

TRIS Notification 2019/423/IRL Regulations 2019 on "Sale and Supply of Alcohol Products" under the Irish Public Health (Alcohol) Act

FIVS Comments

25 November 2019

On 02 September 2019, the Government of Ireland notified (2019/423/IRL) to the European Commission the draft Regulations 2019 on "Sale and Supply of Alcohol Products" under the Irish Public Health (Alcohol) Act. The regulations would prohibit the sale or supply of alcohol products at a reduced price or free of charge, as well as ban the promotion of such sales as of 01 September 2020.

<u>FIVS</u>¹, as a non-EU trade association, welcomes the opportunity to share its comments on these draft regulations related to the sale and supply of alcohol products.

The Federation is supportive of national initiatives which seek to address the harmful use of alcohol. For example, FIVS's social programmes database, <u>FIVS-Assure</u>, offers sound examples of education and public awareness programmes, many highlighting the dangers of irresponsible consumption. In addition, FIVS has developed documents that set forth the fundamental aims, activities, and behaviours that are integral to promoting a responsible and sustainable alcohol beverage sector (see, e.g., <u>FIVS Guiding Principles for Advertising and Marketing and FIVS Social Sustainability Principles for Ethical Trading (FSSPET)</u>).

We are not calling into question the public health objectives pursued by the Irish Authorities. However, the draft regulations are regrettably disproportionate and contrary to Article 34 of the Treaty of Functioning of the EU (TFEU) that prohibits "quantitative restrictions on imports and all measures having equivalent effect." In addition, by aiming to reduce *per capita* alcohol consumption figures, the regulations fail to focus on what should be the relevant objective: reducing the harmful use of alcohol.

The regulations create uncertainty for exporters to the Irish market:

- Market Distortions. The regulations aim to curtail the ability of alcohol beverage producers and retailers
 to offer their products at reduced prices. This unjustified and arbitrary approach clearly leads to market
 distortions in the Irish market.
- Marketplace Uncertainties. Excluding alcohol beverages from the award of bonus or loyalty card point
 system will increase uncertainty for retailers and others in managing the award systems. For instance, it
 is unclear how airlines will modify their systems which enable passengers to redeem their miles to
 purchase special premium wines offered in their catalogues. Similarly, it is unclear how under the Irish
 legislation Credit Card companies may award bonus miles for alcohol beverage purchases.
- Wine Clubs. Members of wine clubs around the world typically qualify for exclusive offers for special wines on the basis of loyalty points. The new regulations would ban these types of practices without addressing the harmful use of alcohol in meaningful fashion.

FIVS greatly appreciates this opportunity to provide these comments regarding the above-referenced notification. Please let us know if you have any comments or questions.

¹ FIVS is a Paris-based, non-profit organisation founded in 1951, that serves all sectors of the alcohol beverage industry. The organisation has 51 members from 24 countries/regions and includes companies, distributors, importers, exporters, and trade associations.