200% in 1 year.
- ✓ The number of active e-labels has increased by 246% in one year, from 366 in March 2022 to 1267 to-date

We have reached our 2025 milestone of having a minimum of 50 registered users to the U-label platform two years ahead of schedule.

Pledge 2 - Coordinate and support the putting in place and monitoring of Responsible Drinking Initiatives (RDIs) in each Member State of the European Union

Spirit drinks, rooted in the culture and history of European regions, are enjoyed responsibly by most consumers, in convivial, social settings. For centuries, they have formed a cornerstone of celebrations, family gatherings, events, and meals.

However, it is also clear that a minority of consume rs misuse alcohol, which can lead to harm to themselves, their families and society at large. As producers of spirit drinks, we take our role in society seriously – we make great efforts to reduce alcohol-related harm without punishing moderate, responsible consumers. Thus, promoting the responsible consumption of spirit drinks in all EU Members States is an activity that spiritsEUROPE and its members wish to invest in also in the future.

Against this background, spiritsEUROPE pledged in June 2021 to promote the responsible consumption of spirit drinks in all EU Member States in a way that by 2030, responsible drinking initiatives across all EU Member States in all official EU languages would be available. One of the essential parts of this pledge is the creation and continuous update of (existing) responsible drinking websites.



Responsible Drinking Quiz (#RDQ) launched on 10 May 2022 in 13 countries. A new edition relaunched on 1 February 2023 in 20 countries – www.responsibledrinking.eu

Progress compared to 2022:

Today, in 26 out of 27 EU Member States, responsible drinking websites exist in the national language(s) of the country. As committed last year, 4 more countries (Austria, Croatia, Italy and Slovenia) have created/updated their website. Belgium is expected to do it this year still.

An overarching EU platform https://responsibledrinking.eu gathers the following:

- List of national consumer information websites.
- Hints & tips for responsible drinking, including information on what is a standard drink for consumers to follow national low-risk drinking guidelines.
- Product information (energy and ingredients per product category).

Over the last year, we have had an average of 3,3000 unique users per month, each viewing 3 pages on average.

Our commitment extends past national consumer information websites with targeted campaigns to reduce alcohol-related harm among at risk groups (underage, drivers, pregnant women, young adults, etc). Each national campaign is reported on the basis of its objective, partners involved, description of the campaign including tools and messages as well as data on measurement and evaluation of impact. (https://drinksinitiatives.eu/).

In 2022, 90 initiatives focusing on six harm-reduction areas were up and running in 23 different countries, reaching up to 194 million people. The Overview of the drinks initiatives across Europe in 2022 are presented in the Annual Report 2023 (attached – Annual RDI Report 2023).



U-label, the e-label platform that enables all producers of spirits drinks to create digital labels for their products by means of QR Codes, includes a feature (and recommends its users) to include responsible drinking messages on e-labels for spirit drinks. Those messages range from pictograms to responsible drinking information websites and messages.

Today, all U-label for spirits drinks can include such messaging and we expect that a growing number of U-label using companies will make use of the possibility to include responsible drinking messages

and to inform their customers at the point of purchase.

To reach our partners in the national spirits trade associations in Member States across the EU and to continuously update (existing) responsible drinking websites, the spiritsEUROPE secretariat developed an outreach strategy with a focus on six Members States/national spirits trade associations. The first focus group included Austria, Croatia, Hungary, Italy and Slovenia which now have updated their responsible drinking websites and Belgium which is in the process of doing so. Thus, the spiritsEUROPE pledge, clearly brought momentum to the provision of consumer information and responsible drinking messages. Responsible drinking messages and websites are addressed in the strategic spiritsEUROPE meetings with its members and are also part of our regular communications activities outside the sector.

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