

INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have, including on possible impacts of the different options.

TITLE OF THE INITIATIVE	<i>Proposal for a revision of Regulation (EU) No 1169/2011 on the provision of food information to consumers, for what concerns labelling rules on alcoholic beverages</i>
LEAD DG (RESPONSIBLE UNIT)	DG SANTE/Food information and composition
LIKELY TYPE OF INITIATIVE	<i>Proposal for a Regulation of the European Parliament and the Council</i>
INDICATIVE PLANNING	Q4 2022
ADDITIONAL INFORMATION	Food labelling - revision of rules on information provided to consumers Europe's Beating Cancer Plan (COM(2021)44 final)

The Inception Impact Assessment is provided for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception impact assessment, including its timing, are subject to change.

A. Context, Problem definition and Subsidiarity Check

Context

The European Commission adopted the [Europe's Beating Cancer Plan](#) on 3 February 2021. One of its areas of action concerns sustainable cancer prevention, including by reducing harmful alcohol consumption. In this context, the Plan announces that the Commission will propose the introduction of mandatory indications of the list of ingredients and the nutrition declaration on labels of all alcoholic beverage, as is already the case for other pre-packed foods.

The objective of the initiative at hand is to follow-up on this announcement via a revision of [Regulation \(EU\) No 1169/2011 on the provision of food information to consumers](#) (FIC Regulation). This initiative will complement, with respect to the labelling of all alcoholic beverages, the ongoing [initiative related to the FIC Regulation](#) which seeks to harmonise mandatory front-of-pack nutrition labelling, extend origin or provenance indications to certain products and revise EU rules on date marking.

Problem the initiative aims to tackle

Europe has the highest levels of alcohol consumption in the world and alcohol-related harm is a major public health concern in the EU. In 2016, cancer was the leading cause of alcohol-attributable deaths with a share of 29%, followed by liver cirrhosis (20%), cardiovascular diseases (19%) and injuries (18%)¹. The problem of alcohol-related harm is among those that Europe's Beating Cancer Plan seeks to tackle along the entire disease pathway. Furthermore, excessive alcohol intake increases the risk of obesity and related non-communicable diseases.

While the FIC Regulation provides that prepacked foods have to bear a list of ingredients and a nutrition declaration on labels, it exempts alcoholic beverages containing more than 1.2% by volume of alcohol from this obligation.

This results in a reduced level of consumers' awareness as regards the content and the nutritional composition of alcoholic beverages, thus hampering consumers informed choices as regards a category of food products whose excessive consumption needs reducing with a view to tackle ensuing harm. While voluntary labelling practices

¹ Further data are available on the European Commission's Knowledge Gateway webpage: [Alcoholic beverages | Knowledge for policy \(europa.eu\)](#)

developed by various industry sectors aim to provide information that makes consumers choices easier, they have resulted in a currently fragmented landscape in the absence of uniform regulatory requirements. This creates an uneven playing field for operators and results in consumers' expectations being only partly addressed.

Against this background, certain Member States maintained or adopted national measures regarding labelling requirements for ingredients of alcoholic beverages. Some of them also introduced legislation requesting nutrition labelling particularly for alcoholic beverages².

The Commission's 2017 *Report regarding the mandatory labelling of the list of ingredients and the nutrition declaration of alcoholic beverages*³ concluded that no objective grounds justify the absence of information to consumers on ingredients and nutrition information on alcoholic beverages. In light of the proliferation of voluntary initiatives by the industry to provide consumers with information on ingredients and nutritional information, the Commission invited the industry to engage in a self-regulatory approach.

Whilst the beer and spirit drinks sectors did take steps towards self-regulation, the wine industry supported a regulatory approach. Through the conclusion of two separate and sector-specific Memoranda of Understanding, the beer sector committed to providing a list of ingredients and energy value (not the full nutritional declaration) on all product labels by 2022, whilst the spirits drinks sector committed to providing the energy value on-label and the list of ingredients off-label for 66% of the total EU market share by 2022. The forthcoming revision of the Common Market Organisation (CMO) Regulation⁴ might lead to the introduction of rules governing the labelling of wine ingredients and nutrition declaration that might be further amended to be aligned with the horizontal rules adopted under this proposal. The same applies to aromatised wine products regulated by Regulation (EU) No 251/2014 which is also under review in the framework of the CAP Reform.

Basis for EU intervention (legal basis and subsidiarity check)

Amendments to the FIC Regulation in the above food information areas would aim to:

- support, coordinate or supplement the actions of EU Member States for the protection and improvement of human health (Article 168 TFEU);
- ensure a high level of consumer protection (Article 169 TFEU);
- ensure further integration of the internal market for sustainable food products (Article 114 TFEU).

Action at EU-level will be more effective in achieving the main objectives than a series of individual actions by Member States because harmonisation will:

- guarantee EU-wide rules for consumers, thereby reducing inequalities in access to information for citizens across the EU.
- reduce administrative burden on food companies operating transnationally or EU-wide;
- ensure a level playing field for food business operators.

B. Objectives and Policy options

The objective of requiring the indication of the list of ingredients and the nutrition declaration for all alcoholic beverages is to increase the level of consumer awareness of the content and nutritional composition of alcohol beverages as is the case for alcoholic beverages containing 1.2% by volume of alcohol or less and for any other food. This would facilitate informed choices and thus help reduce harmful alcohol consumption.

The initiative also aims to create a level playing field for operators, by harmonising at EU level labelling requirements across the specific alcoholic beverages sectors (wines, aromatised wine products, beers, spirit drinks, and other alcoholic beverages).

In considering how these objectives can be addressed, the different options enumerated below will be assessed in the context of the impact assessment to be conducted for the review of the FIC Regulation. The impact assessment will explore all presented options to identify a preferred one that best addresses the challenges and opportunities to achieve the overall objective of the initiative.

Option 0 - Baseline ('business as usual')

The current exemption in the FIC Regulation providing that alcoholic beverages above 1.2 % of volume of alcohol do not have to bear the list of ingredients and nutrition declaration remains. Food Business Operators (FBO)

² See section 4.1 of the Commission's 2017 Report regarding the mandatory labelling of the list of ingredients and the nutrition declaration of alcoholic beverages, COM(2017)58.

³ COM(2017)58.

⁴ Regulation 1308/2013 establishing a Common Organisation of the Markets in agricultural products regulates, in complement of the FIC Regulation, some labelling and presentation particulars for wines (e.g . designation for the category of the grapevine product, indication of provenance...).

continue to voluntarily provide the list of ingredients and nutrition declaration on label of alcoholic beverages or through other means, and when the nutrition declaration is provided on label, it can be limited to the energy value.

Although the negotiations on the CMO Regulation and on Regulation (EU) No 251/2014 are yet to be concluded, one can expect at this stage that for wine and aromatised wine products, the revised Regulations would require the mandatory indication of the list of ingredients and nutrition declaration. This information would be provided either on label or off label, with the exception of the energy value which would need to be provided on label.

Option 1 - Revise the rules for all alcoholic beverages: revoke the exemption and allow certain indications off-label

The current exemption under the FIC Regulation is revoked and mandatory indication of the list of ingredients and nutrition declaration for all alcoholic beverages are required and certain indications can be provided off-label.

Option 2 - Revise the rules for all alcoholic beverages: revoke the exemption and require all indications on-label.

The current exemption under the FIC Regulation is revoked and mandatory indications of the list of ingredients and nutrition declaration for all alcoholic beverages are required. This information has to be provided on label.

C. Preliminary Assessment of Expected Impacts

Likely economic impacts

- Facilitating informed choices through information on ingredients and nutritional composition could potentially reduce costs for public healthcare, which stem from the epidemic in non-communicable diseases such as cancer and obesity, partially caused by excessive alcohol consumption.
- Harmonising labelling requirements for all alcoholic beverages would ensure a level playing field amongst food business operators across the sectors (wine and aromatised wine products, beers, spirit drinks and other alcoholic beverages), as the same rules would apply to all alcoholic beverages.
- Harmonised measures for alcoholic beverages would reduce market fragmentation and facilitate the functioning of the single market. Being able to apply the same labelling requirements across the EU could also provide strong economic potential for food business operators. Increased harmonisation may be in particular beneficial for SMEs as they would no longer need to comply with different national labelling rules.
- Harmonised food information rules would facilitate enforcement by the competent national authorities, and contribute to ensuring a level playing field for EU-manufactured and imported food products, which in turn increases the competitiveness of EU industry.
- Implementing labelling requirements is likely to create a one-time cost for economic operators, including third countries' exporters that place alcoholic beverages on the EU market. However, taking these measures at EU level could reduce the administrative burden for food business operators active in several national markets and preserve a level-playing field for all operators. Additionally, some of the costs in updating labels would be reduced as phased out in the normal life cycle of a label by transitional measures.

Likely social impacts

- Improving consumers' information on ingredients and nutritional composition of alcoholic beverages through harmonised rules will facilitate informed choices. In turn, this would help reducing harmful alcohol consumption with benefits to public health.

Likely environmental impacts

No major impacts identified.

Likely impacts on fundamental rights

No major impacts identified.

Likely impacts on simplification and/or administrative burden

- For those Member States not having adopted national measures on alcohol labelling there might be additional costs linked to enforcing the new rules, although it can be expected they would be integrated in the existing control costs.

D. Evidence Base, Data collection and Better Regulation Instruments

Impact assessment

The European Commission will prepare an impact assessment in 2021/2022 and plans to adopt its proposal in the last quarter of 2022. It will be part of the Impact Assessment which is planned to be conducted on the revision of

other provisions of the FIC aiming at harmonising mandatory front-of-pack nutrition labelling, extending origin or provenance indications to certain products and revising EU rules on date marking⁵.

The impact assessment will underpin this proposal by assessing and comparing the potential impacts of the different policy options described above. It will identify a preferred option or policy mix that best addresses the challenges and opportunities to achieve the overall objective of the initiative. The impact assessment will draw on the evidence listed below, including lessons from previous evaluations, and consider the effect of potential solutions on consumers, SMEs and food business operators.

Evidence base and data collection

While the impact assessment will benefit from extensive research undertaken and evidence collected to date on labelling of alcoholic beverages, a dedicated study covering the whole FIC revision, including the labelling of alcoholic beverages, will collect further evidence on the economic and social impacts policy options might have. Available evidence available includes, but is not limited to, the following:

- [Memorandum of Understanding 5 September 2019; “Proud To Be Clear: Ingredients and Nutrition Labelling of Beer” September 2019](#)
- [Memorandum of Understanding, 4 June 2019, Spirit drinks sold in the EU](#)
- [Commission report regarding the mandatory labelling of the list of ingredients and the nutrition declaration of alcoholic beverages, 13/03/2017 \(COM\(2017\) 58 final\).](#)
- [TNS European Behaviour Studies Consortium, Study on the impact of food information on consumers' decision making \(2014\)](#)
- [Consumer insights - knowledge of ingredient and nutrition information off-label information and its use - Report GfK Belgium \(2014\)](#)
- [Impact assessment report on general food labelling issues, 30/01/2008 \(SEC\(2008\) 92\);](#)
- [Impact assessment report on nutrition labelling issues, 30/01/2008 \(SEC\(2008\) 94\).](#)

Additional data on the implementation of the Memoranda of Understanding of beers and spirit drinks sectors will be collected and analysed. Finally, the results of an exploratory study on other means to provide food information to consumers, including digital means, will be taken into account when assessing impacts of the different options.

Consultation of citizens and stakeholders

The Commission will consult all relevant stakeholders through public and targeted consultations to gather views and feedback in view of further developing and fine-tuning the initiative. Alongside citizens, stakeholders that will be consulted include, but are not limited to, national competent authorities, non-governmental organisations, academia, scientific experts, food business operators, economic actors and their professional associations.

The consultation process will include:

- A 12-week questionnaire-based, online consultation for the whole FIC revision, including the labelling of alcoholic beverages, on the Commission's 'Have your say' portal, expected to run in the fourth quarter of 2021. It will be available in all official EU languages and give any interested party the possibility to contribute. Respondents may reply in any of the EU official languages.
- A set of targeted consultation activities with different stakeholders ranging from surveys to interviews and case studies.
- Targeted consultations with Member State experts appointed to existing Committees and Working Groups
- Targeted consultations with stakeholders in the Advisory Group on the Food Chain.
- Events with stakeholders (e.g. conference/ workshop/ seminar) may also be organised during the impact assessment to complement the consultation process.

When completed, the Commission will publish a synopsis report summarising the results of all these activities.

Will an Implementation plan be established?

Where applicable, an implementation plan will help Member States successfully implement the possible future legislative changes. This could include bilateral/multilateral expert meetings with Member States, interpretative/guidance documents, etc.

⁵ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12749-Food-labelling-revision-of-rules-on-information-provided-to-consumers>