

Opinion of the European Economic and Social Committee on the Proposal for a Regulation of the European Parliament and of the Council on the definition, description, presentation and labelling of spirit drinks

COM(2005) 125 final — 2005/0028 (COD)

(2006/C 324/06)

On 25 January 2006 the Council decided to consult the European Economic and Social Committee, under Articles 95 and 251 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 8 September 2006. The rapporteur was Clive Wilkinson.

In view of the renewal of the Committee's term of office, the Plenary Assembly has decided to vote on this opinion at its October plenary session and has adopted Mr Dorda as rapporteur-general under Rule 20 of the Rules of Procedure.

At its 430th plenary session, held on 26 October 2006, the European Economic and Social Committee adopted the following opinion by 76 votes to 3 with 11 abstentions.

1. Summary and recommendations

1.1 The Committee welcomes the initiative of the Commission to update the current rules on the definition, description and presentation of spirit drinks and in particular the proposed changes to the 'Geographic Indication' (GI) system, with applications being put forward by the relevant national authorities, and the proposed procedure for any amendment of the new regulation.

1.2 The Committee does not support categorisation as proposed in the draft proposal since it could be misleading.

1.3 Ingredient listing for spirit drinks is supported only if it is applied in the same way to all alcoholic beverages.

1.4 'Authenticity Indicators' (AIs) are important in the fight against fraud and counterfeit products and provisions for their use need to be included in the draft.

1.5 The definition of vodka is particularly contentious, notably as to the raw ingredients from which it may be produced. The Committee proposes that the raw materials used should be restricted to cereals, potatoes and beet molasses and that consequently there should be no need to indicate the raw materials used on the labels.

2. Introduction

2.1 The current rules on the definition, description and presentation of spirit drinks are to be found in Council Regulation (EEC) 1576/89⁽¹⁾ and Commission Regulation 1014/90⁽²⁾. These rules have been successful in regulating the

spirits sector. However, it is now necessary to clarify some points and to take account of developments since the rules were established. The current proposal for a regulation has therefore been produced.

2.2 This proposal aims to enhance the clarity of the current regulations (footnotes 1 and 2 below), adapt to new technical requirements and take account of additional factors, such as WTO requirements. It also aims to safeguard the existing good reputation of EU spirit drinks and provide consumers with the necessary information.

3. General comments

3.1 The European Economic and Social Committee (EESC) welcomes the proposal to amend and update the current regulations and it notes that the EU level organisation that represents the producers of spirit drinks⁽³⁾ has been consulted at length and also supports the initiative.

3.2 In particular the Committee welcomes the changes to bring the system of Geographic Indications into line with WTO requirements and the proposal to allow a simple and transparent procedure for amendments of the proposed Regulation.

3.3 The fact that this new regulation will replace two existing regulations should be made clear in the first paragraph of the introductory recital by adding reference to Regulation 1014/90 to the existing reference to Regulation 1576/89 as being repealed and replaced by this proposed new regulation.

⁽¹⁾ OJ L 160, 12.6.89. Last amended on Act of Accession 2003.

⁽²⁾ OJ L 105, 25.4.90. Last amended by Regulation (EC) 2140/98.

⁽³⁾ CEPS The European Spirits Organisation, which represents the industry organisations of 27 countries.

3.4 The industry is of very significant importance to the EU economy, contributing some EUR 5 billion in exports each year ⁽⁴⁾, directly employing about 50 000 people (and indirectly some 5 times that number) and making annual capital investments of over EUR 1 billion. It is also a major customer for EU agricultural producers. Before the most recent enlargement it used some 2 million tonnes of cereals, 2.5 million tonnes of sugar beet, 300 000 tonnes of fruit and 16 million hectolitres of wine each year; these figures are to be updated for the EU25. Since then, with the accession of ten new Member States, potatoes must also be included; annual use of potatoes as a raw material for spirits is about 100 000 tonnes.

3.5 The EU spirits industry is the most competitive in the world at present and any changes made must not cause it to lose this advantage. Of particular importance here will be the maintenance of its excellent reputation and the ability to continue to innovate.

3.6 It is important that the changes made in consolidating and updating the existing Regulations do not lose any of the key principles that these include. Of particular importance here are the current labelling provisions. Comments on these are included in the detailed comments included at Appendix I.

3.7 The individual definitions of spirit drinks are complex and the Committee discusses them only where this seems to be essential.

Specific comments

4. Categories

4.1 The proposal introduces the division of spirits into 'categories'; the proposals are to divide all spirit drinks in to categories 'A' ('spirits'), 'B' ('specific spirit drinks') and 'C' ('other spirit drinks'). It is not clear why there is considered to be a need for this division into categories, but we consider that confusion could arise because certain drinks could be placed in more than one category, depending on the method of production used. The Committee also notes that the explanatory memorandum refers to Category 'A' as 'an exclusive group' which includes 'only the purest form of product'. This could suggest that other categories are not pure, whereas the aim of the regulation is to ensure that all EU produced spirit drinks have an excellent reputation.

4.2 The EESC recognises that the proposed categorisation would not have any legal effect but the Committee does not consider that the proposed division into categories will help consumers or others. Nor does it seem necessary for the

⁽⁴⁾ The industry makes a positive contribution to the EU's balance of trade of about EUR 4.2 billion each year.

structural cohesion of the document. The Committee suggests that if categories are to be introduced they will need to be properly justified. Further, the EESC would then have concerns about the actual descriptions used for each category.

4.3 The EESC is also concerned that if placed in categories this could provide a basis for discrimination between various spirit drinks, possibly in labelling or in taxation. The Committee would oppose such discrimination.

4.4 The debate ⁽⁵⁾, until now, has shown that the proposed categorisation is controversial and therefore likely to be changed. If this happens, consideration must therefore be given to some redrafting to make generic allowance for various traditional practices; further, Annex II of the Proposal would need elaboration to define more clearly which practices are allowed for products.

5. Consumer interests

5.1 The EESC is not aware of any requests from consumer organisations in the area of spirit drinks. Their concern will probably remain that spirit drinks should be of very high quality and safe to consume (when used appropriately).

5.2 The question of ingredient listing is not included in the Commission draft and the EESC supports this as unnecessary and unrealistic at this time. The EESC would however support ingredient listing if it were to be applied to all alcoholic drinks in the same manner and if it could be done in such a way that it had meaning for the consumer.

6. Geographic indications

6.1 The EESC welcomes the clarification of the 'Geographic Indications' (GI) rules as they apply to spirit drinks. It would be helpful to state clearly that applications may only be made to the Commission by Member States, or where appropriate, by the authorities in third countries.

6.2 Some care will be necessary to avoid GI rules being established for too many products if GIs are to continue to be recognised as valuable.

6.3 The EESC assumes that the provisions in Article 5 allowing Member States to lay down and apply stricter rules than those necessary under this new regulation would apply primarily to products with an agreed GI but it would be helpful to clarify if this article could be applied to any product (whether or not it has a GI).

⁽⁵⁾ See for example Report from the Working Party on Wines and Alcohol (Spirit drinks), Council of the European Union, on the Proposal for a Regulation of the European Parliament and the Council on the definition, description, presentation and labelling of spirit drinks. 9871/06, 8.6.06.

7. Flavours/Flavouring/Sweetening

7.1 There is a need to be very specific about 'flavours' and 'flavourings' ⁽⁶⁾ and which process may be used in which products. At present there appears to be confusion in the draft.

7.2 There may be a requirement for definitions of some additional flavoured spirit drinks. This should be considered.

7.3 In the case of sweetening the Commission should consider the need for clarifying the position on 'rounding' where a limited amount of certain sweetening agents are added to adjust the taste of the final product.

8. Future Amendment of the Regulation

8.1 The proposal by the Commission to place individual definitions of spirit drinks in an Annex and then to allow these to be changed after agreement in a Management Committee for Spirit Drinks without opening the full text of the regulation for discussion is supported. It will allow the regulations to be more responsive to innovation.

8.2 Consideration should be given to allowing no changes to be made to individual spirit drink definitions in Annex II of the Commission's proposal for a period of, say, five years after the new Regulation has come into force to provide a period of stability.

9. Authenticity Indicators (AIs)

9.1 The draft does not touch on the question of authenticity indicators. It should do so. The European Spirits

organisation (CEPS) suggests that AIs should be food grade materials and must be present in concentrations of less than 0.1 % weight by volume in a product and must not impart any distinctive character to that product. The EESC supports their proposal.

9.2 AIs are increasingly important in the fight against fraud and counterfeit products. They are also used in products other than spirit drinks but it is important for their use to be agreed by producers of spirit drinks in the context of this proposal.

10. Vodka

10.1 While the EESC does not wish to become involved in too much detail over definitions of products, the case of vodka is of particular difficulty, as the Agriculture and Fisheries Council of 20 February showed ⁽⁷⁾. The Committee has therefore considered this case in order to give a view that might achieve consensus.

10.2 The Committee considers the case of vodka in Appendix II of its opinion and concludes that there is a case for some restriction of the raw materials that may be used in vodka production (to cereals, potatoes and beet molasses). The key is that it will allow this major category to be better protected, allowing commercial operators to build on its reputation and standing. However, provision must be made for those products that would no longer be eligible for the description 'vodka'; such products should be allowed a transitional period of about three years from agreement being reached on the new Regulation in order to change their category and to adjust their marketing.

Brussels, 26 October 2006.

The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

⁽⁶⁾ 'Natural flavour' is taken to be flavour extracted from the raw materials used in the production process and present in the distillate; 'natural flavouring' is the addition of natural flavours to the distillate.

⁽⁷⁾ Press release 6083/06 (Presse 39), 2708th Council Meeting, Agriculture and Fisheries, Brussels, 20.2.06.