



Securing the Right Legal Framework for European Spirits: Updating Regulation 110/2008

#### Regulation 110/2008



- A. Why does the Regulation matter?
- B. What does the Regulation do?
- C. Initial views on how the proposed new text might be improved further







#### Spirit Drinks Regulation – Why Does It Matter?



- Maintains quality and traditional practices
- Protects reputation at global level exports must also comply
- Ensures consumers are protected
- Demonstrates openness and transparency on how spirits are made
- Keeps a link to the land <u>only</u> agricultural raw materials are permitted
- Permits flexibility when needed: languages, maturation requirements
- Provides a framework to allow fake spirits to be removed







## Spirit Drinks Regulation – What Does It Do? Defines each category of spirit



- Provide clarity on how each drink is made: raw materials, minimum strength for marketing, maximum distillation strength, maturation periods, sweetening requirements, etc.
- Essential to differentiate between categories and ensure each category is as distinct as possible
- Definitions vary widely depending on their complexity; a reflection of the varying traditions being protected
- The definitions form the base for investment by companies in production facilities. Certainty therefore needed regarding regulatory requirements







#### Spirit Drinks Regulation – What Does It Do? Protects Geographical Indications



- Protection for traditionality
- GIs are most widely traded spirits at global level
- Growth in the spirits market over last decade has been export-driven
- Essential to ensure such spirits are protected on world stage: rules at both EU and national legislation are complementary rather than contradictory.







## Proposed new Regulation - areas for possible improvement: definitions



- The proposed new Regulation was adopted by the Commission in December 2016 and is now in the European Parliament (ENVI - lead Committee – IMCO/INTA for Opinion)
- In some definitions, the minimum alcoholic strength, sugar content and / or flavouring options have been altered.
- The new text has revised many definitions for no obvious reason it is not yet clear whether the new wording provides the same protection.
- In some of the amended definitions, there is now a reference to "mixtures". This could be confusing given that there is also now a specific definition for mixtures.
- The new text has removed existing flexibility on labelling in some cases (very limited) when a spirit meets more than one definition.







# Proposed new Regulation - areas for possible improvement: language



- The new law no longer contains the facility to add a GI name in another language, when <u>required</u> to do so by export markets. This could threaten exports worth over €1.2 billion.
- New GIs, and <u>possibly</u> existing GIs that adjust their "product specification", must be registered only in the language of their country of origin. This puts new GIs at a disadvantage and could bring difficulty for existing GIs that are registered in several languages often to facilitate trade.







## Proposed new Regulation - areas for possible improvement: GIs



- The new text frequently uses the term 'protected' in conjunction with spirit GIs. This risks confusion with.
  Protected Geographical Indication (PGI) status for certain foodstuffs - rules for spirits are much tighter.
- The proposal seems to require, in certain circumstances, the repeal of national legislation protecting spirit Gls. If so, this would be <u>extremely</u> damaging.
- The list of GI spirits has been deleted. We are not convinced legal certainty will be enhanced by some part of the law being in the Official Journal and the rest on-line only.





