

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

June 2024



On 5 July 2021, the EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES (hereinafter called 'the Code') was officially launched at a high-level celebratory event 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 made two pledges – hereby becoming early supporters of the Code.

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 <a href="here">here</a>. 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

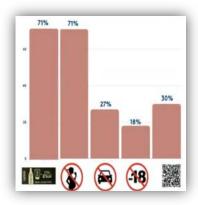
### **Milestones:**

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

### 2021: Launch of the U-Label Platform

Increasing consumers' health literacy and health awareness by informing them reliably, effectively, and efficiently at the point of purchase about the product they may consider buying to make

empowered decision making are amongst the core objectives of spiritsEUROPE and its members. This will inevitably lead to sustainable dietary choices. 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 <a href="here">here</a>), reaching the milestone committed to by the sector in the pledge under the Code.



Whilst market roll-outs by Member States differ significantly and are highly individual as different factors such as a.o. market



concentrations come into play, it is noteworthy that 30% of spirit drinks on the Spanish market feature QR Codes (and up to 71% include health awareness information), thereby directly supporting the overarching vision of the sector as outlined above.

## 2022: U-label partners with Italy-based Giunko

Ever since its launch, U-label has been subject to continuous improvements. In 2022, U-Label partnered with the Italian-based <u>Giunko</u> to ensure consumers have access to digital information about product packaging and recycling in Italy as of 1 January 2023. Italian authorities allow for the provision of information on the composure and disposal of packaging by digital means as an e-label, accessible by scanning a QR code on the packaging with a smartphone.

Due to a fruitful cooperation between U-Label and Giunko, a single QR code on the packaging is featuring both the nutrition declaration and list of ingredients (as provided by the U-label Platform) as well as the legally mandated information on packaging composition and disposal (as provided by Giunko). In addition, in Italy, waste collection and sorting rules may differ between municipalities, so that the QR code provides geolocalised information for each product to convey the correct information to consumers who are in Italy. No doubts, no mistakes, no fines — and no additional labelling impacts on the environment.



<sup>&</sup>lt;sup>1</sup> jointly with CEEV, who will submit a pledge on the E-label Platform, too

# 2024: U-label merges with Swiss leader on digital solutions Scantrust: 'U-Label by Scantrust'

As testimony to the success of 'U-Label', in March 2024, Scantrust, a leading provider of user-friendly QR code compliance solutions, took over the platform, which goes by the name 'U-Label by Scantrust'

since (press release <a href="here">here</a>). With a simple scan, 'U-Label by Scantrust' provides EU consumers - in a marketing free, secure way - with full, multilingual product information (energy, list of ingredients and nutritional information). It is the first sector wide application of e-labelling in Europe.

**'U-Label by Scantrust'** allows small and large companies — also outside the membership of spiritsEUROPE - to easily start building their digital consumer information strategy and to meet consumer expectation at a non-prohibitive cost.



Throughout the development of 'U-Label by Scantrust', providing a democratic and open platform has been one of the key objectives for all players involved. This means not-prohibitive costs, an easy-to-use client interface and access to companies of all sizes inside and outside the spiritsEUROPE membership alike. Whilst members of spiritsEUROPE enjoy a preferential rate, it has been key for us to develop a digital labeling solution that is also open and accessible for non-members of our association. Access to 'U-Label by Scantrust' ranges from 250 EUR/annually for the basic package to 2,500 EUR/annually for the premium package. We consider the platform to be a leading example of successful efforts towards more transparency and digital consumer information.

## Ongoing activities and efforts to promote digital consumer information



To successfully continue the dissemination of digital consumer information and insights into 'U-Label by Scantrust', spiritsEUROPE continues to organise meetings with company members as well as with National Associations. During these meetings, typically — on a peer-to-peer basis — e-labels are created live as to demonstrate the different steps in the process and to answer any questions. In addition, the spiritsEUROPE support team as well as technically trained staff from the platform is readily available.

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

## **Conclusion and Way Forward:**

spiritsEUROPE has overdelivered on the commitment made in the context of the Code of Conduct on responsible business and marketing and will continue the active promotion of digital consumer information going forward.

- April 2024 data indicates that 128 companies producing spirit drinks have registered to U-Label by Scantrust. Mid-March 2023, these were 87 companies, compared to 26 companies in March 2022. In addition, it must be noted that various other platforms for digital consumer information exist, so actual roll-out is higher than measured and reported.
- Close to 3000 active e-labels were created with U-label by Scantrust in April 2024 a solid figure demonstrating the sector's commitment. Again, it must be noted that other platforms for digital consumer information exist, so this figure is under-reporting the overall number of spirits drinks bearing digital consumer information by means of QR codes.

We conclude that spiritsEUROPE and its members have reached the 2025 milestone of having a minimum of 50 registered users to the U-label by Scantrust platform well 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

spiritsEUROPE and its members have undertaken significant efforts over the past decades to promote responsible behaviour, not only by increasing consumer information, awareness and education about the risks of excessive consumption, but also by promoting responsible attitudes towards alcoholic beverages among the public and in specific focus areas.

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 the year 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.

#UnitedInModeration
The Power of Partnerships

RESPONSIBLE DRINKING INITIATIVES ANNUAL IMPACT REPORT 2024

In addition to our reporting pledge, spiritsEUROPE drafted its 2024 annual impact report on responsible drinking initiatives <u>"The Power of Partnerships"</u>, accompanied by #UnitedinModeration.

As detailed in the report, over the past decades, the spirits sector has initiated and participated in hundreds of targeted prevention initiatives aimed at consumers, retailers and society, reaching millions of Europeans. Informing consumers about responsible drinking requires the consistent and persistent delivery of relevant messages — on websites, commercial communications and beyond. Therefore, our focus is simple, but clear: "Repetition, repetition, repetition."

spiritsEUROPE's members include a Responsible Drinking Message (RDM) in all advertising in countries

The responsibledrinking.eu umbrella website:

- Provides information on the ingredients and nutritional values of different spirit drinks.
- Reminds consumers to be aware of why, when and how often they drink.
- Underlines the importance of monitoring consumption and offers tips for responsible drinking, including an engaging quiz developed in 20 European languages, #RDQ, with which we invite people to assess their "alcohol-awareness".

where it is permitted (and as per legal requirement in these countries). Point of sale materials and product labels also feature an RDM, often in the form of a website.



Responsibledrinking.eu is used by some of our

members and by several distillers across Europe. The result, **75,000 unique visitors in 2023.** Responsibledrinking.eu works both as an information source and as an EU portal to drive consumers to relevant partner sites such as the **national websites in 25 EU countries**. The aim of the website is to help consumers make balanced and informed decisions.

A full account of our responsible drinking programmes and campaigns can be found on the dedicated website www.drinksinitiatives.eu. "The Power of Partnerships" report provides an overview of some of the best and most successful initiatives and summarises their impact on the ground.

In addition, an increasing number of spirits drinks placed on the market does bear responsible drinking information, so consumers can ever more take informed,



educated choices before purchasing a given product. This information is provided by means of digital consumer information (see report on pledge 1, above) in some cases via specific links leading to dedicated websites.

## **Conclusion and Way Forward:**

spiritsEUROPE is delivering on the pledge made in the context of the Code of Conduct on responsible business and marketing, and we will continue our efforts to coordinate and support the putting in place and monitoring of Responsible Drinking Initiatives (RDIs) in each Member State of the European Union.

### To date:

- ✓ In 25 EU Member States dedicated websites on the responsible consumption of alcoholic beverages exist
- ✓ In each Member State in which a national spirits drinks association exists, a dedicated website on the responsible consumption of alcoholic beverages exists.
- ✓ Driven by a strong commitment to further drive consumer information, spiritsEUROPE is supporting also national association outside the membership of our association
- ✓ An increasing number of spirits drinks features responsible drinking information available to consumers at the point of purchase

We conclude that spiritsEUROPE and its members have demonstrated full dedication and commitment on delivering on the commitment made and that continued momentum is expected.

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