## **SPIRITSEUROPE INPUT ON THE LATVIAN TRIS NOTIFIED DRAFT AMENDMENTS TO THE HANDLING OF ALCOHOLIC BEVERAGES LAW**

spiritsEUROPE proudly represents one of Europe’s most valuable agri-food export sectors and, with it, the interests of 30 associations of spirits producers as well as 11 leading multinational companies. Distilled spirits are as diverse as the EU itself, spanning 44 product categories and including a host of geographically-specific products that contribute to the culture of their regions (250 GIs). spiritsEUROPE’s mission is to represent, defend and promote the European spirits sector and help members achieve sustainable business growth.

On 1 July 2024, Latvia [TRIS notified](https://technical-regulation-information-system.ec.europa.eu/en/notification/26014) its draft law “Amendments to the Handling of Alcoholic Beverages Law”.

Please find below our detailed comments:

**1) Preserving the EU Single market & Calling for an harmonised EU labelling framework –** *[ARTICLE 7]*

The Latvian authorities intend to insert a new Article 7 on “Additional labelling requirements for alcoholic beverages” which requires that each alcoholic beverage placed on the Latvian market shall include:

* “*a nutrition declaration which may be limited to energy and ingredients. The full nutritional declaration and list of ingredients shall be provided on the label or made available by electronic means, provided that a clear and direct link to the location of the nutritional declaration and ingredients list is indicated on the packaging or attached label. Information on substances or products causing allergies or intolerances shall be directly indicated on the packaging or attached label;”*
* “*a warning pictogram — a graphic symbol and other visual elements (e.g., borderlines, background drawing, or colour) serving as a warning against the consumption of alcoholic beverages during pregnancy and while operating a vehicle, printed on the label of the alcoholic beverage packaging or affixed by a special sticker.”*

spiritsEUROPE supports the Latvian authorities’ ambition to empower consumers to make informed and responsible choices. We particularly welcome the combination of an on-label and online consumer information solution, which is, according to us, the best way forward if we are to meet increasing demand for transparency. However, there are some elements of the draft legislation that would need to be clarified and others that should be put on hold and dealt with at EU level.

1. **Nutrition and ingredient labelling – Alignment with existing EU legislation and self-regulation**

As mentioned in the Latvian Impact Assessment, the EU spirits sector adopted a Memorandum of Understanding (MoU) regarding the provision of the energy value and list of alcoholic beverages in 2019. This MoU, endorsed by both the Agriculture and Health Commissioners at the time, set a pragmatic, successful and meaningful self-regulatory commitmment, and its implementation progress was regulary assessed by spiritsEUROPE[[1]](#footnote-2).

The combination of on label and digital consumer information as envisaged in the MoU is widely implemented across the EU. Today, more than 70% of spirits drinks SKUs (by volume) already display energy (kj/kcal) on pack per 100ml and serving, are language free, and a QR Code directs the consumer to a marketing-free digital environment in which consumers find an ingredient list, as well as a full nutritional declaration in their local language. Often, sustainability information e.g. on the collection of packaging, and other product-related information, such as [responsible consumption](https://responsibledrinking.eu/), is also provided digitally.

While we welcome the fact that the Latvian approach to consumer information reflects the recently adopted EU wine legislation and appears to be aligned with the spirit sector’s self-regulatory approach on labelling, we believe that the way in which Article 7 is drafted could be subject to interpretation and impose that the list of ingredients be provided both on label and online – whereas current practice allows us to provide this information on label OR online, via a direct access from the label.

We also consider that such issues should best be addressed via a harmonised approach at EU level as part of a future revision of the Food Information to Consumer Regulation (Regulation 1169/2011). This would ensure the smooth functioning of the single market while providing the required information to consumers and limiting supply chain disruption.

Article 7, point 2 also says “*Every unit of packaging* (or the label attached thereto) for alcoholic beverages produced in Latvia, or imported from another European Union Member State or from a third country that is not a Member State of the European Union and intended for wholesale and retail sale in Latvia, shall be marked with a clearly visible and easily readable label that includes...” We find this problematic, as it would be challenging to include everything you include on packaging on small SKU’s, such as 350ml bottles or smaller ones.

Indeed, label changes can incur significant costs, especially for smaller and medium-sized companies trying to operate in several markets, which often share SKUs with other markets. On top of the supply chain disruptions, labelling changes also lead to uneccessary increased write-offs of labels, as it is difficult to predict the right amount of labels needed during transition periods.

1. **Warning labels**

It is our understanding that consumer guidance can – in the case of binary advice and for specific demographics, for instance in situations when individuals should not drink at all (e.g. during pregnancy or when driving) – be provided in the form of pictograms. These types of pictograms would have the advantage of: 1) being language-free – hence to be easily understandable by all consumers regardless of their native language and wherever they are in the EU; and 2) providing clear guidance on situations where it is advised not to drink.

Still, we would strongly recommend that the Latvian authorities wait for the upcoming European Commission’s proposal on alcohol and health information. Both producers and consumers would benefit from an EU harmonised approach with coherent and consistent information across the EU and not for a specific label per market, hence avoiding trade disruptions.

**2) Providing evidence-based information to consumers in line with global public health policy** *– [ARTICLE 6]*

Concerning Article 6 with regards to sales at retail locations, the draft law adds the following wording to the Handling of Alcoholic Beverages law: “*In retail locations, a prominently displayed sign must warn that the consumption of alcoholic beverages has negative health effects, alcoholic beverages cannot be sold to minors and minors may not purchase, consume or possess alcoholic beverages.*”.

While we fully support the fact that alcoholic beverages should not be sold to and consumed by minors, spiritsEUROPE strongly calls for a distinction to be made between the harmful use of alcohol and moderate consumption and therefore asks for the sentence to be re-written in the following way: “*In retail locations, a prominently displayed sign must warn that the* ***harmful*** *consumption of alcoholic beverages has negative health effects”*, as it is the *harmful* consumption of alcoholic beverages which causes negative health effects. The wording should be aligned to reflect the WHO Global Alcohol Strategy, as well as the [Europe Beating Cancer Report](https://health.ec.europa.eu/system/files/2022-02/eu_cancer-plan_en_0.pdf), and the [European Parliament’s Non-Communicable Diseases Resolution](https://www.europarl.europa.eu/doceo/document/TA-9-2023-0467_EN.pdf) .

**3) Calling for clarifications on proposed advertising restrictions on promotions, promotional activities and discounts***– [ARTICLE 11]*

Finally, with regards to the proposed alcohol advertising ban of price and discounts under article 11, we would warn against the risks of unintended consequences such as a reduction in market competition and consumer choice, possibly resulting in higher prices without necessarily reducing harmful consumption.

Banning alcohol advertising, coupled with restrictions on retail sales, packaging, and labelling, could lead to increased production costs and logistical challenges disproportionately affecting smaller enterprises. This could result in reduced product diversity and innovation within the market.

To conclude, spiritsEUROPE supports the Latvian Government's commitment to reducing alcohol-related harm and measures that are evidence-based and proportionate. However, we would welcome further clarification from the Latvian government on the evidence supporting the adoption of such provisions at national level. We therefore call on the Latvian authorities to take these discussions up at European level, and in an open dialogue with industry, to avoid single market disruptions.

1. <https://spirits.eu/issues/internal-market/consumer-information-on-spirit-drinks> [↑](#footnote-ref-2)