

17 December 2018

Lisa Studdert  
Acting Chair  
Food Regulation Standing Committee  
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### **Consultations Impacting Beer & Cider Industry – Timeframes and Co-ordination**

Dear Ms Studdert,

I am writing on behalf of New Zealand's brewing industry to express our concern with the timing and lack of clarity regarding the inter-linked consultations currently proceeding through FSANZ.

We understand that our colleagues at the Brewers Association of New Zealand, NZ Wine, Spirits NZ and the Independent Brewers Australia intend to raise similar concerns. As many of our members also produce Cider, we have consulted with Cider NZ and have their support in the submission of this letter.

As you know there are currently four consultations either pending or underway which will impact the formulation, labelling and packaging of beer and cider in New Zealand - pregnancy warning labels, added sugar, carbohydrate and sugar claims and energy labelling (or the use of nutrition information panels).

#### **Timing of Consultation**

We are concerned about the timeframes set in relation to the financial information required for the carbohydrate and sugar claims proposal. The November through to March period is the busiest time of the year for our members from a production and sales perspective. Most of our members are small to medium enterprises whose overall annual business relies, in part, on the success of this season. Even our largest members are exceptionally busy over this time – with the volume of information required to be collated significant.

A deadline of 25 January 2019, means that it is highly unlikely our members will be in a position to undertake the work necessary to review, collate and submit this complex and commercially sensitive information within the prescribed timeframe. The outcome of this is that FSANZ will not have meaningfully representative data to complete its preliminary cost benefit analyses – rendering that analysis open to scrutiny in the future.

#### **Inter-relationship of Consultations**

Our greatest concern is the lack of acknowledgement or comment from FRSC or FSANZ as to how each of these proposals, as they move to finality, will be coordinated. In response to each consultation over the past 18 months, the Brewers Guild have advised that the impact to our members of changes will be

far more significant if they are not coordinated (particularly for our small to medium businesses). This concern has not been acknowledged or addressed.

Three of the proposals underway seek to address, in some way, labelling of sugar, energy and carbohydrates. It is our understanding that the energy labelling consultation is likely to make decisions as to whether energy and/or content labelling should be a mandated requirement. There is yet to be a substantial discussion, in any formal sense, around those issues and no timeframe has been set for these discussions. We consider that it is important to determine this significant matter prior to embarking on a series of consultations seeking to stipulate other related labelling requirements.

In each consultation information is sought to be gathered around the cost of implementation. When this is done in isolation it does not take into account the cumulative impact to businesses. It is not clear how the cumulative impact is being weighed or considered. For example, the Pregnancy Warning Labelling consultation has moved to the implementation phase without acknowledgement or clarity on the process, timing or requirements. If our members are required to make a labelling change now and then again another four times within the next several years the costs would be substantial – and are easily avoidable through alignment.

### **Request**

In summary, we ask that FRSC consider the issues raised and provide clarity on:

1. The timeframes of requirements for consultations currently underway given the time of year.
2. How it intends to coordinate any outcomes impacting the formulation and labelling (and packaging) of beer and cider.
3. How it intends to balance the currently un-timetabled energy labelling consultation process and outcome with those other energy-related proposals in progress.

A copy of this letter has been provided to our members and they have been advised not to respond to the current request for information until we have received a response to the issues raised in this letter.

We look forward to hearing from you.

Yours sincerely



Sabrina Kunz

### **Executive Director**

Cc

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