

19 August 2011
[15-11]

APPLICATION A1026

MINIMUM ALCOHOL CONTENT FOR WINE

APPROVAL REPORT

Executive Summary

Purpose

Food Standards Australia New Zealand (FSANZ) received an Application from the Winemakers' Federation of Australia (WFA) on 5 June 2009. The initial scope of the Application has been amended by the Applicant since it was originally submitted and currently seeks to amend the Australia only Standard 4.5.1 – Wine Production Requirements in the *Australia New Zealand Food Standards Code* (the Code).

The Application seeks to reduce the minimum alcohol content permitted in Standard 4.5.1 for wine and sparkling wine produced in Australia from 8 % (80 mL/L) to 4.5% (45 mL/L) alcohol/volume (alc/vol). This proposed amendment is relevant to wine produced in Australia only and does not apply to wine made in New Zealand or to wine imported into Australia and New Zealand.

A minimum alcohol content of 4.5% is sought to harmonise with the European Union (EU) in order to meet EU export requirements under the 2008 *Agreement between Australia and the European Community for Trade in Wine*. The Applicant asserts that this will facilitate trade with the EU, Australia's largest export market.

The Applicant states that the proposed amendment will address a current regulatory disadvantage for the Australian wine industry in comparison to imported wines. Australian produced wine and sparkling wine currently has a prescribed minimum alcohol content of 8% alc/vol, whereas there is no minimum alcohol content stipulated in the Code for imported wine. Wines imported into Australia below 8% alc/vol are therefore permitted to be sold as 'wine', while Australian produced wines below 8% alc/vol are not.

A risk assessment was not conducted for this Application on the basis that there are no public health and safety risks related to the proposed amendment.

In assessing the Application, FSANZ has considered the potential impacts on all stakeholders including consumers, industry and government. Based on the available information, FSANZ has concluded that the benefits of the proposed amendment outweigh any associated costs.

The Application was assessed under the General Procedure.

Assessing the Application

In assessing the Application and the subsequent development of a food regulatory measure, FSANZ has had regard to the following matters as prescribed in section 29 of the *Food Standards Australia New Zealand Act 1991* (FSANZ Act):

- whether costs that would arise from varying the Code to reduce the minimum alcohol content outweigh the direct and indirect benefits to the community, government or industry
- whether other measures would be more cost-effective than a variation to Standard 4.5.1 that could achieve the same end
- whether there are any relevant New Zealand standards
- any other relevant matters.

Decision

To approve the draft variation to Standard 4.5.1 – Wine Production Requirements to require wine and sparkling wine produced in Australia to contain no less than 45 mL/L of ethanol at 20°C.

Reasons for Decision

- The proposed amendment to Standard 4.5.1 does not raise any public health and safety issues. The amendment could provide Australian consumers with a greater range of low alcohol products.
- Approval of the proposed amendment promotes consistency between domestic and international food standards, particularly with the European Union, and promotes an efficient and internationally competitive food industry, which are matters that FSANZ must have regard to under the FSANZ Act.
- The impact analysis concluded that the benefits of the proposed amendment outweigh any associated costs.
- There are no relevant New Zealand standards that would impact on our decision to amend the Code.
- There are no other measures than a variation to Standard 4.5.1 that could achieve the same end.

Consultation

Public comment on the Assessment Report was sought from 21 April to 2 June 2011. Comments were specifically requested on the potential costs and benefits to all stakeholders. As this Application was assessed under the General Procedure, there was one round of public consultation.

A total of eleven submissions were received. The issues raised in these submissions have been carefully considered by FSANZ. A summary of the submissions and FSANZ responses are provided at **Attachment 2** to this Report.

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Introduction

FSANZ received an Application from the Winemakers' Federation of Australia (WFA) on 5 June 2009. The WFA is the peak national body for the Australian wine industry.

The Application initially sought to amend the tolerances (i.e. accuracy) permitted between the alcohol content stated on the label and the actual alcohol content determined by analysis for wine, wine products and fortified wine in Standard 2.7.1 – Labelling of Alcoholic Beverages and Food containing Alcohol in the *Australia New Zealand Food Standards Code* (the Code).

On 17 February 2010, the WFA requested an addition to the Application seeking to also reduce the minimum alcohol content permitted for wine and sparkling wine in the Australia only Standard 4.5.1 – Wine Production Requirements.

On 14 March 2011, the WFA withdrew its request to amend the tolerances in Standard 2.7.1 and asked FSANZ to only proceed with the proposed amendment to Standard 4.5.1.

The Application therefore seeks to reduce the minimum alcohol content permitted in Standard 4.5.1 for wine and sparkling wine from 8% to 4.5% alcohol/volume (alc/vol). This proposed amendment is relevant to wine and sparkling wine produced in Australia only. The proposed amendment does not apply to wine made in New Zealand, or to wine imported into Australia or New Zealand for which there are no minimum alcohol requirements prescribed in the Code.

1. The Issue / Problem

Application A1026 seeks to reduce the minimum alcohol content prescribed in Standard 4.5.1 for wine and sparkling wine produced in Australia from 80 mL/L to 45 mL/L of ethanol at 20°C (i.e. 8% to 4.5% alc/vol¹).

A minimum alcohol content of 4.5% alc/vol is sought to harmonise with the European Union (EU). The Applicant states that under the terms of the *2008 Agreement between Australia and the European Community on Trade in Wine* (Australia – EU Wine Agreement), Australia can export wine to the EU with a minimum of 4.5% alc/vol if it is legal to produce such wine under Australian regulations. The Applicant has submitted letters from the European Commission's Directorate-General for Agriculture and Rural Development confirming that Australian wines with an alcohol content greater than 4.5% v/v can be sold in the European Community labelled as 'wine' if produced in accordance with conditions specified in both of the relevant Australian and Community legislation. The Applicant states that harmonising the Code with the EU will facilitate access to the European market, Australia's largest export market.

The Applicant asserts the proposed amendment to the Code will address a current regulatory disadvantage for Australian produced wine in comparison to wine imported into Australia. This disadvantage arises from provisions contained within Standards 2.7.4 and 4.5.1 which both relate to wine in Australia.

¹ The alcohol/volume (alc/vol) measurement is used interchangeably with vol/vol (or v/v) or vol throughout this report to express the minimum alcohol content, though the alc/vol measurement will be used unless reporting from specific references.

Standard 2.7.4 is a joint Standard which applies to wine produced in Australia and New Zealand, and to wine imported into Australia and New Zealand. This Standard sets out general definitions for wine and wine product and provides permissions for the addition of certain foods during the production of wine. There is no minimum alcohol limit prescribed in relation to the production or marketing of wine.

Standard 4.5.1 applies to wine produced in Australia only and covers a range of specific production requirements including a minimum alcohol content of 8% alc/vol.

This means that wines below 8% alc/vol are permitted to be imported and sold in Australia as 'wine', while domestically produced wines below 8% alc/vol are not. Reducing the minimum alcohol content will therefore allow Australian produced low alcohol wines above 4.5% alc/vol to be labelled and sold as 'wine' in Australia and to be exported to the EU. As indicated above, a minimum of 4.5% is sought to align with EU export requirements under the Australia – EU Wine Agreement and facilitate trade to the European market.

The Applicant states that the proposed amendment will remove a technical barrier to innovation in Australian low alcohol wine. The Applicant has indicated that the demand for low alcohol and low calorie wines in Australia and internationally is increasing. Improved technology has meant that lower alcohol wines can be produced with increasing quality and taste. This has led to this Application to reduce the alcohol limit for Australian produced wine.

2. Background

2.1 Historical Background

Standard 4.5.1 provides specific requirements for wine produced in Australia only. This Standard was prepared primarily from the former Standard P4 in the Australian *Food Standards Code*. The Standard underpinned the previous 1994 *Agreement between the European Community and Australia for Trade in Wine* in order to uphold the terms of the trade agreement with Europe and ensure the continued access of Australian wine to the European market. Australia's agreement with the EU relied on all wine made in Australia, whether for domestic consumption or for export, being recognised by the EU as wine of designated quality and origin. The new Australia – EU Wine Agreement has been in force since 1 September 2010, replacing the previous 1994 Agreement.

Standard 2.7.4 is a joint Standard which was developed to recognise accepted wine practices throughout the world. This Standard applies to wine produced in Australia and New Zealand and to wine imported into Australia and New Zealand.

2.2 Current Standard

Standard 4.5.1 includes requirements for the production of wine in Australia only. Clause 5 of this Standard currently requires wine and sparkling wine to contain no less than 80 mL/L of ethanol at 20°C (i.e. 8% alc/vol).

2.3 Scope of the Application

The proposed amendment to Standard 4.5.1, as currently applying to the production of wine and sparkling wine in Australia only, does not apply to wine produced in New Zealand or to wine imported into Australia or New Zealand.

2.4 International Regulatory Considerations

There is no Codex Alimentarius standard for wine.

2.4.1 Regulation in the European Union

Regulations on the common organisation of the EU wine market are provided in Council Regulation (EC) No 479/2008. Annex IV of this Regulation indicates that wine shall have an alcoholic strength of not less than 8.5% vol or 9% vol depending on the wine-growing zone. However, by way of derogation from the otherwise applicable minimum alcoholic strength, wine with a protected designation of origin or geographical indication shall have an actual alcohol content of not less than 4.5% vol.

2.4.2 Regulation in other countries

Although Standard 4.5.1 only applies to wine produced in Australia, the minimum alcohol content requirements for wine in the major wine trading countries, as provided by the Applicant, are summarised in Table 1 below.

Table 1: Minimum alcohol requirements for wine in the major wine trading countries

Country	Minimum alcohol (vol/vol)	Comments
Australia	8%	For Australian produced wine
New Zealand	Not specified	
Europe	8.5% or 9% (depending on wine-growing zone)	With derogations for certain wines (styles or regions) to lower minimum alcohol requirements, all not less than 4.5%
USA	No minimum specified	For wines with <7% alcohol ingredient labelling is required
Argentina	7%	
Canada	Not specified	
Chile	10%	
China	7%	
South Africa	Not specified	

2.4.2.1 New Zealand Regulations

In New Zealand, winemakers must comply with the *Wine Act 2003* and the Regulations, Specifications and Notices made under this Act. Additionally, all wine sold in New Zealand must meet the composition and labelling requirements of the Code. In relation to minimum alcohol content requirements applicable to New Zealand, there is no minimum prescribed in the Code, and as far as FSANZ is aware, there is no minimum specified in any New Zealand legislation.

2.5 Technological Considerations

Australian wines are produced and sold as 'wine' with alcohol content above 8% alc/vol as currently permitted in the Code. The Applicant has indicated that lower alcohol wines can be produced by limiting the supply of fruit sugars, stopping the fermentation prior to conversion of all the sugars to alcohol or removal of alcohol from the wine. Improved technology and demand has meant that wine can be produced with lower alcohol levels with acceptable flavour and stability.

The Applicant has indicated that there is a potential risk of microbiological instability with alcohol contents below 4.5% alc/vol which can cause quality issues (e.g. taste), although it does not raise any health and safety issues. The Applicant believes the proposed minimum of 4.5% alc/vol, as well as current industry wine making practice, is appropriate to preserve the reputation of Australian wine with trading partners.

3. Objectives

In developing or varying a food standard, FSANZ is required by its legislation to meet three primary objectives which are set out in section 18 of the FSANZ Act. These are:

- the protection of public health and safety; and
- the provision of adequate information relating to food to enable consumers to make informed choices; and
- the prevention of misleading or deceptive conduct.

In developing and varying standards, FSANZ must also have regard to:

- the need for standards to be based on risk analysis using the best available scientific evidence;
- the promotion of consistency between domestic and international food standards;
- the desirability of an efficient and internationally competitive food industry;
- the promotion of fair trading in food; and
- any written policy guidelines formulated by the Ministerial Council.

4. Risk Assessment

A risk assessment was not conducted on the basis that there are no public health and safety risks related to this Application. The main considerations relevant to this Application are the promotion of consistency between domestic and international food standards, and the desirability of an efficient and internationally competitive food industry. In considering this Application, FSANZ has therefore given regard to the international obligations under the Australia – EU Wine Agreement.

5. Labelling of Wine

Standard 2.7.1 provides labelling requirements for all alcoholic beverages, including wine. In accordance with this Standard, the label on alcoholic beverages (e.g. wine) containing more than 1.15% alc/vol must include a statement of the alcohol content, for example 'x% alcohol/volume'. In addition, alcoholic beverages which contain more than 0.5% alc/vol must include a statement of the approximate number of standard drinks. These labelling requirements will continue to apply to Australian produced wines with a proposed minimum alcohol content of 4.5% alc/vol. FSANZ therefore considers that the current labelling requirements will continue to provide consumers with adequate information to make informed decisions when purchasing wines, and prevent misleading and deceptive conduct.

6. Options

FSANZ is required to consider the impact of various regulatory (and non-regulatory) options on all sectors of the community, which includes consumers, food industries and government. The benefits and costs associated with the proposed amendment to the Code have been assessed using regulatory impact analysis principles.

As this assessment considered an application from industry to amend a regulatory Standard that already exists, it was not appropriate to consider a third, non-regulatory option.

Two regulatory options have been identified for this Application:

Option 1 Reject the draft variation, thus maintaining the status quo.

Under this option, the status quo would be maintained and there would be no change to the existing Standard 4.5.1. This option would see the rejection of the draft variation.

Option 2 Approve the draft variation to Standard 4.5.1

Under this option, Standard 4.5.1 would be amended so that the minimum alcohol content for wine and sparkling wine would reduce from 80 mL/L to 45 mL/L of ethanol at 20°C.

7. Impact Analysis (RIS ID: 11677)

The Office of Best Practice Regulation (OBPR) has advised FSANZ that the proposed amendment is likely to have a minor impact on business and therefore does not require a Regulation Impact Statement (RIS).

7.1 Affected Parties

The proposed amendment to the minimum alcohol content in Standard 4.5.1 only applies to the production of wine in Australia. Wines produced in New Zealand and wines imported into Australia or New Zealand are not affected by the proposed change. Therefore the parties potentially affected by the regulatory options outlined above include:

- Australian wine industry
- Consumers of Australian wine
- Australian Government, State and Territory enforcement agencies.

7.2 Benefit Cost Analysis

7.2.1 Option 1 – Reject the draft variation

Maintaining the status quo could result in the following costs and benefits to the affected parties.

7.2.1.1 Industry

- This option does not address the current regulatory disadvantage where Australian produced wine must conform to a minimum alcohol content of 8% alc/vol, whereas, there is no minimum alcohol content specified in the Code for imported wine.

- The status quo may be seen as a disincentive for the Australian wine industry to make innovations with respect to low alcohol wines without permission to label them as 'wine' in Australia or in the EU. This may be regarded as a cost to the Australian wine industry in terms of a more limited product range and market opportunities.

7.2.1.2 Consumers

- The status quo would not allow for an increase in the range of domestically produced low alcohol wines available to Australian consumers.
- The status quo would not allow for increased competition in the market of low alcohol wines.

7.2.1.3 Government

- Should the status quo prevail, there would be no impact on enforcement agencies. Jurisdictions would not need to make changes to the systems currently in place to monitor compliance.

7.2.2 Option 2 – Approve the draft variation to Standard 4.5.1

The draft variation could result in the following costs and benefits to the affected parties.

7.2.2.1 Industry

- The Australian wine industry would likely regard a lowering of the minimum alcohol content of wine as beneficial as it addresses a regulatory disadvantage compared to import requirements. This would increase product range and market opportunities, and provide regulatory certainty for Australian produced low alcohol wines to be labelled and sold as 'wine'.
- The change in the Standard would make it possible for Australian producers to locally produce and market wine with a lower level of alcohol. Those who choose to produce wines with lower alcohol content may need to make changes to their production process, and this could entail additional costs. However, this would be a voluntary business decision, embarked upon only if the individual producer sees an economic benefit in producing such wines for the domestic market.
- The proposed minimum alcohol content would also align the requirements for wine produced in Australia with the EU and meet the requirements under the trade agreement and thus facilitate trade.

7.2.2.2 Consumers

- The change in the Standard would enable the Australian wine industry to produce low alcohol wine and this could provide Australian consumers with a wider range of low alcohol wines.
- There is a potential benefit to Australian consumers due to possible increased competition in the production and marketing of low alcohol wines.

7.2.2.3 Government

- The Applicant has indicated that no changes would be required to the analytical testing procedures for determining the alcohol content in Australian produced wine. As such, there should be no costs imposed on enforcement agencies as they would not need to alter the current testing procedures used for determining compliance of the alcohol content.

7.3 Comparison of Options

Option 2 was favoured since there is no benefit derived for any affected party from Option 1. Option 2 provides benefits to the Australian wine industry in terms of product innovation and market opportunities and addresses a regulatory disadvantage for the Australian wine industry in comparison with imports. Australian consumers may also benefit from a potentially wider range of low alcohol wine products and increased competition. Any costs incurred by industry would be voluntary. Overall, the benefits outweigh the costs.

8. Addressing FSANZ's Primary Objectives

The legislative objectives that FSANZ is required to meet when developing or varying a food standard are noted in section 3. The primary objective relating to public health and safety was not directly relevant to the considerations of this Application. However, the primary objectives relating to the provision of adequate information and misleading and deceptive conduct were taken into consideration in relation to the labelling of wine in section 5.

Matters that were primarily relevant to the considerations of this Application were the promotion of consistency between domestic and international food standards, and the desirability of an efficient and internationally competitive food industry.

Communication and Consultation Strategy

9. Communication

FSANZ did not anticipate that the proposed amendment would be of major significance and applied a basic communication strategy to this Application. This involved alerting the community to the opportunity to comment on the proposed change to the Code via a media release, website and FSANZ's Facebook page. Email alerts were sent to more than 5000 subscribers to the FSANZ Notification Circular and to interested parties.

FSANZ has notified the Ministerial Council of its decision on the draft variation to the Code. Stakeholders, including the public, will be notified on the gazettal of the change to the Code on the FSANZ website.

10. Consultation

The Assessment Report was advertised for public comment from 21 April to 2 June 2011. Comments were specifically requested on the potential costs and benefits to all stakeholders.

A total of eleven submissions were received. Seven submissions supported the proposed amendment with two of these providing further comments on specific issues. Three submitters did not explicitly state a preference and provided comments on specific issues.

Specific comments from submitters and FSANZ responses are provided at **Attachment 2** to this Report.

10.1 World Trade Organization (WTO)

As members of the World Trade Organization (WTO), Australia and New Zealand are obligated to notify WTO member nations where proposed mandatory regulatory measures are inconsistent with any existing or imminent international standards and the proposed measure may have a significant effect on trade.

The proposed amendment to Standard 4.5.1 is unlikely to have a significant impact on international trade as it applies to the production of wine in Australia only. On this basis, a notification was not made under either the WTO Technical Barriers to Trade (TBT) or Sanitary and Phytosanitary Measures (SPS) Agreements.

Conclusion

11. Conclusion and Decision

This Application has been assessed against the requirements of section 29 of the FSANZ Act.

Decision

To approve the draft variation to Standard 4.5.1 – Wine Production Requirements to require wine and sparkling wine produced in Australia to contain no less than 45 mL/L of ethanol at 20°C.

11.1 Reasons for Decision

- The recommended amendment to Standard 4.5.1 does not raise any public health and safety issues. The amendment could provide Australian consumers with a greater range of low alcohol products.
- Approval of the recommended amendment promotes consistency between domestic and international food standards, particularly with the European Union (EU), and promotes an efficient and internationally competitive food industry, which are matters that FSANZ must have regard to under the FSANZ Act.
- The impact analysis concluded that the benefits of the amendment outweigh any associated costs.
- There are no relevant New Zealand standards that would impact on our decision to amend the Code.
- There are no other measures than a variation to Standard 4.5.1 that could achieve the same end.

The draft variation is provided in **Attachment 1**.

12. Implementation and Review

The FSANZ Board's decision has been notified to the Ministerial Council. Following notification, the proposed draft variation will come into effect on gazettal, subject to any request from the Ministerial Council for a review of FSANZ's decision.

13. References

Agreement between Australia and the European Community on Trade in Wine.
Available from various websites including the Department of Agriculture, Fisheries and Forestry (DAFF). http://www.daff.gov.au/_data/assets/pdf_file/0011/913754/wine-agreement.pdf. Accessed 26 October 2010.

ATTACHMENTS

1. Draft variation to the *Australia New Zealand Food Standards Code*
2. Summary of issues raised in public submissions

Draft variation to the *Australia New Zealand Food Standards Code*



Food Standards (Application A1026 – Minimum Alcohol Content for Wine) Variation

The Board of Food Standards Australia New Zealand gives notice of the making of this variation under section 92 of the *Food Standards Australia New Zealand Act 1991*. The Standard commences on the date specified in clause 3 of this variation.

Dated XXXX

[Signature to be inserted]

Standards Management Officer
Delegate of the Board of Food Standards Australia New Zealand

1 Name

This instrument is the *Food Standards (Application A1026 – Minimum Alcohol Content for Wine) Variation*.

2 Variation to Standards in the *Australia New Zealand Food Standards Code*

The Schedule varies the Standards in the *Australia New Zealand Food Standards Code*.

3 Commencement

This variation commences **on the date of gazettal**.

SCHEDULE

[1] *Standard 4.5.1 is varied by omitting subclause 5(1), substituting –*

(1) Wine and sparkling wine must contain no less than 45 mL/L of ethanol at 20°C.

Summary of issues raised in public submissions

The Assessment Report for this Application was advertised for public comment from 21 April 2011 to 2 June 2011. Comments were specifically sought on the potential costs and benefits to all stakeholders. A total of eleven submissions were received. A summary of the issues raised and the response from FSANZ is provided in Table 1 below, noting the two options in the Assessment Report for this Application were:

- Option 1** Reject the Application, thus maintaining the status quo.
- Option 2** Prepare a draft variation to Standard 4.5.1

Summary of issues raised in public submissions and FSANZ response

Submitter	Comments	FSANZ Response
New Zealand Food and Grocery Council	<p>Supports option 2 as a move that better aligns the requirements between Australia and New Zealand and which does not present a barrier to the import of low alcohol wines by Australia. Notes that the change is for an Australian only Standard and that trade considerations are a matter for Australian interests.</p> <p>Suggested a third option of removing the minimum level of alcohol content for Australian produced wine entirely with exceptions for trade purposes.</p>	<p>Support noted.</p> <p>As stated in section 1 of the Assessment Report, the Applicant is seeking to harmonise with the EU to facilitate trade to the European market, Australia’s largest export market. The Applicant has also indicated potential quality issues with alcohol contents below 4.5% and believes the proposed amendment is appropriate to preserve the reputation of Australian wine with trading partners (section 2.5). FSANZ therefore considers the Applicant’s request to provide a minimum alcohol content of 4.5% for Australian produced wine is reasonable, and would require sound reasoning to consider a different option of no minimum alcohol content.</p>

Submitter	Comments	FSANZ Response
McWilliam's Wines Group Ltd	<p>Supports option 2.</p> <p>Notes that the proposed change removes a current anomaly where Australian produced low alcohol wine (less than 8.0 % alc/vol) cannot be labelled 'wine', but are designated as 'wine products'. Imported wines do not have the same restriction. It notes making the proposed amendment to the Standard is supported by the section 18 objectives of the FSANZ Act.</p>	Support noted
Woolworths Limited	<p>Supports option 2.</p> <p>Notes that currently Australian produced low alcohol wine products (below 8% alc/vol) cannot be labelled as 'wine'. This has a detrimental effect on marketing and selling these products to consumers. Making the proposed change to the Standard will be beneficial to develop the customer market for lower alcohol wines and also ensure consistency with imported lower alcohol wines which currently can be labelled as wine.</p>	Support noted
Food Technology Association of Australia	Supports option 2.	Support noted

Submitter	Comments	FSANZ Response
<p>Alcohol Education and Rehabilitation Foundation and Public Health Association of Australia joint submission</p>	<p>No formal statement of which option they prefer. As a general principle, support moves to lower alcohol content products in Australia. However, concerned that lower alcohol wine may claim to be lower in alcohol and may make positive health claims such as being low or lower in calories. Suggests two additional amendments to Standard 2.7.1 to address these concerns.</p> <ol style="list-style-type: none"> 1. Clause 4 should be extended so that producers cannot suggest or imply their product is low in alcohol unless it contains less than 1.15% alc/vol. The aim is to prohibit the use of the term low but also other interpretations of the word 'low' such as 'lower' alcohol. 2. Addition of a new clause that prohibits labelling of alcoholic beverages that contain greater than 1.15% alc/vol with language that may constitute a positive health claim. 	<p>FSANZ notes that the suggested amendments to Standard 2.7.1 relate to the labelling of all alcoholic beverages, and are not limited to wine produced in Australia only. The amendments are therefore outside the scope of this Application. Representations and claims made on alcoholic beverages are being considered by FSANZ under Proposal P293 – Nutrition, Health and Related Claims and therefore are not considered under this Application.</p>
<p>Queensland Health</p>	<p>Supports option 2. If the proposed amendment is made, a consequential amendment will be required to the current definition of wine under the <i>Queensland Wine Industry Act 1994</i>.</p> <p>A minor discrepancy is noted in the Assessment Report relating to the minimum alcoholic strength shown in section 2.4.1 for wine in Europe (8.5% vol or 9% vol depending on zone), and the minimum alcoholic strength shown in Table 1 in section 2.4.2 for wine in Europe (9% vol/vol).</p>	<p>Support noted.</p> <p>The discrepancy raised has been noted and addressed in section 2.4.2 of the Approval Report.</p>

Submitter	Comments	FSANZ Response
New South Wales Food Authority	<p>No explicit statement of which option it supports. Sees merit in permitting the production of low alcohol wine, though concludes that further information is needed to justify changes to the Code and labelling issues needs further exploration.</p> <p>The Assessment Report appears to indicate that only wine with a protected designation of origin or geographical indication can have a minimum alcohol content of 4.5% alc/vol, with other wines having a minimum alcohol content of 8.5% or 9% alc/vol. Wine produced in Australia for export would not fall into the lower alcohol category and as such would need to comply with the higher level which is similar to the current requirements in Standard 4.5.1 (being 8% alc/vol).</p> <p>Clause 4 of Standard 2.7.1 does not allow an alcoholic beverage which contains greater than 1.15% alc/vol to be represented as a low alcohol beverage. There is no restriction on such low alcohol beverages being represented as low kilojoule and suggests this issue needs further consideration.</p>	<p>The regulatory situation for the EU as summarised in section 2.4.1 is explicitly the situation for the EU, not for Australian produced wine. FSANZ sought assistance from the Applicant to ensure that its understanding of the situation was correct for both Australian produced wines sold domestically and those products sold to the EU under the Australia - EU Wine Agreement. The situation, if this Application is successful, is that Australian produced wine sold in the domestic market can have an alcohol minimum of 4.5% alc/vol. Australian produced wine sold to the EU under the Australia - EU Wine Agreement will be required to have a protected designation of origin or geographical indication if the alcohol content is below 8.5% alc/vol. This situation is different to that described in the submission.</p> <p>FSANZ notes the labelling issue raised relates to all alcoholic beverages, and is not limited to wine produced in Australia only. This issue is therefore outside the scope of the Application.</p> <p>Claims made on alcoholic beverages, such as low energy claims (i.e. low kilojoules) are being considered by FSANZ under Proposal P293 – Nutrition, Health & Related Claims and therefore are not considered under this Application.</p>
Dietitians Association of Australia	Supports option 2.	Support noted
Ministry of Agriculture and Forestry (NZ)	No comments, other than to say the proposed changes apply in Australia only and are less restrictive than current provisions.	Noted
New Zealand Winegrowers	Supports option 2. Notes that the proposed amendment does not apply to wine produced or imported into New Zealand, and therefore the New Zealand wine sector is not affected.	Support noted

Submitter	Comments	FSANZ Response
<p>Alcohol and other Drugs Council of Australia (ADCA)</p>	<p>No explicit statement of which option it supports. Notes that the amendment to reduce the minimum alcohol content of Australian produced wine could have a number of potential benefits. However, provides the following recommendations to address a number of concerns:</p> <ul style="list-style-type: none"> • Marketing be regulated by the Federal Government and be independent of the alcohol industry, particularly in relation to health claims. • Require a clear labelling distinction to be made between lower alcohol wine (understood by FSANZ to mean those with alcohol content between 4.5-8% alc/vol) and those 'standard' wines that meet the current alcohol limits (i.e. at least 8% alc/vol). Suggests terminology to be agreed in consultation. • Exemptions for alcohol products to disclose ingredient and nutritional information to be removed to allow consumers to make informed choices (ADCA submission to the Food Labelling Law and Policy Review). • Standardise the way in which standard drink and alcohol content information is presented to simplify the message to consumers. • Any changes to the minimum alcohol content of wine be promoted broadly and the context for such a change be communicated clearly as part of changes to reduce a culture of excessive alcohol consumption. 	<ul style="list-style-type: none"> • Representations and claims made on alcoholic beverages are being considered by FSANZ under Proposal P293 – Nutrition, Health and Related Claims and therefore are not considered under this Application. • In accordance with Standard 2.7.1, the label on an alcoholic beverage containing more than 1.15% alc/vol must include a statement of the alcohol content. FSANZ considers that consumers will continue to be able to identify and compare the alcohol content of wine from this current labelling requirement. • FSANZ notes that the standard drink labelling requirement in Standard 2.7.1 applies to all alcoholic beverages (above 0.5% alc/vol) in both Australia and New Zealand and to imported products. Consideration of this matter is therefore outside the scope of this Application as the Application relates only to the production of wine in Australia. • The removal of current labelling exemptions is not relevant to this Application. FSANZ acknowledges that ingredients and nutritional information disclosure on alcohol products were considered under the independent Review of Food Labelling Law and Policy. The Final Report, <i>Labelling Logic - Review of Food Labelling Law and Policy (2011)</i> was released in January 2011. The Final Report contains a number of recommendations, including recommendations relating to the labelling of alcohol products. A whole-of-government response to the recommendations is expected to be considered by the Australia and New Zealand Food Regulation Ministerial Council at its meeting in December 2011.

Submitter	Comments	FSANZ Response
		<ul style="list-style-type: none"> FSANZ's responsibility is to assess the merits of the purpose and justification of the Application. An indirect outcome of the Application, if it is successful, is that more lower alcohol wines may be produced and marketed in Australia, but that was not the main purpose of the Application. FSANZ does not have a role to actively support or 'champion' any particular outcome after its decision on an Application is made. That role can be taken by other stakeholders as deemed by them to be appropriate.