

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, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs and the protection of geographical indications for spirit drinks’

(COM(2016) 750 final — 2016/0392 (COD))

(2017/C 209/09)

Rapporteur: **Peter SCHMIDT**

Consultation	Council, 9.12.2016 European Parliament, 12.12.2016
Legal basis	Articles 43(2), 114(1) and 304 of the Treaty on the Functioning of the European Union
Section responsible	Agriculture, Rural Development and the Environment
Adopted in section	14.3.2017
Adopted at plenary	29.3.2017
Plenary session No	524
Outcome of vote (for/against/abstentions)	211/0/4

1. Conclusions and recommendations

1.1. The EESC welcomes the Commission’s initiative to align the current legal framework for spirit drinks with the Treaty on the Functioning of the European Union (TFEU) and to make the legislation consistent with new EU legal instruments, namely as regards the provision of food information to consumers and quality schemes for agricultural products and foodstuffs.

1.2. In particular, the EESC supports the introduction of a stronger link to the agricultural sector. This link is essential for the quality and reputation of the spirit drinks produced in the EU.

1.3. Whilst the EESC generally endorses the adaptations made to ensure alignment with the TFEU and to ease the legislative process, it would be preferable for the balance to be shifted more towards implementing acts rather than delegated acts. In some areas, the ability to derogate should be removed altogether.

1.4. The EESC acknowledges the complexity of the realignment exercise and welcomes the clarification and improvements in areas such as rules related to the labelling of compound terms, allusions and mixture of spirit drinks, as well as the optional labelling for the origin of raw materials. Nevertheless, some other elements have been changed in the proposal that should be reconsidered, as specified later in this opinion.

1.5. On geographical indications (GI), the EESC welcomes the clarification of the GI rules and procedures and the value placed on tradition and local/territorial production.

1.6. The EESC highlights the importance of maintaining the current level of protection for the spirit drinks sector, so as to guarantee that added value and employment stay in Europe. What is important is the place in which the product is distilled and manufactured, and the change of terminology that has been introduced should not imply any major modifications for the sector.

1.7. On presentation and labelling, the Committee suggests some improvements in the current proposal, namely as regards the importance of avoiding any kind of misrepresentation or misunderstanding in relation to ‘imitation flavours’, which could be deceptive for consumers.

1.8. Although this is not within the specific scope of the Commission proposal, the EESC reiterates its previous recommendations on the need for a consistent and comprehensive policy approach based on avoiding harmful alcohol consumption, as well as on the promotion of responsible drinking that avoids health risks and under-age drinking — not only for the spirits sector, but also more generally. Information, education and awareness-raising are crucial in this respect, and the EESC welcomes the numerous public and private sector initiatives in this context.

2. Introduction

2.1. With the proposed regulation, the Commission aims to align the existing Regulation (EC) No 110/2008 ⁽¹⁾ on spirit drinks with the Treaty on the Functioning of the European Union (TFEU). Principally, it divides the provisions adopted by the Commission under the latter regulation into delegated acts and implementing acts, and introduces an agricultural legal basis ⁽²⁾ to emphasise a stronger link with the agricultural sector.

2.2. Besides alignment with the TFEU, the proposal introduces only a few minor technical amendments, in order to address shortcomings in the implementation of Regulation (EC) No 110/2008 and to make the legislation consistent with new EU legal instruments, namely as regards the provision of food information to consumers (Regulation (EU) No 1169/2011 ⁽³⁾) and quality schemes for agricultural products and foodstuffs (Regulation (EU) No 1151/2012 ⁽⁴⁾).

2.3. In particular, the proposal clarifies some labelling rules for compound terms, allusions and mixtures of spirit drinks that aim to avoid internal market problems. It also includes a new article on the indication of origin and introduces clearer procedures for the registration of geographical indications based on Regulation (EU) No 1151/2012.

3. General comments

3.1. The EESC welcomes the Commission's proposal to ensure legal alignment of the existing Regulation (EC) No 110/2008 on spirit drinks with the TFEU and to make the legislation consistent with new EU legal instruments. The proposed framework generally provides clarification and consistency with regard to rules for the spirits sector.

3.2. The EESC notes that the associations of spirit drinks producers were consulted by the Commission. The spirit drinks sector in the EU, with sales abroad worth over EUR 10 billion in 2015, is part of the agri-food sector, which is the largest export sector of the European Union. The sector is responsible for a million jobs in production and sales in Europe and enjoys a close economic and social relationship with the farming sector. Excise tax and VAT revenue from spirits bring in about EUR 23 billion per year. However, spirits consumption fell by 32 % between 1980 and 2014. This is mirrored in the separate trends of 'premiumisation', and drinking 'less but better'. Between 2000 and 2015, for example, on-trade sales (hotels, restaurants, cafés) fell by 8 % to 23,5 million hectolitres of spirit, but value increased by 30 %.

3.3. Although the Commission proposal mainly aims to ensure legal alignment with the TFEU, it also represents an opportunity for the spirits sector to maintain quality and traditional practices as well as to protect its reputation at global level. In particular, the proposal provides clarity on how each drink is made: raw materials, minimum strength for marketing, maximum distillation strength, maturation periods, sweetening requirements, etc. The differentiation between categories of spirit drinks helps protect the various traditions.

3.4. The EESC underlines the importance of reinforcing the link with the agricultural sector. Only agricultural raw materials should be permitted for the production of spirit drinks, which would also ensure an outlet for basic agricultural products.

⁽¹⁾ Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008 on the definition, description, presentation, labelling and protection of geographical indications of spirit drinks and repealing Council Regulation (EEC) No 1576/89 (OJ L 39, 13.2.2008, p. 16).

⁽²⁾ Article 43(2) TFEU.

⁽³⁾ Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004 (OJ L 304, 22.11.2011, p. 18).

⁽⁴⁾ Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1).

3.5. The adaptations made so as to ensure alignment with the TFEU and to ease the legislative process are generally positive. However, it would be more appropriate for the balance to be shifted more towards implementing acts rather than delegated acts. In some areas, the ability to derogate should be removed altogether, especially if this implies major changes. For example, the Commission seeks powers (Article 16(3)) to draw up delegated acts to permit the name of a registered geographical indication to be given in the language of an export market where such information is mandatory, i.e. where spirits could not enter the market without this information. The current EU regulation, however, already allows producers to do this, but this has been removed from the alignment text. The current ability should be reinstated, in which case there is no need for delegation of powers.

3.6. For spirits producers, one of the main concerns is to preserve traditionality and the geographical indication (GI) system for spirits. The EESC generally welcomes the clarification of the GI rules as they apply to spirit drinks.

3.7. Although this is not within the specific scope of the Commission proposal, the EESC reiterates its previous recommendations on the need for a consistent and comprehensive policy approach⁽⁵⁾ based on avoiding harmful alcohol consumption, as well as on the promotion of responsible drinking that avoids health risks and under-age drinking — not only for the spirits sector but also more generally. Information, education and awareness-raising are crucial in this respect. The EESC notes that the private sector is engaged in many initiatives and social programmes across the EU, showing that it is possible to reduce alcohol abuse, especially among young people⁽⁶⁾.

3.8. The issue of ingredient listing and nutritional information on spirits labels is not included in this Commission proposal. However, the EESC reiterates that consumers are entitled to receive truthful and balanced information about alcoholic drinks to help them make informed decisions about their consumption⁽⁷⁾. The micro and small producers would need support to apply the rules. The Committee looks forward to contributing to the ongoing discussion opened by the recent Commission report⁽⁸⁾ on this topic.

4. Specific comments

4.1. The EESC acknowledges the complexity of the realignment exercise, and welcomes the clarification and improvements in areas such as rules related to the labelling of compound terms, allusions and mixtures of spirit drinks, as well as the optional labelling for the origin of raw materials. Nevertheless, some other elements have been changed in the proposal that should be reconsidered, for example:

- The replacement of all ‘and/or’ wording with different expressions should not lead to any kind of misinterpretation and confusion. The EESC therefore proposes to use a recital to underline that all ‘and/or’ expressions have been replaced with expressions of equivalent meaning and that the Commission did not intend to alter the sense of the provisions of Regulation (EU) No 110/2008;
- The definition of production practice and flavouring needs to be clarified;
- The term ‘technical file’ has been replaced by the term ‘product specification’ to harmonise the rules in the four GI sectors (foodstuffs, wine, spirit drinks and aromatised wines). However, in order to avoid any kind of misinterpretation, a recital should be added to clarify the equivalence of the two terms.

4.2. Article 8(5) of the Commission proposal specifies that the sales denominations supplemented by the term ‘flavour’ (or any other similar terms) may be used to refer to flavourings that imitate a spirit drink or their use in the production of a foodstuff other than a beverage. The Committee considers that this provision could be misleading for consumers.

⁽⁵⁾ OJ C 318, 23.12.2009, p. 10.

⁽⁶⁾ See for example: HBSC (Health Behaviour in School-aged Children, 11-13-15 years old) — summary of key findings of the last HBSC study published in 2016: <http://spirits.eu/files/98/cp.as-095-2016-hbcs-survey-2016-key-messages-final.pdf>; ESPAD (the European School Survey Project on Alcohol and Other Drugs, 15-16 years old). The ESPAD study shows 86 % of European students are now reporting ‘not having been drunk’ in the last 30 days. This is a 23 % decline in the level of intoxication (since 2003). The frequency of heavy episodic drinking has decreased by 28 % since its peak in 2007 (18 % in 2007 down to 13 % in 2015). These positive trends can be observed for both boys and girls.

⁽⁷⁾ OJ C 332, 8.10.2015, p. 28.

⁽⁸⁾ Report from the Commission to the EP and the Council regarding the mandatory labelling of the list of ingredients and the nutrition declaration of alcoholic beverages, COM(2017) 58 final — 13.3.2017.

4.3. Both to keep the value added for producers and to protect consumers' interests, the EESC stresses the importance of keeping the current level of protection for the spirit drinks sector when referring to the 'place of manufacture' versus the 'place of origin'. The new terminology should not imply any major changes for the spirits sector, the critical point being the place in which the product is distilled and manufactured.

4.4. Member States are responsible for monitoring the unlawful use of protected geographical indications and the Commission should be informed of the application of the rules in Member States, thus providing a suitable framework to allow fake spirits to be removed from the market.

4.5. The opposition procedure that allows interested parties to reach an agreement is welcome, as this procedure is less burdensome without affecting the results.

4.6. The Register of Geographical Indications of spirit drinks that replaces Annex III should be seen as a way to modernise the model, without affecting the rights, obligations or transparency of the system.

Brussels, 29 March 2017.

The President
of the European Economic and Social Committee
Georges DASSIS
