

**SUBMISSION TO**  
**FOOD REGULATION STANDING COMMITTEE (FRSC)**  
**ON THE**  
**CONSULTATION PAPER FOR A FRONT OF PACK**  
**LABELLING POLICY GUIDELINE**  
**FROM**  
**THE NEW ZEALAND JUICE AND BEVERAGE**  
**ASSOCIATION**

1. This submission is made by **The New Zealand Juice & Beverage Association (NZJBA)**.
2. **Formed in 1994, the NZJBA** represents the manufacturers of New Zealand's juice, carbonated drink and bottled water brands, and their suppliers. Association members represent over 95 per cent of all juice and beverages sold at a retail level.  
The NZJBA acts as a forum to discuss issues of concern and interest to the industry, and as an advocate for consumer education on health & nutrition issues.
3. **If the opportunity presents itself** a representative of the NZJBA wishes to be heard in support of this submission
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**1. Executive Summary**

**Policy Guideline On FOPL Is Premature**

Given the comprehensive Independent Review of Food Labelling to be undertaken in 2009, the current development of a policy guideline on front-of-pack labelling (FOPL) is premature. The NZJBA does not, therefore, support development of an FOPL policy guideline at this time.

Recommendation:

- **That the development of a policy guideline on front of pack labelling cease immediately, pending the policy outcome of the comprehensive Independent Review of Food Labelling later in 2009 which will address common issues.**

Notwithstanding the above the New Zealand Juice and Beverage Association (NZJBA) is supportive of the general intentions of Front of Pack Labelling (FOPL) and welcomes the opportunity to respond to the Consultation Paper for a Front of Pack Labelling Policy Guideline.

We firmly believe that providing **fact-based nutrition information** for all of our products, supported by effective consumer messaging and education programmes which together create a supportive environment that can guide consumer choice, will help to empower people to select balanced and sensible diets combined with an active lifestyle.

All members have and continue to be responsive to this key aim.

The beverage industry in New Zealand has already responded to the need for responsible action as demonstrated by the introduction of Daily Intake Guide labelling on front of pack to make relevant nutrition information easier to understand. As part of our commitment, NZJBA members have also voluntarily undertaken to market beverages responsibly to children which ensures no products are advertised to children under the age of 12 years, including television programs.

The NZJBA supports the Australian Food and Grocery Council's submission to the Food Regulation Standing Committee. **In particular, the NZJBA supports 'Option 1, to maintain the status quo', until such time as the comprehensive review of food labelling law and policy has been completed.**

The NZJBA recommends FOPL schemes be based on sound scientific evidence and supported by strong consumer research that shows how the schemes can help guide consumers to achieve healthier diets. Research in Australia and internationally highlights the value of non-interpretative style schemes, similar to the Daily Intake Guide scheme.

- The European Food Information Council (EUFIC) pan-European study showed that consumers understand Guideline Daily Amount food labelling (similar to Daily Intake Guide) and are able to make correct inferences on the healthfulness of food products using Guideline Daily Amount labelling;
- The EUFIC study showed that consumers in France and the UK often misinterpreted non-interpretative guidance systems based such as those based on a Traffic Light Guide.
- The NZJBA strongly supports the voluntary use of the Daily Intake Guide as it provides flexibility supports product innovation, has widespread adoption amongst industry members, and helps guide consumers to make informed choices.

**Preface**

The New Zealand Juice and Beverage Association (NZJBA) is the designated industry voice for the non alcoholic beverages industry (including carbonate and non carbonated drinks, juice and juice drinks, ready-to-drink teas and coffees, bottled water, sports and energy drinks) in the is country. The NZJBA represents the interests of 48 manufacturers, distributors and importers of non-alcoholic beverages as well as 31 suppliers to the industry.

## **Introduction**

The NZJBA's members are supportive of the overarching purpose of FOPL and are committed to providing consumer-friendly messaging and education that can help guide consumer choice towards balanced and sensible diets, combined with an active lifestyle.

All members have and continue to be responsive to the key policy aim.

The NZJBA has therefore welcomed the Australian New Zealand Food Regulations Ministerial Council (ANZFRMC) request for a '*comprehensive review of food labelling and policy*' to be conducted in 2009.

NZJBA supports the premise that FOPL has the potential to act as an enabling strategy for existing health strategies and programs. However, it is essential that FOPL is considered as part of an overall integrated approach to influencing consumer food and beverage choice which includes:

- Product innovation – an increase in availability of food and beverage choices that meet specific consumer needs;
- Responsible marketing practices - to assist consumers to make informed decisions and protect children under 12 years from inappropriate advertising communications;
- Educational programs – to provide consumers with relevant information on healthy eating and active lifestyles (e.g. role of food or beverage in total diet and the role of physical activity);
- Consumer research – identifying the type of labelling format/approach and educational materials that can help consumers (from different market segments) make informed choices.

FOPL is only one element in influencing consumer food and beverage choice and should not be considered in isolation from a range of other influencers on consumer behaviour.

In this submission, NZJBA will focus on beverage industry specific issues that demonstrate the strong, proactive approach taken by our members to enable the community to make balanced and sensible diet choices combined with physical activity that can lead to improvements in health.

The NZJBA's members are committed to making a positive contribution and constructively helping in New Zealand's fight against diet-related chronic diseases and believe they have an important role to play in identifying and implementing effective solutions. These commitments include the following:

- continue to increase the number of new beverages with low or no kilojoule content and light versions of existing beverages, where technologically possible, safe and acceptable to consumers;
- voluntarily provide additional nutrition information both on the front and back of packaging;
- not to direct product advertising to children under 12 years;
- where directly responsible, voluntarily not engage in any direct commercial activity in primary schools, unless otherwise requested by school authorities or where the product meets the relevant government criteria;
- abide by voluntary primary and secondary school distribution guidelines;
- increase involvement in educational programs which provide consumers with relevant information on healthy eating and active lifestyles;

- ensure that promotional activities avoid requiring consumers to drink excessive quantities of products;
- ongoing contribution where appropriate to research into encouraging healthy eating and healthy lifestyles;
- where relevant, share consumer research insights as they relate to health and wellness with government and health stakeholders.

## **FOPL and Specific Policy Principles**

The Consultation Paper identifies three Specific Policy Principles and proposed aims for an NZ/Australian FOPL scheme. Given the intent of this consultation is to examine the options for the development of FOPL, the NZJBA has provided comments below that demonstrate the range of initiatives undertaken by the beverage industry and achievements in the three policy principle areas:

1. Guiding consumer choice;
2. Consistency with other health strategies;
3. Effects on the environment in which consumers make choices.

### **1. Product innovation to guide consumer choice**

Through innovative product development, the beverage industry has implemented a range of strategies to provide consumers with beverage choices to meet the nutritional needs of individual consumers.

#### **1a. Sugar/ Kilojoule reduction**

The beverage industry has been introducing reduced, low or no sugar products for many years to increase the range of diet and 'lite' versions of existing sugar sweetened beverages available to consumers.

There is a wide selection of non nutritive sweeteners (low kilojoule), permitted by FSANZ and which are currently used in food and beverage products demonstrating industry innovation in this area.

NZJBA members continue to invest heavily in new product development and innovation to provide 'no sugar' beverages that meet consumer demand. For instance, the use of steviol glycosides (stevia) as a natural sweetener has recently been approved by FSANZ (November 2008) which will result in an even greater choice of low kilojoule beverages in the marketplace, and importantly provide beverage alternatives to consumers who desire 'natural' low kilojoule sweetener ingredients.

#### **1b. Pack Sizes**

To help people manage their energy intake, the NZJBA and its members are committed to increasing the choice and availability of individual packaging sizes, portion control sizes and pursue where appropriate cup downsizing, to provide individuals with portion sizes that help meet energy needs.

## **2. Voluntary introduction of FOPL to create an environment to support consumers to select healthy food and beverage choices**

In response to the overweight and obesity issue, NZJBA members along with the food industry, took collective action in 2006-7 to provide more information on front of pack through the Daily Intake Guide labelling scheme. This scheme is the presentation in a simple format of the amount per serve for energy, and where relevant, four core nutrients (fat, saturated fat, sugars and sodium) and the percentage of daily intake these represent per serve.

NZJBA members have committed to implementing this system in a voluntary way.

## **3. Science-based labelling – to help guide consumer food and beverage choices**

There is limited evidence internationally that any FOPL format or approach is substantially better than others in helping guide consumer food and beverage choices.

Further consumer research will assist the industry and health authorities to determine how best to educate consumers - to not only increase their awareness of this important information - but more importantly to use the information to make food and beverage selections that help them achieve balanced and sensible diets, combined with an active lifestyle.

FOPL needs to communicate, first and foremost, the importance of energy intake. Issues related to overweight and obesity are primarily a problem of more energy consumed, than expended. Achieving a healthy weight will be a significant step forward in reducing the risk of diet-related chronic diseases;

Experience in the European Union validates the impact of FOPL in providing fact-based FOP information that helps consumers choose healthier diets.

In 2006, European food and drink manufacturers voluntarily introduced Guideline Daily Amount (GDA)<sup>1</sup> labelling, which is similar in approach to the Daily Intake Guide in place in New Zealand and Australia. As with the Daily Intake Guide, manufacturers applying GDA labelling voluntarily state on the front of the product package, the number of calories in a serving of a product, and the percent this represents of a daily guideline amount. More extensive GDA information is provided on the back of the label, along with standard nutrition labelling information.

GDA labelling is now provided on food and beverage products by the majority of large food and beverage manufacturers in Europe. Many small and medium sized enterprises and retailers are also applying GDA labelling. Furthermore, GDA labelling has been suggested by the EU Commission as the basis for future mandatory nutrition labelling in the proposed EU Regulation on Consumer Information<sup>2</sup>.

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<sup>1</sup> <http://gda.ciaa.au/asp/welcome.asp>

<sup>2</sup> *Proposal for a Regulation of the European Parliament and of the Council on the Provision of Food Information to Consumers*, Brussels, EU/FC, 2007.

A 2008 pan-European study by the European Food Information Council (EUFIC) showed that consumers understand GDA food labelling and are able to make correct inferences on the healthfulness of food products using GDA labelling<sup>3</sup>. The survey, which was carried out in six EU countries (France, Germany, Hungary, Poland, Sweden and the UK), included six product categories: ready meals, confectionery, salty snacks, soft drinks, breakfast cereals, and yoghurts.

### **Interpretative scheme (Traffic Light Labelling) – concerns raised**

The abovementioned EUFIC study showed that consumers in France and the UK **often misinterpreted guidance systems based on the use of traffic light colours**. In the UK sample, 73% of consumers surveyed believed that foods carrying a red light should be interpreted as food they should not consume, rather than as foods that could be consumed as a treat or occasionally. Similar results were found among French consumers participating in the survey.

**The NZJBA believes that the traffic light approach to FOP nutrition labelling is overly simplistic**, not readily understandable across cultural groups and may result in unbalanced diets:

- Interpretative labelling such as traffic lights neglects the need to provide a holistic and workable approach for combating overweight and obesity;
- Traffic-lights have the potential to mislead the consumer by creating a ‘good food, bad food’ approach that can result in problematic eating behaviours;
- Consumers are individuals, with individual nutritional needs. The label cannot, and should not, attempt to provide individual nutritional guidance;
- Rather than confronting the numerous factors that guide consumer food and beverage choice, the traffic light concept, while well-intended, has the potential to confuse consumers. For example, the traffic light approach could lead consumers to believe that they should avoid, rather than limit, “red” light foods and could also lead them to over consume other foods;
- Interpretative labelling provides no information that enables the consumer to understand and apply the basics of energy balance, since there is no ‘at-a-glance’, fact based nutrition/energy information available. It is therefore impossible to quantitatively compare products in making a selection for one’s diet, specifically as it relates to kilojoule contribution.

The overly simplistic approach of interpretative or traffic-light labelling can lead to over-consumption of certain products because the nutritional content is not put in context of an individual’s total dietary needs, and consequently may lead to over-consumption of kilojoules. A diet solely composed of a single green dot product, such as spinach for example, would not be healthy. In addition, the implications inherent in a red light, green light graphic, could suggest to the consumer that a product is inferior in terms of quality or safety, when the exact opposite could be true.

In order to be effective, information on food labels must be fact-based, enabling consumers to make informed decisions about the foods and beverages they consume and how they can be part of an overall healthy, balanced diet. Food labels should provide positive nutrition messages to consumers, and not demonise individual foods or product categories.

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<sup>3</sup> *Pan European consumer research on in-store behaviour, understanding and use of nutrition information on food labels and nutrition knowledge*, EUFIC, 2008.

Rather than placing colour-coded signals on individual foods or beverages, the NZJBA believes that consumers need to understand how to achieve a balanced and sensible diet combined with an active lifestyle. The foundation of good nutrition is balance, variety and moderation. Consequently to enable consumers to make personal dietary choices, it is essential the food and beverage industry (including our members) provide fact based information about their products. Such information on product labels is a key tool to help consumers meet their individual nutritional and energy needs.

Factual information about the ingredients and nutrients in food and beverage products is essential to build consumer understanding. Therefore, information on FOP kilojoules, as represented by the Daily Intake Guide, is an important and complementary way to reinforce the energy balance message with consumers.

There are a number of key advantages of the Daily Intake Guide scheme:

- Has the flexibility to complement existing interpretive schemes such as the National Heart Foundation Tick
- Supports innovation by the food and beverage industry, providing the incentive to industry to not only modify the nutrient composition of products, but also to influence package sizes[TE1].
- Widespread adoption amongst NZJBA members and their counterparts in Australia provides consumers with consistent communication, supported by educational programs (e.g. website information, point-of-sale communications)

It is important to note that any mandatory change to FOPL would have significant cost implications to industry (e.g. new packaging design and development) and has the potential to create considerable consumer confusion. A comprehensive economic assessment of the cost to industry of a mandated change from the Daily Intake Guide is essential.

## **Conclusion**

The NZJBA and its members remain committed to working closely with government departments, the public health sector and community groups to meet the diet-health related challenges of the future and to provide New Zealand consumers with useful information to assist them in achieving balanced and sensible diets combined with an active lifestyle.

The NZJBA has demonstrated its responsible and ongoing commitment to implement concrete strategies and actions to meet public health nutrition goals.

We welcome further opportunities to discuss and provide input on collaborative actions to support the science based development and implementation of a national FOPL scheme.